

IOWA CODE, CHAPTER 174 PERTAINING TO COUNTY FAIRS

(Updated 2010 Legislative Session)

Section 174.1 – TERMS DEFINED

For the purposes of this chapter:

1. “*Association*” means the association of Iowa fairs.
2. “*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. An organization 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 twenty-five thousand dollars.
3. “*Fair event*” means an annual gathering of the public on fairgrounds that incorporates agricultural exhibits, demonstrations, shows, or competitions that include programs or projects sponsored by 4-H clubs, future farmers of America, or the Iowa cooperative extension service in agriculture and home economics of Iowa state university. Other activities may include any of the following:
 - a. Commercial exhibits sponsored by manufacturers or other businesses.
 - b. Educational programs or exhibits sponsored by governmental entities or nonprofit organizations.
 - c. Competition in culinary arts, fine arts, or home craft arts.
4. “*Fairgrounds*” or “*grounds*” means the real estate, including land, buildings, and improvements where a fair event is conducted.
5. “*Management*” shall mean president, vice-president, secretary, or treasurer of a fair.
“*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.

Section 174.2 – POWER OF FAIR

1. A fair may annually 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.
2. In addition to the powers granted in this chapter, a fair shall 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 a fair event.
3. No salary or compensation of any kind shall be paid to the president, vice president, treasurer, or to a director of the fair for such duties. However, the president, vice president, treasurer, or a director of the fair may be reimbursed for actual expenses incurred by carrying out duties under this chapter or chapter 173, including, but not limited to attending the convention provided under section 173.2. A person claiming expenses under this paragraph shall be reimbursed to the same extent that a state employee is entitled to be reimbursed for expenses.

Section 174.3 -- CONTROL OF GROUNDS

An ordinance or resolution of a county or city shall not in any way impair the authority of a fair. The fair shall have sole and exclusive control over and management of a fair event and fairgrounds.

Section 174.4 -- PERMITS TO SELL ARTICLES

The management of a fair may grant a written permit to a person determined proper by the management, to sell fruit, provisions, and other articles not prohibited by law, under such regulations as the management may prescribe.

Section 174.6 -- REMOVAL OF OBSTRUCTIONS

The management of a fair may order the removal of any obstruction to a fair event or on the fairgrounds, including but not limited to shows, swings, booths, tents, or vehicles-

Section 174.7 -- REFUSAL TO REMOVE OBSTRUCTIONS

Any person owning, occupying, or using any such obstruction who shall refuse or fail to remove the same when ordered to do so by the management shall be guilty of a simple misdemeanor.

Section 174.8 -- PUBLICATION OF FINANCIAL STATEMENT

A fair shall annually publish in one newspaper of the county a financial statement of receipts and disbursements for the current year.

Section 174.8A -- LIABILITY INSURANCE

The association of Iowa fairs, or a fair, shall have the power to join a local government risk pool as provided in section 670.7.

Section 174.9 -- STATE AID

An eligible fair which is a member of the association of Iowa fairs as provided in the association's bylaws and which conducts a fair event shall be entitled to receive state aid as provided in this chapter.

The moneys paid as state aid must be used 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 fair must file with the association of Iowa fairs on or before November 15 of each year, a statement which provides information as required by the association of Iowa fairs. The information shall at least include all of the following:

1. The amount that the fair paid in cash premiums at its fair for the current year. The statement must correspond with its published offer of premiums.
2. A statement that no part of the amount of state aid was paid for any of the following:
 - a. Entertainment venues, including but not limited to speed events.
 - 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 fair for the current year
4. A statement of statistical data relative to exhibits and attendance for the year.
5. A copy of the published financial statement published as required by law, together with proof of such publication showing an itemized list of premiums awarded-

Section 174.10 -- APPROPRIATION / AVAILABILITY

Any moneys appropriated for state aid shall be paid to the office of treasurer of state for allocation to the association of Iowa fairs. The association shall distribute the moneys to eligible fairs pursuant to this chapter.

The association shall maintain a list of each 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 fair conducting a fair event in that county for three or more years. The association shall not make a payment to a fair under this chapter unless the fair complies with section 174.9, the name of the fair appears on the association's list, and the fair is a member in good standing according to the bylaws of the association.

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

The association's board of directors shall determine the amount of state aid allocated to each eligible fair.

If no fair in a county is eligible to receive state aid, that county's share shall be divided equally among the eligible fairs.

Section 174.12 -- PAYMENT OF STATE AID: PARTICIPATION BY DELEGATES

The association of Iowa fairs shall pay a fair the amount due in state aid, less one thousand dollars, as provided in this chapter. The association must certify to the treasurer that the fair is eligible under this chapter to receive the amount to be paid to the fair by the association. The association shall pay the 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 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 representing the district in which the county is located, and the director of the Iowa state fair board representing the state fair board district in which the county is located, certify to the association that the fair had an accredited delegate in attendance at least one of the district meetings, and at the association's annual meeting.

