

SB 384 A STAFF MEASURE SUMMARY

Carrier: Rep. Rayfield

House Committee On Rules

Action Date: 05/30/17

Action: Do Pass the A-Eng bill.

Vote: 8-0-1-0

Yeas: 8 - Barreto, Holvey, Kennemer, McLane, Nosse, Rayfield, Smith Warner, Williamson

Exc: 1 - Hack

Fiscal: Has minimal fiscal impact

Revenue: No revenue impact

Prepared By: Erin Seiler, LPRO Analyst

WHAT THE MEASURE DOES:

Makes clear that State Fair Council (Council) owns fairground properties and facilities that are not real property, while Oregon Department of Administrative Services (DAS) owns real property, unless they otherwise agree in writing. Authorizes Council to capitalize expenditures that provide long-term benefits to real property, to determine net operating profit or loss.

ISSUES DISCUSSED:

- History, role and progress of Council
- Ability of Council to own and capitalize on assets that it purchases
- 2013 legislation establishing Council as independent public corporation to operate fair and exposition center
- Legislation did not address impact of DAS owning all property, real or non-real property, associated with fair
- Growth of Oregon State Fair
- Clarify relationship between state, military department and Council
- Improvements or investments related to real property made by Council are credited to it for purpose of determining profit or loss

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

In 2013, the Legislative Assembly established the State Fair Council (Council) as an independent public corporation to run the Oregon State Fair and maintain and operate the fairground and exposition center. The Council is responsible for fairground business operations, which include care, custody and control over fairground property and facilities, and running the Oregon State Fair. The Council is currently prohibited from acquiring or disposing of real property or facilities without the approval of the Oregon Department of Administrative Services (DAS). Moreover, the Council is unable to capitalize on non-real property assets that it purchases to operate the State Fair, as all property is owned by DAS.

Senate Bill 384-A clarifies that the State Fair Council owns fairground properties and facilities that are not real property, while DAS owns the real property, unless they agree otherwise in writing.