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**REPEAL RULE – AGENCY NO. 209.01**

**FINAL RULE**

**AGENCY NO. 209.01**

**EFFECTIVE JANUARY 2, 2020**

**~~DISBURSEMENT OF STATE FUNDS FOR FAIRS AND LIVESTOCK SHOWS~~**

**~~I. DEFINITIONS~~**

- ~~A. Commission means the Arkansas Livestock and Poultry Commission.~~
- ~~B. Premiums means funds appropriated by the General Assembly and administered by the Commission to be disbursed to county and district livestock shows and fair associations in the manner and for the purposes provided in this rule.~~
- ~~C. Clothes line art means sheets of paper crafted by school children for the purpose of displaying their art work on a line or string hung in an exhibit.~~
- ~~D. Exhibitor means a person who enters a display, product or animal.~~
- ~~E. Pureblood means an animal with one purebred parent.~~
- ~~F. Purebred means an animal of known ancestry within a recognized breed that is eligible for registry in the official herd book of that breed.~~

**~~II. APPLICATION FOR FUNDS~~**

- ~~A. Application forms prescribed by the Commission should be completed in full and postmarked no later than June 30. Applications postmarked by March 1 will receive a one hundred (100) points. Applications postmarked after June 30 will forfeit all premiums for that year.~~
- ~~B. Fair audit forms received by the Livestock and Poultry Commission will be reviewed by an advisory committee for approval or disapproval of any classification.~~

**~~III. MINIMUM STANDARDS FOR RECEIVING PREMIUM AND CONSTRUCTION FUNDS~~**

~~To be eligible for consideration for funds, each fair must:~~

- ~~A. Have a lease of at least 2 years with a rollover clause or own fairgrounds and file a copy of lease or proof of ownership with the Commission;~~
- ~~B. Take place during the months of July–October of each year unless it is a Junior District Fair. All county fairs must be held prior to their district fair. A county fair board may appeal to the Commission and request an exemption to have its fair at a later date if the fair can show that it has had a loss of attendance due to pest infestation during the time period required by the rule;~~
- ~~C. Have a duration of at least 3 days;~~

~~D. Publish and circulate a catalog or tabloid either online or in print;~~

~~E. Have a fair board of no less than eight members, elected on a countywide basis as called and presided over by fair board election procedures, with officers consisting of president or chair, vice president or vice chair, secretary and treasurer. District fairs must have a voting board member from each county in their district, elected by that county. Fair board election procedures must be included in the association's by-laws and a copy of by-laws of each board must be filed with the Commission;~~

~~F. Bear the name of the county, district, or state fair;~~

~~G. Offer at least 10 approved classifications of exhibits. One must be livestock, as offered in catalog or tabloid or online;~~

~~H. Be able to document through point system that the fair is continually improving and making progress or at least maintaining the status quo;~~

~~I. File as a non-profit organization as recorded by the by-laws of the association or other documents furnished to the Commission; and~~

~~J. Establish and maintain proper internal controls to assure that all funds of the fair are properly receipted, recorded and disbursed with appropriated accounting records, reconciliations and source documents in support of transactions. Must adhere to the following procedures:~~

- ~~1. Maintain reconciled bank statements containing all canceled checks;~~
- ~~2. Maintain supportive invoices and contracts for all construction expenditures to be attached to canceled checks;~~
- ~~3. Maintain transaction ledger that is reconcilable to bank statements, i.e., deposits and expenditures; —~~
- ~~4. Maintain separate bank accounts for local operating funds, state premiums and state construction;~~
- ~~5. Separate accounting duties so that no one individual has complete control or authority over financial transactions;~~
- ~~6. Require two signatures on construction fund checks over \$100;~~
- ~~7. Use numbered tickets to account for gate admission receipts and submission of four and one-half percent surcharge to the Commission. Admission receipts must be documented through bank deposits reflecting such purpose;~~
- ~~8. Officials handling financial matters must be covered by fidelity bond;~~
- ~~9. File annual itemized listings of all premium and construction expenditures reflecting check numbers in sequence, payee, amount and premium classification or construction purpose; and~~
- ~~10. Maintain all records for a period of five (5) years.~~

#### ~~IV. SPECIFIC REQUIREMENTS FOR PREMIUM FUNDS~~

~~A. Premium funds must be used only for the purpose of paying awards on approved entry classifications.~~

~~B. Except as provided in Paragraph I, below, exhibitors must be residents of Arkansas. Each unit is not considered an exhibitor, but a person may be counted as an exhibitor in each classification in which he/she has an entry. Exhibitors may not receive funds from more than one (1) county association during any fiscal year.~~

~~C. Funds will not be disbursed to county, district, state, and 4 States fairs until an officer of the respective association has furnished a bond to the Commission for the amount of funds due.~~

~~D. Each fair must complete a check register form and submit the completed form to the Commission no later than 90 days after the conclusion of the fair each year.~~

