

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 441

Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session
Legislative Fiscal Office

***Only Impacts on Original or Engrossed
Versions are Considered Official***

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Measure Description:

Authorizes Trust for Cultural Development Board to solicit and accept gifts, bequests or devises of money, securities or other property.

Government Unit(s) Affected:

Business Development Department (Business Oregon), Commission on Indian Services, Counties

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:

The purpose of this fiscal analysis to allow the transfer of the bill from Senate Committee on Business and Transportation to the Joint Committee on Ways and Means. The Legislative Fiscal Office will prepare a more complete analysis when the bill is worked in that Committee. SB 441 authorizes the Trust for the Cultural Development Board to solicit and accept gifts, bequests or devises of money, securities or other property of any kind. The bill also makes changes to the disbursements by the Arts Program each year, from up to 42 percent of the amount in the Trust for Cultural Development Account, to between 50 percent and 60 percent of the amount deposited into the Account during the prior fiscal year. This is anticipated to result in additional expenditures for grants and administration of approximately \$700,000 per biennium over current levels, and an equal reduction in monies retained in the Trust.

The bill also changes the amount of funds, from 7.5 percent of the account to \$400,000, adjusted annually by a multiplier of the monthly averaged US City Consumer Price Index for All Urban Consumers; which the Arts Program may use for supporting the operations of the account, facilitating technical assistance, local cultural planning, and other activities that encourage cultural activity. The remainder of the funds distributed is changed from an even one-third division to the following split of: 50 percent to the Cultural Development Grant Program, 25 percent to Oregon's counties and tribes through the Community Cultural Participation Grant Program, and 25 percent to the core partner agencies as provided under ORS 359.441.

Administration of the expanded Cultural Development Grant Program, as well as the processing of contributions to the Trust, is expected to require a full-time Office Manager 2 position (1.0 FTE) at a cost of \$126,559 per biennium. The Trust expects that it currently has enough budgeted other fund limitation to account for the changes associated with this bill.

This bill is anticipated to result in a moderate reduction in the annual investment in the fund. However, this may be offset by continued growth in annual contributions to the fund.