

302 KAR 15:010. Administration; state aid to local fairs.

RELATES TO: KRS 247.220

STATUTORY AUTHORITY: KRS 247.220

NECESSITY, FUNCTION, AND CONFORMITY: KRS 247.220(2) authorizes the Fair Council and the Commissioner of Agriculture to promulgate administrative regulations regarding grants for local fair facilities. This administrative regulation establishes requirements for administration of and participation in the local fairs program.

Section 1. General Administration. (1) The County Fair Coordinator of the Shows and Fairs Division in the Department of Agriculture shall only make premium allocations to the authorized agent of an incorporated local fair board that conducts a qualified local agricultural fair in compliance with KRS 247.220.

(2) Fair officials for local fair boards applying for state funds shall make a reasonable effort to develop a program that shall supplement agricultural educational and promotional activities.

(3) Local fair boards seeking state assistance shall plan and conduct a qualified local agricultural fair with educational exhibits running for at least three (3) consecutive days (thirty-six (36) hours of exhibition). All fair events shall be held on consecutive days, except a fair may:

(a) Be closed on Sundays; and

(b) Conduct certain events, such as harness horse racing, on separate dates if:

1. The local board files a request to conduct the event with the Shows and Fairs Division;

2. The request is considered by the Kentucky Fair Council at the next regular meeting and thereafter transmitted to the Commissioner of Agriculture for the Commissioner's approval or rejection of the local board's request; and

3. The Commissioner of Agriculture approves the request based on the application.

(4) A local fair board shall establish classes and premiums related to the economic importance of the commodity in the area, the relative value of the exhibit, and the difficulty in preparing for and showing the entry.

(5) Ribbon colors at each local fair shall be:

(a) Blue for first place;

(b) Red for second; and

(c) White for third.

(6) A local fair board seeking state funds shall comply with local and state health regulations for exhibitors tending exhibits and for fair attendants.

(7) A fair event held at a location other than the fairgrounds shall qualify for aid if publicized in the fair's catalog as being a fair event.

Section 2. Records. (1) A local fair board shall make a request for state assistance annually on an Initial Request for State Aid to Local Agricultural Fairs form, and shall mail it to the Shows and Fairs Division by March 1 of the year in which the fair is conducted. The Commissioner of Agriculture shall allow a fair to enter the program after the application deadline has passed for good cause shown.

(2) A local fair board shall mail an Open Class Livestock Show Information Form Packet concerning the fair's livestock shows to the Shows and Fairs Division by April 1 of the year in which the fair is conducted.

(3) A complete financial statement for events previously requesting state funds shall be submitted to the Department of Agriculture.

(a) This annual financial statement shall cover all crops, foods, domestic livestock, poultry, harness horse racing, other horse events, and other agricultural classes that might qualify for

aid.

(b) The statement shall be complete and prepared in detail showing receipts and disbursements, as well as the number of exhibitors and premiums awarded by fair departments.

(c) This certified, notarized statement shall be presented to the County Fair Coordinator of the Shows and Fairs Division within forty-five (45) days following the event, and a financial statement shall not be accepted for payment after December 1 of the year in which the fair is conducted without approval from the Kentucky Fair Council, based on budgetary considerations.

Section 3. Entries. (1)(a) A Fair qualifying for state funds shall provide for adult and youth divisions.

(b) Youth exhibits shall include 4-H, FFA, FHA, and other official groups, if any, recognized by the extension service or the Office of Secondary Vocational Education. All projects approved by these official groups may be approved for state funds. Fair boards may restrict youth participation to a particular district, county, or trade area.

(2) All exhibitors, adult and youth, shall have equal opportunity to enter open classes.

(3)(a) A local fair board receiving state money shall assure that exhibits eligible in more than one (1) class or section shall be exhibited only in the class or section for which it best qualifies.

(b) An exhibitor shall not show the same kind of animal or the same entry in both FFA and 4-H classes or in classes for other organized junior organizations.

(4) All domestic livestock, poultry, and horse entries shall comply with 302 KAR Chapter 22 of the State Board of Agriculture relating to the exhibition of livestock in Kentucky.

