

MINNESOTA STATE FAIR 

Minnesota State Agricultural Society Rules



Chapter 37 Minnesota Statutes

JANUARY 2019

CHAPTER 1 GENERAL

| | |
|--|---|
| 1.01 Authority | 2 |
| 1.02 Definitions | 2 |
| 1.03 All pay gates | 2 |
| 1.04 Gate controls | 3 |
| 1.05 Pass-out gates | 3 |
| 1.06 Admission prices | 3 |
| 1.07 Vehicle restrictions | 3 |
| 1.08 Pedestrian right-of-way | 3 |
| 1.09 Two-wheeled and track-vehicles | 3 |
| 1.10 Bannering, picketing, interfering, protesting | 3 |
| 1.11 Handing out materials | 3 |
| 1.12 Advertising vehicles | 4 |
| 1.13 Conflict of interest | 4 |
| 1.14 Use of vehicles by Society employees | 4 |
| 1.15 Equal employment opportunities | 4 |
| 1.16 Acceptance of gift | 4 |
| 1.17 Hiring of relatives | 4 |
| 1.18 Dogs | 4 |
| 1.19 Roller skates, in-line skates and skateboards | 5 |
| 1.20 Practice driving | 5 |
| 1.21 Use of metal detectors | 5 |
| 1.22 Electrical inspections and requirements | 5 |
| 1.23 Service animals | 5 |

CHAPTER 2 COMMERCIAL SPACE

| | |
|---|---|
| 2.00 Commercial space policy | 6 |
| 2.01 License rates | 6 |
| 2.02 License transfer | 6 |
| 2.03 Duration and extension of licenses | 6 |
| 2.04 License extension procedures | 7 |
| 2.05 New licenses | 7 |
| 2.06 Construction and maintenance of improvements | 7 |
| 2.07 Ownership of improvements | 7 |
| 2.08 Off-season use of structures | 8 |
| 2.09 Operation of multiple commercial space | 8 |
| 2.10 Transfers of personal property interests | 8 |
| 2.11 Use of space | 8 |
| 2.12 Risk of loss | 8 |
| 2.13 Prize drawings | 9 |
| 2.14 Wholesale permits | 9 |
| 2.15 Regulation of conduct and activities | 9 |
| 2.16 Sales tax permit | 9 |
| 2.17 Commercial space decisions | 9 |
| 2.18 Review of commercial space actions | 9 |

CHAPTER 3 COMPETITIVE EXHIBITS

| | |
|--|----|
| 3.01 Competitive exhibition times | 9 |
| 3.02 Responsibility for competitive exhibits | 9 |
| 3.03 Board of Animal Health | 10 |
| 3.04 General competitive entry requirements | 10 |
| 3.05 Animal competitive entry requirements | 10 |
| 3.06 Judges | 10 |
| 3.07 Interference with judging | 10 |
| 3.08 Award books | 10 |
| 3.09 Qualification of entries | 10 |
| 3.10 Finality of decisions | 11 |
| 3.11 Interpretation of rules | 11 |
| 3.12 Protests | 11 |
| 3.13 Late showing of exhibit | 11 |
| 3.14 Premium money | 11 |

CHAPTER 37 MINNESOTA STATUTES..... 11

MINNESOTA STATE AGRICULTURAL SOCIETY

Rules governing the management and control of the Minnesota State Fairgrounds and the Minnesota State Fair.

CHAPTER ONE - GENERAL

1.01 AUTHORITY.

These rules are promulgated pursuant to authority granted the Minnesota State Agricultural Society by Minn. Stat. § 37.16. The Minnesota State Agricultural Society is not an agency of statewide jurisdiction, therefore, rules adopted by the Minnesota State Agricultural Society have not been promulgated pursuant to Minn. Stat. Ch. 14 and will not be found in the bound volume of Minnesota rules.

1.02 DEFINITIONS.

For purposes of these rules, the following definitions shall apply:

- (a) **Board of managers.** The board of managers is responsible for management and control of the Minnesota State Agricultural Society including the annual election of its secretary.
- (b) **Commercial space.** Those areas and locations on the State Fairgrounds designated by the Society to be used for commercial exhibits and concessions.
- (c) **Commercial space committee.** The committee of three or more members of the board of managers, designated by the president of the Society, empowered to examine Society commercial space policies and the actions of the commercial space division and make recommendations thereon to the board of managers.
- (d) **Competitive exhibitor.** Any person or firm which enters animals or articles for competitive exhibition at the State Fair.
- (e) **Delegate.** That employee of the Society given authority by the secretary to act on the secretary's behalf in the instance specified.
- (f) **Department superintendent.** That delegate of the secretary who is head of a specific Society department.
- (g) **Director.** That delegate of the secretary who is head of a specific Society division.
- (h) **License.** An agreement whereby the Society grants to an entity the privilege to exhibit, disseminate information, sell, make deliveries of or accept deposits for future deliveries of goods, services, or information on or from an assigned State Fairgrounds commercial space during the period of the State Fair. Licenses will be granted in accordance with the Society's commercial space policy and rules, upon timely and proper application and showing of qualification, and if commercial space is available.
- (i) **Minnesota State Agricultural Society (Society).** The public corporation and department of state charged with the responsibility for management and control of the State Fairgrounds and conducting the State Fair and other exhibitions on the State Fairgrounds.
- (j) **Personal property.** All privately owned buildings, tents, booths, structures, improvements, business equipment, fixtures or other enclosures, whether portable or permanently affixed to State Fairgrounds property are personal property. A private party is precluded from holding any interest in real property on the State Fairgrounds.
- (k) **Secretary.** The secretary of the Minnesota State Agricultural Society is also the executive vice president.
- (l) **State Fair.** An annual exhibition conducted by the Society on the State Fairgrounds.
- (m) **State Fairgrounds.** That certain area of land in Ramsey County, Minnesota defined and described in Minn. Stat. § 37.01 and other real estate parcels as recorded with Ramsey County Register of Deeds, including the area outside as well as inside the fenced portion thereof.

1.03 ALL PAY GATES.

Entry into the State Fair shall be solely contingent upon the presentation and surrender of a valid ticket of admission in accordance with the most current schedule of gate prices as established by the board of managers.

Only properly identified emergency personnel, such as police, fire and ambulance, as well as properly identified Society service personnel, shall be exempted from this rule when engaged in legitimate emergency or service duty which requires passage through State Fairgrounds admission gates.

1.04 GATE CONTROLS.

Admission gates and exhibit buildings of the State Fair will be open to visitors on days and during operating hours as set by the board of managers. Persons not involved in the preparation or teardown of exhibits for the State Fair may be prohibited from entering the State Fairgrounds during the preparation and teardown period. Gate admission fees will be charged during nighttime (non-operating) hours with the same fee schedule in effect as during day time (operating) hours.

Persons entering the State Fairgrounds during non-operating hours, in addition to paying established gate fees, will be required to provide proof of their having business on the State Fairgrounds during said non-operating periods. License holders and their employees needing to enter or remain on the State Fairgrounds during the overnight period must first obtain an overnight badge from the appropriate Society department superintendent or division director. No badge will be issued without proper identification.

1.05 PASS-OUT GATES.

A pass-out system is operated during the State Fair at admission gates. Persons exiting through these gates may, upon request, obtain proper credentials for re-admittance to the State Fairgrounds without additional charge. Re-admittance will be honored the day of issuance only.

1.06 ADMISSION PRICES.

The board of managers shall annually review and establish gate admission prices for persons and vehicles including specific fee exemptions and discounts.

1.07 VEHICLE RESTRICTIONS.

Maximum vehicle speed limits on the State Fairgrounds, as well as appropriate allowances and restrictions dealing with unnecessary acceleration, vehicle parking, delivery hours, restricted areas, tow-away zones and impound arrangements, shall be established by the secretary or delegate. The secretary or delegate shall provide for the placement of such traffic control signals, signs, and other traffic control devices on the State Fairgrounds as deemed necessary for the safety, protection and control of the State Fairgrounds and the people thereon.

When any police officer or security person finds a vehicle illegally parked on the State Fairgrounds, they are authorized to issue a citation, or provide for the removal and impoundment of such vehicle, or both. Cost of removal and storage shall be borne by the vehicle's owner.

1.08 PEDESTRIAN RIGHT-OF-WAY.

When walking on or about any street, sidewalk or other area generally open to the public on the State Fairgrounds, pedestrians shall at all times have the right-of-way as against all vehicles, other than identified emergency vehicles. Drivers of all vehicles, other than identified emergency vehicles, shall yield the right-of-way to any and all pedestrians on the State Fairgrounds.

