

## AGRICULTURAL FAIRS RESCUE ACT

SEPTEMBER 27, 2021.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. DAVID SCOTT of Georgia, from the Committee on Agriculture, submitted the following

### R E P O R T

[To accompany H.R. 2424]

The Committee on Agriculture, to whom was referred the bill (H.R. 2424) to direct the Secretary of Agriculture to establish a program under which the Secretary awards grants to States or State departments of agriculture for the purposes of providing support to agricultural fairs for losses sustained due to COVID-19, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

#### SECTION 1. SHORT TITLE.

This act may be cited as the “Agricultural Fairs Rescue Act”.

#### SEC. 2. AGRICULTURAL FAIR RESCUE GRANTS.

(a) **IN GENERAL.**—Not later than 180 days after the date on which funds are made available to carry out this section, the Secretary of Agriculture, acting through the Administrator of the Agricultural Marketing Service, shall award a grant to each State department of agriculture (or other appropriate State agency assigned with the promotion of agricultural fairs) for the purposes of providing support to eligible agricultural fairs for losses sustained by such fairs due to COVID-19.

(b) **AMOUNT OF GRANT.**—The amount of a grant to a State or State department of agriculture under this section shall be based on the difference between the average attendance at agricultural fairs in the State for a calendar year occurring during the 3-calendar-year period beginning with calendar year 2017 (or over a shorter period, if attendance data is not available for the entire 3-calendar-year period) compared to calendar year 2020.

(c) **CONDITIONS.**—As a condition on the receipt of a grant under this section, a State or State department of agriculture shall agree—

- (1) to prioritize supporting eligible agricultural fairs in the State facing the greatest financial hardship; and
- (2) to use not more than 5 percent of grant funds for administrative costs incurred in providing support to eligible agricultural fairs.

(d) USE OF FUNDS.—A State or State department of agriculture selected to receive a grant under this section may only use grant funds to assist eligible agricultural fairs that—

(1) host annual events that are drivers and promoters of agribusiness in the State (as determined by the State);

(2) have experienced a closure, stoppage, or cancellation of a local, county or State fair operations as a direct or indirect result of—

(A) the COVID–19 national emergency; or

(B) any associated actions taken by any governmental authority at the Federal, State, county, or municipal level in response to that national emergency;

(3) agree to, and demonstrate the intent to, re-establish a fair within 18 months of the termination of the declaration specified in subsection (f)(2);

(4) agree to use all grant funds within the 18-month period that begins on the date on which such funds are received; and

(5) agree to use funds received pursuant to this section for operating capital expenses, to reimburse operating expenses paid from reserves not originally intended for operating expenses, repay indebtedness incurred to pay operating expenses, or repay other third parties that contributed to funding operating expenses, but not for capital improvements.

(e) FUNDING.—

(1) IN GENERAL.—There is authorized to be appropriated to make grants under this section \$500,000,000 for fiscal year 2022, each succeeding fiscal year occurring during the COVID–19 national emergency, and the first fiscal year immediately following the termination of such national emergency.

(2) ADMINISTRATIVE EXPENSES.—Of the funds made available under paragraph (1) to carry out this section for a fiscal year, not more than 8 percent may be used for expenses related to administering the program under this section.

(f) DEFINITIONS.—In this section:

(1) ELIGIBLE AGRICULTURAL FAIR.—The term “eligible agricultural fair” means a local, county, or State fair that—

(A) is a subunit of a government entity, a public corporation organized and existing pursuant to State law, or is owned and operated as a not-for-profit organization described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code; and

(B) helps farmers, ranchers, or foresters—

(i) promote their products; or

(ii) expand agricultural markets through conservation programs, agricultural research, educational programs, or other events that encourage agriculture, horticulture, and the domestic arts.

(2) COVID–19 NATIONAL EMERGENCY.—The term “COVID–19 national emergency” means the national emergency declared by the President under the National Emergencies Act (50 U.S.C. 1601 et seq.) on March 13, 2020, with respect to COVID–19.

(3) STATE.—The term “State” means the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands.

