Withdrawn
3/17/04

FILED MAR 03 '04

SENATE FILE 2241
BY COMMITTEE ON LOCAL GOVERNMENT

(SUCCESSOR TO SSB 3135)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act providing for the administration of fairs, providing for
2 the allocation of moneys, and providing for an effective date.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
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SF 2241
LOCAL GOVERNMENT

TLSB 5589SV 80
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S.F. 2241 H.F. _____

1 Section 1. Section 21.2, subsection 1, paragraph f, Code
2 2003, is amended to read as follows:
3 f. A nonprofit corporation other than a ~~county or district~~
4 fair ~~or agricultural society~~ conducting a fair event as
5 provided in chapter 174, whose facilities or indebtedness are
6 supported in whole or in part with property tax revenue and
7 which is licensed to conduct pari-mutuel wagering pursuant to
8 chapter 99D or a nonprofit corporation which is a successor to
9 the nonprofit corporation which built the facility.
10 Sec. 2. Section 22.1, subsections 1 and 3, Code 2003, are
11 amended to read as follows:
12 1. The term "government body" means this state, or any
13 county, city, township, school corporation, political
14 subdivision, tax-supported district, nonprofit corporation
15 other than a ~~county or district~~ fair ~~or agricultural society~~
16 conducting a fair event as provided in chapter 174, whose
17 facilities or indebtedness are supported in whole or in part
18 with property tax revenue and which is licensed to conduct
19 pari-mutuel wagering pursuant to chapter 99D, or other entity
20 of this state, or any branch, department, board, bureau,
21 commission, council, committee, official or officer, of any of
22 the foregoing or any employee delegated the responsibility for
23 implementing the requirements of this chapter.
24 3. As used in this chapter, "public records" includes all
25 records, documents, tape, or other information, stored or
26 preserved in any medium, of or belonging to this state or any
27 county, city, township, school corporation, political
28 subdivision, nonprofit corporation other than a ~~county or~~
29 ~~district~~ fair ~~or agricultural society~~ conducting a fair event
30 as provided in chapter 174, whose facilities or indebtedness
31 are supported in whole or in part with property tax revenue
32 and which is licensed to conduct pari-mutuel wagering pursuant
33 to chapter 99D, or tax-supported district in this state, or
34 any branch, department, board, bureau, commission, council, or
35 committee of any of the foregoing.

1 Sec. 3. Section 99B.1, subsections 4 and 13, Code
2 Supplement 2003, are amended to read as follows:
3 4. "Authorized" means approved as a concession by the Iowa
4 state fair board or a ~~county or district~~ fair ~~or agricultural~~
5 ~~society holding~~ conducting a fair event as provided in chapter
6 174.
7 13. "Fair" means an annual fair and exposition held by the
8 Iowa state fair board and any fair ~~held by a county or~~
9 ~~district fair or agricultural society~~ event conducted by a
10 fair under the provisions of chapter 174.
11 Sec. 4. Section 99D.13, subsection 3, paragraphs a and b,
12 Code 2003, are amended to read as follows:
13 a. Eighty percent of the amount appropriated shall be
14 allocated to qualified harness racing tracks, to be used by
15 the tracks to supplement the purses for those harness races in
16 which only Iowa-bred or owned horses may run. However,
17 beginning with the allocation of the appropriation made for
18 the fiscal year beginning July 1, 1992, the races for which
19 the purses are to be supplemented under this paragraph shall
20 be those in which only Iowa-bred two-year and three-year olds
21 may run. In addition, the races must be held under the
22 control or jurisdiction of the Iowa state fair board,
23 established under section 173.1, or of a ~~society~~ fair, as
24 defined under section 174.1.
25 b. Twenty percent of the amount appropriated shall be
26 allocated to qualified harness racing tracks, to be used by
27 the tracks for maintenance of and improvements to the tracks.
28 Races held at the tracks must be under the control or
29 jurisdiction of the Iowa state fair board, established under
30 section 173.1, or of a ~~society~~ fair, as defined under section
31 174.1.
32 Sec. 5. Section 173.3, Code Supplement 2003, is amended to
33 read as follows
34 173.3 CERTIFICATION OF STATE AID ASSOCIATIONS.
35 On or before November 15 of each year, the secretary of

agriculture shall certify to the secretary of the state fair board the names of the various associations, fairs, and societies which have qualified for state aid under the provisions of chapters 176 through 178, 181, 182, 186, and 352, and which are entitled to representation in the convention as provided in section 173.2.

Sec. 6. Section 174.1, subsections 1 and 2, Code 2003, are amended to read as follows:

1. "Fair event" ~~shall mean~~ means an annual gathering of ~~people~~ the public on fairgrounds that incorporates agricultural exhibits, demonstrations, shows, or ~~competition~~ competitions and which ~~has the following activities~~ includes all of the following:

a. ~~Extension,~~ Programs or projects sponsored by 4-H clubs, ~~or~~ future farmers of America ~~programs~~, or the Iowa cooperative extension service in agriculture and home economics of Iowa state university.

b. Commercial ~~and educational~~ exhibits sponsored by manufacturers or other businesses.

c. ~~Competition in the~~ Educational programs or exhibits sponsored by governmental entities or nonprofit organizations.

d. Competition in culinary arts, fine arts, or home craft arts.

2. "Management" shall mean president, vice-president, secretary, or treasurer of ~~the society~~ a fair.

Sec. 7. Section 174.1, subsection 3, Code 2003, is amended by striking the subsection.

Sec. 8. Section 174.1, Code 2003, is amended by adding the following new subsections:

NEW SUBSECTION. 0A. "Association" means the association of Iowa fairs.

NEW SUBSECTION. 0B. "Fair" means an organization which is incorporated under the laws of this state, including as a county or district fair or as an agricultural society, for the purpose of conducting a fair event, if all of the following

apply:

a. The organization owns or leases at least ten acres of fairgrounds. A society may meet the requirement of owning or leasing land, buildings, and improvements through ownership by a joint entity under chapter 28E.

b. The organization owns buildings and other improvements situated on the fairgrounds which have been specially constructed for purposes of conducting a fair event.

c. The market value of the fairgrounds and buildings and other improvements located on the fairgrounds is at least eighty thousand dollars.

NEW SUBSECTION. 0C. "Fairgrounds" or "grounds" means the real estate, including land, buildings, and improvements where a fair event is conducted.

NEW SUBSECTION. 4. "State aid" means moneys appropriated by the treasurer of state to the association of Iowa fairs for payments to eligible fairs pursuant to this chapter.

