



culturaladvocacycoalition

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Testimony in support of SB 319

Senate Business and Transportation Committee

March 12, 2013

Chair Beyer, members of the committee, my name is Craig Campbell and I am here this afternoon on behalf of the Cultural Advocacy Coalition, speaking in support of SB319.

In 2001, the Oregon Cultural Trust was established to support, stabilize and protect Oregon culture; and to enhance the lives of Oregonians by increasing opportunities to experience Oregon's unique cultural offerings. The Trust was an expression of legislative support for the value that culture brings to our communities, our classrooms and our economy. It was designed to be a vessel for state support and an opportunity to partner with Oregonians.

The structure of the Trust is unique in the nation. While donations to the Trust are eligible for a state tax credit of \$500 for individuals, \$1000 for joint filers and \$2500 for corporations—donors *must first give an equal amount to a cultural nonprofit*. Because of this important feature in our Trust's structure we can be confident that the 25,000 individual gifts which totaled \$32.5 million in gifts to the Trust over the last 10 years have strengthened Oregon's nonprofit community with \$32.5 million in matching contributions.

Because of the visionary structure of the tax credit, we can also be certain that the Cultural Trust is fulfilling its public purpose to support, stabilize and protect culture. It is the existence of a tax *credit*, and not just a simple tax deduction, that ensures the state managed Trust does not compete for tax deductible gifts from a finite donor base with the nonprofit sector.

Another distinctive feature of the Trust is that every county in Oregon has established a local, all-volunteer arm of the Oregon Cultural Trust, which redistributes Trust funds to hundreds of small, local programs. Without the Trust, these groups, called County Cultural Coalitions would not exist. The County Coalitions have distributed \$4.2 million through 1,900 grants statewide over the last 10 years and they receive their funds from the Trust based on population. Grants range in size from \$1,000-\$5,000 each and are awarded based on the coalition's goals for culture in their own counties, with the expectation that they will be highly responsive to local community needs and will be easily accessed by smaller organizations and emerging artists.

In addition to meeting its public purpose, you will also hear today about an ECONorthwest study which shows how Oregon Culture strengthens our economy, generating \$580.5 million in sales and providing \$272.8 million in wages to Oregon families.

When ECONorthwest considered supply-chain and consumption-driven spending, total economic impacts hit \$1.2 billion in sales, with taxable income climbing to \$466 million. This provides an estimated \$57.2 million in tax and fee revenues for state and local governments to fund schools, ensure public safety and support other important state programs.

The original legislation which created the Oregon Cultural Trust put it this way: children educated in arts and culture will contribute to the creative workforce of the new economy; and a state with a vibrant arts and cultural life attracts and retains educated people and progressive businesses.

The Cultural Advocacy Coalition supports reauthorization of the Cultural Trust tax credit, which allows for continued partnership with Oregonians in the growth and development of a Cultural Trust; offering a source of ongoing funding to the Oregon Arts Commission, the Oregon Historical Society, Oregon Humanities, the Oregon Heritage Commission, the State Historic Preservation Office, as well as tribal and county coalitions and cultural nonprofits throughout the state.

Thank you for the opportunity to testify this afternoon. I am happy to take any questions from the Committee.