

1 A BILL for an Act to create and enact chapter 11-39 of the North Dakota Century Code, relating
2 to county fairs; and to repeal chapter 4-02 of the North Dakota Century Code, relating to county
3 fairs.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1.** Chapter 11-39 of the North Dakota Century Code is created and enacted as
6 follows:

7 **11-39-01. County fair association organization as nonprofit corporation.**

8 A county fair association must be organized under the nonprofit corporation laws of this
9 state. In addition to the powers and duties of nonprofit corporations under the laws of this state,
10 a county fair association has the powers and duties specified in this chapter.

11 **11-39-02. Fair association - County funding.**

12 A fair association may be organized in any county. The officers and directors must be
13 residents of the county or, if the association is to conduct a multicounty fair, residents of one of
14 the participating counties. The association may make written application to the board of county
15 commissioners for a grant to aid in the erection of buildings and other improvements suitable to
16 conduct the fair and to pay premiums and expenses that may be awarded on fair exhibits. An
17 application must include evidence that the association is incorporated in this state as a nonprofit
18 corporation, the names and places of residence of all its officers and directors, and evidence of
19 ownership or right to use of sufficient real property in the county to conduct the fair.

20 The board of county commissioners may not provide county funding or official county fair
21 authorization under this chapter to more than one fair association or to any association
22 organized for profit.

23 If the board of county commissioners is satisfied that the statements in the application are
24 true and that the association intends in good faith to annually hold a fair within the county for the

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1 exhibition of agricultural, livestock, horticultural, mining, mechanical, industrial, and
2 manufactured products of the county, and of such articles as are usually exhibited at fairs, and
3 other public displays of human art, industry, and skill, it may provide its official county fair
4 authorization and funding from revenues derived from the county general fund levy authority. If
5 the funding is approved, the county treasurer shall pay to the secretary of the association, by
6 the following July thirty-first, the amount of funding approved and shall take the receipt of the
7 association for the payment.

8 Any amount received by the county fair association must be deposited by the secretary of
9 the association in a special fund.

10 To promote holding a county fair, the board of county commissioners may purchase or lease
11 in the name of the county not to exceed two hundred forty acres [97.12 hectares] of real estate
12 and construct buildings and improvements for the conduct of a county fair. The board of county
13 commissioners may issue bonds in the name of the county if approved by electors of the county
14 in accordance with sections 21-03-06 and 21-03-07 to purchase not to exceed two hundred
15 forty acres [97.12 hectares], of real estate and construct buildings and improvements for the
16 conduct of a county fair.

17 Upon the board's own motion, the board of county commissioners may continue to provide
18 funding under this section after the first year's grant of aid.

19 The authority of this section may be used by a county to join in formation and funding of a
20 multicounty fair association under terms of an agreement with one or more other counties.

21 **11-39-03. County fair association funding to be submitted to vote.**

22 If the board of county commissioners has voted and ordered county general fund funding
23 for a fair association and a petition is addressed to the board and filed with the county auditor,
24 asking the discontinuance of the funding and containing the signatures of qualified electors of
25 the county in a number equal to twenty percent or more of the total vote cast in the county at
26 the last preceding general election, the board shall submit to the qualified electors of the county
27 at the next succeeding general election the question of whether funding shall be continued. The
28 ballot must be in the following form:

29 Shall the board of county commissioners continue the annual Yes
30 funding in aid of a county fair? No

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If a majority of all the ballots cast on the question at the election is in favor of discontinuing the funding, the board of county commissioners may not thereafter provide funding in aid of a county fair under this chapter until the question of resuming the annual funding is approved by a vote of the qualified electors of the county. The ballot must be in the following form:

If a majority of the ballots cast on the question at the election is in favor of resuming the funding, the board of county commissioners shall resume the annual funding subject to the other provisions of this chapter.

11-39-04. County fair authorization - Forfeiture.

11 Any county fair association that fails to hold a county fair for ten consecutive years forfeits
12 its official authorization. After such a forfeiture, another fair association may organize within a
13 county and apply, or the forfeiting organization may reapply, to the board of county
14 commissioners for official county fair authorization and aid under this chapter.

15 11-39-05. Disposition of property.

16 The board of county commissioners may sell property used for county fair purposes and
17 held in the name of the county upon terms and conditions set by the board. The proceeds of
18 such sale must be placed in the county general fund.

If the county fair association fails to hold a fair within the county for two consecutive years, the board of county commissioners may direct that any county property on hand be sold and the proceeds of the sale and any unexpended balance in the county fair fund be transferred to the county general fund.

23 11-39-06. County funding to cease when fair not held - Misappropriation of funds.

24 The board of county commissioners shall refuse to provide funding for a county fair
25 association that failed to hold a fair within the county in any year for which it has received
26 funding from the county. In such a case, the board of county commissioners shall inquire into
27 the disposition of moneys paid by the county to the association after its last annual report, and if
28 there has been any misappropriation it shall institute proceedings at once to recover the sum
29 misappropriated. For any such misappropriation, the officers, trustees, or directors of the
30 association shall be liable personally to the county.

1 **11-39-07. Power to make regulations governing premises.**

2 Fair associations may make rules, regulations, and provisions necessary and proper for the
3 government, management, and control of the premises used by them for the holding of fairs and
4 expositions and for the regulation of the use of the premises.

5 **11-39-08. Director's civil immunity.**

6 The individual members of the board of directors of any fair association are immune from
7 civil liability for any act or omission relating to service as a director for the negligence of any
8 person, firm, corporation, or limited liability company staging any show, race, or other
9 amusement at any county or municipal fair and are immune from civil liability for any negligence
10 of any person employed by the board of directors or the association conducting such fair.

11 **11-39-09. Treasurer to give bond - Duty of officers and directors.**

12 The officers and directors of any fair association shall require the treasurer of the
13 association to give a sufficient bond to such officers and directors, conditioned for the faithful
14 keeping of such money as may come into the treasurer's hands as such treasurer. The
15 treasurer may not receive funds of a fair association until the treasurer is properly bonded.

16 **11-39-10. Nonliability of state for debts - Exception.**

17 The state is not liable for any of the debts or liabilities of a fair association except to the
18 extent appropriations are made for that purpose by the legislative assembly.

19 **SECTION 2. REPEAL.** Chapter 4-02 of the North Dakota Century Code is repealed.