Sec. 9. Section 174.2, unnumbered paragraphs 1 and 2, Code 2003, are amended to read as follows:

~~Each society~~ A fair may ~~hold~~ annually ~~a fair~~ conduct a fair event to further interest in agriculture and to encourage the improvement of agricultural commodities and products, livestock, articles of domestic industry, implements, and other mechanical devices. It may offer and award such premiums as will induce general competition.

In addition to the powers granted ~~herein the society~~ in this chapter, a fair shall ~~possess~~ have the powers of a corporation not for pecuniary profit under the laws of this state and those powers enumerated in its articles of incorporation, such powers to be exercised before and after the holding of ~~such fairs~~ a fair event.

Sec. 10. Section 174.3, Code 2003, is amended to read as follows:

174.3 CONTROL OF GROUNDS.

An ordinance or resolution of a county or city shall not in

1 any way impair the authority of ~~the society, but it~~ a fair.
2 The fair shall have sole and exclusive control over and
3 management of ~~such~~ a fair event and fairgrounds.
4 Sec. 11. Section 174.4, Code 2003, is amended to read as
5 follows:
6 174.4 PERMITS TO SELL ARTICLES.
7 The management of ~~any society~~ a fair may grant a written
8 permit to ~~such persons as it thinks~~ a person determined proper
9 by the management, to sell fruit, provisions, and other
10 articles not prohibited by law, under such regulations as the
11 ~~board of directors~~ management may prescribe.
12 Sec. 12. Section 174.6, Code 2003, is amended to read as
13 follows:
14 174.6 REMOVAL OF OBSTRUCTIONS.
15 ~~All~~ The management of a fair may order the removal of any
16 obstruction to a fair event or on the fairgrounds, including
17 but not limited to shows, swings, booths, tents, or vehicles~~,~~
18 ~~or any other thing that may obstruct the grounds of any~~
19 ~~society or the driveways thereof may be removed from the~~
20 ~~grounds on the order of the management.~~
21 Sec. 13. Section 174.8, Code 2003, is amended to read as
22 follows:
23 174.8 PUBLICATION OF FINANCIAL STATEMENT.
24 ~~Each society~~ A fair shall annually publish in one newspaper
25 of the county a financial statement of receipts and
26 disbursements for the current year.
27 Sec. 14. Section 174.9, Code 2003, is amended to read as
28 follows:
29 174.9 STATE AID.
30 ~~Each~~ An eligible ~~society~~ fair which is a member of the
31 association of Iowa fairs as provided in the association's
32 bylaws and which conducts a ~~county~~ fair event shall be
33 entitled to receive state aid ~~from the state~~ as provided in
34 this chapter. The moneys paid as state aid must be used
35 exclusively for capital expenditures relating to the

acquisition of land for fairgrounds and improvements on the fairgrounds such as the construction of new facilities and the renovation of existing facilities. In order to be eligible for state aid, a ~~society~~ fair must file with the association of Iowa fairs on or before November ~~1~~ 15 of each year, a statement which ~~shall show~~ provides information as required by the association of Iowa fairs. The information shall at least include all of the following:

1. The ~~actual~~ amount that the fair paid ~~by it~~ in cash premiums at its fair for the current year~~, which~~. The statement must correspond with its published offer of premiums.

2. ~~That~~ A statement that no part of ~~said~~ the amount of state aid was paid for any of the following:

a. Entertainment venues, including but not limited to speed events~~, or to~~.

b. To secure games or amusements.

c. Supplies, rentals, equipment, payroll, inventory, fees, or routine operating expenses.

3. A full and accurate statement of the receipts and expenditures of the ~~society~~ fair for the current year ~~and other~~.

4. A statement of statistical data relative to exhibits and attendance for the year.

~~4.~~ 5. A copy of the published financial statement published as required by law, together with proof of such publication ~~and a certified statement~~ showing an itemized list of premiums awarded~~, and such other information as the association of Iowa fairs may require~~.

Sec. 15. Section 174.10, Code 2003, is amended to read as follows:

174.10 APPROPRIATION -- AVAILABILITY.

1. Any moneys appropriated for state aid ~~for county or local fairs~~ shall be paid to the office of treasurer of state ~~to be allocated~~ for allocation to the association of Iowa

fairs ~~for-payments-to-be-made-by-the-association~~. The association shall distribute the moneys to eligible ~~societies~~ fairs pursuant to this chapter.

2. a. The association ~~of-Iowa-fairs~~ shall maintain a list of each ~~society~~ fair in a county which is a member of the association and conducts a fair event in that county as provided in this chapter. If a county has more than one fair event, the association shall list the name of each ~~society~~ fair conducting a fair event in that county for three or more years. The association ~~of-Iowa-fairs~~ shall not make a payment to a ~~society~~ fair under this chapter unless the ~~society~~ fair complies with section 174.9, ~~and~~ the name of the ~~society~~ fair appears on the association's list, and the fair is a member in good standing according to the bylaws of the association.

b. The association shall prepare a report at the end of each fiscal year concerning the state aid ~~appropriated-for county-or-local-fairs~~ that it received, the manner in which such aid was allocated to eligible ~~societies~~ fairs, and the manner in which the aid was expended by the ~~societies~~ fairs. The association shall submit the report to the governor and the general assembly by ~~January~~ February 1 of each year. The association shall not use moneys appropriated for state aid ~~for-county-or-local-fairs~~, or interest earned on such moneys, for administrative or other expenses.

3. The association's board of directors shall determine the amount of state aid ~~for-each-fair-which-is-eligible-for state-aid-shall-be-equal~~ allocated to each eligible fair.

4. If no ~~society~~ fair in a county ~~qualifies~~ is eligible to receive state aid, that county's share shall be divided equally among the ~~counties-with-societies-eligible-for-state aid,-as-provided-in-this-section~~ eligible fairs.