(4) STATE DEPARTMENT OF AGRICULTURE.—The term “State department of agriculture” means the agency, commission, or department of a State government responsible for agriculture in the State.

#### BRIEF EXPLANATION

This legislation, as reported out of Committee, authorizes the Agricultural Marketing Service of the Department of Agriculture to establish a program to award grants to State departments of agriculture to provide support to agricultural fairs for losses sustained by such fairs due to COVID–19.

#### PURPOSE AND NEED FOR LEGISLATION

Agricultural fairs promote and market U.S. agribusiness products and services; develop and administer programs to assist agribusinesses in expanding; and contribute to the development of agribusiness by conducting educational programs, demonstrations, contests, and exhibits. They also encourage and develop the next gen-

eration of America’s food producers by cultivating a passion for agriculture in students and supporting beginning farmers and ranchers.

Like many other industries in the United States, fairs suffered tremendous losses as a result of the COVID–19 national emergency. Fair disruptions and cancellations impacted not only a primary source for the promotion of U.S. agribusiness, but also thousands of associated jobs and the economic impact fairs bring to their communities. Prior to the national emergency, around 2,000 fairs were held each year in North America, with U.S. fairs estimated to generate \$4.67 billion each year. However, an overwhelming majority of fairs were not held in 2020.

H.R. 2424 helps preserve agricultural fairs across the country and offset the devastating financial losses they have experienced due to COVID–19.

#### H.R. 2424, THE AGRICULTURAL FAIRS RESCUE ACT

##### SECTION-BY-SECTION

###### *Section 1. Short title*

Section 1 provides the short title of the bill as the “Agricultural Fairs Rescue Act.”

###### *Section 2. Agricultural fair rescue grants*

Subsection (a) requires that the Secretary of Agriculture, acting through the Agricultural Marketing Service, award grants to each State department of agriculture or other appropriate State agency assigned to promote agricultural fairs to support eligible agricultural fairs for their losses due to COVID–19. This is to occur not later than 180 days after funds are made available to carry out this section.

Subsection (b) requires that the amount of the grant provided to the State department of agriculture or other appropriate State agency would be based on the difference between the average attendance at agricultural fairs in the State in calendar years 2017 through 2019, compared to attendance in calendar year 2020.

Subsection (c) provides that a State department of agriculture or other appropriate State agency shall agree to prioritize supporting eligible agricultural fairs in the State facing the greatest financial hardship and use not more than 5 percent of the grant funds for administrative costs incurred in providing support to eligible agricultural fairs.

Subsection (d) allows the State department of agriculture or other appropriate State agency to use grant funds to assist eligible agricultural fairs that: (1) host annual events that promote agribusiness in the State; that have experienced a closure, stoppage, or cancellation of a local, county, or State fair operation as a result of the COVID–19 national emergency; (2) agree to re-establish a fair within 18 months of the termination of the COVID–19 national emergency; (3) agree to use all grant funds within 18 months after the receipt of the funds; and (4) agree to use grant funds on operating capital expenses, including reimbursing and repaying debt related to operating expenses.

Subsection (e) authorizes \$500 million for Fiscal Year 2022 and in each succeeding year where there is a national emergency de-

clared by the President with respect to COVID–19, through the first fiscal year immediately following the termination of the national emergency. The Secretary may use up to 8 percent of such funds for administrative expenses related to administering the grant program.

Subsection (f) defines “eligible agricultural fair” to mean a local, county, or State fair that is a subunit of a government entity, a public corporation under State law, or a nonprofit that helps farmers, ranchers, or foresters promote their products or expand agricultural markets through conservation programs, agricultural research, educational programs, or other events that encourage agriculture, horticulture, and the domestic arts. The subsection also defines “COVID–19 national emergency” to mean the national emergency declared by the President under the National Emergencies Act on March 13, 2020, with respect to COVID–19. “State” is defined to mean the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands. “State department of agriculture” is defined to mean the agency, commission, or department of a State government responsible for agriculture in the State.

