

HB 3376 -2 STAFF MEASURE SUMMARY

House Committee On Economic Recovery and Prosperity

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 3/25, 4/6

WHAT THE MEASURE DOES:

Requires the Oregon Business Development Department (OBDD) to develop and implement a grant program for commercial indoor movie theaters. Limits eligibility to movie theaters closed to the general public for any period on or after March 13, 2020, as a result of restrictions related to the Covid-19 pandemic. Specifies amount of grant as \$50,000 per movie theater, plus \$10,000 for each screen over two screens in the theater. Limits number of grants that may be awarded to one per movie theater. Appropriates \$8,700,000 to OBDD to carry out the program. Declares emergency, effective on July 1, 2021.

ISSUES DISCUSSED:

- Impact of Covid-19 pandemic on movie theaters
- Targeted recipients of movie theater assistance
- Effect on employment at theaters due to closures

EFFECT OF AMENDMENT:

-2 Replaces original measure. Requires the Oregon Business Development Department (OBDD) to develop and implement a grant program for operators of movie theaters. Limits the eligibility requirements for operators to receive a grant to those whose business had been established as of March 13, 2020 and that was closed to the general public for a period of time on or after March 13, 2020 as a result of public health restrictions related to the Covid-19 pandemic. Specifies amount of grant as \$50,000 per movie theater, plus \$10,000 for each screen over two screens in the theater, and permits OBDD to adjust per-screen grant amounts to ensure all eligible operators receive per-screen grants. Limits the maximum number of grants to be awarded to an operator to one and the maximum additional per-screen grants to 80 per operator. Specifies that an operator is not eligible for a grant if the operator received an award from Coronavirus Relief Fund Cultural Support. Appropriates \$9,100,000 General Fund to OBDD for the program.

BACKGROUND:

On March 8, 2020, the Governor issued Executive Order 20-03, declaring a statewide emergency due to the COVID-19 pandemic. The order was extended through six subsequent orders through May 2, 2021. On March 23, 2020, the Governor issued Executive Order 20-12, which prohibited the operation of businesses for which close personal contact is difficult or impossible to avoid, including indoor movie theaters. The prohibition was subsequently extended twice. On December 2, 2020, the Governor issued Executive Order 20-66, delegating to the Oregon Health Authority the authority to develop and issue binding guidelines for particular sectors of the economy based on risk level metrics on a county-by-county basis.

Current OHA guidance for indoor entertainment establishments, which include indoor movie theaters, requires that establishments comply with the Eating and Drinking Establishments Guidance for the designated risk level of the county in which the establishment is located and to comply with closure times for the designated risk level of the county. All risk levels other than Lower Risk require closure times to be no later than 11:00 PM, and all risk levels limit capacity to 50 percent or less, depending on the level.

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House Bill 3376 requires the Oregon Business Development Department to establish a grant program for eligible indoor movie theaters that were closed to the general public for any period on or after March 13, 2020, as a result of restrictions related to the Covid-19 pandemic.