~~5.--The-board-of-supervisors,-upon-receiving-a-petition seeking-to-designate-an-official-county-fair-which-meets-the requirements-of-section-331.306,-shall-submit-to-the registered-voters-of-the-county-at-the-next-general-election~~

1 ~~following-submission-of-the-petition-or-at-a-special-election~~
2 ~~if-requested-by-the-petitioners-at-no-cost-to-the-county,-the~~
3 ~~question-of-which-fair-shall-be-designated-as-the-official~~
4 ~~county-fair.--Notice-of-the-election-shall-be-given-as~~
5 ~~provided-in-section-49.53.--The-fair-receiving-a-majority-of~~
6 ~~the-votes-cast-on-the-question-shall-be-designated-the~~
7 ~~official-county-fair.~~
8 Sec. 16. Section 174.12, Code 2003, is amended to read as
9 follows:
10 174.12 PAYMENT OF STATE AID -- PARTICIPATION BY DELEGATES.
11 The association of Iowa fairs shall pay a ~~society~~ fair the
12 amount due in state aid, less one thousand dollars, as
13 provided in this chapter. The association ~~of-Iowa-fairs~~ must
14 certify to the treasurer that the ~~society~~ fair is eligible
15 under this chapter to receive the amount to be paid to the
16 ~~society~~ fair by the association. The association shall pay
17 the ~~society~~ fair the remaining one thousand dollars, if all of
18 the following apply:
19 1. The secretary of the state fair board certifies to the
20 association that the ~~society~~ fair had an accredited delegate
21 in attendance at the annual convention for the election of
22 members of the Iowa state fair board as provided in section
23 173.2.
24 2. A district director of the association ~~of-Iowa-fairs~~
25 representing the district in which the county is located, and
26 the director of the Iowa state fair board representing the
27 ~~congressional-district~~ state fair board district in which the
28 county is located, certify to the association that the ~~society~~
29 fair had an accredited delegate in attendance at at least one
30 of the district ~~meeting~~ meetings, and at the association's
31 annual meeting.
32 Any moneys appropriated in state aid ~~moneys~~ remaining due
33 to the failure of a ~~society~~ fair to comply with this section
34 shall be distributed equally among the ~~societies~~ eligible
35 fairs which have qualified for state aid under this section.

The treasurer of state shall allocate to the association ~~of Iowa fairs~~ the total amount to be paid by the association to eligible ~~societies~~ fairs under this chapter.

Sec. 17. Section 174.13, Code 2003, is amended to read as follows:

174.13 COUNTY AID.

The board of supervisors of the county in which a ~~society~~ fair is located may appropriate moneys to be used for ~~fitting up or~~ purchasing fairgrounds ~~for the society or for aiding~~, constructing or restoring facilities on the fairgrounds, aiding 4-H club work, and ~~payment of~~ paying agricultural and livestock premiums in connection with the fair~~, if the society owns or leases at least ten acres of land for the fairground and owns or leases buildings and improvements on the land of at least eight thousand dollars in value~~ event. ~~A society may meet the requirement of owning or leasing land, buildings, and improvements through ownership by a joint entity under chapter 28E, of which the society is a part.~~

Sec. 18. Section 174.14, Code 2003, is amended to read as follows:

174.14 FAIRGROUND AID.

1. The board of supervisors of a county which has acquired real estate for ~~county or district fair purposes~~ fairgrounds and which has a ~~society~~ fair using the ~~real estate~~ fairgrounds, may appropriate moneys to be used for ~~the~~ any of the following:

a. The erection and repair of buildings or other permanent improvements on ~~the real estate, and for~~ the fairgrounds.

b. The payment of debts contracted in the erection or repair and payment of agricultural and livestock premiums.

2. In addition, the net proceeds from the sale of ~~fairground sites and~~ real estate or structures ~~on~~ or improvements on the ~~sites~~ fairgrounds shall be used for the purchase of real estate or the erection of permanent buildings and installation of improvements on ~~a~~ new ~~fairground site~~

1 fairgrounds, or the cost of moving structures from the old
2 fairgrounds to the new ~~site~~ fairgrounds.
3 Sec. 19. Section 174.15, Code 2003, is amended to read as
4 follows:
5 174.15 PURCHASE AND MANAGEMENT.
6 Title to land purchased or received for ~~fairground~~ purposes
7 of conducting a fair event shall be taken in the name of the
8 county or a ~~society,-but~~ fair. However, the board of
9 supervisors shall place ~~it~~ the land under the control and
10 management of a ~~society~~ fair. The ~~society~~ fair may act as
11 agent for the county in the erection of buildings, maintenance
12 of ~~grounds-and~~ the fairgrounds, including the buildings~~,-or~~
13 and improvements constructed on the grounds. Title to new
14 buildings or improvements shall be taken in the name of the
15 county or a ~~society,-but~~ fair. However, the county is not
16 liable for the improvements or expenditures for them.
17 Sec. 20. Section 174.16, Code 2003, is amended to read as
18 follows:
19 174.16 TERMINATION OF RIGHTS OF ~~SOCIETY~~ FAIR.
20 The right of ~~such-society~~ a fair to the control and
21 management of ~~said-real-estate~~ its fairgrounds may be
22 terminated by the board of supervisors whenever well conducted
23 ~~agricultural-fairs~~ fair events are not annually held ~~thereon~~
24 ~~by-such-society~~ on the fairgrounds.
25 Sec. 21. Section 174.17, subsection 1, Code 2003, is
26 amended to read as follows:
27 1. The governing body of a ~~society~~ fair may issue bonds
28 payable from revenue generated by the operations of the ~~county~~
29 fair event and the use or rental of the real and personal
30 property owned or leased by the ~~society~~ fair. The governing
31 body of a ~~society~~ fair shall comply with all of the following
32 procedures in issuing such bonds:
33 a. A ~~society~~ fair may institute proceedings for the
34 issuance of bonds by causing a notice of the proposal to issue
35 the bonds to be published at least once in a newspaper of

1 general circulation within the county at least ten days prior
2 to the meeting at which the ~~society~~ fair proposes to take
3 action for the issuance of the bonds. The notice shall
4 include a statement of the amount and purpose of the bonds,
5 the maximum rate of interest the bonds are to bear, and the
6 right to petition for an election.
7 b. If at any time before the date fixed for taking action
8 for the issuance of the bonds, a petition signed by three
9 percent of the registered voters of the county is filed with
10 the board of supervisors, asking that the question of issuing
11 the bonds be submitted to the registered voters, the board of
12 supervisors shall either by resolution declare the proposal to
13 issue the bonds to have been abandoned or shall direct the
14 county commissioner of elections to call a special election
15 upon the question of issuing the bonds. The proposition of
16 issuing bonds under this subsection is not approved unless the
17 vote in favor of the proposition is equal to at least sixty
18 percent of the vote cast. If a petition is not filed, or if a
19 petition is filed and the proposition of issuing the bonds is
20 approved at an election, the board of supervisors acting on
21 behalf of the ~~society~~ fair may proceed with the authorization
22 and issuance of the bonds. Bonds may be issued for the
23 purpose of refunding outstanding and previously issued bonds
24 under this subsection without otherwise complying with the
25 provisions of this subsection.
26 c. All bonds issued under this subsection shall be payable
27 solely from and shall be secured by an irrevocable pledge of a
28 sufficient portion of the net rents, profits, and income
29 derived from the operation of the ~~county~~ fair event and the
30 use or rental of the real and personal property owned or
31 leased by the ~~society~~ fair. Bonds issued pursuant to this
32 section shall not constitute an indebtedness within the
33 meaning of any constitutional or statutory debt limitation or
34 restriction, and shall not be subject to the provisions of any
35 other law or charter relating to the authorization, issuance,

or sale of bonds. Bonds issued under this subsection shall not limit or restrict the authority of the ~~society~~ fair as otherwise provided by law.

