

SB 1582 STAFF MEASURE SUMMARY

Senate Committee On Labor and Business

Action Date: 02/12/24

Action: Do pass and refer to Ways and Means by prior reference.

Vote: 4-1-0-0

Yeas: 4 - Hansell, Jama, Patterson, Taylor

Nays: 1 - Bonham

Fiscal: Fiscal impact issued

Revenue: No revenue impact

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Meeting Dates: 2/12

WHAT THE MEASURE DOES:

The measure appropriates money to the Oregon Business Development Department (OBDD) to distribute to specific cultural organizations and for development of a grant program for Oregon cultural organizations adversely impacted by the COVID-19 pandemic. Finally, the measure declares an emergency, effective on passage.

Detailed Summary:

Section 1

Appropriates \$27,414,113.59 from the General Fund to the OBDD for the purposes described in sections 2 and 3.

Section 2

Specifies certain cultural organizations that the OBDD must distribute some of the funds appropriated to it under this measure. Specifies that \$150,000 of the General Fund appropriation may be used by the OBDD for the costs of administering these fund distributions and grant program, which is contained in section 3.

Section 3

Defines key terms. Directs the OBDD to use appropriated funds to develop and implement a grant program for Oregon cultural organizations. Specifies eligibility for grant. Permits OBDD to consult with the Trust for Cultural Development Board in reviewing applications and awarding grants. Specifies procedures for equitable allocation of grant funding. Permits OBDD to withhold a specified amount of appropriation for actual costs of developing and implementing grant program. Makes grant fund procedures applicable to any grant moneys that OBDD awards to an Oregon cultural organization on or after the effective date of this measure in response to the negative impact of the COVID-19 pandemic on the organization's earned revenue. Makes venues that received a grant under section 254, chapter 605, Oregon Laws 2023, ineligible for this grant.

Section 4

Specifies an operative date of January 1, 2025, for the grant program for Oregon cultural organizations.

Section 5

Declares an emergency, effective on passage.

ISSUES DISCUSSED:

- Impact of cultural organizations on local economies
- Impact of COVID-19 pandemic on cultural organizations
- Employment offered by cultural organizations

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- Types of projects the measure would support

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The OBDD has several responsibilities, including coordinating state and federal economic and community development programs, recruiting domestic and international business firms to interested communities, assisting existing Oregon companies, establishing and operating foreign trade offices where necessary, and consulting with local government to establish regions for job development to facilitate economic growth. The Oregon Business Development Commission consists of nine members and provides oversight and direction to OBDD. The Commission also develops and maintains Oregon's economic development policy and strategy.

In 2023, the Legislative Assembly enacted Senate Bill 5506. SB 5506, in part, appropriated funds to OBDD to be distributed to 78 specific cultural organizations, such as the Crystal Ballroom and Pentacle Theatre. See also [section 254, chapter 605, Oregon Laws 2023](#).

Senate Bill 1582 appropriates money to the Oregon Business Development Department to distribute to Oregon cultural organizations in response to the negative impact of the COVID-19 pandemic on organization finances.