

# Report of the Legislative Task Force on Oregon Heritage Vitality



September 2012

Dear Members of the 76<sup>th</sup> Oregon Legislative Assembly:

On behalf of all the members of the Task Force on Heritage Vitality, we are proud to submit to you our final report. This report and the recommendations included in it completes the responsibility assigned to the Task Force by House Bill 3210 passed in the 2011 session and signed into law by Governor Kitzhaber.

The Task Force on Heritage Vitality was created by the Legislature in response to concerns that reductions in public and private funding were harming organizations and museums devoted to safeguarding and sharing the story of Oregon's remarkable history and heritage.

Task Force members share the Legislature's concern and we are united in our belief that Oregon's heritage and history museums are of tremendous value to the citizens of our state. Along with the economic benefit these museums provide by attracting visitors, they also provide a priceless educational benefit. Famed historian David McCullough once said, "History is who we are and why we are the way we are."

We believe that the adoption of the recommendations included in our report will help to ensure that Oregonians will always remember who we are and why we are the way we are.

If we can be of any assistance or answer any questions, please do not hesitate to call upon us.

Best regards,



Kerry Tymchuk  
Chair, Task Force on Heritage Vitality  
Executive Director, Oregon Historical Society



Janet Taylor  
Vice-Chair, Task Force on Heritage Vitality  
Mayor, City of Salem 2003-2011

Cover photos (top row, left to right): Spray Historical Museum; Cottage Grove Historical Society; Salem Historic Railroad Bridge. (Middle Row): Crook County Historical Society, Prinnville; Morrow County Courthouse, Heppner. (Front Row): High Desert Museum, Bend; PT-658, Portland; Timberline Lodge.



Springfield Mainstreet Program



Liberty Theatre, Astoria



Maxville Heritage Center

## Introduction

Every day, in countless ways, Oregonians experience their cultural heritage. They drive roads following routes first created by pioneers or Native Americans. They buy food from century-old farms. They shop at businesses in historic commercial areas. They visit parks created years ago by Oregonians with visions of healthy communities.

Oregonians attend schools and work in buildings built by and named for historic people, whose fortitude and dreams created the businesses and communities they live in. An Oregonian's engineering or medical discovery decades ago may have been the breakthrough that enabled today's medical treatment.

An Oregonian's dress, food, language, material goods and music are the tangible remnants of heritages transmitted to them from previous generations of Oregonians and from those new to Oregon. This means heritage is found in the closet, the workplace, the auditorium, the historic barn and elsewhere.

In short, Oregon heritage is 24/7. Everywhere.

Our diverse Oregon cultural heritage attracts visitors to Oregon, who in turn help our economy. More than half of the tourists responding to a Mandala Research study this month said cultural and heritage activities and places were important to their decision to vacation in Oregon. The study revealed that 83 percent of leisure travelers in the state are cultural and heritage travelers, a percentage higher than the national average. Cultural and heritage activities are especially popular with well-rounded, active tourists. These are the most common variety of tourist in Oregon and they spend on average \$2,133 during their trip -- 39 percent more than other tourists.

There are more than 1,000 non-profit organizations in the state that gather our heritage and/or make it available to the public. These heritage organizations include the nearly three dozen county historical societies, the vast majority of which operate without regular public funding, and the Oregon Historical Society, which has experienced inconsistent public funding over the past decade. When some of those organizations showed severe financial stress in 2009, the Oregon Heritage Commission immediately became concerned.

The Oregon Heritage Commission, which serves as a catalyst for hundreds of organizations and thousands of Oregonians devoted to preserving and interpreting Oregon's heritage resources, completed a study in 2010 that confirmed Oregon is blessed with many vibrant heritage organizations. The study also identified eight major challenges facing these organizations:

- Unstable and inadequate government and private funding.
- Little meaningful coordination and collaboration among heritage organizations and their communities.
- The inability to measure and articulate the economic value of Oregon heritage.
- Changing educational requirements that have reduced history instruction at all grade levels.
- A shortage of people with the skills and knowledge to address issues of preservation, fund raising, leadership and technology.
- Changing demographics and expectations, including developing new leadership.
- Limited use of 21st century communications and advocacy strategies.
- Uneven development and use of technology.