Sec. 22. Section 174.17, subsection 3, Code 2003, is amended to read as follows:

3. ~~For purposes of this section, "society" means a society, as defined by section 174.1, that conducts a county or local~~ In order for the governing body of a fair to issue bonds under this section, the governing body must conduct a fair event that has a verifiable annual attendance of at least one hundred fifty thousand persons and annual outside gate admission revenues of at least four hundred thousand dollars.

Sec. 23. Section 174.19, Code 2003, is amended to read as follows:

174.19 REPORT OF COUNTY AID.

A ~~society~~ fair shall not receive an appropriation from a county under this chapter, until the ~~society~~ fair submits a financial statement to the county board of supervisors. The statement shall show all expenditures of moneys appropriated to the ~~society~~ fair from the county in the previous year. The financial statement submitted to the board of supervisors shall include vouchers related to the expenditures.

Sec. 24. Section 174.20, Code 2003, is amended to read as follows:

174.20 FRAUDULENT ENTRIES OF HORSES.

~~No~~ A person~~, partnership, company, or corporation~~ shall not knowingly enter or cause to be entered any horse of any age or sex under an assumed name, or out of its proper class, to compete for any purse, prize, premium, stake, or sweepstake offered or given by any ~~agricultural or other society, association,~~ person~~, or persons~~ in the state, or drive any such horse under an assumed name, or out of its proper class, where such prize, purse, premium, stake, or sweepstake is to be decided by a contest of speed.

Sec. 25. Section 174.22, Code 2003, is amended to read as

1 follows:
2 174.22 ENTRY UNDER CHANGED NAME.
3 The name of any horse for the purpose of entry for
4 competition in any contest of speed shall not be changed after
5 having once contested for a prize, purse, premium, stake, or
6 sweepstake, except as provided by the code of printed rules of
7 the ~~society~~ fair or association under which the contest is
8 advertised to be conducted, unless the former name is given.
9 Sec. 26. Section 174.23, Code 2003, is amended to read as
10 follows:
11 174.23 CLASS DETERMINED.
12 The class to which a horse belongs for the purpose of an
13 entry in any contest of speed, as provided by the printed
14 rules of the ~~society~~ fair or association under which such
15 contest is to be made, shall be determined by the public
16 record of said horse in any such former contest.
17 Sec. 27. Section 331.303, subsection 5, Code 2003, is
18 amended by striking the subsection.
19 Sec. 28. Section 322.5, subsection 2, paragraph a,
20 subparagraph (2), Code 2003, is amended to read as follows:
21 (2) Display, offer for sale, and negotiate sales of new
22 motor vehicles at ~~county or district fairs~~ fair events, as
23 ~~described~~ defined in chapter 174, vehicle shows, and vehicle
24 exhibitions, upon application for and receipt of a temporary
25 permit issued by the department. Such activities may only be
26 conducted at fairs, vehicle shows, and vehicle exhibitions
27 that are held in the county of the motor vehicle dealer's
28 principal place of business. A sale of a motor vehicle by a
29 motor vehicle dealer shall not be completed and an agreement
30 for the sale of a motor vehicle shall not be signed at a fair,
31 vehicle show, or vehicle exhibition. All such sales shall be
32 consummated at the motor vehicle dealer's principal place of
33 business.
34 Sec. 29. Section 422.45, subsection 50, Code Supplement
35 2003, is amended to read as follows:

1 50. The gross receipts from sales or services rendered,
2 furnished, or performed by the state fair organized under
3 chapter 173 or a fair ~~society~~ organized under chapter 174.
4 Sec. 30. NEW SECTION. 669.25 LIABILITY.
5 A person who performs services for a fair, as defined in
6 section 174.1, and is not a full-time employee of the fair is
7 not personally liable for a claim based upon an act or
8 omission of the person performed in the discharge of the
9 person's duties, except for acts or omissions which involve
10 intentional misconduct or knowing violation of the law, or for
11 a transaction from which the person derives an improper
12 personal benefit.
13 Sec. 31. Section 717D.3, subsection 1, paragraph b, Code
14 2003, is amended to read as follows:
15 b. A fair event as defined in section 174.1.
16 Sec. 32. Section 174.5, Code 2003, is repealed.
17 EXPLANATION
18 This bill amends provisions in Code chapter 174 regulating
19 county and district fairs. It amends Code section 174.1 to
20 revise the definition of key terms used in the Code chapter,
21 including what constitutes a fair and a society which conducts
22 a fair. It provides a specific definition for fairgrounds and
23 provides that in order to qualify as a county or district
24 fair, the fairgrounds, buildings, and improvements must have a
25 fair market value of at least $80,000 (increased from $8,000).
26 It makes a number of changes to provisions in the Code chapter
27 and in other provisions of the Code in order to conform with
28 the definitions or how terms are generally used in the Code
29 chapter as amended by the bill. Under the bill, the term
30 "society" is changed to "fair" and the term "fair" is changed
31 to "fair event".
32 The bill amends a number of provisions providing for state
33 aid. Under current law, moneys appropriated to the treasurer
34 of state are allocated to the association of Iowa fairs
35 (association), which in turn distributes the moneys to

1 eligible societies. The bill provides that a society must use
2 state aid moneys for the acquisition of land and capital
3 improvements. Under Code section 174.9, societies must file a
4 statement with the association each year, and the bill makes a
5 number of changes to those requirements. The filing deadline
6 is changed from November 1 to November 15. The bill also
7 changes when the association must submit a report to the
8 governor and general assembly from January 1 to February 1.
9 The bill provides that as a condition of eligibility a society
10 cannot use state aid to pay for entertainment venues or for
11 equipment, supplies, or miscellaneous expenses. The bill
12 provides that in order to be eligible, a society must be a
13 member in good standing with the association. The bill
14 eliminates a provision allowing a board of supervisors, upon
15 petition, to submit to the voters a referendum upon the
16 question of designating an official county fair. The bill
17 amends related provisions in Code section 174.10, which
18 provide that state aid is distributed equally among all
19 eligible societies conducting county fairs. The bill provides
20 that the association's board of directors provides for the
21 distribution.
22 The bill amends provisions in Code section 174.12, which
23 allows the association to pay $1,000 in state aid to a society
24 upon condition that it participate in certain functions such
25 as the election of members to the Iowa state fair board. The
26 bill provides that a society must send one delegate to the
27 association's annual meeting.
28 The bill eliminates a provision which authorizes a society
29 to appoint special police.
30 The bill takes effect upon enactment.
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Houser
Rehberg
Kreiman