Any moneys appropriated in state aid remaining due to the failure of a fair to comply with this section shall be distributed equally among the eligible fairs which have qualified for state aid under this section. The treasurer of state shall allocate to the association the total amount to be paid by the association to eligible fairs under this chapter.

Section 174.13 -- COUNTY AID

The board of supervisors of the county in which a fair is located may appropriate moneys to be used for purchasing fairgrounds constructing or restoring facilities on the fairgrounds, aiding 4-H club work, and paying agricultural and livestock premiums in connection with the fair event.

Section 174.14 -- FAIRGROUND AID

The board of supervisors of a county which has acquired real estate for fairgrounds and which has a fair using the fairgrounds, may appropriate moneys to be used for any of the following:

1. The erection and repair of buildings or other permanent improvements on the fairgrounds.
2. The payment of debts contracted in the erection or repair and payment of agricultural and livestock premiums.

In addition, the net proceeds from the sale of real estate or structures or improvements on the fairgrounds shall be used for the purchase of real estate or the erection of permanent buildings and installation of improvements on new fairgrounds, or the cost of moving structures from the old fairgrounds to the new fairgrounds.

Section 174.15 -- PURCHASE AND MANAGEMENT

Title to land purchased or received for purposes of conducting a fair event shall be taken in the name of the county or a fair. However, the board of supervisors shall place the land under the control and management of a fair. The fair may act as agent for the county in the erection of buildings, maintenance of the fairgrounds, including the buildings and improvements constructed on the grounds. Title to new buildings or improvements shall be taken in the name of the county or a fair. However, the county is not liable for the improvements or expenditures for them.

Section 174.16 -- TERMINATION OF RIGHTS OF FAIR

The right of a fair to the control and management of its fairgrounds may be terminated by the board of supervisors whenever well conducted fair events are not annually held on the fairgrounds.

Section 174.17 – ISSUANCE OF REVENUE BONDS – STANDBY TAX LEVY

The governing body of a fair may issue bonds payable from revenue generated by the operations of the fair event and the use or rental of the real and personal property owned or leased by the fair. The governing body of a fair shall comply with all of the following procedures in issuing such bonds:

1. A fair may institute proceedings for the issuance of bonds by causing a notice of the proposal to issue the bonds to be published at least once in a newspaper of general circulation within the county at least ten days prior to the meeting at which the fair proposes to take action for the issuance of the bonds. The notice shall include a statement of the amount and purpose of the bonds, the maximum rate of interest the bonds are to bear, and the right to petition for an election.
2. If at any time before the date fixed for taking action for the issuance of the bonds, a petition signed by three percent of the registered voters of the county is filed with the board of supervisors, asking that the question of issuing the bonds be submitted to the registered voters, the board of supervisors shall either by resolution declare the proposal to issue the bonds to have been abandoned or shall direct the county commissioner of elections to call a special election upon the question of issuing the bonds. The proposition of issuing bonds under this subsection is not approved unless the vote in favor of the proposition is equal to at least sixty percent of the vote cast. If a petition is not filed, or if a petition is filed and the proposition of issuing the bonds is approved at an election, the board of supervisors acting on behalf of the fair may proceed with the authorization and issuance of the bonds. Bonds may be issued for the purpose of refunding outstanding and previously issued bonds under this subsection without otherwise complying with the provisions of this subsection.
3. All bonds issued under this subsection shall be payable solely from and shall be secured by an irrevocable pledge of a sufficient portion of the net rents, profits, and income derived from the operation of the fair event and the use or rental of the real and personal property owned or leased by the fair. Bonds issued pursuant to this section shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction, and shall not be subject to the provisions of any 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 fair as otherwise provided by law.

Section 174.17 continued ..

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.

Section 174.19 -- REPORT OF COUNTY AID

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

Section 174.20 -- FRAUDULENT ENTRIES OF HORSES

A person shall not knowingly enter or cause to be entered any horse of any age or 1 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 person 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.

Section 174.21 -- VIOLATIONS &PENALTY

Any person convicted of a violation of section 174.20 shall be guilty of a fraudulent practice.

Section 174.22 -- ENTRY UNDER CHANGED NAME

The name of any horse for the purpose of entry for competition in any contest of speed shall not be changed after having once contested for a prize, purse, premium, stake, or sweepstake, except as provided by the code of printed rules of the fair or association under which the contest is advertised to be conducted, unless the former name is given.

Section 174.23 -- CLASS DETERMINED

The class to which a horse belongs for the purpose of an entry in any contest of speed, as provided by the printed rules of the fair or association under which such contest is to be made, shall be determined by the public record of said horse in any such former contest.