1.09 TWO-WHEELED AND TRACK-VEHICLES.

Two-wheeled vehicles, such as bicycles, motorcycles and motor scooters, will not be allowed on the State Fairgrounds during the State Fair unless such two-wheeled vehicles are on display in a commercial space licensed by the Society and, in such case, said two-wheeled vehicles must be kept in the assigned commercial space and may not, under any circumstances, be operated on the streets of the State Fairgrounds. Electric personal assistive mobility devices may be used on the State Fairgrounds by persons that are physically challenged. Track-type vehicles, including snowmobiles, may not be operated anywhere on the State Fairgrounds at any time of the year without the express authorization and approval of the secretary or delegate.

1.10 BANNERING, PICKETING, INTERFERING, PROTESTING.

No person or group of persons shall banner, picket, march, protest, demonstrate or caucus on the State Fairgrounds before or during the State Fair in any manner that interferes with the convenience and safety of any State Fair patron, exhibitor or employee. No person or group of persons shall banner, picket, march, protest, demonstrate or caucus on the State Fairgrounds during any event held on the State Fairgrounds while the annual State Fair is not in session (the off season) without first applying for and obtaining a permit from the secretary of the Minnesota State Agricultural Society. Applications must be submitted to the secretary no later than 30 days prior to the first day of the event. Application forms and the procedures and policies governing permitting decisions are available from the secretary upon request. This Rule does not replace or modify any other rule.

1.11 HANDING OUT MATERIALS.

The sale, posting or distribution of any merchandise, products, promotional items and printed or written material except from a fixed location on the State Fairgrounds approved by the secretary or delegate shall be prohibited.

1.12 ADVERTISING VEHICLES.

The operation or parking of any sound truck or vehicle upon which advertising signs, political or otherwise, have been affixed in any manner shall be prohibited anywhere on the State Fairgrounds. This rule is not applicable to a lettered service vehicle advertising a firm or its products while making deliveries or to the normal advertising on bumpers and windows of motor vehicles.

1.13 CONFLICT OF INTEREST.

No manager, officer or employee of the Society shall:

- (a) Enter into a contract with the Society.
- (b) Have or acquire any financial interest, whether direct or indirect, in any contract between the Society and any license holder, performer, vendor or contractor.
- (c) Engage or participate in personal business or financial transactions that conflict with the interest of the Society or their obligations and interests as a member of the board of managers, officer or employee of the Society.
- (d) Be entitled to any special consideration involving the storage of vehicles and materials on the State Fairgrounds or the use of Society buildings, machinery, or equipment, except as may be specifically approved by the board of managers.
- (e) Be allowed to purchase any material for their personal use through the name, credit or account of the Society.

1.14 USE OF VEHICLES BY SOCIETY EMPLOYEES.

All vehicles used by managers, officers or employees of the Society in connection with Society business shall:

- (a) Be the property of the manager, officer or employee, with the Society to have no interest or obligation except as authorized by the board of managers and stated in the Society bulletin covering expense reimbursement; or
- (b) Be used by the Society as part of a service contract, through rental or on a courtesy basis; or
- (c) Be the sole property of the Society to be used only on Society business.
- (d) No vehicle shall be rented by the Society from any Society manager, officer or employee.

1.15 EQUAL EMPLOYMENT OPPORTUNITIES.

The following policies concerning fair and equal employment shall be followed by the Society:

- (a) It shall be the policy of the Society to foster the employment of all individuals with the Society in accordance with their fullest capacity and ability, regardless of race, color, creed, religion, sex, sexual orientation, age, national origin, marital or veteran status or status with regard to public assistance or disability, and to safeguard their right to hold employment with the Society without discrimination; and
- (b) Every contract for or on behalf of the Society for materials, supplies, construction or licenses may be canceled or terminated by the Society when discrimination on account of race, color, creed, religion, sex, sexual orientation, age, national origin, marital or veteran status or status with regard to public assistance or disability, exists in the hiring or employment of common or skilled labor by the contractor pursuant to the contract for or on behalf of the Society.

1.16 ACCEPTANCE OF GIFT.

No manager, officer or employee of the Society shall accept from a person or company that does business with the Society, any gift, gratuity, cash, merchandise or thing of value. This prohibition shall extend to the acceptance of food or beverage or merchandise at less than full retail price from a license holder during the State Fair.

1.17 HIRING OF RELATIVES.

No relative of a Society employee or a relative of a member of the board of managers shall be given preferential treatment in being hired or promoted. Relatives may be precluded from working in the same Society department.

1.18 DOGS.

During the period of the annual State Fair, no dogs or other pets shall be allowed on the State Fairgrounds. Exception: Dogs or other pets may be allowed when part of an exhibition or demonstration authorized by the secretary or delegate. No other exceptions will be allowed during the period of the State Fair.

During the non-fair period, no dogs or other pets shall be allowed in State Fair buildings, unless part of an exhibition or demonstration authorized by the secretary or delegate. No dogs or other pets may be allowed on the State Fairgrounds at any time unless confined or restrained on a leash of less than six feet in length.

During fair and non-fair periods, Society personnel are empowered to order the removal from the State Fair any dog or pet in violation of the above, or found to be disturbing or endangering the public.

1.19 ROLLER SKATES, IN-LINE SKATES AND SKATEBOARDS.

Use of roller skates or in-line skates shall not be permitted on the State Fairgrounds during the State Fair except as authorized in an agreement executed by the secretary or delegate. Use of skateboards shall not be permitted on the State Fairgrounds at any time except as authorized in an agreement executed by the secretary or delegate.

1.20 PRACTICE DRIVING.

The State Fairgrounds may not be used by any person, organization or firm to conduct lessons for or to practice driving automobiles or other motor vehicles, unless such activity is covered under an agreement executed by the secretary or delegate.

1.21 USE OF METAL DETECTORS.

The use of metal detectors or similar devices shall be prohibited on the State Fairgrounds. Any activity of discovery, whether undertaken with or without a detection device, which results in digging, probing or otherwise disturbing the ground, shall be prohibited on the State Fairgrounds. This rule shall neither limit nor prohibit activities or the use of detection devices as may be directed by the secretary or delegate in the legitimate conduct of Society work.

1.22 ELECTRICAL INSPECTIONS AND REQUIREMENTS.

Minn. Stat. 326.244, Sub. 4 authorizes the Society to provide for inspection of fixed and transient electrical installations within its jurisdiction and to that end the Society has elected to adopt by reference as if fully set forth herein the following sections of Minn. Stat., Chapter 326 dealing with electrical regulations and inspections: A. 326.01 Definitions; B. 326.242 Licenses; C. 326.2421 Alarm and Communication Systems; D. 326.243 Safety Standards; E. 326.244 Inspection, except with respect to fees; F. 326.245 Manufacture of Electrical Apparatus; exempt; and G. 326.246 Crimes.

With respect to Minn. Stat. Sections 326.44 and 326.246, adopted above by reference, wherever the words "the Board", referring to the State Board of Electricity, are used therein, the words "the Society", should be substituted therefore.

The Society will undertake inspections within its jurisdiction in compliance with applicable requirements of the Minnesota Board of Electricity Rules, Chapter 3800, which are hereby adopted by reference, along with any future revisions, modifications or amendments thereto, except with respect to fees, which shall be established by the Society. With respect to said rules, wherever the words "the Board", referring to the State Board of Electricity, are used therein, the words "the Society" should be substituted therefore. Electrical inspections shall be accomplished by an electrical inspector(s) contracted by the Society to provide such service with qualifications and credentials as are required for the performance of such duties and who further meet the standards specified in Minnesota Board of Electricity Rules, Chapter 3800.3630.

Each individual, partnership, corporation or other business association doing electrical work within Society jurisdiction shall file with the Society a copy of their current license issued by the Minnesota Board of Electricity or such other evidence of such license as may be provided by said board. No electrical construction, remodeling, replacement or repair shall be undertaken within the jurisdictions of the Society, except minor repair work as defined in Minnesota Board of Electricity Rules, Chapter 3800.1100, without first having received an inspection from the Society.

1.23 SERVICE ANIMALS.

A service animal is a dog that is individually trained to do work or perform tasks for a person with a disability.