Succeeded By
SF/HF 2241

SSB# 3135
Local Government

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
LOCAL GOVERNMENT BILL BY
CHAIRPERSON GASKILL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act providing for the administration of fairs, providing for
2 the allocation of moneys, and providing for an effective date.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
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2 2003, is amended to read as follows:
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5 provided in chapter 174, whose facilities or indebtedness are
6 supported in whole or in part with property tax revenue and
7 which is licensed to conduct pari-mutuel wagering pursuant to
8 chapter 99D or a nonprofit corporation which is a successor to
9 the nonprofit corporation which built the facility.
10 Sec. 2. Section 22.1, subsections 1 and 3, Code 2003, are
11 amended to read as follows:
12 1. The term "government body" means this state, or any
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15 other than a ~~county or district~~ fair ~~or agricultural society~~
16 conducting a fair event as provided in chapter 174, whose
17 facilities or indebtedness are supported in whole or in part
18 with property tax revenue and which is licensed to conduct
19 pari-mutuel wagering pursuant to chapter 99D, or other entity
20 of this state, or any branch, department, board, bureau,
21 commission, council, committee, official or officer, of any of
22 the foregoing or any employee delegated the responsibility for
23 implementing the requirements of this chapter.
24 3. As used in this chapter, "public records" includes all
25 records, documents, tape, or other information, stored or
26 preserved in any medium, of or belonging to this state or any
27 county, city, township, school corporation, political
28 subdivision, nonprofit corporation other than a ~~county or~~
29 ~~district~~ fair ~~or agricultural society~~ conducting a fair event
30 as provided in chapter 174, whose facilities or indebtedness
31 are supported in whole or in part with property tax revenue
32 and which is licensed to conduct pari-mutuel wagering pursuant
33 to chapter 99D, or tax-supported district in this state, or
34 any branch, department, board, bureau, commission, council, or
35 committee of any of the foregoing.

1 Sec. 3. Section 99B.1, subsections 4 and 13, Code
2 Supplement 2003, are amended to read as follows:
3 4. "Authorized" means approved as a concession by the Iowa
4 state fair board or a ~~county or district~~ fair ~~or agricultural~~
5 ~~society holding~~ conducting a fair event as provided in chapter
6 174.
7 13. "Fair" means an annual fair and exposition held by the
8 Iowa state fair board and any fair ~~held by a county or~~
9 ~~district fair or agricultural society~~ event conducted by a
10 fair under the provisions of chapter 174.
11 Sec. 4. Section 99D.13, subsection 3, paragraphs a and b,
12 Code 2003, are amended to read as follows:
13 a. Eighty percent of the amount appropriated shall be
14 allocated to qualified harness racing tracks, to be used by
15 the tracks to supplement the purses for those harness races in
16 which only Iowa-bred or owned horses may run. However,
17 beginning with the allocation of the appropriation made for
18 the fiscal year beginning July 1, 1992, the races for which
19 the purses are to be supplemented under this paragraph shall
20 be those in which only Iowa-bred two-year and three-year olds
21 may run. In addition, the races must be held under the
22 control or jurisdiction of the Iowa state fair board,
23 established under section 173.1, or of a ~~society~~ fair, as
24 defined under section 174.1.
25 b. Twenty percent of the amount appropriated shall be
26 allocated to qualified harness racing tracks, to be used by
27 the tracks for maintenance of and improvements to the tracks.
28 Races held at the tracks must be under the control or
29 jurisdiction of the Iowa state fair board, established under
30 section 173.1, or of a ~~society~~ fair, as defined under section
31 174.1.
32 Sec. 5. Section 173.3, Code Supplement 2003, is amended to
33 read as follows
34 173.3 CERTIFICATION OF STATE AID ASSOCIATIONS.
35 On or before November 15 of each year, the secretary of

agriculture shall certify to the secretary of the state fair board the names of the various associations, fairs, and societies which have qualified for state aid under the provisions of chapters 176 through 178, 181, 182, 186, and 352, and which are entitled to representation in the convention as provided in section 173.2.

Sec. 6. Section 174.1, subsections 1 and 2, Code 2003, are amended to read as follows:

1. "Fair event" ~~shall mean~~ means an annual gathering of ~~people~~ the public on fairgrounds that incorporates agricultural exhibits, demonstrations, shows, or ~~competition~~ competitions and which ~~has the following activities~~ includes all of the following:

a. ~~Extension,~~ Programs or projects sponsored by 4-H clubs, ~~or~~ future farmers of America ~~programs~~, or the Iowa cooperative extension service in agriculture and home economics of Iowa state university.

b. Commercial ~~and educational~~ exhibits sponsored by manufacturers or other businesses.

c. ~~Competition in the~~ Educational programs or exhibits sponsored by governmental entities or nonprofit organizations.

d. Competition in culinary arts, fine arts, or home craft arts.

2. "Management" shall mean president, vice-president, secretary, or treasurer of ~~the society~~ a fair.

Sec. 7. Section 174.1, subsection 3, Code 2003, is amended by striking the subsection.

Sec. 8. Section 174.1, Code 2003, is amended by adding the following new subsections:

NEW SUBSECTION. 0A. "Association" means the association of Iowa fairs.

NEW SUBSECTION. 0B. "Fair" means an organization which is incorporated under the laws of this state, including as a county or district fair or as an agricultural society, for the purpose of conducting a fair event, if all of the following

apply:

a. The organization owns or leases at least ten acres of fairgrounds. A society may meet the requirement of owning or leasing land, buildings, and improvements through ownership by a joint entity under chapter 28E.

b. The organization owns buildings and other improvements situated on the fairgrounds which have been specially constructed for purposes of conducting a fair event.

c. The market value of the fairgrounds and buildings and other improvements located on the fairgrounds is at least eighty thousand dollars.

NEW SUBSECTION. 0C. "Fairgrounds" or "grounds" means the real estate, including land, buildings, and improvements where a fair event is conducted.

NEW SUBSECTION. 4. "State aid" means moneys appropriated by the treasurer of state to the association of Iowa fairs for payments to eligible fairs pursuant to this chapter.

Sec. 9. Section 174.2, unnumbered paragraphs 1 and 2, Code 2003, are amended to read as follows:

~~Each society~~ A fair may ~~hold~~ annually ~~a fair~~ conduct a fair event to further interest in agriculture and to encourage the improvement of agricultural commodities and products, livestock, articles of domestic industry, implements, and other mechanical devices. It may offer and award such premiums as will induce general competition.