Section 4. Catalog. (1)(a) A qualified fair shall have an official fair catalog. A draft copy of the catalog including premium lists and classes, excluding advertisements, shall be submitted to be approved by the Shows and Fairs Division at least forty-five (45) days prior to the opening of the fair.

(b) The finished catalog shall be submitted to the County Fair Coordinator of the Department of Agriculture's Shows and Fairs Division no later than thirty (30) days before the fair is held.

(2) Classes advertised in the catalog shall be reviewed annually by the local fair board to make certain that competitive events shall be held and that premiums offered shall not be of balance with entries.

(3) The official fair catalog shall contain:

(a) A list of fair officials and their assigned responsibilities with the following organizations being represented on the agriculture advisory board:

1. Vocational Agriculture;
2. Extension Service;
3. Farm Bureau;
4. Local Livestock Association (if any); and
5. Local Horsemen's Association (if any);

(b) A schedule of events planned as a part of the fair;

(c) Local fair rules and 302 KAR Chapter 15 including a statement that "open classes shall be open to all exhibitors unless otherwise specified;"

(d) General information by fair departments showing classes and premium lists;

(e) 302 KAR Chapter 22; and

(f) A rule that "entries made in 4-H, FFA and FCCLA classes shall have been produced in conjunction with an approved project sponsored by these organizations."

(4) Catalogs shall be mailed and distributed by the local fair board no later than thirty (30) days prior to the opening of the fair.

Section 5. Judges. (1) To assist with the educational objectives of each event, a local fair shall encourage judges to present reasons for their evaluations and decisions.

(2) A person shall not be an exhibitor or act as an agent in any division or department for which he or she serves as a judge.

Section 6. State Allocation. (1)(a) The Department of Agriculture's agricultural premium money shall be allocated to all approved local fairs on the basis of total money offered for approved classes in the catalog and total money spent in approved classes taken from the fair's financial statement available as indicated by fair records including catalogs.

1. The total agricultural premium payment for one (1) or more fairs held annually in a single county shall not exceed \$4,500.

2. State money for each class shall not exceed fifty (50) percent of the total premiums awarded.

(b) The first agricultural premium payment to each fair shall be made after the printed catalog is received and may be up to one-fourth (1/4) of the amount of money offered in approved classes by the local fair up to a maximum of \$2,250.

(c) The second agricultural premium payment shall be made after the fair's financial statement is received, if all remaining requirements have been met and the necessary records submitted, and shall be based on the amount of money paid for premiums and awards in approved agricultural classes up to a maximum of \$4,500 less the amount of the first agricultural premium payment.

(d) The combination of county fairs or community fairs of a number of counties shall not be approved to justify a larger state premium payment.

(2) An additional \$2,000 grant may be made to a qualified local agricultural fair to be used for horse events' premiums and awards.

(a) This grant shall be made on an equal matching fund basis and shall be based completely on the amount of money paid in premiums and awards for horse events' classes.

(b) The payment of this grant shall come after the financial statement of the fair is received by the Department of Agriculture and shall be included in the fair's second fair payment.

(c) The qualified fair shall submit with its financial statement, records of premiums paid, number of exhibitors, and number of entries for these horse events.

(3)(a) The Department of Agriculture shall make available to a qualified agriculture fair up to \$7,000 on an equal matching basis for harness horse racing, with a maximum of \$750 per race being matched by the department.

(b) Harness racing payments shall also be disbursed in two (2) payments.

1. The first payment shall be one-fourth (1/4) the amount of purses offered in the printed catalog, up to a maximum of \$3,500. This payment shall be combined with the fair's first agricultural payment.

2. The second harness racing payment shall be based on the amount of money spent in harness racing purses, up to a maximum of \$7,000 less the first harness racing payment. It shall be included in the second fair payment, if the fair has included sufficient information on the financial statement in regard to the harness racing results.

(4)(a) The County Fair Coordinator of the department's show and fair program shall provide from the appropriation for county fairs a trophy that shall be rotated and engraved and presented annually to the local fair that has made the most progress in twelve (12) months.

