

Joint Committee on Ways and Means

Carrier – House: Rep. Nathanson  
Carrier – Senate: Sen. Courtney

**Revenue:** Minimal revenue impact, no statement issued

**Fiscal:** Fiscal statement issued

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**Action:** Do Pass the A-Engrossed Measure

**Vote:** 25 – 0 – 1

House

Yeas: Barker, Buckley, Frederick, Freeman, Hanna, Huffman, Jenson, Komp, McLane, Nathanson, Read, Smith, Tomei, Williamson

Nays:

Exc: Richardson

Senate

Yeas: Bates, Devlin, Edwards, Girod, Hansell, Johnson, Monroe, Steiner Hayward, Thomsen, Whitsett, Winters

Nays:

Exc:

**Prepared By:** Linda Gilbert, Legislative Fiscal Office

**Meeting Date:** May 31, 2013

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**WHAT THE MEASURE DOES:** Establishes State Fair Council (Council) as independent public corporation to conduct Oregon State Fair (Fair) and maintain and operate fairground and exposition center. 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 carry out Fair and fairground operations no later than July 1, 2014 that includes provision for repayment of obligations to state agencies. Authorizes Legislative Assembly to terminate agreement 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 of fairground or payment of obligations to DAS. Establishes Council authorities and accountability for operations, finances, and investments. Creates Class D violation for unauthorized entry to Fair or event. Requires Fair to take place at dedicated center in Marion or Polk Counties. 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. Sets deadline of July 1, 2015 for transfer of Fair to Council. Specifies procedures for transitioning Fair from State Parks and Recreation Department to Council. Declares emergency, effective upon passage.

**ISSUES DISCUSSED:**

- Historical profitability of the State Fair Grounds and funding allotments
- Discussed the possible relocation of the State Fair
- What entities will be responsible for the Fair and what entities are responsible for the facilities
- Liability responsibility for the fair grounds
- The corporations ability to access financing avenues
- Other steps that the legislature can take if SB 7 doesn't work
- How council members will be recruited

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** The Oregon State Fair began in 1858 as an agricultural exhibition and expanded in 1977 to include an exposition center. In 1981, the legislature directed the Oregon State Fair and Exposition Center (Fair) to become financially self-supporting and removed General Fund support. In 1986, the Legislature authorized the Fair to sell up to \$10 million in revenue bonds to renovate the horse stadium, build a new livestock pavilion, and construct an outdoor amphitheater. The Fair, however, was unable to generate sufficient revenue to meet both operating and maintenance costs. The 1997 legislature requested the Joint Legislative Audit Committee evaluate and identify solutions to the Fair's problems. In 2005, the Oregon Parks and Recreation Department (OPRD) began operating the Fair and, upon further evaluation, has suggested that a different model of governance is needed. Senate Bill 7 provides a pathway for transitioning the Fair and Exposition Center into a public corporation.