In addition to the powers granted ~~herein the society~~ in this chapter, a fair shall ~~possess~~ have the powers of a corporation not for pecuniary profit under the laws of this state and those powers enumerated in its articles of incorporation, such powers to be exercised before and after the holding of ~~such fairs~~ a fair event.

Sec. 10. Section 174.3, Code 2003, is amended to read as follows:

174.3 CONTROL OF GROUNDS.

An ordinance or resolution of a county or city shall not in

1 any way impair the authority of ~~the society, but it~~ a fair.
2 The fair shall have sole and exclusive control over and
3 management of ~~such~~ a fair event and fairgrounds.
4 Sec. 11. Section 174.4, Code 2003, is amended to read as
5 follows:
6 174.4 PERMITS TO SELL ARTICLES.
7 The management of ~~any society~~ a fair may grant a written
8 permit to ~~such persons as it thinks~~ a person determined proper
9 by the management, to sell fruit, provisions, and other
10 articles not prohibited by law, under such regulations as the
11 ~~board of directors~~ management may prescribe.
12 Sec. 12. Section 174.6, Code 2003, is amended to read as
13 follows:
14 174.6 REMOVAL OF OBSTRUCTIONS.
15 ~~All~~ The management of a fair may order the removal of any
16 obstruction to a fair event or on the fairgrounds, including
17 but not limited to shows, swings, booths, tents, or vehicles~~,~~
18 ~~or any other thing that may obstruct the grounds of any~~
19 ~~society or the driveways thereof may be removed from the~~
20 ~~grounds on the order of the management~~.
21 Sec. 13. Section 174.8, Code 2003, is amended to read as
22 follows:
23 174.8 PUBLICATION OF FINANCIAL STATEMENT.
24 ~~Each society~~ A fair shall annually publish in one newspaper
25 of the county a financial statement of receipts and
26 disbursements for the current year.
27 Sec. 14. Section 174.9, Code 2003, is amended to read as
28 follows:
29 174.9 STATE AID.
30 ~~Each~~ An eligible ~~society~~ fair which is a member of the
31 association of Iowa fairs as provided in the association's
32 bylaws and which conducts a ~~county~~ fair event shall be
33 entitled to receive state aid ~~from the state~~ as provided in
34 this chapter. The moneys paid as state aid must be used
35 exclusively for capital expenditures relating to the

acquisition of land for fairgrounds and improvements on the fairgrounds such as the construction of new facilities and the renovation of existing facilities. In order to be eligible for state aid, a ~~society~~ fair must file with the association of Iowa fairs on or before November ~~1~~ 15 of each year, a statement which ~~shall show~~ provides information as required by the association of Iowa fairs. The information shall at least include all of the following:

1. The ~~actual~~ amount that the fair paid ~~by it~~ in cash premiums at its fair for the current year~~, which~~. The statement must correspond with its published offer of premiums.

2. ~~That~~ A statement that no part of ~~said~~ the amount of state aid was paid for any of the following:

a. Entertainment venues, including but not limited to speed events~~, or to~~.

b. To secure games or amusements.

c. Supplies, rentals, equipment, payroll, inventory, fees, or routine operating expenses.

3. A full and accurate statement of the receipts and expenditures of the ~~society~~ fair for the current year ~~and other~~.

4. A statement of statistical data relative to exhibits and attendance for the year.

~~4.~~ 5. A copy of the published financial statement published as required by law, together with proof of such publication ~~and a certified statement~~ showing an itemized list of premiums awarded~~, and such other information as the association of Iowa fairs may require~~.

Sec. 15. Section 174.10, Code 2003, is amended to read as follows:

174.10 APPROPRIATION -- AVAILABILITY.

1. Any moneys appropriated for state aid ~~for county or local fairs~~ shall be paid to the office of treasurer of state ~~to be allocated~~ for allocation to the association of Iowa

1 fairs ~~for-payments-to-be-made-by-the-association.~~ The
2 association shall distribute the moneys to eligible ~~societies~~
3 fairs pursuant to this chapter.
4 2. a. The association ~~of-Iowa-fairs~~ shall maintain a list
5 of each ~~society~~ fair in a county which is a member of the
6 association and conducts a fair event in that county as
7 provided in this chapter. If a county has more than one fair
8 event, the association shall list the name of each ~~society~~
9 fair conducting a fair event in that county for three or more
10 years. The association ~~of-Iowa-fairs~~ shall not make a payment
11 to a ~~society~~ fair under this chapter unless the ~~society~~ fair
12 complies with section 174.9, ~~and~~ the name of the ~~society~~ fair
13 appears on the association's list, and the fair is a member in
14 good standing according to the bylaws of the association.
15 b. The association shall prepare a report at the end of
16 each fiscal year concerning the state aid ~~appropriated-for~~
17 ~~county-or-local-fairs~~ that it received, the manner in which
18 such aid was allocated to eligible ~~societies~~ fairs, and the
19 manner in which the aid was expended by the ~~societies~~ fairs.
20 The association shall submit the report to the governor and
21 the general assembly by ~~January~~ February 1 of each year. The
22 association shall not use moneys appropriated for state aid
23 ~~for-county-or-local-fairs~~, or interest earned on such moneys,
24 for administrative or other expenses.
25 3. The association's board of directors shall determine
26 the amount of state aid ~~for-each-fair-which-is-eligible-for~~
27 ~~state-aid-shall-be-equal~~ allocated to each eligible fair.
28 4. If no ~~society~~ fair in a county ~~qualifies~~ is eligible to
29 receive state aid, that county's share shall be divided
30 equally among the ~~counties-with-societies-eligible-for-state~~
31 ~~aid,-as-provided-in-this-section~~ eligible fairs.
32 ~~5.--The-board-of-supervisors,-upon-receiving-a-petition~~
33 ~~seeking-to-designate-an-official-county-fair-which-meets-the~~
34 ~~requirements-of-section-331.306,-shall-submit-to-the~~
35 ~~registered-voters-of-the-county-at-the-next-general-election~~

~~following submission of the petition or at a special election if requested by the petitioners at no cost to the county, the question of which fair shall be designated as the official county fair. Notice of the election shall be given as provided in section 49.53. The fair receiving a majority of the votes cast on the question shall be designated the official county fair.~~

Sec. 16. Section 174.12, Code 2003, is amended to read as follows:

174.12 PAYMENT OF STATE AID -- PARTICIPATION BY DELEGATES.

The association of Iowa fairs shall pay a ~~society~~ fair the amount due in state aid, less one thousand dollars, as provided in this chapter. The association ~~of Iowa fairs~~ must certify to the treasurer that the ~~society~~ fair is eligible under this chapter to receive the amount to be paid to the ~~society~~ fair by the association. The association shall pay the ~~society~~ fair the remaining one thousand dollars, if all of the following apply:

1. The secretary of the state fair board certifies to the association that the ~~society~~ fair had an accredited delegate in attendance at the annual convention for the election of members of the Iowa state fair board as provided in section 173.2.

