

## HB 2510 A STAFF MEASURE SUMMARY

### House Committee On Economic Development and Small Business

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**Action Date:** 03/14/23

**Action:** Do pass with amendments and be referred to Ways and Means by prior reference.  
(Printed A-Eng.)

**Vote:** 10-0-1-0

**Yeas:** 10 - Bynum, Diehl, Elmer, Lively, Morgan, Nguyen D, Osborne, Pham H, Ruiz, Walters

**Exc:** 1 - Javadi

**Fiscal:** Fiscal impact issued

**Revenue:** Revenue impact issued

**Prepared By:** Andrew Hendrie, LPRO Analyst

**Meeting Dates:** 2/7, 3/14

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#### WHAT THE MEASURE DOES:

Removes requirement that amount of net proceeds from Oregon State Lottery allocated to County Fair Account not exceed \$1.53 million annually. Requires Oregon Business Development Department (OBDD) to prepare and report master plan for county fairground capital construction. Specifies content and procedural requirements for report. Appropriates \$250,000 for consultant services related to report. Creates Horse Racing Account. Requires 0.8 percent of net proceeds from Oregon State Lottery be allocated for County Fair Account and 0.2 percent of net proceeds from Oregon State Lottery for Horse Racing Account. Declares emergency, effective on passage.

#### ISSUES DISCUSSED:

- How funds would be distributed to the county fairgrounds
- County fairgrounds as an entry point for small businesses
- Horse racing at county fairgrounds

#### EFFECT OF AMENDMENT:

Establishes Horse Racing Account (HRA). Funds HRA with 0.2 percent of net proceeds from the Oregon State Lottery. Requires funds in the account be used to support horse racing events held in Crook County, Josephine County, Tillamook County, and Union County. Funds County Fair Account with 0.8 percent of net proceeds from the Oregon State Lottery.

#### BACKGROUND:

In 2019, fairgrounds hosted 6.15 million people during annual fairs and over 17,000 local events. An economic study by Oregon State University estimated that fairgrounds generated an economic footprint of approximately \$52 million in output, \$28 million in value-added income, and 867 full- and part-time jobs. County fairs support learning and leadership programs like 4-H and Future Farmers of America.

Currently, the County Fair Account is allocated an amount equal to one percent of the net proceeds from the Oregon State Lottery, but not to exceed \$1.53 million annually. House Bill 2510 A removes the \$1.53 million limitation on Lottery proceeds that may be allocated to the County Fair Account. House Bill 2510 A creates the Horse Racing Account, money in the account must be used to support horse racing events held in Crook County, Josephine County, Tillamook County, and Union County. The measure funds County Fair Account with 0.8 percent of net proceeds from the Oregon State Lottery and funds Horse Racing Account with 0.2 percent of net proceeds from the Oregon State Lottery.

In addition, the measure requires Oregon Business Development Department (OBDD) to work with county fair boards, the board of directors for each fair association, and the board of each fair district to develop a five-year and a ten-year capital construction master plan for each county fairground and make findings or

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recommendations on county fairground capital construction.