Service animals can accompany people with disabilities in all areas where members of the public are allowed to go. Service animals are defined as dogs that are individually trained to do work or perform tasks for people with disabilities. Service animals are working animals, not pets. The work or task a dog has been trained to provide must be directly related to the person's disability. Dogs whose sole function is to provide comfort or emotional support do not qualify as service animals under the ADA. Service animals must be harnessed, leashed, or tethered, unless these devices interfere with the service animal's work or the individual's disability prevents using these devices. In that case, the individual must maintain control of the animal through voice, signal, or other effective controls.

Inquiries, Exclusions, Charges, and Other Specific Rules Related to Service Animals:

- (a) When it is not obvious what service an animal provides, only limited inquiries are allowed. Staff may ask two questions: (1) Is the dog a service animal required because of a disability, and (2) What work or task has the dog been trained to perform.
- (b) Staff cannot ask about the person's disability, require medical documentation, require a special identification card or training documentation for the dog, or ask that the dog demonstrate its ability to perform the work or task.
- (c) A person with a disability cannot be asked to remove his service animal from the premises unless:
 - (1) The dog is out of control and the handler does not take effective action to control it or;
 - (2) The dog is not housebroken.

When there is a legitimate reason to ask that a service animal be removed, staff must offer the person with the disability the opportunity to obtain goods or services without the animal's presence.

- (d) In addition to service dogs, miniature horses that have been individually trained to do work or perform tasks for people with disabilities may be allowed. (Miniature horses generally range in height from 24 inches to 34 inches measured to the shoulders and generally weigh between 70 and 100 pounds.) Assessment factors are:
 - (1) Whether the miniature horse is housebroken;
 - (2) Under the owner's control;
 - (3) The facility can accommodate the miniature horse's type, size, and weight; and
 - (4) The miniature horse's presence will not compromise legitimate safety requirements necessary for the safe operation of the fair.

CHAPTER TWO - COMMERCIAL SPACE

2.00 COMMERCIAL SPACE POLICY.

Minn. Stat. § 37.17 authorizes the Society to license and regulate shows, rides, exhibits and concessions on the State Fairgrounds. Commercial exhibits are placed at the State Fair to educate, inform, evoke public interest and create business opportunity. Concessions are placed to provide hospitality, shopping opportunity and entertainment, and to serve the needs and wishes of a large, diverse audience. It is the policy and goal of the Society to seek out and grant licenses for the presentation of best-quality commercial exhibits and concessions.

It is further the policy and goal of the Society that available commercial space be occupied by as wide a variety of business enterprises as possible and practical. Placement and management of commercial exhibits and concessions at the State Fair are the proprietary rights of the Society to be exercised exclusively by the Society on behalf of its audience. This exercise may be accomplished by the Society operating its own commercial exhibits and concessions or, as an alternative, issuing licenses which allow qualified independent parties to so operate.

A combination of both procedures may prove best when implemented with discretion and judgment. All commercial space decisions pertaining to the State Fair are made consistent with statutory requirements, these rules and the Society's obligation to its patrons.

2.01 LICENSE RATES.

Rates charged for licenses at the State Fair shall be set by the board of managers and implemented by the secretary or delegate.

2.02 LICENSE TRANSFER.

Agreements covering licenses may not be sold, transferred, assigned or devised by will.

2.03 DURATION AND EXTENSION OF LICENSES.

Licenses are valid for a designated period as agreed in writing. The fact that an operator has entered into an agreement for a designated period does not create a right nor should it create an expectation that the agreement will be extended for any subsequent term. The Society, through its board of managers, secretary and delegate, reserves the right at its sole discretion to not grant a new license for a subsequent term. Notwithstanding the forgoing, the Society shall annually review all license agreements in consideration of offering a license for another term to operators from the previous term. The review shall be based on new or changing public needs, physical changes and upon performance of the operator as measured by established standards. The Society expressly reserves the right to not grant a new license at any time when it has determined that it is in the best

interest of its patrons not to do so. The granting of a new license for a subsequent term shall be on the basis of the same space, purpose, products, and ownership as in the prior term unless otherwise expressly provided by the secretary or delegate. Grounds, space alterations or other operational changes as determined exclusively by the Society may make it necessary to alter or eliminate certain previously available commercial space from one year to the next. In such an instance, the Society may either offer an alternative location or elect to not grant a new license.

2.04 LICENSE EXTENSION PROCEDURES.

The secretary or delegate will send notices via first class mail to operators who held licenses during the immediately preceding term who are to be given an opportunity to obtain a new license. An acknowledgment and acceptance of the location assigned and other terms must be returned within 30 days of original mailing. Any requests for approval of change in location, purpose or products must be noted on the acceptance.

2.05 NEW LICENSES.

In furtherance of its stated policy to seek out best-quality commercial exhibits and concessions, the Society may solicit and receive written proposals from independent parties having an interest in obtaining licenses at the State Fair. Proposals may be submitted at any time; they must be detailed in accordance with specifications provided by the Society. The secretary and delegate shall exercise their best judgment in determining if changes in the present commercial space allocation are called for and, if so, which new commercial exhibits or concessions would best serve the interests of the Society and its patrons. Among the factors to be considered in this process are:

- (a) Availability of appropriate commercial space;
- (b) The health and safety of State Fair patrons;
- (c) The extent to which the proposed product or service duplicates those of other commercial exhibits or concessions;
- (d) The appropriate mixture and balance of products and services available throughout the State Fairgrounds;
- (e) The originality and quality of the proposed products or service;
- (f) Experience and financial stability;
- (g) The quality of presentation and professionalism demonstrated;
- (h) Such other factors as the Society deems appropriate in determining its best interests and those of its patrons.

2.06 CONSTRUCTION AND MAINTENANCE OF IMPROVEMENTS.

The placement, construction or alteration of any privately owned building, booth, tent or enclosure on the State Fairgrounds must be approved in advance in writing by the secretary or delegate. A person or entity intending to construct or alter such a facility shall submit a formal, written request along with plans and specifications to the secretary or delegate showing that the proposed construction will be in compliance with applicable building codes and will be of an acceptable design and appearance. All tents must be flame-proofed and accompanied by a letter of certification showing annual flame-proofing treatment by an approved vendor. The Society shall, from time to time, engage qualified engineering personnel and building and fire code officials to inspect and evaluate the structural condition and safety of buildings on the State Fairgrounds. The Society may order changes or modifications in the improvements of operators as it deems necessary. Changes or modifications so ordered must be accomplished within a reasonable time or structure may be ordered closed, removed or torn down at the expense of the operator.

2.07 OWNERSHIP OF IMPROVEMENTS.

Improvements, whether affixed to State Fairgrounds property or portable, are classified as personal property as defined in chapter one of these rules. The use of any improvement on the State Fairgrounds is subject to the discretion of the Society and shall only be permitted pursuant to the terms of a valid license and these rules. Portable personal property must be removed by its owner from the State Fairgrounds within 15 days following the State Fair or it will be removed or torn down at the owner's expense as directed by the secretary or delegate. In the event that the secretary and delegate determine that a new license involving an structure affixed to State Fair property will not be issued and that the affixed structure must be removed from the State Fairgrounds, the secretary or delegate shall give written notice to the owner and provide a specific time for its removal and restoration of the underlying real property. Failure to remove and restore within the time specified shall result in the forfeiture of all rights in the affixed structure and the secretary or delegate, on behalf of the Society, may take possession of and remove the same, charging any expense for removal and restoration to the owner.

2.08 OFF-SEASON USE OF STRUCTURES.

Privately owned structures on the State Fairgrounds may not be used by owners during the non-State Fair period except for storage of commercial exhibit or concession material used pursuant to a license. Any other use must be covered by a separate agreement issued by the Society. Society owned structures may not be used by any person or entity for storage or any other purpose during the non-State Fair period without a separate agreement covering this use issued by the Society.

2.09 OPERATION OF MULTIPLE COMMERCIAL SPACES.

The Society normally does not permit a person or entity to operate from more than one area or location. Those operators who have previously been licensed will not be allowed additional licenses for other locations unless there are compelling factors which indicate that it would be in the best interest of the Society and its patrons to do so.

