

Ohio Fair Managers Association P. O. Box 2625 Stow, Ohio 44224 330-208-0372 <u>ohiofairs@att.net</u>

Chair Jones, Ranking Member Troy and members of the House Finance Subcommittee on Agriculture, Development and Natural Resources, thank you for the opportunity to be here today. My name is Rod Arter, and I am the Immediate Past President of the Board of the Ohio Fair Managers Association (OFMA). The OFMA is the statewide association representing Ohio's 95, county fairs, independent fairs and the Ohio State Fair. My home fair is the Hartford Fair, the Biggest Little Fair in the World! I have been involved in my local fair board for as long as I can remember, and the importance of the fair has always been instilled in me.

I want to first say a sincere thank you to the members of the Ohio legislature for your support of Ohio's fairs. We have seen historic investment from the state to support your agricultural societies. This helped us not only weather through COVID but begin to address some of the deferred maintenance on our grounds, through the capital grant program you had approved. But you haven't only shown support through state funds. We see you visiting our county and independent fairs, manning booths on the midway, supporting our concessions and most importantly the kids exhibiting their 4-H projects. We know many of you have 4-H champion banners displayed in your offices showing your support for those auctions at the fairs that provide tremendous assistance to Ohio's youth.

I am here today to specifically request an increase in the Ohio Department of Agriculture budget line, GRF 700501, that is used to reimburse county and independent agricultural societies for their Junior Fair activities. Currently the funding level is roughly 29% of the actual cost to fairs. The end of my written testimony includes some historical numbers on this line item. I know many of you have received this from your local fairs as well.

Expenses incurred to host the junior fair activities include the ribbons and trophies presented to the participants, all premiums, including scholarship, etc. These expenses add up.

We know that the Junior fair activities and expositions are very important not just to the community, but to the kids and families who participate. We are asking that the state increase this line item to support us at the local level to continue to have premier opportunities for our next generation of Ohioans. This line item is the one consistent investment in the state's operating budget for fairs and as you can see in the numbers it hasn't seen an increase in years.

I want to highlight the spike in spending in 2020. During the COVID-19 restrictions, most fairs were only permitted to host a junior fair. So, the event was only the 4-H exhibits and auction. Many had to pivot to an on-line livestock sale and make additional investments and accommodation for those events. This number does not however account for the fact that for our fairs, the junior fair activities are all expenses. We don't bring in revenue for these events. Our agricultural societies make revenue primarily off of gate admissions, the midway, and off-season grounds rentals and events. Those revenues were nearly non-existent during the COVID restrictions. So, while we are eternally grateful for state's financial support during those difficult times, many of our fairs are still not "whole" from the losses over the last couple of years.

While this junior fair line item has remained relatively flat over the years, fairs have seen a significant decline in another revenue stream through the Ohio Fairs Fund. The Ohio Fairs Fund is comprised of a small portion of the proceeds from the parimutuel betting on horse racing. As you know many of Ohio fairs host harness racing during the fair. The Ohio Fairs Fund is designed to support purses for the races and track maintenance. As more people are choosing to place their bets on-line, or choosing to take advantage of the other betting options allowed by the state, this fund has been on a steady and dramatic decline. For 2023 the fund is \$277,068.33 short of meeting it's statutorily set distributions (3769.082). So, fairs are receiving prorated, lower amounts to account for that deficit.

Mr. Chairman, members of the committee, the OFMA appreciates your consideration of this request to increase the junior fair line item and again thank you for your dedication and support to Ohio's county and independent fairs. I will do my best to answer any questions you may have.

Supplemental Funding Data and History:

The average amount spent by County Agricultural Societies each year based on a 5- year history is \$ 1,268,643

Estimated spend statewide: 2021 Jr. Fair Premiums – \$ 1,242,314.59 2020 Jr. Fair Premiums – \$ 1,637,574.00 2019 Jr. Fair Premiums – \$ 1,128,000.00 2018 Jr. Fair Premiums – \$ 1,128,863.21 2017 Jr. Fair Premiums – \$ 1,206,463.29

State Appropriation

House Bill 64 (FY 2016 and 2017) GRF 700501 County Agricultural Societies \$ 391,415 House Bill 49 (FY 2018 and 2019) GRF 700501 County Agricultural Societies \$ 379,673 House Bill 166 (FY 2020 and 2021) GRF 700501 County Agricultural Societies \$ 379,673 House Bill 110 (FY 2022 and 2023) GRF 700501 County Agricultural Societies \$ 379,673