

Date of Hearing: August 20, 2025

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

SB 493 (Becker) – As Amended June 25, 2025

Policy Committee: Agriculture

Vote: 8 - 0

Urgency: No

State Mandated Local Program: No

Reimbursable: No

SUMMARY:

This bill requires the California Department of Food and Agriculture (CDFA) to determine the compensation for a secretary-manager of a district agricultural association in accordance with certain requirements.

Specifically, this bill, among other things, requires the secretary of CDFA to fix the compensation for a secretary-manager of a district agricultural association, as specified, in an amount that is reasonably appropriate, at the discretion of the secretary, in compliance with all of the following provisions:

- 1) The secretary may take into consideration specified requirements to recruit and retain highly qualified and effective employees for secretary-manager positions.
- 2) The secretary shall set a single salary range for the compensation of a secretary-manager. In determining the salary range, on or before January 1, 2027, and every three years thereafter, the secretary shall conduct a salary survey of both of the following: (i) other state, regional, and local positions in similar industries that are most comparable to the secretary-manager position and (ii) other relevant labor pools. The salary survey shall only be conducted if the secretary receives funds from the fair industry for this purpose.
- 3) Until CDFA conducts its first salary survey, the compensation for a secretary-manager of a district agricultural association shall be compensated within the salary ranges established for the secretary-manager I-VII classifications or for the general manager of the California Exposition and State Fair, regardless of fair classification. After CDFA conducts its first salary survey, the maximum salary limit of the salary range for a secretary-manager shall not exceed the highest salary for a position comparable to a secretary-manager, as determined by the most recent salary survey, except as specified.
- 4) In fixing the compensation within the salary range determined pursuant to 2), above, the secretary shall also take both of the following into account: (i) the recommendation of the district agricultural association board of directors and (ii) budgetary constraints of the district agricultural association.
- 5) Annual compensation shall be increased by an amount comparable to, but not to exceed, the percentage of the general cost-of-living salary increase provided for state employees in any fiscal year in which a general salary increase is provided for state employees. In addition to this annual increase, a secretary-manager may receive an annual merit salary increase of up

to 10%. A secretary-manager who manages more than one district agricultural association may be compensated up to 40% more than the maximum salary limit of the salary range for a secretary-manager determined pursuant to 2), above.

FISCAL EFFECT:

- 1) Costs of an unknown amount, potentially in excess of \$150,000, for CDFA to conduct a salary survey of other state, regional, and local positions in similar industries and other relevant labor pools every three years and determine the required salary ranges and compensation for secretary-managers (General Fund or special fund such as the Fair and Exposition Fund). The bill requires the fair industry to pay for the costs of these surveys and provides that the secretary is to conduct the surveys only if it receives funds from the fair industry to do so. Therefore, this committee assumes CDFA will receive funding from industry adequate to cover CDFA's costs, and in advance.

CDFA notes it will not know the initial cost of the survey until it obtains an estimate from or contract with the California Department of Human Resources (CalHR) or a third party. For context, the department is currently developing a survey with an outside contractor to analyze veterinarian salaries. CDFA notes development of this survey, which is in its third year with an estimated cost of \$70,000, provides a low-end estimate for the amount the department will likely need to raise from the fair industry before it can implement the requirements of this bill.

- 2) CalHR anticipates it will incur General Fund costs of an unknown amount if it must contract with CDFA on the surveys. Cost drivers include, among other things, purchasing private sector compensation data from multiple sources and conducting a salary analysis for comparable positions at convention centers, arenas, and hotels.
- 3) Given the manner in which state funding for fairs is structured (see below), district agricultural association budgets will most likely bear the cost of higher salaries and merit increases for their secretary-managers.

COMMENTS:

- 1) **Purpose.** According to the author:

California's fairgrounds are not just venues for entertainment and a storied part of our agricultural history—they are critical infrastructure that serves as the backbone of our state's emergency response network. However, there is a loophole in state law that prevents some fair employees from receiving competitive salaries and benefits that commensurate with the work they perform as compared to other similar positions, thus limiting recruitment and retention opportunities. SB 493 ensures that the Secretary-Managers, who are responsible for maintaining these venues and responding to disasters, receive fair and competitive compensation.

- 2) **Background. Fair Funding.** CDFA oversees California's agricultural industry, including the state's network of 78 fairs. District agricultural associations hold fairs, expositions, and exhibitions to highlight various industries, enterprises, resources, and products of the state.

Prior to 2009, funding for California fairs was supported by licensing fees imposed on horse racing wagers. SBX2 16 (Ashburn), Chapter 12, Statutes of 2009, ended this practice and provided a continuous General Fund appropriation of \$32 million for fairs, until this appropriation was eliminated in fiscal year (FY) 2011-12, and fairs were required to be self-sustaining. AB 1499 (Gray), Chapter 798, Statutes of 2017, helped partially backfill funding by providing fairs with a percentage (0.75%) of state sales and use tax (SUT) revenues generated from activities on fairgrounds. For context, in FY 2023-24, CDTFA reported over \$655 million in total sales at fairgrounds. Using the 0.75% allocation, the state allocated approximately \$5 million total to fairs. In addition, the fairs receive about \$2.6 million annually from the General Fund (absent specific one-time allocations such as during the COVID-19 pandemic).

Secretary-Manager Compensation. A secretary-manager of an agricultural district association is responsible for a wide range of duties, such as hiring and supervising fair staff, maintaining fairground facilities and records, managing budgets, marketing fairgrounds to event, convention, and exhibit producers, implementing programs to attract corporate sponsorships, managing fairgrounds for local and regional emergencies year-round, and more. CDFA annually reviews and maintains separate job descriptions for each secretary-manager. However, CDFA does not have the authority to approve compensation independent of CalHR.

This bill is sponsored by the California Emergency Response Resiliency Venues and Fairgrounds Association (CERRVF), which argues that current law does not adequately reflect the expanded role of secretary-managers, nor does it provide a fair and modernized compensation structure. CERRVF writes:

SB 493 directly addresses these challenges by: establishing a periodic salary survey to ensure competitive compensation; providing premium pay for managers overseeing multiple Fairgrounds; empowering [CDFA] to independently approve salary adjustments; and implementing updated job descriptions, performance reviews, and a structured, merit-based salary increase process. By modernizing the compensation structure, SB 493 will ensure that Fairgrounds remain sustainable and well-managed, continuing their indispensable role in emergency response and community service.

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