2.10 TRANSFERS OF PERSONAL PROPERTY INTERESTS.

Absent compelling circumstances, the board of managers will not allow the transfer by contract, gift, assignment, bequest, devise, sublease, or otherwise of privately-owned structures affixed to State Fairgrounds property or situated in Society owned buildings. When, in the judgment of the board of managers, it is in the best interest of the Society and its patrons to allow the structure of an owner situated on the State Fairgrounds to be transferred, the secretary or delegate may grant written authorization for transfer of said structure. As an alternative to a third party transfer, the Society may exercise authority to purchase the structure being offered for transfer, in which case the structure must either be transferred to the Society or removed from the Fairgrounds. A request to transfer interest in a structure located on the State Fairgrounds shall be made in writing by the owner to the secretary or delegate. The secretary or delegate shall respond in writing to the request for transfer within 30 days after its receipt. If a request for transfer is approved, notice of said transfer will be posted for 30 days at the State Fairgrounds administrative offices to advise the public.

The Society may, in its sole discretion, subsequently enter into a license agreement with the transferee. In connection therewith, the society will require the following:

- (a) The transferee has applied for a license according to procedures defined under rule S.F. 2.05 and the proposal has been reviewed and accepted by the secretary or delegate. Transferee acknowledges in writing acceptance of the fact that said transfer carries with it no guarantee of the issuance of a license.
- (b) A full, written financial disclosure has been made concerning the structure transfer. The financial disclosure shall warrant that the purchase price paid was limited to the value of the structure, fitments and equipment acquired in the transfer. The disclosure shall also include an accredited appraisal by a Society approved appraiser of the structure, fitments and equipment being transferred. Valuation shall be based entirely on the cost approach.
- (c) The transaction does not violate the Society's policy concerning multiple licenses or other Society commercial space rules.
- (d) The transferee shows adequate experience and financial stability to successfully hold a license.
- (e) The proposed transaction is reasonable, in the best interest of the Society, and is consistent with the health, safety and enjoyment of its patrons.

No transfer of a structure situated on the State Fairgrounds will be approved if the proposed purchase price is greater than the appraised value of the structure and personal property involved in the transfer. Completion and execution of a Society commercial space transfer policy acknowledgment, verifying understanding and acceptance of Society transfer rules and procedures, and delivery of a copy of same to the secretary or delegate, along with a properly executed purchase agreement between the parties, shall constitute finalization of approved structure interest transfer.

2.11 USE OF SPACE.

License holders must confine their business and the promotion and advertising of same on the State Fairgrounds to the commercial space specified in the license during operating periods specified in the license. Failure to comply with this rule will subject license holders to forfeiture of license without reimbursement.

2.12 RISK OF LOSS.

The Society assumes no liability for loss or damage to personal property of a license holder due to fire, tornado, weather conditions, theft, vandalism or other causes. License holders bringing property or goods onto the State Fairgrounds should protect such property or goods with appropriate insurance.

2.13 PRIZE DRAWINGS.

No drawing for a prize or prizes may be conducted by a license holder without receiving permission in advance from the secretary or delegate. Drawing must be conducted in accordance with procedures provided license holder at the time permission is granted.

2.14 WHOLESALE PERMITS.

Wholesale permits are issued by the Society to vendors who desire to solicit orders, deliver articles or provide services to license holders at the State Fair. Parties desiring wholesale permits for the State Fair must apply to the secretary or delegate. Delivery vehicles not properly identified with a wholesale permit shall be prohibited from entering the State Fairgrounds during the State Fair. This permit does not authorize retail sales.

2.15 REGULATION OF CONDUCT AND ACTIVITIES.

The Society recognizes that the State Fair is a proper forum for the exchange of ideas necessary to a free society yet reserves the right to regulate all activities on the State Fairgrounds with regard to time, manner and place in pursuance of its valid interest in maintaining peace and order and providing for the protection of its patrons. License holders must comply with all applicable state and federal laws, Society rules and requirements set forth in the commercial space manual.

2.16 SALES TAX PERMIT.

License holders involved in taxable retail sales shall be responsible for obtaining a Minnesota state sales tax permit. Non-compliance with Minnesota tax laws shall be grounds for cancellation of licenses.

2.17 COMMERCIAL SPACE DECISIONS.

A determination not to issue a new license or a determination approving or denying the proposed sale, transfer or conveyance of any structure associated with commercial space on the State Fairgrounds shall be in writing and shall be approved by the secretary.

2.18 REVIEW OF COMMERCIAL SPACE ACTIONS.

Any person improperly treated in the application of commercial space rules may petition the commercial space committee for review of such treatment. The review shall be initiated by any such person submitting a request for review in writing to the secretary within 20 days of the alleged improper treatment. The secretary shall set a meeting of the commercial space committee within 45 days thereafter except that requests for review received by the secretary after August 1 will be heard after that year's State Fair. Request shall identify, in writing, the specific basis for the review and shall precisely state how the party was improperly treated. Failure to specifically state the grounds for review in writing shall result in the automatic dismissal of a request for review. The review of the commercial space committee shall be limited to the grounds stated in the request for review. The commercial space committee shall formally hear the request for review in the presence of the person requesting review. If the committee determines that person was improperly treated, it shall have the authority to direct the secretary to take such remedial steps as the committee deems fair and appropriate. After final disposition of any matter reviewed pursuant to this rule, the committee shall report such disposition to the board of managers.

CHAPTER THREE - COMPETITIVE EXHIBITS

3.01 COMPETITIVE EXHIBITION TIMES.

Times for the setup of State Fair competitive exhibits, the dismantling and removal of exhibits and the hours of public viewing will be set annually by the secretary or delegate and will be stated in individual department premium books.

3.02 RESPONSIBILITY FOR COMPETITIVE EXHIBITS.

The Society will use diligence to protect livestock and articles entered for exhibition, after their arrival and placement, but under no circumstances will it be responsible for any loss, injury or damage done to or caused by any animal or article on exhibition. It is the responsibility of the competitive exhibitor to obtain appropriate insurance for any damages due to or caused by the exhibit and to indemnify and hold the Society harmless against any claim arising out of incidents involving the exhibit. Removal or pickup of exhibits at established times as stated in individual department premium books, entry blanks or entry receipts, shall be the responsibility of the competitive exhibitor. The Society shall not be responsible for any exhibit not removed or picked up at established time and the secretary or delegate will dispose of all exhibits not removed or picked up by December 1 of the year in which the exhibit was entered.

3.03 BOARD OF ANIMAL HEALTH.

The exhibition of livestock on the State Fairgrounds shall be under the supervision of the Minnesota Board of Animal Health and its applicable rules and regulations will be complied with in full. Health requirements for individual departments will be set forth in their respective premium books.

3.04 GENERAL COMPETITIVE ENTRY REQUIREMENTS.

Competitive exhibitors must file proper entry blanks with any applicable fees prior to the designated closing date for entries. The Society reserves the right to refuse entries or prohibit the exhibition of animals or articles entered if the showing of such animals or articles is contrary to law, or violative of the Society's interest in providing for the health, safety and protection of its patrons. Exhibits entered in the wrong class or category may be transferred prior to judging at the discretion of the department superintendent to the proper class or category of competition.

Deception of any type by an exhibitor, as determined by the department superintendent will ban the exhibitor from any further competition and result in the forfeiture of all premiums. Mechanical or artistic articles must be entered in the name of the artist, inventor, manufacturer or maker. The Society desires that all prospective exhibits be given a fair opportunity to enter their exhibits and to have them judged on the basis of their individual merits without favoritism or undue influence. This means that, as a minimum safeguard, an objectively qualified prospective exhibitor shall not be given an advantage or placed at a disadvantage because of his or her familial relationship with a Society officer or member of the board of managers. On any occasion when a relative of a Society officer or member of the board of managers has objectively qualified for the entry of an exhibit, the related Society officer or board of managers' member shall not have any written or oral communication with either the affected department superintendent or exhibit judge before, during and after the judging process is completed as the communication relates to the competition in which the exhibit is entered.

3.05 ANIMAL COMPETITIVE ENTRY REQUIREMENTS.

When animals are entered for State Fair competition by an entity other than an individual, that entity (whether a corporation, partnership, breeding establishment or other) must have been in existence as of the closing date of entries. Appropriate documentation showing the status of the entity must be available for inspection by the department superintendent. All animals entered under a breed classification must be recorded in a breeding association recognized as representative of the particular breed. The competitive exhibitor must produce a certificate of registry at the request of the department superintendent. All animals shown must be owned by the competitive exhibitor from the time of making entry, except as otherwise provided in special rules of the department.

3.06 JUDGES.

Competent and qualified persons will be employed as judges by the Society to evaluate all competitive exhibits. Judges shall be responsible for reading and understanding the general rules and all special rules applicable to the department or class in which they are to serve. No person who is a competitive exhibitor may act as judge in a class in which they are competing.

