

HOUSE BILL REPORT

HB 2931

As Reported By House Committee On:
Appropriations

Title: An act relating to developing recommendations for continued funding assistance of fairs and youth shows.

Brief Description: Requiring recommendations for continued funding assistance of fairs and youth shows.

Sponsors: Representatives B. Chandler, Stensen, Cox, Schoesler, Wolfe, Grant, Mastin, Kessler, Linville, Doumit, Mulliken, Benson, Alexander, McMorris, Koster, Van Luven, Boldt, McDonald, Regala, Ogden, G. Chandler, Skinner and Haigh.

Brief History:

Committee Activity:

Appropriations: 1/31/00, 2/3/00 [DP].

<p>Brief Summary of Bill</p> <ul style="list-style-type: none">· Creates a task force to develop recommendations for long-term funding of agricultural fairs and youth shows.
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HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass. Signed by 30 members: Representatives Huff, Republican Co-Chair; H. Sommers, Democratic Co-Chair; Barlean, Republican Vice Chair; Doumit, Democratic Vice Chair; D. Schmidt, Republican Vice Chair; Alexander; Benson; Boldt; Clements; Cody; Crouse; Gombosky; Grant; Kagi; Keiser; Kenney; Kessler; Lambert; Linville; Lisk; Mastin; McIntire; McMorris; Parlette; Regala; Ruderman; Sullivan; Sump; Tokuda and Wensman.

Staff: Jeff Olsen (786-7157).

Background:

The State Agricultural Fair Fund provides revenues to agricultural fairs sponsored by governmental entities or nonprofit organizations. These fairs include Future Farmers

of America (FFA) and 4-H youth shows, county fairs, community fairs, and area fairs. Moneys are distributed by the director of the Department of Agriculture based on the recommendation of a seven-member fair commission.

Until April 1998, the fair fund received 46 percent of parimutuel tax revenues. The parimutuel tax is a percentage of the gross receipts or "handle" of all betting machines at horse racing events in the state. Legislation enacted in 1998 reduced the parimutuel tax rate by 48 percent and eliminated funding for the fair fund. The tax changes are subject to a sunset date of June 30, 2001, after which date the parimutuel tax distribution to the fair fund would be restored.

In the 1999 Supplemental Operating Budget, \$6 million was appropriated from the general fund to the fair fund, authorizing expenditure of up to \$2 million per year in fiscal year 1999, 2000, and 2001.

Summary of Bill:

A task force is established to develop a source of long-term funding for community, county, and area fairs and youth shows. The task force is composed of representatives of: the Office of Financial Management; the Department of Agriculture; the Horse Racing Commission; youth shows; the horse racing industry; county governments; three representatives of fairs; and two members each of the House of Representatives and the Senate.

Members of the task force must be appointed by May 1, 2000, and must develop recommendations by November 15, 2000, on the amount and sources of funding needed to encourage fairs and youth shows. Staff support for the task force is provided by the Legislature.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Testimony For: To find a permanent funding source for fairs, there is a need to bring all of the stakeholders together to develop an approach everyone can agree on. While there is widespread support for state funding for fairs, there is no agreement on a source of funding. Funding for this biennium is secure, but future funding is not identified. Rural areas, in particular, rely on support from the fair fund to operate. The agency responses to the Joint Legislative Audit and Review Committee report recommendation on the source of funding for fairs are mixed.

Testimony Against: None.

Testified: Representative Bruce Chandler, prime sponsor; Mary Beth Lang, Department of Agriculture; Heather Hanson, Washington State Fairs Association; Sid Willuweit, Washington State Fairs Association; and Jim Halstrom, Northwest Racing.