University of Oregon Libraries

## About the Task Force

During the 2011 Legislative Session, the 76th Oregon State Legislature passed HB 3210, which was subsequently signed into law by Governor John Kitzhaber. HB 3210 established The Task Force on Heritage Vitality in Oregon. The legislation charged the Task Force with the following six missions:

- 1. Review Oregon's systems for providing public funds to the Oregon Historical Society, county historical societies and museums and other Oregon heritage organizations.**
- 2. Review county historical fund operations and the effectiveness of county historical funds in promoting historical museums, history education, heritage tourism, historic preservation and related economic development.**
- 3. Review city museum operations and the effectiveness of the city museums in promoting historical museums, history education, heritage tourism, historic preservation and related economic development.**
- 4. Study and assess the amounts of private moneys supporting county historical fund operations and city museum operations and recommend programs or changes to expand private support of these operations.**
- 5. Evaluate statutory law relating to county historical funds and city museums, as codified in ORS chapter 358, and the related administrative rules adopted by state agencies.**
- 6. Study, assess and recommend programs and projects, including pilot projects, to encourage coordinated efforts at the state, county and city levels to improve heritage tourism, history education and historic preservation and related economic development.**

The legislation also specified the number of Task Force members and the organizations they would represent, as well as setting out certain rules and guidelines for the Task Force.

The legislation required the Task Force to submit a report and recommendations to the Legislative Assembly no later than October 1, 2012.

Pursuant to the authority granted in the legislation, Governor John Kitzhaber appointed the following members to the Task Force: Frankie Bell, Salem; Jackie Edmunds-Manz, Oregon Tourism Commission; Walter Frankel, Oregon Cultural Trust; Terrie Martin, non-profit; Jan Mitchell, Oregon Heritage Commission; Roger Roper, State Historic Preservation Office; Janet Taylor, nonprofit; Kerry Tymchuk, Oregon Historical Society. Ex-officio advisory members include Bob Hart, Oregon Museums Association; Gary Williams, League of Oregon Counties; Cara Fischer, Association of Oregon Cities; and David Lewis, Confederated Tribes of Grand Ronde.

Senate President Peter Courtney designated Senator Jason Atkinson and co-Speakers Bruce Hanna and Arnie Roblan appointed Representative Bill Kennemer to the Task Force.

The Task Force held its initial meeting in Salem on June 18, 2012. At that meeting, Task Force members selected Kerry Tymchuk to serve as Task Force Chairman and Janet Taylor to serve as Task Force Vice-Chairman. Task Force members participated in telephonic conference calls on July 12, 2012 and July 16, 2012. A second Task Force meeting, which included public testimony, was held in Salem on August 13, 2012. A third Task Force meeting was held in Salem on September 10, 2012. The Task Force met telephonically on September 24 and approved the report.



Old Scotch Cemetery, Hillsboro

## Findings

The Task Force findings are grouped by the charges set in the statute that created the Task Force.

### **Charge No. 1: Review Oregon's systems for providing public funds to the Oregon Historical Society, county historical societies and museums and other Oregon heritage organizations.**

**Findings:** There is no single system for providing public funds to heritage organizations. Local, state and federal funding is done separately. Heritage organizations say that operating funds are the biggest challenge, yet most governments that grant funds for heritage do so for projects only.

Task Force members say there also is a misperception among the public that county and state heritage organizations are primarily funded by government, while the reality is that most of these organizations receive no public funding either for operations or projects. This misperception may be based on the reality in many other states where state and county historical societies received a large part of their funds from government.

Federal funding for Oregon heritage organizations is well below the national per capital average, according to a 2008 study by the federal Institute of Museum and Library Services.

There were four funding systems examined by the Task Force: the Oregon Historical Society, the Oregon Cultural Trust, city and county historical societies and museums, and other Oregon heritage organizations.

The Oregon State Legislature has recognized a special relationship with the Oregon Historical Society ever since OHS was incorporated in 1898. In 1899, the Legislature, in recognition of the fact that the society “has agreed to do all of its work and to hold all of its collections of materials for the use and benefit of all the people of this state,” appropriated \$3,000 to OHS. Legislative funding for OHS continued in every biennium from 1899-2003.

The 1979 Oregon Legislative Assembly enacted a commitment to OHS into law. ORS 358.015 imposes a duty upon the State to contribute to the support of OHS. It reads, “The state recognizes a continuing obligation to contribute to the support of the Oregon Historical Society. The amount appropriated each biennium will be considered the continuing level of state aid for operation of the society for the next biennium. Supplements may also be added to acknowledge inflationary factors and as a match for demonstrated increases in membership dues or a combination thereof.”

Despite that statute, in both the 2003 and 2005 biennia, the Legislature failed to provide OHS with any funding. This decision played a major role in a financial crisis that severely impacted OHS. The Legislature returned to the tradition of funding OHS in 2007 by providing a \$2.1 million appropriation and in 2009 a total of \$978,000. The 2011 Legislature provided \$2.5 million.



