

HB 2911 -5 STAFF MEASURE SUMMARY

House Committee On Economic Development and Small Business

Prepared By: Andrew Hendrie, LPRO Analyst

Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 1/26, 3/7, 3/9

WHAT THE MEASURE DOES:

Allocates \$20,000,000 to Oregon Business Development Department to develop and implement a program to award grants to Oregon cultural organizations and Oregon cultural support businesses based on earned revenue losses because of state mandates in response to COVID-19. Declares emergency, effective upon passage.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-5 Removes the \$20,000,000 appropriation to the Oregon Business Development Department (OBDD) for deposit into the Industry Competitiveness Fund and inserts \$10,000,000 for appropriation to OBDD to be deposited into the Oregon Business, Innovation, and Trade Fund.

The amendment removes the language of the measure pertaining to Oregon cultural organizations and Oregon cultural support businesses. The amendment directs OBDD to develop and implement a program to award grants to county fair operators for repair, maintenance and operation of county fairgrounds. A county fair operator must be able to demonstrate a loss in earned revenue because of statewide mandates in response to COVID-19. Grants will be awarded proportionally.

BACKGROUND:

Oregon cultural organization means a public or private entity, whether operated for profit or as a nonprofit, that: Has its business headquarters, and operates primarily, in this state; operates primarily for the purpose of producing, promoting or presenting the arts, culture, humanities, heritage or live cultural entertainment; or operates as a public facility, performing organization, museum, historical site, or visual arts organization, produces cultural projects or programs for the public, or operates a county fair.

Oregon cultural support business means a private entity, whether operated for profit or as a nonprofit, or an independent contractor, that: professionally supports Oregon cultural organizations; has its business headquarters, and operates primarily, in this state; and operates primarily to provide the services of a musician, lighting designer or operator, makeup artist or hair stylist, cultural content provider, historic preservationist, archivist or other independent artist or cultural support contractor.

House Bill 2911 allocates \$20,000,000 to Oregon Business Development Department (OBDD) to develop and implement a program to award grants to Oregon cultural organizations and Oregon cultural support businesses based on earned revenue losses because of state mandates in response to COVID-19. The measure specifies that Oregon cultural organizations be awarded no less than 60 percent and no more than 80 percent of grant moneys and Oregon cultural support businesses no less than 20 percent and no more than 40 percent of grant moneys.

In addition, HB 2911 measure requires OBDD develop an equitable funding allocation with priority given according to the greatest ratio of an applicant's total lost earned revenue to the applicant's total earned revenue for each fiscal year, beginning with fiscal year 2019; develop award allocation options that take into account an equitable percentage of an applicant's fiscal size and eligible loss and available funding; and awards made proportionately among the geographic regions of this state.