

SENATE BILL REPORT

SB 6680

As Reported By Senate Committee On:
Agriculture & Rural Economic Development, January 31, 2000

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: Senators Rasmussen, Winsley, Gardner, Deccio, Heavey, Shin, Prentice, Hale, T. Sheldon, Sheahan, Swecker, Eide, Stevens, Fraser, Morton, Honeyford, Spanel, Jacobsen, B. Sheldon, Patterson and Oke.

Brief History:

Committee Activity: Agriculture & Rural Economic Development: 1/31/2000 [DPS].

SENATE COMMITTEE ON AGRICULTURE & RURAL ECONOMIC DEVELOPMENT

Majority Report: That Substitute Senate Bill No. 6680 be substituted therefor, and the substitute bill do pass.

Signed by Senators Rasmussen, Chair; T. Sheldon, Vice Chair; Gardner, Honeyford, Morton, Prentice, Snyder, Stevens and Swecker.

Staff: Bob Lee (786-7404)

Background: During 1999, the Joint Legislative Audit and Review Committee conducted a sunset review on the pari-mutuel tax on wagering at horse racing events. The review was required in legislation passed in 1998 when a temporary reduction in the pari-mutuel tax was enacted to help restore financial health to the horse racing industry.

Two recommendations were made by the Joint Legislative Audit and Review Committee: (1) to continue the pari-mutuel tax at the current rate rather than have the tax rate go back to the higher level on June 30, 2001; and (2) that the Legislature should identify a revenue source other than the pari-mutuel tax to fund agricultural fairs.

Summary of Substitute Bill: There is created a task force on funding of fairs and youth shows. The task force is to become knowledgeable about the operation of fairs and youth shows and how funding assistance has been used in recent decades to support these events. The task force is to look at potential efficiencies in administrative activities that have been supported by the tax on pari-mutuel wagering including the administration of the fair fund and the Horse Racing Commission.

The task force includes the following members: (a) four legislators, one from each major caucus of the House of Representatives and the Senate; (b) one member of the Office of Financial Management appointed by the Governor; (c) one representative each from the

Department of Agriculture and the Horse Racing Commission; (d) three representatives from different types of fairs and one representative of youth shows; (e) one representative from the horse racing industry; and (f) one representative of county governments.

By November 15, 2000, the task force is to develop recommendations on the amount and source or sources of funding needed to encourage fairs and youth shows and develop any legislative proposals to implement task force recommendations. The task force expires on December 31, 2000.

Substitute Bill Compared to Original Bill: The date by which the task force members are to be appointed was moved up from May 15 to May 1, 2000. The date that the task force is to develop recommendations is moved up from December 10, 2000 to November 15, 2000.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: A mechanism is needed to develop a consensus on the source of funding assistance for fairs and youth shows. The para-mutuel tax on horse racing is no longer a dependable source.

Testimony Against: None.

Testified: PRO: Sid Willoweit, WSFA; Heather Hansen, WA State Fairs Assn.; Jim Halstrom, Northwest Racing; Mary Beth Lang, Dept. of Agriculture; Joe Christy (for Jim Potts), Rural Counties.