2. A district director of the association ~~of Iowa fairs~~ representing the district in which the county is located, and the director of the Iowa state fair board representing the ~~congressional district~~ state fair board district in which the county is located, certify to the association that the ~~society~~ fair had an accredited delegate in attendance at least one of the district ~~meeting~~ meetings, and at the association's annual meeting.

Any moneys appropriated in state aid ~~moneys~~ remaining due to the failure of a ~~society~~ fair to comply with this section shall be distributed equally among the ~~societies~~ eligible fairs which have qualified for state aid under this section.

The treasurer of state shall allocate to the association ~~of Iowa fairs~~ the total amount to be paid by the association to eligible ~~societies~~ fairs under this chapter.

Sec. 17. Section 174.13, Code 2003, is amended to read as follows:

174.13 COUNTY AID.

The board of supervisors of the county in which a ~~society~~ fair is located may appropriate moneys to be used for ~~fitting up or~~ purchasing fairgrounds ~~for the society or for aiding~~, constructing or restoring facilities on the fairgrounds, aiding 4-H club work, and ~~payment of~~ paying agricultural and livestock premiums in connection with the fair~~, if the society owns or leases at least ten acres of land for the fairground and owns or leases buildings and improvements on the land of at least eight thousand dollars in value~~ event. ~~A society may meet the requirement of owning or leasing land, buildings, and improvements through ownership by a joint entity under chapter 28E, of which the society is a part.~~

Sec. 18. Section 174.14, Code 2003, is amended to read as follows:

174.14 FAIRGROUND AID.

1. The board of supervisors of a county which has acquired real estate for ~~county or district fair purposes~~ fairgrounds and which has a ~~society~~ fair using the ~~real estate~~ fairgrounds, may appropriate moneys to be used for ~~the~~ any of the following:

a. The erection and repair of buildings or other permanent improvements on ~~the real estate, and for~~ the fairgrounds.

b. The payment of debts contracted in the erection or repair and payment of agricultural and livestock premiums.

2. In addition, the net proceeds from the sale of ~~fairground sites and~~ real estate or structures ~~on~~ or improvements on the ~~sites~~ fairgrounds shall be used for the purchase of real estate or the erection of permanent buildings and installation of improvements on ~~a~~ new ~~fairground site~~

1 fairgrounds, or the cost of moving structures from the old
2 fairgrounds to the new ~~site~~ fairgrounds.
3 Sec. 19. Section 174.15, Code 2003, is amended to read as
4 follows:
5 174.15 PURCHASE AND MANAGEMENT.
6 Title to land purchased or received for ~~fairground~~ purposes
7 of conducting a fair event shall be taken in the name of the
8 county or a ~~society,-but~~ fair. However, the board of
9 supervisors shall place ~~it~~ the land under the control and
10 management of a ~~society~~ fair. The ~~society~~ fair may act as
11 agent for the county in the erection of buildings, maintenance
12 of ~~grounds-and~~ the fairgrounds, including the buildings~~,-or~~
13 and improvements constructed on the grounds. Title to new
14 buildings or improvements shall be taken in the name of the
15 county or a ~~society,-but~~ fair. However, the county is not
16 liable for the improvements or expenditures for them.
17 Sec. 20. Section 174.16, Code 2003, is amended to read as
18 follows:
19 174.16 TERMINATION OF RIGHTS OF ~~SOCIETY~~ FAIR.
20 The right of ~~such-society~~ a fair to the control and
21 management of ~~said-real-estate~~ its fairgrounds may be
22 terminated by the board of supervisors whenever well conducted
23 ~~agricultural-fairs~~ fair events are not annually held ~~thereon~~
24 ~~by-such-society~~ on the fairgrounds.
25 Sec. 21. Section 174.17, subsection 1, Code 2003, is
26 amended to read as follows:
27 1. The governing body of a ~~society~~ fair may issue bonds
28 payable from revenue generated by the operations of the ~~county~~
29 fair event and the use or rental of the real and personal
30 property owned or leased by the ~~society~~ fair. The governing
31 body of a ~~society~~ fair shall comply with all of the following
32 procedures in issuing such bonds:
33 a. A ~~society~~ fair may institute proceedings for the
34 issuance of bonds by causing a notice of the proposal to issue
35 the bonds to be published at least once in a newspaper of

1 general circulation within the county at least ten days prior
2 to the meeting at which the ~~society~~ fair proposes to take
3 action for the issuance of the bonds. The notice shall
4 include a statement of the amount and purpose of the bonds,
5 the maximum rate of interest the bonds are to bear, and the
6 right to petition for an election.
7 b. If at any time before the date fixed for taking action
8 for the issuance of the bonds, a petition signed by three
9 percent of the registered voters of the county is filed with
10 the board of supervisors, asking that the question of issuing
11 the bonds be submitted to the registered voters, the board of
12 supervisors shall either by resolution declare the proposal to
13 issue the bonds to have been abandoned or shall direct the
14 county commissioner of elections to call a special election
15 upon the question of issuing the bonds. The proposition of
16 issuing bonds under this subsection is not approved unless the
17 vote in favor of the proposition is equal to at least sixty
18 percent of the vote cast. If a petition is not filed, or if a
19 petition is filed and the proposition of issuing the bonds is
20 approved at an election, the board of supervisors acting on
21 behalf of the ~~society~~ fair may proceed with the authorization
22 and issuance of the bonds. Bonds may be issued for the
23 purpose of refunding outstanding and previously issued bonds
24 under this subsection without otherwise complying with the
25 provisions of this subsection.
26 c. All bonds issued under this subsection shall be payable
27 solely from and shall be secured by an irrevocable pledge of a
28 sufficient portion of the net rents, profits, and income
29 derived from the operation of the ~~county~~ fair event and the
30 use or rental of the real and personal property owned or
31 leased by the ~~society~~ fair. Bonds issued pursuant to this
32 section shall not constitute an indebtedness within the
33 meaning of any constitutional or statutory debt limitation or
34 restriction, and shall not be subject to the provisions of any
35 other law or charter relating to the authorization, issuance,

or sale of bonds. Bonds issued under this subsection shall not limit or restrict the authority of the ~~society~~ fair as otherwise provided by law.

