FINAL BILL REPORT 2SSB 5362

C 245 L 21

Synopsis as Enacted

Brief Description: Ensuring the funding of agricultural fairs.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators McCune and Warnick).

Senate Committee on Agriculture, Water, Natural Resources & Parks Senate Committee on Ways & Means House Committee on Appropriations

Background: Agricultural Fairs. Agricultural fairs are fairs or exhibitions intended to promote agriculture by including, among other things, a balanced variety of exhibits of livestock and agricultural products. Agricultural fairs are divided into four categories:

- area fairs are organized to serve an area larger than one county;
- county and district fairs are organized to serve the interests of certain single counties;
- community fairs are organized primarily to serve a smaller area than an area fair or county fair; and
- youth shows and fairs serve three or more counties, educate and train rural youth, and are approved by Washington State University or the Office of the Superintendent of Public Instruction.

<u>Fair Fund.</u> State law requires that each fiscal year the state treasurer transfer \$2 million from the state general fund into the fair fund administered by the Washington State Department of Agriculture (WSDA). Ninety-five percent of all allocations from the fair fund must be distributed to agricultural fairs based on a merit rating system set up by the director. This merit rating must take into account certain factors, including:

- area and population served, attendance, gate receipts, and community support;
- open or youth participation and the number and type of exhibits;
- evidence of successful achievement of the aims and purposes of the fair; and
- extent of improvements made to grounds and facilities from year to year and the overall condition and appearance of grounds and facilities.

Senate Bill Report - 1 - 2SSB 5362

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Any state allocations must be made only as a reimbursement for operating expenses incurred by the fairs. WSDA may use up to 10 percent for special assistance to any participating fair and may use the remaining 5 percent for expenses, including fair commission expenses.

Summary: The \$2 million transfer each fiscal year from the state general fund to the fair fund is modified. The omnibus operating appropriations act must appropriate to the fair fund an amount equal to:

- \$2 million in fiscal year 2021;
- \$2,750,000 in each fiscal year 2022 and 2023;
- \$3,500,000 in each fiscal year 2024 and 2025; and
- \$4,000,000 in fiscal year 2026 and each fiscal year thereafter.

To support inclusiveness at fair events, a portion of the additional funds provided to fairs must be prioritized to be spent on educational programs and outreach that are reflective of the diversity within a fair's local population.

Votes on Final Passage:

Senate 43 6

House 97 1 (House amended) Senate 47 2 (Senate concurred)

Effective: July 25, 2021