~~E. Premium funds are not approved for such classifications as beauty contests, baby shows, antique shows, skills contests, purchased machinery (such as cars and farm equipment), or other noncreative categories in which a human is judged in preference to a product or animal. This does not preclude fair associations from using their local funds for these purposes.~~

~~F. Premium funds must not be used for~~

- ~~\_\_\_\_\_ 1. paying expenses for judges such as fees, travel, meals, etc.;~~
- ~~\_\_\_\_\_ 2. construction expenses of any type;~~
- ~~\_\_\_\_\_ 3. purchase of land~~

~~G. Premium funds may be used in purchasing awards such as trophies and ribbons.~~

~~H. Any unspent funds remaining each fiscal year must be refunded to the Commission.~~

~~I. Out of state junior exhibitors shall not be qualified to receive Arkansas state premium funds. If counties allow exhibitors from other counties or districts, they will only be able to pay premiums from that association's local funds or by approval of the Fair Administrator, unless that county does not have a fair. When out of state junior exhibitors are allowed to show with Arkansas junior exhibitors, the Arkansas junior exhibitors shall be placed in an Arkansas class regardless of how they place in overall competition. Arkansas junior exhibitors shall have priority over out of state junior exhibitors in entry or by barn space set aside for Arkansas exhibitors.~~

#### **~~V. SPECIFIC REQUIREMENTS FOR CONSTRUCTION FUNDS~~**

~~A. Construction funds must be used on lands owned by the association or under a lease as outlined in Section III.A. for construction and repair of buildings and facilities. See attached listing of allowable expenditures.~~

~~B. Fair associations must file a bond with the Commission covering the amount of state funds due.~~

~~C. Construction funds must not be used for paying premiums at or for acquiring sites for county or district fairs.~~

~~D. Any unspent balances remaining at the end of each biennium must be refunded to the Commission.~~

~~E. In the event the Arkansas Department of Agriculture (Department) has any construction funds remaining after the disbursement of those funds as provided in this rule, fairs may submit specific proposals for the use of said funds and any further granting of funds will be decided by a committee selected by the Department.~~

**VI. POINTS CRITERIA:**

~~A. Duration of fair: (Three days is minimum)~~

- ~~\_\_\_\_\_ 1. Three days \_\_\_\_\_ Thirty (30) points~~
- ~~\_\_\_\_\_ 2. Four days \_\_\_\_\_ Forty (40) points~~
- ~~\_\_\_\_\_ 3. Five days \_\_\_\_\_ Fifty (50) points~~
- ~~\_\_\_\_\_ 4. Six or more days \_\_\_\_\_ Sixty (60) points~~

~~B. One (1) point for each exhibitor from that county who, during the same fiscal year, enters an exhibit in both their county and district fair. Two (2) points if entered in their county, district and Arkansas State Fair.~~

~~C. One (1) point for each one hundred dollars (\$100.00) or greater part thereof that the county or district association provided for paying premiums in addition to state funds appropriated for that purpose during a fiscal year. State premiums must not be used to compute these points. This claim must be supported by canceled checks at the time of application. Fairs must furnish a list of all animals sold in the premium sale, indicating weight and market value. \$25,000.00 maximum allowable for points.~~

~~D. Ten (10) points for publication of a fair catalog or tabloid, either in print or online.~~

~~E. One hundred (100) points for verified attendance of each representative (up to six members) of the county or district fair association at the Arkansas State Fair Managers Association annual seminar.~~

~~F. Three (3) points for each voting member of the local applicant county or district fair managers association attending at least four meetings during the year. Twenty seven (27) points maximum.~~

~~G. Twenty (20) points if an admission fee (any amount) is charged or accepted for attendance to the fair. Other objective methods of attendance verification may be acceptable—subjective estimates are not acceptable.~~

~~H. Five (5) points if a statement appears in the published catalog that only purebred or pureblood livestock or animals equal to Breed Association Herd Book quality are admitted. (poultry and rabbits are exempt from this requirement.)~~

~~I. Five (5) points if numbered gate tickets with stubs are sold.~~

~~J. Ten (10) points for an exhibit never used at the applicant's fair before. The exhibit must be actually new to the applicant fair and not just a change in title or new description of an already existing exhibit. (Points awarded one time only.) (Limit of 5)~~

~~K. Ten (10) points for each percentage increment of county population attending the fair up to 50%;  
Fifteen (15) points for 50% to 75% of county population attendance; and  
Twenty (20) points for 75% to 100% of county population attendance.~~

~~L. One (1) point for each exhibitor, and one (1) point for each of the allowable classes entered in your fair. Three hundred (300) maximum allowable for clothes line art exhibitors. (See attached list of allowable classes of exhibits.)~~

~~M. Deduction of one hundred (100) points if fair does not publish the Commission's Livestock Exhibition Rules in print or online and assist in the enforcement thereof. Deduction of 200 points if any livestock are allowed to be exhibited without examination of health papers by a designated person and made available to Commission personnel for approval.~~

~~N. One hundred (100) points for filing premium application along with canceled checks and listing by March 1 of each year. If the application is not postmarked by June 30, the fair will not receive any state premium funds.~~