Sec. 22. Section 174.17, subsection 3, Code 2003, is amended to read as follows:

3. ~~For purposes of this section, "society" means a society, as defined by section 174.1, that conducts a county or local~~ In order for the governing body of a fair to issue bonds under this section, the governing body must conduct a fair event that has a verifiable annual attendance of at least one hundred fifty thousand persons and annual outside gate admission revenues of at least four hundred thousand dollars.

Sec. 23. Section 174.19, Code 2003, is amended to read as follows:

174.19 REPORT OF COUNTY AID.

A ~~society~~ fair shall not receive an appropriation from a county under this chapter, until the ~~society~~ fair submits a financial statement to the county board of supervisors. The statement shall show all expenditures of moneys appropriated to the ~~society~~ fair from the county in the previous year. The financial statement submitted to the board of supervisors shall include vouchers related to the expenditures.

Sec. 24. Section 174.20, Code 2003, is amended to read as follows:

174.20 FRAUDULENT ENTRIES OF HORSES.

~~No~~ A person~~, partnership, company, or corporation~~ shall not knowingly enter or cause to be entered any horse of any age or sex under an assumed name, or out of its proper class, to compete for any purse, prize, premium, stake, or sweepstake offered or given by any ~~agricultural or other society, association,~~ person~~, or persons~~ in the state, or drive any such horse under an assumed name, or out of its proper class, where such prize, purse, premium, stake, or sweepstake is to be decided by a contest of speed.

Sec. 25. Section 174.22, Code 2003, is amended to read as

1 follows:
2 174.22 ENTRY UNDER CHANGED NAME.
3 The name of any horse for the purpose of entry for
4 competition in any contest of speed shall not be changed after
5 having once contested for a prize, purse, premium, stake, or
6 sweepstake, except as provided by the code of printed rules of
7 the ~~society~~ fair or association under which the contest is
8 advertised to be conducted, unless the former name is given.
9 Sec. 26. Section 174.23, Code 2003, is amended to read as
10 follows:
11 174.23 CLASS DETERMINED.
12 The class to which a horse belongs for the purpose of an
13 entry in any contest of speed, as provided by the printed
14 rules of the ~~society~~ fair or association under which such
15 contest is to be made, shall be determined by the public
16 record of said horse in any such former contest.
17 Sec. 27. Section 331.303, subsection 5, Code 2003, is
18 amended by striking the subsection.
19 Sec. 28. Section 322.5, subsection 2, paragraph a,
20 subparagraph (2), Code 2003, is amended to read as follows:
21 (2) Display, offer for sale, and negotiate sales of new
22 motor vehicles at ~~county or district fairs~~ fair events, as
23 ~~described~~ defined in chapter 174, vehicle shows, and vehicle
24 exhibitions, upon application for and receipt of a temporary
25 permit issued by the department. Such activities may only be
26 conducted at fairs, vehicle shows, and vehicle exhibitions
27 that are held in the county of the motor vehicle dealer's
28 principal place of business. A sale of a motor vehicle by a
29 motor vehicle dealer shall not be completed and an agreement
30 for the sale of a motor vehicle shall not be signed at a fair,
31 vehicle show, or vehicle exhibition. All such sales shall be
32 consummated at the motor vehicle dealer's principal place of
33 business.
34 Sec. 29. Section 422.45, subsection 50, Code Supplement
35 2003, is amended to read as follows:

1 50. The gross receipts from sales or services rendered,
2 furnished, or performed by the state fair organized under
3 chapter 173 or a fair ~~society~~ organized under chapter 174.
4 Sec. 30. NEW SECTION. 669.25 LIABILITY.
5 A person who performs services for a fair, as defined in
6 section 174.1, and is not a full-time employee of the fair is
7 not personally liable for a claim based upon an act or
8 omission of the person performed in the discharge of the
9 person's duties, except for acts or omissions which involve
10 intentional misconduct or knowing violation of the law, or for
11 a transaction from which the person derives an improper
12 personal benefit.
13 Sec. 31. Section 717D.3, subsection 1, paragraph b, Code
14 2003, is amended to read as follows:
15 b. A fair event as defined in section 174.1.
16 Sec. 32. Section 174.5, Code 2003, is repealed.
17 EXPLANATION
18 This bill amends provisions in Code chapter 174 regulating
19 county and district fairs. It amends Code section 174.1 to
20 revise the definition of key terms used in the Code chapter,
21 including what constitutes a fair and a society which conducts
22 a fair. It provides a specific definition for fairgrounds and
23 provides that in order to qualify as a county or district
24 fair, the fairgrounds, buildings, and improvements must have a
25 fair market value of at least $80,000 (increased from $8,000).
26 It makes a number of changes to provisions in the Code chapter
27 and in other provisions of the Code in order to conform with
28 the definitions or how terms are generally used in the Code
29 chapter as amended by the bill. Under the bill, the term
30 "society" is changed to "fair" and the term "fair" is changed
31 to "fair event".
32 The bill amends a number of provisions providing for state
33 aid. Under current law, moneys appropriated to the treasurer
34 of state are allocated to the association of Iowa fairs
35 (association), which in turn distributes the moneys to

1 eligible societies. The bill provides that a society must use
2 state aid moneys for the acquisition of land and capital
3 improvements. Under Code section 174.9, societies must file a
4 statement with the association each year, and the bill makes a
5 number of changes to those requirements. The filing deadline
6 is changed from November 1 to November 15. The bill also
7 changes when the association must submit a report to the
8 governor and general assembly from January 1 to February 1.
9 The bill provides that as a condition of eligibility a society
10 cannot use state aid to pay for entertainment venues or for
11 equipment, supplies, or miscellaneous expenses. The bill
12 provides that in order to be eligible, a society must be a
13 member in good standing with the association. The bill
14 eliminates a provision allowing a board of supervisors, upon
15 petition, to submit to the voters a referendum upon the
16 question of designating an official county fair. The bill
17 amends related provisions in Code section 174.10, which
18 provide that state aid is distributed equally among all
19 eligible societies conducting county fairs. The bill provides
20 that the association's board of directors provides for the
21 distribution.
22 The bill amends provisions in Code section 174.12, which
23 allows the association to pay $1,000 in state aid to a society
24 upon condition that it participate in certain functions such
25 as the election of members to the Iowa state fair board. The
26 bill provides that a society must send one delegate to the
27 association's annual meeting.
28 The bill eliminates a provision which authorizes a society
29 to appoint special police.
30 The bill takes effect upon enactment.
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