3.07 INTERFERENCE WITH JUDGING.

Judges shall report to the department superintendent any competitive exhibitor who in any way, whether in person or by agent or employee, interferes with them or shows any disrespect to them during the judging. The department superintendent may exclude any such competitive exhibitor from further competition. The secretary may withhold from such competitive exhibitor any or all premiums that have been awarded and may also exclude such competitive exhibitor from further competition at the State Fair.

3.08 AWARD BOOKS.

Judges and persons acting as clerks to the judges must use special care to record the proper names in the award books after awards have been made. The judge, competitive department superintendent in charge and clerk recording the awards of the department must sign the award book at the close of each class immediately after all awards in such class have been made.

3.09 QUALIFICATION OF ENTRIES.

If there is any question as to the regularity of an entry or the right of any animal or article to compete in any class or category, the judge or judges shall report same to the competitive department superintendent in charge for adjustment. Judges shall place a reserve award in each class. Should any animal or article awarded a prize be disqualified, the animal or article awarded the next lower prize shall graduate into the next higher position, if in the opinion of the judge, it is worthy of such prize. Judges must not award a prize to an unworthy exhibit. No premium or distinction of any kind shall be given to any animal or article that is not deserving.

3.10 FINALITY OF DECISIONS.

In judging livestock, the decision of the official State Fair veterinarian and judge as to soundness shall be final. The decision of the judge shall be final in all cases, except when mistake, fraud, misrepresentation or collusion, not known at the time of the award, is discovered. In such cases, the secretary shall take appropriate action or refer the matter to the board of managers.

3.11 INTERPRETATION OF RULES.

A faithful observance of all rules governing the exhibit will be required, and when in doubt as to the application or meaning of a rule, the competitive department superintendent in charge shall interpret such a rule. This interpretation when requested by either a competitive exhibitor or judge must be reduced to writing and returned to the secretary or delegate with the award books.

3.12 PROTESTS.

A protest from the decision of a judge will only be accepted from a competitive exhibitor named in the official judge's sheet for competition in the class or category under protest, and must be filed with the secretary within five (5) hours after the award has been made. An award is deemed to have been made when the notation of the decision of the judge is entered into the department award book. All protests must be made in writing and must be accompanied by a deposit of one hundred dollars (\$100). The protest must state plainly and specifically the facts upon which the complaint or appeal is based. The right to appeal will lie only when it is charged that the award has been made in violation of the rules governing the exhibit, or when it is charged that the decision of the judge has been influenced or interfered with by another person. No protest or appeal based upon the statement that the judge or judges are incompetent or have over-looked an animal or article will be considered. The one hundred dollar deposit will be returned only if the protest or appeal is upheld. In protest and appeal instances where rules established by a breed association or other competitive organization with which the Society has an agreement differ from this rule, rules of the association or organization shall govern.

3.13 LATE SHOWING OF EXHIBIT.

No animal or exhibit will be judged or awarded a prize if it is not ready for judging and promptly brought into the show ring when the class is called.

3.14 PREMIUM MONEY.

Cash premiums awarded will be paid by check made out to the competitive exhibitor and mailed to the post office address as stated on the entry blank. Competitive exhibitors may forfeit all premium money if exhibits are removed from the grounds prior to the official time of release. The board of managers reserves the right to make reductions in premiums if the financial conditions of the Society make such reductions necessary.

CHAPTER 37 MINNESOTA STATUTES

Pertaining to THE MINNESOTA STATE AGRICULTURAL SOCIETY

Chapter 37 of Minnesota Statutes outlines the purposes, organization and conduct of the Minnesota State Agricultural Society (Minnesota State Fair). Material contained herewith includes all changes and/or additions, if any, enacted at the last most recent session of the Minnesota Legislature.

37.01 PUBLIC CORPORATION.

The State Agricultural Society is a public corporation. The conveyance to the state of the land in Ramsey County described as Southeast Quarter (SE 1/4) of Section Twenty-one (21) and East half (E 1/2) of East half (E 1/2) of Southwest Quarter (SW 1/4), Section Twenty-one (21), Township Twenty-nine (29), Range Twenty-three (23), is confirmed. Anything in that conveyance to the contrary notwithstanding, the state holds that land and any other property known and used as the "State Fairgrounds" forever for the following public purposes: (1) exhibiting under the management and control of the Society, at annual fairs and at other times determined by the Society, the agricultural, stock-breeding, horticultural, mining, mechanical, industrial, and other products and resources of the state, including proper exhibits and expositions of the arts, human skills, and sciences; and (2) other uses and purposes determined by the State Agricultural Society, including the leasing of parts of the State Fairgrounds. The Society shall not lease any part of the State Fairgrounds if the lessee is going to compete with an existing established business of auto racing within a radius of 40 miles, except during the operation of the state fair and all other public exhibitions pertinent to expositions of human art, industry, or skill. Neither the state nor the Society shall ever charge or encumber this property. Any part of the State Fairgrounds which is within the boundaries of a city or other political subdivision of the state is detached from the city or political

subdivision. Nothing in this section exempts otherwise taxable property on the fairgrounds or the fairgrounds itself from real and personal property taxes pursuant to chapters 272 to 275 and 471.

37.02 BUDGET; BUILDING RESTRICTIONS; EXEMPTIONS.

The State Agricultural Society is subject to and has all powers, rights, and privileges granted by law, with the following exceptions:

- (a) The Society need not comply with the provisions of Laws 1939, chapter 431, relating to budgets, allotments, and encumbering of funds.
- (b) The Society is not subject to the supervision of the commissioner of administration in the erection and construction of any new building.
- (c) The books and accounts of the Society are subject to examination by the legislative auditor.

37.03 MEMBERSHIP.

Subdivision 1. Members. Members of the State Agricultural Society must be citizens of this state. The membership is as follows:

- (a) Three delegates chosen annually by each agricultural society or association in the state which maintains an active existence, holds annual fairs, and is entitled to share in the state appropriation under the provisions of section 38.02. If one of those societies or associations fails to choose delegates, then its president, secretary and treasurer, by virtue of their offices, are its delegates. If two fairs receiving state aid are operating in one county, each delegate from each society or association is entitled to one-half vote at regular or special meetings of the state Society.
- (b) One delegate appointed by the county board of each county in which no county or district agricultural society exists.
- (c) Individuals elected by the Society as honorary members for having performed eminent services in agriculture, horticulture, or related arts and sciences or long and faithful service in or benefits to the Society. Honorary members must be elected by two-thirds vote at any annual meeting. The number of honorary members may not exceed the Society's membership and only one honorary member may be elected annually. Each honorary member is entitled to one vote.
- (d) Two elected delegates and the president may represent each of the following societies and associations: the Minnesota State Horticultural Society, the Minnesota Dairy Goat Association, the Minnesota Honey Producers Association, Inc., the Minnesota Livestock Breeders' Association, the Minnesota Crop Improvement Association, the Minnesota Pork Producers Association, the Minnesota Lamb and Wool Producers Association, the Minnesota Horse Breeders' Association, the Minnesota Veterinary Medical Association, the Minnesota Beef Cattle Improvement Association, the Central Livestock Association, the Minnesota State Poultry Association, the Minnesota Boer Goat Association, the Farm Equipment Association, the Minnesota State Florists Association, the State Fair Exhibitors' Organization, the Minnesota Federation of County Fairs, the Minnesota Forestry Association, the Minnesota Horse Council, Minnesota Nursery and Landscape Association, Minnesota Apple Growers' Association, State Grange of Minnesota, Minnesota Farmers' Union, American Dairy Association of the Midwest, and the Minnesota Farm Bureau Federation.
- (e) The following societies and associations are entitled to one delegate each: Central Minnesota Vegetable Growers Association, the Minnesota Fruit and Vegetable Growers' Association, Minnesota Shorthorn Breeders' Association, the Minnesota Milking Shorthorn Association, Minnesota Guernsey Breeders' Association, Minnesota Jersey Cattle Club, Minnesota Holstein Association, Minnesota Hereford Breeders, the Minnesota Angus Association, Minnesota Ayrshire Breeders' Association, Minnesota Brown Swiss Association, Minnesota Duroc Breeders', Minnesota Turkey Growers' Association, Minnesota Gladiolus Society, Minnesota Hampshire Sheep Association, Minnesota Suffolk Sheep Association, North American Dairy Sheep Association, and the Minnesota Berkshire Association.
- (f) The societies and associations listed in paragraphs (d) and (e) must be active and statewide in their scope and operation, hold annual meetings, and be incorporated under the laws of the state before they are entitled to a delegate. The societies and associations must file with the secretary of state, on or before December 20, a report showing that the society or association has held a regular annual meeting for that year, a summary of its financial transactions for the current year, and an affidavit of the president and secretary that it has a paid-up membership of at least 25. On or before December 31, the secretary of state shall certify to the secretary of the State Agricultural Society the names of the societies or associations that have complied with these provisions.
- (g) If a society or association ceases to exist or otherwise fails to comply with the requirements of paragraph (f), its membership in the state agricultural society and its right to delegates

is terminated and it may be replaced by another society or association representing the same or similar interests and chosen by a majority vote of the members of the Society at its next annual meeting.