~~O. Each county fair will receive four points for each first and second place winners in the food preservation division that show at their district fair. Each district fair will receive 2 points for each 25 jars of food preservation entered at that level. District fairs will receive 5 points for each blue ribbon winner entered at the state fair.~~

~~P. County fairs will receive 10 points for entering rabbits at their district fair. District fairs will receive 5 points for each county entering rabbits at the district fair.~~

~~Q. County fairs that enter chickens at their district fair will receive 10 points.~~

~~R. County fairs will receive 3 points for each head of livestock up to 25 head and 2 points for every group of 25 head entering the district fair. Each district fair will receive one point for each head of livestock up to 100 head and one point for each group of 25 head thereafter entered at the district fair. Each district fair will receive 5 points for each of its respective counties that show junior livestock at the district fair.~~

~~S. County and/or district fairs will receive one hundred and fifty (150) points if they appointed a delegate who attended the Arkansas Fair Managers Convention in January. An additional one hundred fifty (150) points will be awarded to that county and/or district if its delegate attended the meeting with the Board of the Arkansas Fair Managers and the General Session.~~

**VII. EXEMPTIONS AND AUTHORITY**

~~A. Any exemptions from this rule must be approved in writing by the Commission.~~

~~B. Authority: ACA §§ 2-33-107 and 2-36-201~~

**ALLOWABLE EXHIBIT CATEGORIES**

- |                                     |   |
|-------------------------------------|---|
| <del>Beef Cattle-Senior</del>       | <del>Handicraft or Crafts-Senior</del>                          |
| <del>Beef Cattle-Junior</del>       | <del>Handicraft or Crafts-Junior</del>                          |
| <del>Dairy Cattle-Senior</del>      | <del>Home Furnishings-Senior</del>                              |
| <del>Dairy Cattle-Junior</del>      | <del>Home Furnishings-Junior</del>                              |
| <del>Swine-Senior</del>             | <del>Art-Senior</del>   |
| <del>Swine-Junior</del>             | <del>Art-Junior (300 points maximum for clothes-line art)</del> |
| <del>Goats-Senior</del>             | <del>Flowers-Senior</del>                                       |
| <del>Goats-Junior</del>             | <del>Flowers-Junior</del>                                       |
| <del>Sheep-Senior</del>             | <del>Floral Arrangements-Senior</del>                           |
| <del>Sheep-Junior</del>             | <del>Floral Arrangements-Junior</del>                           |
| <del>Poultry-Senior</del>           | <del>Educational Booths-Senior</del>                            |
| <del>Poultry-Junior</del>           | <del>Educational Booths-Junior</del>                            |
| <del>Rabbits-Senior</del>           | <del>Hobbies-Senior</del>                                       |
| <del>Rabbits-Junior</del>           | <del>Hobbies-Junior</del>                                       |
| <del>Horses-Senior</del>            | <del>Apiary-Senior</del>  |
| <del>Horses-Junior</del>            | <del>Apiary-Junior</del>  |
| <del>Food Preservation-Senior</del> | <del>Aquaculture-Senior</del>                                   |
| <del>Food Preservation-Junior</del> | <del>Aquaculture-Junior</del>                                   |
| <del>Clothing-Senior</del>          |   |
| <del>Clothing-Junior</del>          |   |
| <del>Household Arts-Senior</del>    |   |
| <del>Household Arts-Junior</del>    |   |
| <del>Field Crops-Senior</del>       |   |
| <del>Field Crops-Junior</del>       |   |
| <del>Food Preparation-Senior</del>  |   |
| <del>Food Preparation-Junior</del>  |   |

## **ALLOWABLE CONSTRUCTION EXPENDITURES**

- ~~Constructing new buildings~~
- ~~Renovating existing buildings~~
- ~~Repairing existing buildings~~
- ~~Site clearing, grubbing, excavation, drainage and sewer~~
- ~~Repair of streets, electrical distribution, streets and flood lighting facilities, fencing and paying existing indebtedness for such purposes~~
- ~~All improvements to grounds that remain on the fairgrounds under the control of the fair association~~
- ~~Labor used for the purposes listed~~
- ~~Painting facilities~~
- ~~Building materials~~
- ~~Parking lots~~
- ~~Arenas~~
- ~~Bleachers~~
- ~~Stalls~~
- ~~Water systems~~
- ~~Concession Stands~~
- ~~Ticket Booths~~
- ~~Pens~~
- ~~Bathrooms~~
- ~~Stages~~
- ~~Ground Maintenance~~

Contact Livestock and Poultry Commission auditors or Commission office if unsure about expenditures.

1 State of Arkansas  
2 93rd General Assembly  
3 Regular Session, 2021

# A Bill

SENATE BILL 613

4  
5 By: Senator J. Sturch  
6 By: Representative Slape

## For An Act To Be Entitled

9 AN ACT TO ESTABLISH A FAIR-FUNDING PROGRAM WITHIN THE  
10 DEPARTMENT OF AGRICULTURE; TO REPEAL EXISTING LAW  
11 REGARDING LIVESTOCK SHOWS AND FAIRS; TO ESTABLISH THE  
12 AGRI FAIR FUND; AND FOR OTHER PURPOSES.

