

# HOUSE BILL ANALYSIS

## HB 2931

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**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.

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### Brief Summary of Bill

- Creates a task force to develop recommendations for long-term funding of agricultural fairs and youth shows.

**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 the 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. In 1998, Chapter 345, Laws of 1998 (E2SSB 6562, Providing Relief for the Equine Industry), 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:** 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 comprised of representatives of the following entities: one representative of the Office of Financial Management; two members each of the House of Representatives and the Senate; one

representative of the Department of Agriculture; one representative of the Horse Racing Commission; three representatives of fairs; one representative of youth shows; one representative of the horse racing industry; and one representative of county governments.

Members of the task force shall be appointed by May 1, 2000, and 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.

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

**Fiscal Note:** Not requested.