- (h) The members of the board of managers of the State Agricultural Society are members of the Society and entitled to one vote each.

Subd. 2. Eligibility to vote. On all questions arising for determination by the State Agricultural Society, including the election of members of the board of managers, each delegate present is entitled to one vote. The Society shall not recognize proxies except when less than three delegates of a county or district agricultural society shall attend the annual meeting, those present may cast the full vote of that society. All delegates must be accredited, in writing, and their credentials must be signed by the president and secretary of the Society or association represented.

37.04 BOARD OF MANAGERS.

Subdivision 1. Membership; quorum. A board of managers shall manage and control the State Agricultural Society. The board consists of a president and nine other members, two of whom are vice-presidents. Each member represents one of nine regional districts. Six members constitute a quorum for the purposes of any board meeting.

Subd. 2. Regional districts. For purposes of electing members of the board of managers of the State Agricultural Society, the regional districts are identical with the nine congressional districts as established by Laws 1933, chapter 185, and are numbered accordingly.

Subd. 3. Annual meeting. The annual meeting of the Society must be held at the State Fairgrounds or at any other place in Minnesota selected by the board of managers. The meeting must be held during a three-day period selected by the board of managers commencing no earlier than January 2 and no later than January 31. At least 30 days' written notice of the time and place of the annual meeting must be given to all members of the Society.

Subd. 4. Elections. At the annual meeting, the members of the Society shall elect a president from among the members of the board of managers for a term of one year. The president may not be a resident of the fourth or the fifth regional districts. The members shall also elect seven managers as follows:

- (1) at the annual meeting on each third year after 1963, one manager from each of the first, third, and sixth regional districts;
- (2) at the annual meeting on each third year after 1964, one manager from each of the seventh and ninth regional districts;
- (3) at the annual meeting on each third year after 1965, one manager from each of the second and eighth regional districts.

At the annual meeting in each even-numbered year, a vice-president must be elected from the fifth regional district, and in each odd-numbered year a vice-president must be elected from the fourth regional district.

Subd. 5. Regional representatives. Only one member of the board of managers, exclusive of the president, may be a resident of any one regional district. On the day before the last day of the annual meeting, the accredited delegates from each regional district whose manager's term expires in that year shall meet together at the place of the annual meeting and nominate and certify to the annual meeting the choice of that district for manager. At the time fixed for the election of the president of the Society and after the nominations have been certified, presented, and read to the annual meeting, the annual meeting shall proceed to elect managers to fill all expiring terms.

Subd. 6. Vacancies. A vacancy which occurs before the expiration of any term of office of a member of the board of managers may be filled by the remaining members of the board. Any person appointed to fill a vacancy holds office only until the next annual meeting of the Society, at which a successor must be elected in the manner provided to serve the balance of the unexpired term.

37.05 OFFICERS; COMPENSATION; EXPENSES.

The annual honorarium of the president of the board of managers is \$1,400, and that of the other members is \$1,000 each.

On the final day of each annual meeting of the Society the board shall elect a secretary to hold office for one year and until a successor is elected and qualified. The board shall set the compensation of the secretary. The board may also appoint a treasurer for the term of one year and fix the treasurer's compensation. The treasurer shall keep all accounts and fiscal records of the Society. The board may designate the secretary as the treasurer of the Society.

The board may allow the traveling expenses of its members and of the secretary and treasurer or other employees while in the performance of their official duties. Claims for traveling expenses must be itemized in full and verified before allowance.

37.06 SECRETARY; LEGISLATIVE AUDITOR; DUTIES; REPORT.

The secretary shall keep a complete record of the proceedings of the annual meetings of the State Agricultural Society and all meetings of the board of managers and any committee of the board, keep all accounts of the Society other than those kept by the treasurer of the Society, and perform other duties as directed by the board of managers. On or before December 31 each year, the secretary shall report to the governor for the fiscal year ending October 31 all the proceedings of the Society during the current year and its financial condition as appears from its books. This report must contain a full, detailed statement of all receipts and expenditures during the year.

The books and accounts of the Society for the fiscal year must be examined and audited annually by the legislative auditor. The cost of the examination must be paid by the Society to the state and credited to the general fund.

A summary of this examination, certified by the legislative auditor, must be appended to the secretary's report, along with the legislative auditor's recommendations and the proceedings of the first annual meeting of the Society held following the secretary's report, including addresses made at the meeting as directed by the board of managers. The summary, recommendations, and proceedings must be printed in the same manner as the reports of state officers. Copies of the report must be printed annually and distributed as follows: to each Society or association entitled to membership in the Society, to each newspaper in the state, and the remaining copies as directed by the board of managers.

37.07 MONTHLY STATEMENTS BY SECRETARY; PURCHASES, EXPENDITURES.

The secretary of the State Agricultural Society shall prepare a signed statement each month summarizing receipts and expenditures for the preceding month, which must be approved by the president or a vice-president of the board of managers. The secretary's affidavit must be attached to this statement. The affidavit must state:

- (1) That all articles were purchased by or under the secretary's direction, and that to the secretary's best information and belief, all articles purchased by the board of managers were purchased at a fair cash market value and received by the Society, and that all services charged for were actually provided;
- (2) That neither the secretary nor any person in the secretary's behalf, or the board of managers, to the secretary's best information and belief, had any pecuniary or other interest in any purchase made or services rendered, or received any pecuniary or other benefit from the purchases or services, directly or indirectly, by commission, percentage, deduction, or otherwise; and
- (3) That the articles specified conformed in every respect to the goods ordered, in both quality and quantity.

The report must also show the amount of money in the hands of the treasurer of the Society.

Copies of the secretary's monthly report must be furnished to the commissioner of finance and to each member of the board of managers no later than the tenth of the month following the month's activities reported.

The board of managers shall designate one or more national or state banks, or trust companies authorized to do a banking business, as official depositories for the Society's money, and shall then require the treasurer to deposit all or part of that money in the designated bank or banks. The designation must be in writing and must set forth all the terms and conditions upon which the deposits are made, and it must be signed by the president and secretary and made a part of the minutes of the board. Any bank or trust company designated must qualify as a depository by furnishing a corporate surety bond or collateral as required by section 118A.03, and must, as long as any of the Society's money is on deposit with it, maintain the bond or collateral in the amounts required by that section. No bond or collateral is required to secure any deposit if it is insured under federal law, as provided in section 118A.03.

37.13 OWNERSHIP OF MONEY AND PROPERTY; CAPITAL IMPROVEMENTS.

Subdivision 1. Use of money. The state owns all money and other property of the Society in the name of the Society and there may be no division of its assets among Society members. Money received by the Society must be used for holding its annual fair and for other exhibitions or expositions the Society holds, for the improvement of the fairgrounds, for the payment of expenses, premiums, and purses, for the acquisition of real and personal property, for the use and benefit of the Society, and for furnishing attractions and amusements the board of managers considers necessary for the success of its fairs and other exhibitions and expositions.

37.14 MANAGEMENT OF PROPERTY; GENERAL OFFICES.

The custody, management, and control of the fairgrounds and all fairgrounds structures are vested in the Society as a department of the state, and its general offices containing its property and records must be maintained upon the fairgrounds.

37.15 EXHIBITIONS.

The Society shall hold upon the fairgrounds an annual fair and may invite the cooperation of any other states or countries in that fair. The Society shall provide for and pay premiums, and money spent for premiums, exhibits, or other displays must be for the purpose of encouraging agriculture, horticulture, stock-breeding, manufactures, and the mining, mechanical, and industrial arts and sciences.