## Subtitle

13  
14  
15  
16 TO ESTABLISH A FAIR-FUNDING PROGRAM  
17 WITHIN THE DEPARTMENT OF AGRICULTURE; TO  
18 REPEAL EXISTING LAW REGARDING LIVESTOCK  
19 SHOWS AND FAIRS; AND TO ESTABLISH THE  
20 AGRI FAIR FUND.

21  
22  
23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

24  
25 SECTION 1. Arkansas Code § 2-33-115 is repealed.

26 ~~2-33-115. Fees.~~

27 ~~(a) The following fees shall be assessed by the Arkansas Livestock and~~  
28 ~~Poultry Commission:~~

29 ~~(1) A fee of two dollars (\$2.00) per head collected on all~~  
30 ~~horses sold in the state; and~~

31 ~~(2) On each state, district, and county fair held in the State~~  
32 ~~of Arkansas there shall be levied a four and five tenths percent (4.5%)~~  
33 ~~surcharge on each paid admission to the fairs, and such levy shall be~~  
34 ~~remitted to the Treasurer of State, who shall deposit the revenues into the~~  
35 ~~State Treasury to the credit of the Livestock and Poultry Special Revenue~~  
36 ~~Fund or the Livestock and Poultry Commission Disease and Pest Control Fund as~~





1 ~~determined by the Secretary of the Department of Agriculture.~~

2 ~~(b) The commission is hereby authorized to promulgate such rules as~~  
 3 ~~are necessary to administer the fees, rates, or charges for services~~  
 4 ~~established herein.~~

5  
 6 SECTION 2. Arkansas Code § 2-36-101 is amended to read as follows:

7 2-36-101. ~~Grading of fairs~~ Fair-funding program.

8 ~~(a) The Arkansas Livestock and Poultry Commission may formulate~~  
 9 ~~necessary and appropriate rules for the grading of fairs on a point system in~~  
 10 ~~cooperation with an ad hoc advisory committee formed of representatives of~~  
 11 ~~agriculture consisting of representatives from the United States Department~~  
 12 ~~of Agriculture, the University of Arkansas Cooperative Extension Service, the~~  
 13 ~~Office of Agricultural Science and Technology of the Division of Career and~~  
 14 ~~Technical Education, and the Arkansas Fair Managers Association, which shall~~  
 15 ~~make recommendations as to criteria for the allotment of grade points to the~~  
 16 ~~commission~~ There is created within the Department of Agriculture a fair-  
 17 funding program that shall be used to provide fair-funding assistance to  
 18 junior livestock shows, county fairs, district fairs, and the Arkansas State  
 19 Fair and Livestock Show.

20 ~~(b) The advisory committee shall determine the entry classifications~~  
 21 ~~for which grade points would be allowed and delete from approval such~~  
 22 ~~classifications as beauty contests, baby shows, antique shows, skills~~  
 23 ~~contests, purchased machinery such as cars and farm equipment, or other~~  
 24 ~~noncreative categories which in their opinion would be nonproductive and not~~  
 25 ~~in accord with the concept of an agricultural and industrial convention~~ The  
 26 department shall utilize a historical average of total fair-funding provided  
 27 by the State of Arkansas to previous fair funding recipients in determining  
 28 an equitable distribution of available funding appropriated by the General  
 29 Assembly.

30 (c)(1)(A) A recipient of fair funding under the fair-funding program  
 31 under subsection (a) of this section shall:

32 (i) Maintain records of expenditures; and  
 33 (ii) Submit an annual financial report to the  
 34 department and to Arkansas Legislative Audit by the end of each calendar  
 35 year.

36 (B) A recipient of fair funding is subject to a decrease

1 in future funding if the recipient of fair funding does not:

2 (i) Submit an annual financial report as required  
3 under subdivision (c)(1)(A)(ii) of this section; or

4 (ii) Provide proof of yearly continuing education  
5 requirements under guidance adopted by the department.

6 (2) A recipient of fair funding under the fair-funding program  
7 established under subsection (a) of this section is subject to audit by  
8 Arkansas Legislative Audit.

9  
10 SECTION 3. Arkansas Code §§ 2-36-102 and 2-36-103 are repealed.

11 ~~2-36-102. Exhibitors.~~

12 ~~An exhibitor shall be a single person who enters a display in the fair.~~  
13 ~~Each unit shall not be construed as an exhibitor, but a person may be counted~~  
14 ~~as an exhibitor in each classification in which he or she has an entry.~~

15  
16 ~~2-36-103. Sale of immoral, lewd, etc., items.~~

17 ~~Any facilities which house county, district, or state fairs shall~~  
18 ~~prohibit the sale of literature, pictures, clothing, or other materials which~~  
19 ~~are immoral, lewd, obscene, indecent, or offensive. The prosecuting attorney~~  
20 ~~shall be notified of any proposed sales of such material.~~

21  
22 SECTION 4. Arkansas Code Title 2, Chapter 36, Subchapter 2, is  
23 repealed.

