

SENATE BILL REPORT

HB 2725

As Reported by Senate Committee On:
Economic Development & International Trade, February 22, 2018

Title: An act relating to updating agricultural fairs, youth shows, and exhibitions law.

Brief Description: Updating laws concerning agricultural fairs, youth shows, and exhibitions.

Sponsors: Representatives Blake, Chandler, Jenkin, Dent, Dye, Chapman, Wylie, Walsh, Ryu, Maycumber, Kretz, Wilcox, Van Werven, Haler, Steele, Condotta and McDonald; by request of Department of Agriculture.

Brief History: Passed House: 2/08/18, 98-0.

Committee Activity: Economic Development & International Trade: 2/22/18, 2/22/18 [DP].

Brief Summary of Bill

- Allows allocations from the State Fair Fund to be distributed for operating expenses, rather than restricting allocations to reimbursement for premiums and prizes.
- Allows fairs to maintain eligibility for allocations in the event a fair is not held due to a natural disaster.

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT & INTERNATIONAL TRADE

Majority Report: Do pass.

Signed by Senators Chase, Chair; Takko, Vice Chair; Brown, Ranking Member; Wagoner and Wellman.

Staff: Alex Fairfortune (786-7416)

Background: State Fair Fund. State law requires that each fiscal year the state treasurer transfer \$2 million from the general fund into the state fair fund, administered by the Washington State Department of Agriculture (WSDA). Qualifying agricultural fairs are eligible to receive allocations from the state fair fund after conducting two successful, consecutive annual fairs. With the exception of county fairs and some youth fairs, all

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allocations must be made only as reimbursement for premiums or prizes awarded to fair participants.

Eighty-five percent of all allocations from the state fair fund must be distributed to agricultural fairs based on merit. The remaining 15 percent may be split between administrative expenses, which cannot exceed 5 percent, and special assistance for participating fairs.

Fairs Commission. The Fairs Commission acts as an advisory committee to the director of WSDA and assists in the preparation of the merit rating used to determine merit based allocations. The Fairs Commission consists of the director as ex officio member and chair, three members from each side of the Cascades, and a member at large. Members are initially appointed for one, two, and three year terms by the director. Thereafter appointments are made for three year terms.

Summary of Bill: If a fair is not held due to a natural disaster, and therefore does not conduct two successful, consecutive annual fairs, it will not lose eligibility to apply for allocations. Allocations are no longer restricted to reimbursement for premiums and prizes. All fairs may receive allocations for operating expenses incurred.

Ninety-five percent of all allocations from the state fair fund may be allocated to agricultural fairs based on merit. WSDA may allocate up to 10 percent of this amount for special assistance to participating fairs, but it is not required to do so. The remaining 5 percent may be used for administrative expenses.

Members of the Fairs Commission are appointed to three year terms, and all language regarding staggered appointment terms is eliminated. Appointments to fill vacancies last for the remainder of the original term. Dated allocation provisions referring to past biennia are removed and definition provisions are reorganized.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: Fair statutes have not been updated, so this bill provides updates that are needed today.

Persons Testifying: PRO: Heath Hansen, Washington State Fairs Association.

Persons Signed In To Testify But Not Testifying: No one.