(b) Appropriate engraved plaques shall be presented to the first, second, and third placed fairs making the most progress in the twelve (12) months period and also for the most outstanding new fair in the program for that year.

(c) The presentation shall be made by the Department of Agriculture's Fair Council based on records submitted to the department.

Section 7. Grant Program. (1) A qualified local agricultural fair may apply to the Grant Program yearly for capital construction of new buildings and facilities, infrastructure improvement to existing facilities, or the purchase of nonpermanent tangible items (for example, bleachers and restaurant equipment) A fair shall submit the Application for County Fair Grant to the Shows and Fairs Division. The applications shall be postmarked by October 1st of each year. Grant applications shall comply with the requirements established in paragraphs (a) through (j) of this subsection.

(a) Grants shall made on a matching basis. The Kentucky Department of Agriculture shall provide seventy-five percent (75) percent, and the local fair shall provide twenty-five percent (25) percent, in either a monetary or in-kind match.

(b) The minimum amount eligible to be received shall be \$10,000. The maximum amount received shall be \$100,000.

(c) The Fair Board shall be required to execute a Memorandum of Agreement with the Kentucky Department of Agriculture for the use of state funds.

(d) The Fair Board shall own the land or hold a long-term lease on the property (twenty (20) years for capital construction and improvements or ten (10) years for non-permanent tangible items). A copy of the deed or lease agreement shall be submitted to the Shows and Fair Division.

(e) Grant applications shall be accompanied by a development plan for capital construction and infrastructure. Applications for non-permanent tangible items shall be accompanied by a statement of cost from the vendor.

(f) Changes to development plans shall have prior approval from the Kentucky Department of Agriculture.

(g) All building or health permits (local and state) shall be obtained and submitted to the Shows and Fairs Division for capital construction or infrastructure upon a grant being awarded. If none are required an affidavit signed by local officials shall be submitted to the Shows and Fairs Division.

(h) Awarded projects shall be started within ninety (90) days, of the date the project is awarded and completed within nine (9) months. Project extensions shall be made on a case by case basis, based on reasonable assurance of project completion.

(i) Fairs shall make a full accounting of all expenditures and receipts of the completed project within ninety (90) days of completion.

(j) A fair that has been awarded a grant shall be ineligible to apply another grant for three (3) years from the date the previous grant was awarded.

(2) The grants program shall be administered by the Kentucky Department of Agriculture's Shows and Fairs Division. The County Fair Coordinator shall review all applications for compliance. The grants shall then be presented to the Kentucky Fair Council for selection.

(3) The Fair Council shall select grant recipients until the yearly budget allocations have been met.

(a) The Fair Council shall reject a grant that does not meet the requirements established in this administrative regulation.

(b) The Shows and Fairs Division shall monitor implementation of awarded grants.

(c) Fairs that are awarded grants and fail to execute the projects shall be required to repay the grant.

Section 8. Effect of Overspending of Fair Program Budget. If the local agricultural fair pro-

gram payments exceed the amount of money budgeted for the total fair program, reductions shall be made in payments as recommended by the Fair Council and as determined by the Commissioner of Agriculture based on the application.

Section 9. Incorporation by Reference. (1) The following material is incorporated by reference:

- (a) "Initial Request for State Aid to Local Agricultural Fairs", 2019;
- (b) "Application for County Fair Grant", August 2019; and
- (c) "Open Class Livestock Show Information Form Packet", August 2019.

(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Office of the Department of Agriculture, Shows and Fairs Division, 111 Corporate Drive, Kentucky 40601, Monday through Friday, 8 a.m. to 4:30 p.m. (1 Ky.R. 1022; eff. 6-11-1975; Am. 2 Ky.R. 595; 3 Ky.R. 354; eff. 9-1-76; 9 Ky.R. 1031; 1195; eff. 4-6-83; 17 Ky.R. 1143; 1712; eff. 11-15-90; 21 Ky.R. 2734; 33; eff. 6-14-95; 24 Ky.R. 2757; eff. 8-17-98; 33 Ky.R. 527; 1300; eff. 11-8-2006; Crt eff. 2-18-2020; 46 Ky.R. 1614, 2230; eff. 2-26-2020.)