24 ~~Subchapter 2 — Funding Generally~~

25  
26 ~~2-36-201. Administration.~~

27 ~~The Arkansas Livestock and Poultry Commission shall be empowered and~~  
28 ~~authorized to administer the provisions of this subchapter and adopt rules as~~  
29 ~~it may deem necessary.~~

30  
31 ~~2-36-202. Premium funds generally.~~

32 ~~Premium funds appropriated by the General Assembly for the purpose of~~  
33 ~~assisting in the development of the agricultural, livestock, and related~~  
34 ~~industries of the state shall be disbursed and, thereafter, expended by the~~  
35 ~~county and district livestock show or fair associations in the manner and for~~  
36 ~~the purposes provided in this subchapter.~~

1  
2 ~~2-36-203. Premium funds for state fair.~~

3 ~~(a) The Arkansas Livestock Show Association shall be entitled to~~  
4 ~~receive the total amount of funds appropriated by the General Assembly for~~  
5 ~~the purpose of paying premiums at the Arkansas State Fair and Livestock Show~~  
6 ~~after qualifying by the filing of an application with the Arkansas Livestock~~  
7 ~~and Poultry Commission and furnishing bond to the State of Arkansas in such~~  
8 ~~form and amount and containing such conditions therein and type of surety~~  
9 ~~thereon as the commission shall by general rules determine.~~

10 ~~(b)(1) Premium funds paid over to the association shall be used only~~  
11 ~~for the purpose of paying awards on approved entry classifications, the~~  
12 ~~exhibitors of which are residents of this state.~~

13 ~~(2) The association may pay awards on livestock to nonresident~~  
14 ~~owners in an amount not in excess of ten percent (10%) of any premium funds~~  
15 ~~received by it from an appropriation for the purpose of paying awards at the~~  
16 ~~Arkansas State Fair and Livestock Show.~~

17  
18 ~~2-36-204. Division of funds among counties and districts.~~

19 ~~(a)(1) Each county and district livestock show or fair association~~  
20 ~~qualifying shall be entitled to that part of the total funds appropriated for~~  
21 ~~the purpose that the qualifying grade points earned by that county for the~~  
22 ~~previous year bear to the total grade points of all counties in which all~~  
23 ~~qualifying associations are located.~~

24 ~~(2) No county shall receive less than five hundred dollars~~  
25 ~~(\$500).~~

26 ~~(b)(1) Counties having more than one (1) city or town in which regular~~  
27 ~~sessions of circuit court are authorized by law and in which livestock shows~~  
28 ~~have been held, if otherwise qualified, may participate in the county premium~~  
29 ~~funds on the same basis as other county shows.~~

30 ~~(2) Associations located in two (2) or more adjoining counties~~  
31 ~~may hold a joint show upon approval of their respective associations, in~~  
32 ~~which event, the funds due each association shall be paid to the executive~~  
33 ~~officer of the joint show.~~

34  
35 ~~2-36-205. Use of premium funds.~~

36 ~~(a)(1) Premium funds paid over by the Arkansas Livestock and Poultry~~

1 ~~Commission to the respective associations shall be used only for the purpose~~  
2 ~~of paying awards on approved entry classifications, the exhibitors of which~~  
3 ~~are residents of this state.~~

4 ~~(2) Exhibitors are ineligible to receive such funds from more~~  
5 ~~than one (1) county association during any fiscal year.~~

6 ~~(b) Not less than twenty five percent (25%) of premium funds paid over~~  
7 ~~by the state to the respective associations shall be used for paying premiums~~  
8 ~~to winners of awards in the junior division of 4-H and FFA shows.~~

9  
10 ~~2-36-206. Appropriations for construction and operation.~~

11 ~~(a)(1)(A) Funds appropriated by the General Assembly to be used for~~  
12 ~~construction of a district livestock show shall be paid over to the executive~~  
13 ~~officers of the respective district livestock show or fair associations.~~

14 ~~(B) None of the funds may be used for paying premiums at~~  
15 ~~or for acquiring sites for the district shows.~~

16 ~~(2) No state funds may be paid over to any district association~~  
17 ~~unless and until the executive officer shall have furnished bond to the State~~  
18 ~~of Arkansas in such form and amount and containing such conditions and type~~  
19 ~~of surety as the Arkansas Livestock and Poultry Commission shall by general~~  
20 ~~rule determine.~~

21 ~~(b)(1) Funds appropriated by the General Assembly to be used for~~  
22 ~~construction and operation of the Arkansas State Fair and Livestock Show~~  
23 ~~shall be disbursed upon orders of the commission.~~

24 ~~(2) The operating revolving fund set aside in a special account~~  
25 ~~to be used for operating expenses in conducting the livestock show shall~~  
26 ~~continue to be set aside for that purpose. All profits from the operation of~~  
27 ~~the show shall be deposited into this account to the extent necessary to~~  
28 ~~maintain the balance at the full amount of the initial deposit.~~

