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Cheryl Subler, Executive Director

Senate Agriculture and Natural Resources Committee House Bill 665 – Interested Party Testimony

> Tony Bornhorst Shelby County Commissioner

> > December 9, 2020

Chairman Hoagland, Vice Chair Schaffer, Ranking Member O'Brien, and members of the Senate Agriculture and Natural Resources Committee, thank you for the opportunity to provide interested party testimony today on House Bill 665. My name is Tony Bornhorst, and I serve as a Fayette County Commissioner, a position I have held for eight years. Outside of my commissioner duties, I am a farmer, former pork producer, a past president of the Ohio Pork Producers Council, and I have served on the Shelby County Soil and Water Conservation District Board. I am in my 30th year as a 4-H Advisor for the Ft. Loramie Livestock 4-H Club, which my father started in 1951, and six of my fourteen grandchildren are members of today.

Agricultural societies are important part of community life for most counties. The county and independent fairs that societies host are excellent platforms for community engagement and 4-H youth development. They are also an opportunity to showcase the many positive attributes of each respective county. Commissioners want to see successful fairs.

House Bill 665 makes a number of changes to the statutes governing county and independent fairs. Modernizing the language governing fairs, streamlining annual financial report submissions, reducing newspaper publications, and removing outdated language are all welcome changes that will help improve the operations of fairs across the state.

The bill also makes other changes that will impact county government. A summary of these changes as well as CCAO's commentary is as follows:

County Payments to Societies

House Bill 665 makes several changes to the amount of funds counties must transfer to agricultural societies. These changes include the following:

- Increases from \$800 to \$1,600 the maximum amount that must be transferred to a county or independent agricultural society, provided several statutory conditions are satisfied.
- Removes the \$500 cap on the amount that counties reimburse societies for junior fair expenses while retaining the \$100 minimum.



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- Removes the \$2,000 cap on the amount that counties must appropriate to county agricultural societies, provided several conditions are met, while retaining the \$1,500 minimum.
- Removes the \$2,000 cap on the amount that counties must appropriate to an independent agricultural society, provided several conditions are met. It also increases from \$500 to \$1,500, the minimum appropriation an independent agricultural society receives from the board.

While the proposed increases are modest or permissive in nature, they come at a time of great budgetary uncertainty for county government. Counties have undertaken a number of budgetary control measures in response to the COVID-19 pandemic, and revenue streams remain highly variable. Increasing state-mandated funding requirements places additional pressure on limited county budgets.

Liquor Sale Proceeds

HB 665 strikes existing statute in ORC 1711.09 which states that if an agricultural society allows the sale of intoxicating liquor on its fairgrounds, the society must first apply any proceeds it receives to pay for the cost of insuring the fairgrounds buildings. Any additional proceeds may then be used for any other purpose authorized by law. CCAO would respectfully request that this stricken language be retained.

ORC 1711.24 requires that the board of county commissioners insure fairgrounds buildings. CCAO does not believe that 1711.09 conflicts with 1711.24. While 1711.24 requires the provision of insurance by county commissioners for fairgrounds buildings, we believe this does not prevent agricultural societies from contributing to the cost of this insurance. As alcohol sales on fairgrounds gain in popularity across the state, commissioners believe that allowing these proceeds to offset fairgrounds insurance costs is a reasonable request.

Exemption for Water and Sewer Assessments

HB 665 creates an exemption for agricultural societies from water or sewer assessments, rentals, and other charges levied by a regional water and sewer district. It appears the situation that brought about the exemption request is local in nature. Likewise, there are tools available at the local level to resolve this issue without unnecessarily creating new carveouts. Local fee and assessment structures work best when broadly and equitably applied to all landowners.

Thank you for your time and consideration of my comments on House Bill 665. I would be happy to answer any questions you may have for me.