

REVENUE: Minimal revenue impact, no statement issued

FISCAL: Fiscal statement issued

Action:	Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways and Means by Prior Reference
Vote:	5 - 0 - 0
Yeas:	Baertschiger, Burdick, Close, Prozanski, Roblan
Nays:	0
Exc.:	0
Prepared By:	Racquel Rancier, Administrator
Meeting Dates:	4/2

WHAT THE MEASURE DOES: Establishes State Fair Council (Council) as public corporation to conduct Oregon State Fair (Fair); operate fairground properties and facilities as exposition center; and construct, maintain and insure fairground properties and facilities. Stipulates Council membership and structure. Authorizes Council to hire director to carry out daily operations. Requires properties and facilities to be owned by state and prohibits disposal without Department of Administrative Services (DAS) approval. Directs Council to enter renewable agreement with DAS to lease fairground facilities and properties. Authorizes Legislative Assembly to terminate agreement and dispose of property and facilities if Council's operation results in net loss in three of five consecutive years. Allows DAS to seek appropriation from Legislative Assembly or Emergency Board for support if financial resources inadequate. Requires profit to be used for operation and maintenance of fairground or payment of obligations to DAS. Establishes Council authorities and accountability for operations, deposits, investments, and budgets. Requires director to provide financial report at each Council meeting. Requires Council to hold public meeting on proposed budget and modifications. Authorizes Secretary of State to conduct periodic audits. Directs Council to file annual report with Governor, committee of Legislative Assembly dealing with economic development, Legislative Fiscal Office and DAS. Requires Fair to be conducted at current fairgrounds in Salem. Requires appointment of Council members no later than January 1, 2014. Requires DAS to report progress to interim legislative committee on economic development by October 1, 2014. Requires DAS and Council to complete agreement no later than July 1, 2014 for Council to conduct Fair and carry out fairground operations no later than December 31, 2015. Specifies procedures for transitioning Fair from Oregon Parks and Recreation Department(OPRD) to Council. Declares emergency, effective upon passage.

ISSUES DISCUSSED:

- History of Fair and exposition center financial and infrastructure challenges
- Public corporation would allow Council to undertake actions to be competitive
- Pavilion inadequate for sports teams and has not been able to anchor a tenant
- Social and cultural importance of fair to youth, agriculture, stock raising and arts
- Provisions for Council accountability and oversight
- Process for transition and distribution of responsibilities between Council, DAS, and OPRD

EFFECT OF COMMITTEE AMENDMENT: Replaces measure.

BACKGROUND: The Oregon State Fair began in 1858 as an agricultural exhibition and expanded in 1977 to include an exposition center. In recent years, the Fair has been challenged to generate revenue to meet both operating and maintenance costs and debt service requirements. In 1997, the Legislative Assembly requested the Joint Legislative Audit Committee evaluate and identify solutions to the Fair's problems. In 2005, House Bill 3502 shifted management of the Fair to OPRD in order to curb the Fair's reliance on the state's General Fund. OPRD has proposed that the Fair and exposition center would benefit from a new governance structure. Senate Bill 7 A provides for the establishment of the Council as a public corporation to conduct and oversee the Fair and exposition center and associated operations.

4/9/2013 9:32:00 AM

This summary has not been adopted or officially endorsed by action of the committee.