37.16 RULES; VIOLATION.

The Society may make all bylaws, ordinances, and rules consistent with law which it considers necessary or proper for the government of the fairgrounds and all fairs to be held on them, and for the protection, health, safety, and comfort of the public on the fairgrounds. The bylaws, ordinances, and rules are effective when filed with the secretary of the Society. The violation of a bylaw, rule, or ordinance of the Society is a misdemeanor.

37.17 SHOWS, EXHIBITIONS, PERFORMANCES, PRIVILEGES.

Subdivision 1. License, regulation. The Society may license and regulate shows, exhibitions, performances, and privileges on the fairgrounds, revoke licenses, and prohibit, remove, and summarily stop exhibitions, performances, or privileges which violate Society rules or other law.

Subd. 2. Service of process. The acceptance of any license given pursuant to subdivision 1 by a nonresident of Minnesota is an appointment by the nonresident of the secretary of state to be a lawful agent upon whom may be served all legal processes in any action or proceeding against the nonresident resulting from the operation of the licensed show, exhibition, performance, or privilege. The acceptance of a license by the nonresident signifies agreement that service of process upon the secretary of state has the same effect as service upon the nonresident personally. Publication of summons need not be made upon the nonresident. In all cases under this subdivision, service of process or service of any writ or notice in an action or proceedings must be made upon the secretary of state in the manner provided by law for service upon residents of the state, and has the same effect as personal service within the state upon the nonresident. After a nonresident appears in an action or proceeding by an attorney residing in Minnesota, papers must be served upon the attorney.

Subd. 4. Solicitation. No person may solicit money or sell or distribute any merchandise or material of any kind without a license issued by the Society authorizing the solicitation, sale, or distribution from a fixed location on the fairgrounds.

37.18 UNLICENSED OR IMPROPER EXHIBITION.

A person who engages in a play, game, concert, or theatrical or other performance, or who exhibits a show of any kind on the fairgrounds without a license from the Society is guilty of a misdemeanor and must be removed from the fairgrounds.

A person who sells, distributes, or exhibits obscene materials or performances is guilty of a misdemeanor and the board of managers of the Society shall suspend that person's license and require the forfeiture of all money paid to the Society in connection with the performance or exhibit.

37.19 CONTRACTS.

The Society may contract in its own name and through its officers and agents without advertising for or publicly requesting bids. This chapter and all ordinances, bylaws, and rules adopted by the Society's board of managers are a part of every contract entered into with any exhibitor, privilege holder, lessee, licensee, or other person. The Society may contract for the purchase of services from any business, municipality, county, state agency, or department. The Society may purchase, sell, lease, or otherwise engage in transactions respecting real property in its own name, and with terms and conditions acceptable to its board of managers. The provisions of section 37.01 apply to the specific properties described in it, except space rental contracts and ground leases for a term of one year or less. The Society shall submit to the state executive council for its approval, as provided by chapter 9, all its transactions involving real properties, and no transaction involving real property is final until it is approved by the executive council. All transactions involving real property previously made by the Society are ratified, confirmed, and approved.

37.20 SPECIAL PEACE OFFICERS.

The secretary or the president of the Society may appoint, in a writing signed by either of them, as many peace officers, as defined in section 626.84, subdivision 1, clause (c), as are necessary,

both during the annual fair and throughout the year for the regulation of the Minnesota State Fairgrounds. These peace officers, before entering upon their duties, shall take and subscribe the usual oath of office, endorsed upon their appointment. They have upon the fairgrounds all the power and authority of peace officers and may, within these limits, without warrant, arrest any person found violating state law or any rule, bylaw, or ordinance of the Society. They may summarily remove the persons and property of the offenders from the grounds, and take them before any court of competent jurisdiction to be dealt with according to law. Each peace officer shall wear an appropriate badge of office while acting as a peace officer. The Society may also contract with the state, any county, or any municipality for police service and protection on the fairgrounds.

37.21 SALE OF LIQUORS.

Subdivision 1. Liquor prohibited. Except as provided in subdivision 2, no person may sell, barter, give away, or otherwise dispose of or introduce, have, or keep for barter, gift, or sale, any intoxicating liquors of any kind upon the State Fairgrounds, or aid and abet any of those acts. The presence and possession of any kind of these liquors, in any quantity, upon the person or upon the premises leased or occupied by any person within these limits is a public nuisance and is prima facie evidence of the purpose of the person to barter, give away, or sell the liquor. Any person who violates this section is guilty of a misdemeanor.

Subd. 2. Exceptions. The following exceptions apply:

- (a) The State Agricultural Society may issue, under terms and conditions it chooses, licenses for the sale, possession, and consumption of intoxicating liquors at special events taking place on the fairgrounds at times other than during the annual fair including, but not limited to, family reunions, class reunions, weddings, conventions, and similar events.
- (b) The State Agricultural Society may issue, under terms and conditions it chooses, consistent with state law, licenses for the sale, possession, and consumption of intoxicating malt liquors during the annual fair or at other times of their choosing, provided that at least one Minnesota brewed malt liquor is made available for sale at each allowed location within the grounds.
- (c) The State Agricultural Society may issue a license for the sale and consumption of wine to a holder of a state fair concession's contract with the State Agricultural Society which authorizes the licensee to sell Minnesota-produced wine by the glass at the state fair in connection with the sale of food by the concessionaire. For the purposes of this subdivision, "Minnesota-produced wine" means wine produced by a farm winery licensed under section 340A.315.

History: (7800) RL s 3092; 1982 c 625 s 12; 1985 c 265 art 2 s 1; 2000 c 440 s 1; 2007 c 13 art 1 s 4; 2007 c 89 s 1,2; 2010 c 255 s 1

37.22 LOCKUP; SEIZURE OF LIQUORS.

The Society may provide and maintain a watchhouse or lockup on the fairgrounds for the confinement of offenders and the temporary detention of suspected persons. The Society's peace officers shall, without warrant, seize and destroy any intoxicating liquors found upon the fairgrounds.

37.24 UNLAWFUL ADMISSIONS.

Any person who steals or unlawfully obtains a ticket, paper, or other writing entitling, or purporting to entitle, the holder to admission to any part of the state fairgrounds or who sells or disposes of a ticket which upon its face appears to be nontransferable and to have been issued to another, without informing the purchaser of its character, is guilty of a misdemeanor.

37.25 MISDEMEANORS.

In addition to other misdemeanors specified by statute, during the annual state fair or during any period when the board of managers requires fees for admission to the fairgrounds, every person who trespasses on, enters, or attempts to enter the fairgrounds in any manner, except through the entrance gates, without payment of the required fees or who trespasses on, enters, or attempts to enter any reserved enclosure on the fairgrounds, or who obtains permission to do so by impersonating another or by any misrepresentation or false pretense is guilty of a misdemeanor. A person who is found lurking, lying in wait, or loitering in the immediate vicinity of, or concealed in any building, yard, or premises upon the fairgrounds with intent to commit any offense or mischief is guilty of a misdemeanor.

37.27 FAIR FOUNDATION.

The State Agricultural Society may establish a nonprofit corporation to be operated exclusively for charitable purposes as contemplated by sections 170(c)(2) and 501(c)(3) of the United States

Internal Revenue Code. Subject to those sections, the corporation must be organized and operated exclusively for the benefit and to carry out the purposes of the state agricultural Society for so long as the State Agricultural Society is and remains an organization as described in section 509(a)(1) or 509(a)(2) of the Internal Revenue Code. The corporation shall solicit, receive, hold, invest, and contribute funds and property for the use and benefit of the State Agricultural Society in a manner consistent with the public good and primarily for capital expenditures and other needs not funded by other means. The corporation may be known as the Minnesota State Fair Foundation.

37.31 ISSUANCE OF BONDS.

Subdivision 1. Bonding authority. The Society may issue negotiable bonds in a principal amount that the Society determines necessary to provide sufficient money for achieving its purposes, including the payment of interest on bonds of the Society, the establishment of reserves to secure its bonds, the payment of fees to a third party providing credit enhancement, and the payment of all other expenditures of the Society incident to and necessary or convenient to carry out its corporate purposes and powers. Bonds of the Society may be issued as bonds or notes or in any other form authorized by law. The principal amount of bonds issued and outstanding under this section at any time may not exceed \$20,000,000, excluding bonds for which refunding bonds or crossover refunding bonds have been issued.