Pacific Railroad Preservation Association

The state government does not play an ongoing role in the funding of county historical society museums or other heritage organizations. This role has traditionally been left to county governments or to private donors.

Nearly all of Oregon’s 36 counties have historical societies and museums. The economic challenges hitting Oregon—especially rural Oregon—in the past decade has adversely impacted county resources dedicated to county historical societies and museums. Indeed, the vast majority of Oregon’s county historical societies receive no public funding, and rely entirely on private donations.

Some county historical societies have successfully asked voters for support of their work. Both Klamath and Crook County voters have adopted temporary levies funding their county historical society and museum. In 2010, Multnomah County voters adopted a levy that provides funds to the Oregon Historical Society and four east Multnomah County historical societies.

There are approximately 100 city museums, most of which are nonprofits and privately funded. The handful of city-owned or city-operated museums rely extensively on volunteers and private donations.

Several state agencies provide grants to heritage organizations and museums. These grants are most often used for specific projects and not for operating expenses. These agencies include the Oregon Heritage Commission, the State Historic Preservation Office, and the Oregon Commission on Historic Cemeteries.

Another state source of heritage and museum funding is the Oregon Cultural Trust, which was created by the Legislature in 2001. The Cultural Trust is funded by donations from individuals and businesses, as well as sales of a specialty license plate. The donors receive a limited state income tax credit for their donations. The Cultural Trust is able to fund approximately 40 percent of grant applications it receives from heritage organizations, although the vast majority of applications are funded at levels far below the request. It also provides funds to county and tribal coalitions, which re-grant the money to applicants in their area.

There is limited federal funding available for state and county historical societies. In 2011, the federal Institute of Museum and Library Services awarded \$500,000 in project grants to Oregon museums, none of which were OHS or county or city history museums.



Baker City

**Charge No. 2: Review county historical fund operations and the effectiveness of county historical funds in promoting historical museums, history education, heritage tourism, historic preservation and related economic development.**

**Charge No. 3: Review city museum operations and the effectiveness of city museums in promoting historical museums, history education, heritage tourism, historic preservation and related economic development.**

**Findings for Charges 2 and 3:** As previously stated, government support of county and city historical societies and museums has declined in recent years, impacting the ability of these societies and museums to play a role in history education, heritage tourism, historic preservation and related economic development.

The Task Force sent separate surveys to members of the Association of Oregon Counties and the League of Oregon Cities. Results from these surveys and the most recent joint survey of the Oregon Museums Association and the Oregon Heritage Commission (which will be referred to as the Oregon Museums Survey) outline how the county historical societies and city museums operate.

According to the surveys, all county historical societies and city museums preserve historic artifacts, and many view that as their most important role. Some are also directly involved with preservation of historic buildings and sites. Most of these museums also play a role in education, offering tours to school children. Some also take presentations into classrooms.



Dayville Historical Museum

The Oregon Museums Survey showed that one-quarter of visitors to museums were from out of state, and another quarter were non-local. Few museums, however, have the budget for marketing that encourages out of area or out of state visitors. The museums survey also revealed that a majority of county and city museums have little or no direct involvement with economic development in their communities. Only 46 percent reported they had a relationship with their local Chamber of Commerce, and only 30 percent had a relationship with a tourism or travel group or association. Most of these museums give tours to school children, but fewer go into schools to teach.

**Charge No. 4: Study and assess the amounts of private moneys supporting county historical fund operations and city museum operations and recommend programs or changes to expand private support of those operations.**

**Findings:** City and county museums rely on a variety of sources for private funding. These include admission fees, memberships, facility rentals, museum stores, donations and grants are the most common. Some sell copies of photographic images, but many times these copies are made for just the actual cost of materials.

According to the Oregon Museums Survey, 48 percent of Oregon museums reported that they charge no admission fee. Another 48 percent charge an admission fee of \$5 or less—well below the national median admission price of \$7.

Memberships to heritage organizations also provide limited support, with annual dues as low as \$10. Typical membership rates are \$20-\$40 per year. City and county museums also accept donations, although most do not have the capacity to accept online donations. Fewer than ten small or mid-size foundations in Oregon regularly give major support to historic preservation and heritage statewide.

Recommended programs and changes to expand private support are contained in the recommendations following Charge No. 6.

**Charge No. 5: Evaluate statutory law relating to county historical funds and city museums, as codified in ORS chapter 358, and the related administrative rules adopted by state agencies.**

**Findings:** While their legislative history has not been studied, the sections relating to county historical funds and city museums appear to have been written in the 1950s as counties and cities began to create historical museums. The laws perhaps anticipated the history and heritage museums would be owned and operated by government.

