

SENATE BILL REPORT

SB 6368

As Reported by Senate Committee On:
Economic Development & International Trade, January 18, 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: Senators Warnick, Honeyford and Van De Wege; by request of Department of Agriculture.

Brief History:

Committee Activity: Economic Development & International Trade: 1/18/18, 1/18/18 [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 (director) 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 ten 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: Fairs support rural economic development and are the largest agricultural classroom that there is. This bill gives fairs more flexibility and protection in case of natural disasters. The language updates obsolete and hard to understand language that has not been fully updated since 1961. Reorganizing the percentage of funds for the general use account makes it easier for administration to comply with statute, while providing as much financial support to fairs as possible. The removal of the spending cap on prizes and premiums helps create a more even playing field.

Persons Testifying: PRO: Senator Judy Warnick, Prime Sponsor; Hannah Street, Washington State Department of Agriculture; Tom Muchoney, Washington.

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