29 ~~(3) If in any year the show is operated at a loss, then funds~~  
30 ~~appropriated for this purpose by the General Assembly shall be used to the~~  
31 ~~extent necessary to maintain the balance in the fund account at the full~~  
32 ~~amount of the initial deposit.~~

33 ~~(c) The commission shall designate the disbursing officers of all~~  
34 ~~livestock show funds appropriated by the General Assembly.~~

35  
36 ~~2-36-207. Applications for funds.~~

1           ~~(a) Each county and district livestock show or fair association~~  
2 ~~desiring to participate in funds appropriated for a given fiscal year for the~~  
3 ~~purpose of paying premiums on qualified entries as defined in this subchapter~~  
4 ~~shall file an application during the month of June next preceding the fiscal~~  
5 ~~year with the Arkansas Livestock and Poultry Commission.~~

6           ~~(b)(1) The application shall include a complete report on the prior~~  
7 ~~year's fair activities with regard to fair dates, exhibitors,~~  
8 ~~classifications, amount of association funds paid as premiums over and above~~  
9 ~~state funds, and any and all other information requested by the commission~~  
10 ~~which it may deem necessary in order to classify and grade the fair.~~

11           ~~(2) The president, secretary, treasurer, or other executive~~  
12 ~~officer of the association shall make application on forms to be prescribed~~  
13 ~~and furnished by the commission.~~

14           ~~(c) Only those applications received before the close of business on~~  
15 ~~June 30 shall be considered by the commission in making allocation of funds~~  
16 ~~appropriated for that purpose for the following fiscal year.~~

17  
18           ~~2-36-208. Bonding of executive officers.~~

19           ~~No state funds may be paid over to any county and district livestock~~  
20 ~~show or fair association unless and until the executive officer shall have~~  
21 ~~furnished bond to the State of Arkansas in such form and amount and~~  
22 ~~containing such conditions and type of surety as the Arkansas Livestock and~~  
23 ~~Poultry Commission shall by general rule determine.~~

24  
25           ~~2-36-209. Determination of bond and fund amounts.~~

26           ~~(a) Within sixty (60) days after the closing date for the receipt of~~  
27 ~~applications for funds, the Arkansas Livestock and Poultry Commission shall~~  
28 ~~determine the amount of bond which the executive officer shall furnish and~~  
29 ~~the amount of premium funds to which each county and district livestock show~~  
30 ~~or fair association is entitled in accordance with the provisions of this~~  
31 ~~subchapter.~~

32           ~~(b) The state warrant issued in favor of each association for the~~  
33 ~~amount found to be due shall be transmitted to the executive officer thereof~~  
34 ~~upon receipt by the commission of a bond executed in conformity with its~~  
35 ~~requirements.~~

36

1           ~~2-36-210. Audits of expenditures.~~

2           ~~(a)(1) The executive officer of each county, district, and state~~  
3 ~~livestock show or fair association shall file an itemized listing of all~~  
4 ~~expenditures of state funds with the Arkansas Livestock and Poultry~~  
5 ~~Commission in a format developed by the commission.~~

6           ~~(2) Upon request by the commission, the executive officer of~~  
7 ~~each county, district, and state livestock show or fair association shall~~  
8 ~~present to the commission adequate documentation supporting listed~~  
9 ~~expenditures.~~

10          ~~(b) Arkansas Legislative Audit may audit all expenditures of state~~  
11 ~~funds paid over to the executive officers of the respective county, district,~~  
12 ~~and state livestock show or fair association and file a copy of the report of~~  
13 ~~each audit with the commission.~~

14  
15          ~~2-36-211. Accounting reports by recipients.~~

16          ~~(a)(1) Each county and district livestock show or fair association~~  
17 ~~participating in funds appropriated for paying premiums or appropriated for~~  
18 ~~construction purposes at the various county, district, and fair associations~~  
19 ~~shall annually submit to the Arkansas Livestock and Poultry Commission an~~  
20 ~~itemized listing of all expenditures.~~

21          ~~(2) In addition, the association shall file with the commission~~  
22 ~~the original invoices, contracts, and other supporting documents necessary to~~  
23 ~~adequately support the claim for the amount of funds received from the~~  
24 ~~commission for construction programs.~~

25          ~~(b)(1) For those expenditures representing premiums and awards~~  
26 ~~payments, the receiving association shall file with the commission a detailed~~  
27 ~~listing of payees, amounts, and classifications of awards and cancelled~~  
28 ~~checks in support thereof.~~

29          ~~(2) The documentation of expenditures as set forth in this~~  
30 ~~section shall be maintained by the commission until audited by Arkansas~~  
31 ~~Legislative Audit.~~

32          ~~(c) The commission shall require that all documentation for the prior~~  
33 ~~year's expenditures by an association be filed in compliance with subsections~~  
34 ~~(a) and (b) of this section before the making of any further grants for~~  
35 ~~premiums or construction to these associations.~~