Subd. 2. Refunding of bonds. The Society may issue bonds to refund outstanding bonds of the Society, to pay any redemption premiums on those bonds, and to pay interest accrued or to accrue to the redemption date next succeeding the date of delivery of the refunding bonds. The Society may apply the proceeds of any refunding bonds to the purchase or payment at maturity of the bonds to be refunded, or to the redemption of outstanding bonds on the redemption date next succeeding the date of delivery of the refunding bonds and may, pending the application, place the proceeds in escrow to be applied to the purchase, retirement, or redemption of the bonds. Pending use, escrowed proceeds may be invested and reinvested in obligations issued or guaranteed by the state or the United States or by any agency or instrumentality of the state or the United States, or in certificates of deposit or time deposits secured in a manner determined by the Society, maturing at a time appropriate to assure the prompt payment of the principal and interest and redemption premiums, if any, on the bonds to be refunded. The income realized on any investment may also be applied to the payment of the bonds to be refunded. After the terms of the escrow have been fully satisfied, any balance of the proceeds and any investment income may be returned to the Society for use by it in any lawful manner. All refunding bonds issued under this subdivision must be issued and secured in the manner provided by resolution of the Society.

Subd. 3. Kind of bonds. Bonds issued under this section must be negotiable investment securities within the meaning and for all purposes of the Uniform Commercial Code, subject only to the provisions of the bonds for registration. The bonds issued must be limited obligations of the Society not secured by its full faith and credit and payable solely from specified sources or assets.

Subd. 4. Resolution and terms of sale. The bonds of the Society must be authorized by a resolution or resolutions adopted by the Society. The bonds must bear the date or dates, mature at the time or times, bear interest at a fixed or variable rate, including a rate varying periodically at the time or times and on the terms determined by the Society, or any combination of fixed and variable rates, be in the denominations, be in the form, carry the registration privileges, be executed in the manner, be payable in lawful money of the United States, at the place or places within or without the state, and be subject to the terms of redemption or purchase before maturity as the resolutions or certificates provide. If, for any reason existing at the date of issue of the bonds or existing at the date of making or purchasing any loan or securities from the proceeds or after that date, the interest on the bonds is or becomes subject to federal income taxation, this fact does not affect the validity or the provisions made for the security of the bonds. The Society may make covenants and take or have taken actions that are in its judgment necessary or desirable to comply with conditions established by federal law or regulations for the exemption of interest on its obligations. The Society may refrain from compliance with those conditions if in its judgment this would serve the purposes and policies set forth in this chapter with respect to any particular issue of bonds, unless this would violate covenants made by the Society. The maximum maturity of a bond, whether or not issued for the purpose of refunding, must be 30 years from its date. The bonds of the Society may be sold at public or private sale, at a price or prices determined by the Society; provided that:

- (1) the aggregate price at which an issue of bonds is initially offered by underwriters to investors, as stated in the authority's official statement with respect to the offering, must not exceed by more than three percent the aggregate price paid by the underwriters to the Society at the time of delivery;
- (2) The commission paid by the Society to an underwriter for placing an issue of bonds with investors must not exceed three percent of the aggregate price at which the issue is offered to investors as stated in the Society's offering statement; and

- (3) The spread or commission must be an amount determined by the Society to be reasonable in light of the risk assumed and the expenses of issuance, if any, required to be paid by the underwriters.

Subd. 5. Exemption. The notes and bonds of the Society are not subject to sections 16C.03, subdivision 4, and 16C.05.

Subd. 6. Reserves; funds; accounts. The Society may establish reserves, funds, or accounts necessary to carry out the purposes of the Society or to comply with any agreement made by or any resolution passed by the Society.

Subd. 7. Approval; commissioner of finance. Before issuing bonds under this section, the Society must obtain the approval, in writing, of the commissioner of management and budget.

Subd. 8. Expiration. The authority to issue bonds, other than bonds to refund outstanding bonds, under this section expires July 1, 2025.

37.32 TENDER OPTION.

An obligation may be issued giving its owner the right to tender or the Society to demand tender of the obligation to the Society or another person designated by it, for purchase at a specified time or times, if the Society has first entered into an agreement with a suitable financial institution obligating the financial institution to provide funds on a timely basis for purchase of bonds tendered. The obligation is not considered to mature on any tender date and the purchase of a tendered obligation is not considered a payment or discharge of the obligation by the Society. Obligations tendered for purchase may be remarketed by or on behalf of the Society or another purchaser. The Society may enter into agreements it considers appropriate to provide for the purchase and remarketing of tendered obligations, including:

- (1) Provisions under which undelivered obligations may be considered tendered for purchase and new obligations may be substituted for them;
- (2) Provisions for the payment of charges of tender agents, remarketing agents, and financial institutions extending lines of credit or letters of credit assuring repurchase; and
- (3) Provisions for reimbursement of advances under letters of credit that may be paid from the proceeds of the obligations or from tax and other revenues appropriated for the payment and security of the obligations and similar or related provisions.

37.33 BOND FUND.

Subdivision 1. Creation and contents. The Society may establish a special fund or funds for the security of one or more or all series of its bonds. The funds must be known as debt service reserve funds. The Society may pay into each debt service reserve fund:

- (1) The proceeds of sale of bonds to the extent provided in the resolution or indenture authorizing the issuance of them;
- (2) Money directed to be transferred by the Society to the debt service reserve fund; and
- (3) Other money made available to the Society from any other source only for the purpose of the fund.

Subd. 2. Use of funds. Except as provided in this section, the money credited to each debt service reserve fund must be used only for the payment of the principal of bonds of the Society as they mature, the purchase of the bonds, the payment of interest on them, or the payment of any premium required when the bonds are redeemed before maturity. Money in a debt service reserve fund must not be withdrawn at a time and in an amount that reduces the amount of the fund to less than the amount the Society determines to be reasonably necessary for the purposes of the fund. However, money may be withdrawn to pay principal or interest due on bonds secured by the fund if other money of the Society is not available.

Subd. 3. Investment. Money in a debt service reserve fund not required for immediate use may be invested in accordance with section 37.07.

Subd. 4. Minimum amount of reserve at issuance. If the Society establishes a debt service reserve fund for the security of any series of bonds, it shall not issue additional bonds that are similarly secured if the amount of any of the debt service reserve funds at the time of issuance does not equal or exceed the minimum amount required by the resolution creating the fund, unless the Society deposits in each fund at the time of issuance, from the proceeds of the bonds, or otherwise, an amount that when added together with the amount then in the fund will be at least the minimum amount required.

Subd. 5. Transfer of excess. To the extent consistent with the resolutions and indentures securing outstanding bonds, the Society may at the close of a fiscal year transfer to any other fund or account from any debt service reserve fund any excess in that reserve fund over the amount determined by the Society to be reasonably necessary for the purpose of the reserve fund.

37.34 MONEY OF THE SOCIETY.

The Society may contract with the holders of any of its bonds as to the custody, collection, securing, investment, and payment of money of the Society or money held in trust or otherwise for the payment of bonds, and to carry out the contract. Money held in trust or otherwise for the payment of bonds or in any way to secure bonds and deposits of the money may be secured in the same manner as money of the Society, and all banks and trust companies are authorized to give security for the deposits.

37.35 NONLIABILITY.

Subdivision 1. Nonliability of individuals. No member of the Society or other person executing the bonds is liable personally on the bonds or is subject to any personal liability or accountability by reason of their issuance.

Subd. 2. Nonliability of state. The state is not liable on bonds of the Society issued under section 37.31 and those bonds are not a debt of the state. The bonds must contain on their face a statement to that effect.

37.36 PURCHASE AND CANCELLATION BY SOCIETY.

Subject to agreements with bondholders that may then exist, the Society may purchase out of money available for the purpose, bonds of the Society which shall then be canceled, at a price not exceeding the following amounts:

- (1) If the bonds are then redeemable, the redemption price then applicable plus accrued interest to the next interest payment date of the bonds; or
- (2) If the bonds are not redeemable, the redemption price applicable on the first date after the purchase upon which the bonds become subject to redemption plus accrued interest to that date.

37.37 STATE PLEDGE AGAINST IMPAIRMENT OF CONTRACTS.

The state pledges and agrees with the holders of bonds issued under section 37.31 that the state will not limit or alter the rights vested in the Society to fulfill the terms of any agreements made with the bondholders or in any way impair the rights and remedies of the holders until the bonds, together with interest on them, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of the bondholders, are fully met and discharged. The Society may include this pledge and agreement of the state in any agreement with the holders of bonds issued under section 37.31.