#### COMMITTEE CONSIDERATION

On September 21, 2021, the Committee on Agriculture met pursuant to notice, with a quorum present, to consider H.R. 2424, the Agricultural Fairs Rescue Act. Chairman Scott made an opening statement as did Ranking Member Thompson. Chairman Scott requested other Members submit their opening statements for the record. Without objection, the Agricultural Fairs Rescue Act was placed before the Committee for consideration, a first reading of the bill was waived, and it was opened for amendment at any point.

Chairman Scott recognized Mr. Panetta to offer an amendment to make technical timing changes that would push back the date for the Secretary to award grants and authorize funds beginning in Fiscal Year 2022. After discussion, the amendment passed by a voice vote. Chairman Scott recognized Mr. Lawson to offer an amendment to include 2021 as an option for comparison when determining the amount of grants. After discussion, the amendment was withdrawn. There being no further amendments, Mr. Panetta moved that H.R. 2424, as amended, be reported favorably to the House, with the recommendation that the bill be agreed to and the bill pass. The motion was subsequently approved by voice vote.

At the conclusion of the meeting, Chairman Scott advised Members that pursuant to the Rules of the House of Representatives, Members had until September 24, 2021 to file any supplemental, additional, dissenting, or minority views with the Committee. Without objection, staff was given permission to make any necessary technical, clarifying, or conforming changes to reflect the intent of the Committee. Chairman Scott thanked all the Members and adjourned the meeting.

## COMMITTEE VOTES

In compliance with clause 3(b) of rule XIII of the House of Representatives, H.R. 2424 was reported by voice vote with a majority quorum present. There was no request for a recorded vote.

## COMMITTEE OVERSIGHT FINDINGS

Pursuant to clause 3(d)(2) of rule XIII of the Rules of the House of Representatives, the Committee report incorporates the cost estimates prepared by the Director of the Congressional Budget Office pursuant to sections 402 and 423 of the Congressional Budget Act of 1974.

## COST OF LEGISLATION AND THE CONGRESSIONAL BUDGET ACT

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of clause (3)(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has requested but not received a cost estimate for this bill from the Director of Congressional Budget Office. The Committee adopts as its own cost estimate the forthcoming cost estimate of the Director of the Congressional Budget Office, should such cost estimate be made available before House passage of the bill.

The Committee has requested but not received from the Director of the Congressional Budget Office a statement as to whether this bill contains any new budget authority, spending authority, credit authority, or an increase or decrease in revenues or tax expenditures. Congressional Budget Office staff has informed the Committee on a preliminary, informal, nonbinding basis that there does not appear to be any revenue effects or direct spending associated with the bill.

## CONSTITUTIONAL AUTHORITY STATEMENT

The Committee finds the Constitutional authority for this legislation in Article I, section 8, clause 18, that grants Congress the power to make all laws necessary and proper for carrying out the powers vested by Congress in the consideration of the United States or in any department or officer thereof.

## PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII of the House of Representatives, the performance goals and objectives of this measure are to support agricultural fairs that have experienced a closure, stoppage, or cancellation of operations due to the COVID-19 national emergency.

## ADVISORY COMMITTEE STATEMENT

No advisory committee within the meaning of section 5(b) of the Federal Advisory Committee Act was created by this legislation.

## APPLICABILITY TO THE LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act (Public Law 104-1).

## FEDERAL MANDATES STATEMENT

An estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act was not made available to the Committee in time for the filing of this report. The Chair of the Committee shall cause such estimate to be printed in the Congressional Record upon its receipt by the Committee.

## EARMARK STATEMENT

This measure does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), or 9(g) of rule XXI of the House of Representatives.

## DUPLICATION OF FEDERAL PROGRAMS

This measure does not establish or reauthorize a program of the Federal Government known to be duplicative of another Federal program, a program that was included in any report from Government Accountability Office to Congress pursuant to section 21 of Public Law 111-139, or a program related to a program in the most recent Catalog of Federal Domestic Assistance.

## DISCLOSURE OF DIRECTED RULE MAKINGS

The Committee does not believe that the legislation directs an Executive Branch official to conduct any specific rule making proceedings within the meaning of 5 U.S.C. 551.