
**Economic Development,
Agriculture & Trade Committee**

HB 2096

Brief Description: Requiring a study of the economic and social contribution of agricultural fairs to Washington state.

Sponsors: Representatives Buri, Haler, McDonald, Linville, Ormsby, Holmquist, Grant, Cox, McDermott, Armstrong, Pearson, Morrell, Serben, Newhouse, Conway, Chase and Santos.

Brief Summary of Bill

- Directs the Department of Agriculture to contract for a study on the economic and social impacts of agricultural fairs on Washington State.

Hearing Date: 2/28/05

Staff: Meg Van Schoorl (786-7105).

Background:

Seventy agricultural fairs in Washington participate in the Department of Agriculture (WSDA) Agricultural Fairs Program, including area fairs, county and district fairs, community fairs, and youth shows/fairs.

WSDA coordinates the activities of a 7-member Fairs Commission appointed by the WSDA Director (Director), audits required reports from participating fairs, and verifies that fairs comply with state laws.

There is a fair fund within the State Treasury into which \$2 million is transferred each year from the State General Fund. The Director has the authority to make allocations from the fair fund, with recommendations from the Fairs Commission, to participating agricultural fairs. According to the statute, 85 percent of the allocation must be made to participating agricultural fairs, and distributed according to a merit rating. The merit rating includes factors such as area and population served, attendance, gate receipts, premiums and prizes paid, community support, and exhibits. The remaining 15 percent may be used for special assistance to participating fairs, including up to 5 percent for administrative expenses. However, in recent years, the full \$2 million has been allocated to the fairs according to a formula based on the merit rating. The 2004 allocations ranged from \$1,100 to \$79,000, and were used primarily to pay for premiums and prizes.

Summary of Bill:

Agricultural fairs and fairgrounds offer economic and social benefits to the state including tourism, rural economic development, local business promotion and sales, disaster preparedness, opportunities for youth, educational, cultural, and entertainment events, and community connections.

The Legislature intends to quantify the economic and social impact of fairs, to maintain capital funding mechanisms and assess new capital funding options.

Subject to the availability of funding appropriated for this purpose, the WSDA is directed to contract for a study on the economic and social impact of agricultural fairs that includes information on: statewide and local impacts on jobs, business income, and taxes; benefits to local organizations and youth development; and needed capital improvements. An advisory group will help guide the study and will be comprised of members appointed by the Washington State Fairs Association Board, and staff from the Office of Financial Management (OFM), House of Representatives and the Senate who have expertise in economic analysis.

A report on the study must be submitted by WSDA to the OFM and the legislature by June 30, 2006.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.