Sixty years later, most museums are operated by nonprofits. Most of the counties and cities with museums or historical funds responding to the Task Force surveys indicated that most had not used these provisions of ORS 358. For example, fewer than a quarter of the cities owning or operating museums said they had established a city museum commission, which is permitted by statute.



Some Task Force members said the statutes were confusing to read. No dangerous implications were identified if the statutes continued in place. However, before making any changes, study of their relationship to other relevant statutes relating to cities and counties is needed. No Oregon Administrative Rules appear to have been created for these statutes.

**Charge No. 6: Study, assess and recommend programs and projects, including pilot projects, to encourage coordinated efforts at the state, county and city levels to improve heritage tourism, history education and historic preservation and economic development.**

**Findings:** The challenging economic times faced by both government and private enterprise in the past decade have forced the leadership and boards of heritage organizations and museums to engage in tough examinations of their missions and their future. Many are thinking smarter for continued solvency and relevancy.

For example, the non-profit Marion County Historical Society and Mission Mill Museum in Salem determined that merger as the Willamette Heritage Center at the Mill was the solution. The new Willamette Heritage Center brought operating efficiencies and increased collaboration with other heritage organizations in the region. The collaboration has led to two exhibits involving nearly 20 organizations, but it also led to the development of a canoe exhibit project with the Confederated Tribes of the Grand Ronde, the latter of which has earned a national award from the American Association for State and Local History.

The Coos Historical and Maritime Museum decided to become more relevant to the educational and community needs of the Coos Bay area. Working with tribes and school districts, it created an award-winning education program that involves hundreds of youth each year both as students and teachers. The latest intentional step toward relevancy is the recent groundbreaking for a new \$8 million museum building that will be a focal point for redevelopment of the Coos Bay waterfront for tourism. Most of the funds are from private sources.

In Astoria, the non-profit county historical society has worked with economic development organizations, the city of Astoria, a local preservation organization, businesses and Clatsop Community College to develop and promote Astoria's heritage. Students can earn a one year certificate or two year associates degree, and graduate qualified to work as subcontractors and general contractors specializing in renovation and historic preservation. At the same time, the students are learning hands-on the history of the people who built their community and continuing those traditions.

These examples show that heritage organization leadership can be successful with projects that grow their organizational capacity if they coordinate with other community organizations and engage in community priorities such as economic development, education, preservation and tourism. Statewide heritage organizations such as the Oregon Heritage Commission, Oregon Historical Society, State Historic Preservation Office and others should model and support efforts to coordinate and collaborate across the state.



Aurora Colony Historical Museum

Efforts to educate Oregonians about the state's diverse heritage will continue to be important during the next decade. According to a November 2011 study by the Department of Administrative Services, migration is expected to contribute nearly two-thirds of the population growth of Oregon in the next decade. In addition, the number of children born annually is expected to increase to 53,000 by 2020, compared with the 46,000 births taking place annually now. Educating migrants and children will help them to adjust to their new home state and become productive citizens.



Alsea Public Schools

## Recommendations

### For the Legislative Assembly

1. **Re-authorize the Cultural Trust tax credit.** The grants provided to heritage organizations by the Cultural Trust have been instrumental in funding important work of heritage organizations.
2. **Honor the words and intent of ORS 358.015 and recognize the important work of the Oregon Historical Society by appropriating biennially at least \$2.5 million to the Oregon Historical Society.** Through its collection, exhibits, publications, educational programs and research library, the Oregon Historical Society provides an invaluable service to the citizens of Oregon. Stable funding is essential for the OHS to maintain its operations and services to the state and the public.
3. **Adopt legislation directing the Department of Revenue to establish a permanent Oregon heritage fund check off listing on the state income tax return.** These funds would be used by the Oregon Heritage Commission to increase grants to community heritage organizations.
4. **Adopt legislation designating an Oregon Heritage Week or Month, with the Oregon Heritage Commission and Oregon Historical Society taking lead roles in creating a structure for it.**
5. **Direct the appropriate committee to convene a hearing on the state of history instruction in Oregon public schools.** With a national focus on math and science education, the amount of time spent on Oregon history instruction has declined. Public schools graduating students who are historically ignorant about their own state and nation should be an issue of concern to the Legislature.
6. **Adopt legislation initiating a nominal surcharge to documents recorded by county clerks to use within their county for records management activities and to create a dedicated fund managed by the Oregon State Archives for local government records programs.** County clerks and city recorders are responsible for the preservation of historical records. Increased costs and reduced financial resources are threatening this preservation. Through this legislation, half of these funds collected would be returned to counties and half would be used by the Oregon State Archives for staff dedicated to working with local governments and for grants to support local government records projects. Sixteen other states have established similar programs with much success such as funding imaging systems, building and/or remodeling records storage facilities, purchasing supplies, and providing funding for electronic records solutions.

