

**2008 Special Session  
FISCAL ANALYSIS OF PROPOSED LEGISLATION  
Prepared by the Oregon Legislative Fiscal Office**

---

**MEASURE NUMBER:** HB 3607                                  **STATUS:** B-Engrossed  
**SUBJECT:** Oregon Cultural Trust  
**GOVERNMENT UNIT AFFECTED:** Oregon Department of Economic and Community Development  
**PREPARED BY:** Paul Siebert  
**REVIEWED BY:** Robin LaMonte  
**DATE:** February 21, 2008

---

	<u><b>2007-2009</b></u>	<u><b>2009-2011</b></u>
<b>EXPENDITURES:</b> See Analysis		

**EFFECTIVE DATE:** Declares an emergency, effective upon passage

**INTERIM JOINT COMMITTEE ON WAYS AND MEANS:** The budgetary impact of this bill was neither reviewed nor approved by the Interim Joint Committee on Ways and Means Committee and is not included in the omnibus budget bill to be introduced by the committee.

**LOCAL GOVERNMENT MANDATE:** This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

**ANALYSIS:** This measure allows the Oregon Cultural Trust unrestricted use, for one year beginning July 1, 2008, of proceeds from the sale of Cultural Trust license plates for marketing and promotional costs to increase the amount of money generated for the Trust for Cultural Development Account. Funds raised by the Cultural Trust through license plate sales, surplus property and gifts made using the cultural tax credit are deposited into the Permanent Cultural Trust Fund that is managed by the State Treasurer. Once a year, a distribution is made from the Trust Fund: 58% of what is raised each year remains in the Trust Fund, and of the remaining 42% that is distributed, only 7.5% may be used for administration. The balance is distributed in grants through three Trust funding programs. The Oregon Arts Commission reports that the percentage allowed currently for administration is not sufficient to support the scope of marketing required to grow the fund.

The 2007-09 legislatively approved budget for the Oregon Department of Economic and Community Development, which houses the Oregon Arts Commission, included \$461,762 Other Funds expenditure limitation for revenue from the sale of Cultural Trust license plates for the full biennium. The amount of license plate revenue that will be spent on marketing and promotion rather than grants, as would have occurred for the second year of the biennium without this bill, is unknown at this time.