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BILL REQUEST - CODE REVISER'S OFFICE

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BILL REQ. #: S-0388.1/19

ATTY/TYPIST: ML:lcl

BRIEF DESCRIPTION: Ensuring the funding of agricultural fairs.

AN ACT Relating to ensuring the funding of agricultural fairs; amending RCW 15.76.115; and creating a new section.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. **Sec. 1.** (1) The legislature found in 1961 that it is in the public interest to hold agricultural fairs to train youth, to educate the public about the production of food and fiber, and to promote the welfare of farm people and rural living. The legislature finds that the fair fund was created for the purpose of encouraging agricultural fairs and training rural youth. The legislature finds that despite the original expectations, the fair fund has not increased, and this lack of increased support has made it difficult to maintain youth programs. Research has shown that youth who participate in fairs are more likely to get better grades, attend college, and positively contribute to their families and communities.

(2) The legislature finds that fairs also contribute to economic vitality and cultural heritage by: (a) Providing an opportunity for small businesses to reach a larger customer base; (b) providing agricultural suppliers a platform to showcase new technology; (c) creating numerous seasonal jobs; (d) playing a vital role in fund-raising for nonprofit organizations; and (e) providing a venue for community and cultural events.

(3) The legislature further finds that events held on fairgrounds support both the cultural and economic development of rural communities. The legislature finds that connecting the fair fund to revenue generated on fairgrounds encourages fairs to work with local businesses to increase economic opportunity. Thirty-seven counties have a fair. Benton and Franklin counties share a fair. Mason county currently does not have a fair.

**Sec. 2.** RCW 15.76.115 and 2018 c 280 s 3 are each amended to read as follows:

(1) The fair fund is created in the custody of the state treasury.

(2)(a) All moneys received by the department of agriculture for the purposes of this fund and from RCW 67.16.105 shall be deposited into the fund. Each fiscal year, the state treasurer shall transfer into the fair fund from the general fund (~~(the sum of two million dollars)~~) an amount appropriated in the omnibus operating appropriations act equal to the greater of:

(i) Two million dollars;

(ii) From July 1, 2019, to June 30, 2021, the estimated amount of state retail sales tax collected under chapter 82.08 RCW, not to exceed three million dollars, as determined by the department of revenue, on sales occurring at area fairs and county fairs as described in RCW 15.76.120, only during those fairs in the calendar year ending immediately preceding the fiscal year for which the transfer under this subsection is made; or

(iii) Beginning July 1, 2021, the estimated amount of state retail sales tax collected under chapter 82.08 RCW, not to exceed four million dollars, as determined by the department of revenue, on sales occurring at area fairs and county fairs as described in RCW 15.76.120, only during those fairs in the calendar year ending immediately preceding the fiscal year for which the transfer under this subsection is made.

(b) The department of revenue's estimates under (a) of this subsection may not be overturned by a court except upon a showing of willful misconduct by clear, cogent, and convincing evidence.

(3) Expenditures from the fund may be used only for assisting fairs in the manner provided in this chapter. Only the director of agriculture or the director's designee may authorize expenditures from the fund. The fund is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures.

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