**7. Direct the Oregon Heritage Commission to continue discussion with Oregon Tourism Commission dba Travel Oregon as to how best to market Oregon’s cultural and heritage assets based on results of the 2012 Heritage Tourism Survey.** A strong, focused heritage tourism marketing effort will benefit Oregon’s economy.

**8. Request that the Oregon Law Commission conduct a thorough study on the need to make revisions to ORS section 358, dealing with city museums and county historical funds:** One of the charges given the Task Force was to evaluate statutory law relating to county historical funds and city museums, as codified in ORS Chapter 358 and the related administrative rules adopted by stage agencies. The Task Force did not have the resources or staff required to make a thorough analysis of the statute and its usage, and believes it is a task better suited for the Oregon Law Commission.

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The Task Force also made a number of recommendations for state agencies, city, county and tribal governments; and heritage organizations.

**For the Parks and Recreation Department**

**1. Expand funding of the Oregon Heritage Commission and State Historic Preservation Office grant programs.** These programs support museums and heritage organizations in safeguarding Oregon’s historic treasures, heritage tourism, heritage education and economic development.

**For the Heritage Commission**

**1. Expand development of a coordinated statewide training program for heritage organizations.** Initial areas to emphasize would be cooperation and collaboration, leadership, collections care and education.

**2. Develop and distribute information that educates the public about the cultural, economic and educational value of heritage to the state and to communities.**



Tamastslíkt Cultural Center

**For Local and Tribal Governments**

- 1. Local and tribal governments that established heritage organizations are strongly encouraged to continue supporting them if those groups are fulfilling their mission as a public institution.**
- 2. Local and tribal governments that have acquired heritage sites are strongly encouraged to continue to preserve and protect them.**
- 3. In this challenging financial environment, local governments should remember that state law provides for options for funding heritage efforts, including:**
  - a. a transient occupancy tax if evidence demonstrates it to be a significant tourism-related facility after consulting with the local tourism marketing entity. (ORS 320)
  - b. establishing heritage districts (ORS 358).
  - c. incremental taxing authority, such as urban renewal districts, which can support development of areas with heritage resources. (ORS 223)

## For Heritage Organizations

**Heritage organizations have an obligation to seek out and use recognized best practices in conserving and developing heritage resources.** The best practices identified by the Task Force that ensure heritage vitality include:

1. Educating communities about the benefits of the Oregon Cultural Trust's tax credit program in building public and private support for heritage. Organizations should also take this a step further by encouraging and enabling donations to the Cultural Trust.
2. Participating in county, state or tribal grant programs of the Cultural Trust. Many of the applications for these grants are simple to complete. They also tell others of the important work that heritage organizations perform for their communities.
3. Collaborating or cooperating with other non-profit and for-profit heritage organizations to improve the heritage infrastructure, generate new sources of income, and create and care for collections. Public library cooperatives, such as the Libraries of Eastern Oregon and the Chemeketa Cooperative Regional Library Service, could serve as models.
4. Meeting all state and federal requirements for obtaining and retaining their status. The high regard given to heritage organizations will continue only if all of them meet public expectations. The failure of one to meet legal expectations such as proper care of collections reflects badly on all of them.
5. Focusing efforts on activities that contribute to the needs and interests of today's Oregonians, including adapting to modern technology and other innovative ways for delivering educational content. Many schools and individual Oregonians use the Internet for education and it's critical for heritage organizations to provide them history education materials in online format.

6. Reaching out to local economic development partners with information and other resources making heritage a part of community development efforts. Heritage organizations can begin the conversation by asking community planners and developers how they can help the community, and also inform them how heritage contributes to communities.
7. Establishing collections policies that ensure efficient and sustainable preservation of historic objects. Regular communication and partnerships among heritage organizations would reduce the amount of duplicated preservation efforts.



Lane County Historical Society and Museum

## Addendums

(Available at [www.oregonheritage.org](http://www.oregonheritage.org) or from Task Force coordinator Kyle Jansson at (503) 986-0673 or [kyle.jansson@state.or.us](mailto:kyle.jansson@state.or.us))

1. List of Oregon Heritage Organizations
2. Notes of Task Force meetings
3. Relevant sections of ORS 358
4. Task Force's County Historical Survey Results
5. Summary of 2006 Oregon Museums Survey results