



HB 3532 Trust for Cultural Development Administrative Cap

HB 3532 is an agency concept reflected in the Governor's budget to replace the administrative spending cap of \$400,000 described in ORS 359.426 with a new cap of up to 5% of the trust permanent fund value. Modifying the cap will enable the Trust for Cultural Development (DBA Oregon Cultural Trust) to better keep up with costs of serving the cultural sector.

The Cultural Trust is housed within Business Oregon and was created 21 years ago. The Cultural Trust encourages Oregonians to donate to one or more of the 1,500+ cultural nonprofits in the state and make a matching donation to the Trust. The donation to the Trust is a 100% state tax credit. Each year the Trust raises about \$5.5 million. Currently, up to 60% of the funds raised each year are allocated to grant making *and program services*. At least 40% is allocated to a permanent fund which is currently valued at just under \$31 million. The bill will change this split so that the 60% is used just for grant making, and a portion of the 40% will be used to support the Trust Board, provide technical assistance, do local cultural planning, and other activities to encourage cultural activity. Even with the change, the permanent fund will continue to grow as the Cultural Trust will still allocate a portion of the 40% each year back to the Fund.

The Trust allocates annual grant awards directly to cultural organizations, 45 county and tribal coalitions, and five statewide agency partners. The current demands and needs of the cultural sector have outpaced the Trust's ability to effectively serve the field and donors. Modifying the spending cap will increase the Trust's ability to address capacity issues facing many county and tribal coalitions.

Changes proposed by HB 3532 include:

- Remove the indexed \$400,000 administrative cap outlined in ORS 359.426;
- Replace the specific dollar limitation with an annual amount not to exceed five percent of the value of the permanent fund; and
- Give Business Oregon, the Trust Board of Directors, and Trust staff the ability to analyze and meet the administrative and operating needs of the Cultural Trust.

Recent projects funded by the Cultural Trust:

- Talent Historical Society, Talent: \$8,451 - To support the Talent Historical Society in documenting the Almeda Fire, its impact on the community of Talent and the town's recovery to preserve and share. The Historical Society has been collecting stories, images and videos in the voices of residents in two languages. The history will be shared with the public in a book, an exhibit in the museum and a portable "Fire Remnants" exhibit.
- Friends of the Santiam Ski Pass, Sisters: \$29,080 - To support the restoration of historic Santiam Pass Ski Lodge through the repair and restoration of its iconic stone foundation, chimney and fireplace.
- PassinArt: A Theatre Company, Portland: \$37,336 – To support 2023 Pacific Northwest Multi-Cultural Readers Series & Film Festival.

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