36

1 SECTION 5. Arkansas Code §§ 2-36-301 and 2-36-302 are repealed.

2 ~~2-36-301. Northwest Arkansas District Fair and Livestock Show.~~

3 ~~(a) There is established a district livestock show to be known as the~~  
 4 ~~“Northwest Arkansas District Fair and Livestock Show” to be located in Boone~~  
 5 ~~County, and to be managed by the existing livestock show association which~~  
 6 ~~manages and conducts the county livestock show in that county.~~

7 ~~(b) Counties composing the Northwest Arkansas District Fair and~~  
 8 ~~Livestock Show district shall be Boone County, Newton County, Marion County,~~  
 9 ~~Baxter County, Searcy County, and Carroll County.~~

10 ~~(c) The Northwest Arkansas District Fair and Livestock Show shall~~  
 11 ~~enjoy the same privileges and status as the four (4) previously established~~  
 12 ~~district livestock shows in the State of Arkansas.~~

13  
 14 ~~2-36-302. Northeast Arkansas District Fair Advisory Board.~~

15 ~~(a)(1) There is created the Northeast Arkansas District Fair Advisory~~  
 16 ~~Board, to be composed of the following members:~~

17 ~~(A) One (1) member from Mississippi County;~~

18 ~~(B) One (1) member from Craighead County;~~

19 ~~(C) One (1) member from Greene County;~~

20 ~~(D) One (1) member from Clay County;~~

21 ~~(E) One (1) member from Crittenden County;~~

22 ~~(F) One (1) member from St. Francis County;~~

23 ~~(G) One (1) member from Cross County;~~

24 ~~(H) One (1) member from Poinsett County;~~

25 ~~(I) One (1) member from Jackson County;~~

26 ~~(J) One (1) member from Lawrence County;~~

27 ~~(K) One (1) member from Randolph County;~~

28 ~~(L) One (1) member from Lee County;~~

29 ~~(M) One (1) member from Woodruff County; and~~

30 ~~(N) One (1) member from White County.~~

31 ~~(2)(A) The county fair board of each county shall select the~~  
 32 ~~person from that county to be a member of the board.~~

33 ~~(B) If any county does not have a county fair board, the~~  
 34 ~~county judge of that county shall appoint that county's representative to the~~  
 35 ~~board.~~

36 ~~(C)(i) There is created an executive board that shall be~~

1 ~~composed of the members of the county fair board of the county in which the~~  
 2 ~~Northeast Arkansas District Fair is located.~~

3 ~~(ii) The executive board shall be responsible for~~  
 4 ~~the day to day operations and maintenance of the Northeast Arkansas District~~  
 5 ~~Fair fairgrounds.~~

6 ~~(3) Members of the board shall serve four year terms, and any~~  
 7 ~~vacancies arising in the board membership shall be filled in the same manner~~  
 8 ~~as were the original appointments.~~

9 ~~(b)(1) In all matters, the fair shall be subject to the rules of the~~  
 10 ~~Arkansas Livestock and Poultry Commission and otherwise conducted in the same~~  
 11 ~~manner as other district fairs.~~

12 ~~(2) The location of the Northeast Arkansas District Fair shall~~  
 13 ~~be in Craighead County.~~

14 ~~(c) The board shall annually select a chair from among its membership.~~

15 ~~(d) After each federal decennial census, the membership on the board~~  
 16 ~~shall be reapportioned among the counties listed in subsection (a) of this~~  
 17 ~~section in such manner as to reflect the proportionate population of each~~  
 18 ~~county relating to the district as a whole.~~

19  
 20 SECTION 6. Arkansas Code § 2-36-303 is amended to read as follows:

21 2-36-303. Annual joint fair and livestock shows by adjoining counties.

22 (a)(1) Any two (2) or more adjoining counties in the state are  
 23 authorized to enter into an agreement for and to conduct an annual joint fair  
 24 and or livestock show.

25 (2)(A) The agreement for a joint fair and or livestock show  
 26 shall be executed in writing by the county fair and livestock show  
 27 association board of each of the participating counties.

28 (B) The agreement shall designate the location at which  
 29 the annual joint fair and or livestock show is to be conducted and shall  
 30 contain such other provisions regarding the joint fair and or livestock show  
 31 as the boards of the respective participating county fair and livestock show  
 32 associations shall deem necessary or appropriate to assure the proper and  
 33 efficient conduct of the joint fair and or livestock show.

