

HB 4124 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: 2/8, 2/13, 2/15

WHAT THE MEASURE DOES:

The measure appropriates \$27,414,113.59 to the Oregon Business Development Department (OBDD) from the General Fund and directs OBDD to distribute \$5,918,747 to the specified major venues, \$7,880,293 to specified Cultural Resources Economic Fund Venues, and \$13,465,073.59 to develop and implement a grant program for Oregon cultural organizations. Applicants to the grant program must show a significant loss in earned revenue because of mandates and guidelines in response to COVID-19. OBDD may consult with the Trust for Cultural Development Board in reviewing applications and awarding grants and is required to take geographic region, proportional loss, fiscal size and lost earned revenue into consideration in awarding grants. The measure withholds \$150,000 for the cost of administering the distribution of funds and implement a grant program for Oregon cultural organizations. The grant program provisions become effective on January 1, 2025. The measure declares an emergency and takes effect on passage.

FISCAL: Fiscal Impact

REVENUE: No Revenue Impact

ISSUES DISCUSSED:

- Importance of cultural organizations in Oregon
- Secondary spending by audiences on food and retail outside of the cultural organization
- companies that supply goods and services to cultural organizations

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

In 2013 with support from the Oregon Arts commission and the Oregon Cultural Trust, the Cultural Advocacy Coalition of Oregon (CACO) established the Cultural Recourse Economic Fund (CREF). CREF is a program that is an evaluation process for Oregon cultural organizations to seek funding for projects focused on new construction, building acquisition, historic preservation, reconstruction, seismic upgrades, sustainability, remodeling, and emergency repairs. The vetting process is completed by CACO members who are executives of arts and cultural organizations from around the state, members of the Oregon Arts Commission, and members of the Oregon Cultural Trust. The projects and organizations that meet the criteria including fund raising, local support, if the projects are ready to proceed, and more are given an endorsement and submitted to the Joint Ways and Means Committee for consideration. During the 2023 session 2 out of 16 projects were funded. This measure would fund the other 14 projects.