

HB 4124 STAFF MEASURE SUMMARY

House Committee On Economic Development and Small Business

Action Date: 02/15/24

Action: Do pass and be referred to Ways and Means by prior reference

Vote: 9-1-1-0

Yeas: 9 - Bynum, Diehl, Elmer, Lively, Nguyen D, Osborne, Pham H, Ruiz, Walters

Nays: 1 - Yunker

Exc: 1 - Javadi

Fiscal: Fiscal impact issued

Revenue: No revenue impact

Prepared By: Andrew Hendrie, LPRO Analyst

Meeting Dates: 2/8, 2/13, 2/15

WHAT THE MEASURE DOES:

The measure appropriates funding to the Oregon Business Development Department to distribute to specified venues and to a grant program for eligible cultural organizations that the department is directed to develop and implement.

Detailed Summary:

Appropriates to the Oregon Business Development Department (OBDD) \$27,414,113.59 out of the General Fund, to carry out the provisions of the measure.

Directs that after OBDD withholds \$150,000 of the appropriation for administrative costs and that OBDD distributes \$13,799,040 as follows:

- \$5,918,747 to listed major venues.
- \$7,880,293 to listed cultural resources economic fund venues.

Directs OBDD to use \$13,465,073.59 of the appropriation to develop and implement a program to directly grant funds to Oregon cultural organizations. Defines “earned revenue” and “Oregon cultural organization.” To be eligible for a grant, an organization must demonstrate to OBDD’s satisfaction that it experienced a significant earned revenue loss in 2020 – 2023 due to statewide mandates or Oregon Health Authority guidance in response to COVID-19 pandemic. Establishes criteria that OBDD must apply in developing an equitable funding allocation. Directs OBDD to consult with the Trust for Cultural Development Board in awarding grants proportionately among the state’s geographic regions. Prohibits an organization that received a grant under prior Act to receive a grant under this measure. Establishes operative dates. Declares an emergency, effective upon passage.

ISSUES DISCUSSED:

- Importance of cultural organizations in Oregon
- Secondary spending by audiences on food and retail outside of cultural organizations
- Companies that supply goods and services to cultural organizations

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

In 2013, with support from the Oregon Arts Commission and the Oregon Cultural Trust, the Cultural Advocacy Coalition of Oregon (CACO) established the Cultural Recourse Economic Fund (CREF). CREF is a program that is an evaluation process for Oregon cultural organizations to apply for funding for projects focused on new construction, building acquisition, historic preservation, reconstruction, seismic upgrades, sustainability,

HB 4124 STAFF MEASURE SUMMARY

remodeling, and emergency repairs. The process for reviewing these applications is completed by CACO members who are executives of arts and cultural organizations from around the state, members of the Oregon Arts Commission, and members of the Oregon Cultural Trust. The projects and organizations that meet the criteria, including fund raising, local support, readiness to proceed, and more, are given an endorsement and submitted to the Joint Ways and Means Committee for consideration. During the 2023 session 2 out of 16 projects were funded. This measure would fund the other 14 projects.