34 (b){1} When any two (2) or more adjoining county fair or livestock  
 35 show associations conduct a joint fair and or livestock show as authorized in  
 36 this section, ~~funds appropriated by the state for county livestock show~~



1 ~~construction shall be allocated and paid by the disbursing officer of the~~  
2 ~~Arkansas Livestock and Poultry Commission to the executive officer of each~~  
3 ~~participating county association the same as if each county were conducting a~~  
4 ~~separate fair and livestock show the joint fair or livestock show shall be~~  
5 ~~funded jointly by the participating counties.~~

6 ~~(2) Construction funds received by each executive officer shall~~  
7 ~~be transmitted to the appropriate official of the joint fair and livestock~~  
8 ~~show to be used exclusively for construction of facilities for conducting the~~  
9 ~~joint fair and livestock show.~~

10 ~~(c)(1)(A) Each joint fair and livestock show conducted under the~~  
11 ~~provisions of this section shall be graded and awarded qualifying grade~~  
12 ~~points the same as if it were a single county show for the purposes of the~~  
13 ~~allocation of state funds appropriated for premiums for county livestock~~  
14 ~~shows.~~

15 ~~(B) The amount of such funds allocated and distributed to~~  
16 ~~any such joint fair and livestock show by the disbursing officer of the~~  
17 ~~commission shall be based upon the qualifying grade points earned by the~~  
18 ~~joint show.~~

19 ~~(2)(A) In addition to the premium funds so allocated to the~~  
20 ~~joint show on the basis of qualifying grade points, each participating county~~  
21 ~~other than the county in which the joint show is located shall be eligible to~~  
22 ~~receive from state funds appropriated for county livestock show premiums the~~  
23 ~~amount of five hundred dollars (\$500), which shall be paid annually by the~~  
24 ~~disbursing officer of the commission to the executive officer of each~~  
25 ~~participating county fair association the same as if each county were~~  
26 ~~conducting a separate fair and livestock show.~~

27 ~~(B) Premium funds received by each executive officer shall~~  
28 ~~be transmitted to the appropriate official of the joint fair and livestock~~  
29 ~~show to be used exclusively for premiums at the joint fair and livestock~~  
30 ~~show.~~

31  
32 SECTION 7. Arkansas Code §§ 2-36-304 - 2-36-306 are repealed.

33 ~~2-36-304. Participation by nonresident landowner.~~

34 ~~In the event any individual owns land in two (2) adjacent counties and~~  
35 ~~the county in which he or she resides does not conduct a county livestock~~  
36 ~~show, the individual shall be deemed to be eligible to participate in the~~

1 ~~county livestock show conducted in the county in which he or she owns land~~  
2 ~~but does not reside.~~

3  
4 ~~2-36-305. District junior livestock shows.~~

5 ~~(a) A junior livestock show is authorized for each of the six (6)~~  
6 ~~livestock show districts of the state.~~

7 ~~(b) Any organization desiring to establish a district junior livestock~~  
8 ~~show shall make application and submit proposed organizational and~~  
9 ~~operational plans for the district junior livestock show to the Arkansas~~  
10 ~~Livestock and Poultry Commission.~~

11 ~~(c) The commission may approve only one (1) district junior livestock~~  
12 ~~show in each of the six (6) livestock show districts.~~

13 ~~(d) Funds appropriated to the commission for district junior livestock~~  
14 ~~shows shall be distributed equally to all district junior livestock shows.~~

15  
16 ~~2-36-306. North Central Arkansas District Fair and Livestock Show.~~

17 ~~(a) There is established a district livestock show to be known as the~~  
18 ~~"North Central Arkansas District Fair and Livestock Show" and to be located~~  
19 ~~in IZARD County.~~

20 ~~(b) Counties composing the North Central Arkansas District Fair and~~  
21 ~~Livestock Show district shall be Cleburne County, Fulton County, Independence~~  
22 ~~County, IZARD County, Sharp County, Stone County, and Van Buren County.~~

23 ~~(c) The North Central Arkansas District Fair and Livestock Show shall~~  
24 ~~enjoy the same privileges and status as previously established district~~  
25 ~~livestock shows in the State of Arkansas.~~

26 ~~(d)(1) There is created the North Central Arkansas District Fair~~  
27 ~~Board, to be composed of fourteen (14) members. Two (2) members shall be~~  
28 ~~selected from each county. One (1) member in each county shall be selected by~~  
29 ~~the livestock show association in the county, and one (1) shall be selected~~  
30 ~~by the Arkansas Farm Bureau Federation.~~

31 ~~(2) The members of the board shall serve four-year terms. Any~~  
32 ~~vacancies arising in the board membership shall be filled in the same manner~~  
33 ~~as were the original appointments.~~

34  
35 SECTION 8. Arkansas Code Title 19, Chapter 5, Subchapter 12, is  
36 amended to add an additional section to read as follows:

1 19-5-1269. Agri Fair Fund.

2 (a) There is created on the books of the Treasurer of State, the  
3 Auditor of State, and the Chief Fiscal Officer of the State a fund to be  
4 known as the "Agri Fair Fund".

5 (b) The Agri Fair Fund shall consist of:

6 (1) General revenues appropriated to:

7 (A) Agriculture show premiums, refunds, and  
8 reimbursements;

9 (B) County fair improvement grants; and

10 (C) Community improvement grants, county fairs, and  
11 rodeos; and

12 (2) Other revenues as authorized by law.

13 (c) The Agri Fair Fund shall be used by the Department of Agriculture  
14 for:

15 (1) Grants and aid under § 2-36-101; and

16 (2) Personal services and operating expenses of the department.

17  
18  
19 **APPROVED: 4/13/21**  
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