



State of Wisconsin
Governor Scott Walker

Department of Agriculture, Trade and Consumer Protection
Ben Brancel, Secretary

DATE: December 8, 2011

TO: The Honorable Mike Ellis
President, Wisconsin State Senate
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The Honorable Jeff Fitzgerald
Speaker, Wisconsin State Assembly
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FROM: Ben Brancel, Secretary
Department of Agriculture, Trade and Consumer Protection

SUBJECT: **County and District Fairs** (*Clearinghouse Rule #11-037*)

The Department of Agriculture, Trade and Consumer Protection (“DATCP”) is transmitting this rule for legislative committee review, as provided in s. 227.19 (2) and (3), Stats. DATCP will publish notice of this referral in the Wisconsin Administrative Register, as provided in s. 227.19 (2), Stats.

This rule updates current rules related to the use of county and district fair aids. Among other things, this rule establishes new and revised entry classes and premium categories, and gives fairs more flexibility to allow new types of youth projects.

Background

DATCP currently provides fair aids to 76 county and district fairs. State aid moneys are used to reimburse fairs for premiums awarded to fair exhibitors. The legislature appropriated \$356,400 in general purpose revenue for fair aids in each year of the FY 2011-13 biennium.

Under s. 93.23, Stats., DATCP may reimburse 95% of the first \$8,000 in net premiums awarded by a fair, and 70% of all net premiums over \$8,000, up to a maximum total reimbursement amount of \$10,000. In order to qualify for state aid, fairs must award premiums according to DATCP rules. If combined reimbursement claims from all fairs exceed available appropriations, DATCP reimburses claims on a pro rata basis.

Current rules specify entry classes for county and district fair exhibits. For each entry class, current rules specify uniform premiums for first place to fourth place premium awards. A fair may award higher premiums, but DATCP will pay state aids only on that portion of a premium award that is within the maximum amount specified by rule.

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DATCP updates its county and district fair rules periodically, based on recommendations from the Wisconsin association of fairs. Current rules were last updated in 2000.

Rule Content

This rule does all of the following:

- Creates new and revised entry classes for some fair exhibits. Changes are designed to keep entry classes current with exhibition trends and needs.
- Revises some current premium amounts. Under current rules and this rule, reimbursable premiums for most exhibits are under \$10.00 (higher amounts may be awarded for some exhibits).
- Makes minor organizational and drafting changes to clarify current rules.

Dairy Cattle

This rule does not change current dairy cattle entry classes, except that in the junior fair division it eliminates required distinctions between “grade” and “registered” cattle within certain entry classes. A fair board may establish “grade” and “registered” subclasses within any entry class if it wishes to do so.

Beef Cattle

This rule modifies *market beef* entry classes in both the open and junior divisions. Under this rule, *market beef* animals are raised for market and shown by weight. Entry classes are not limited by breed, sex or age, except that this rule includes the following *market beef* categories based on age:

- “Feeder calf” (under 17 weeks old). The fair board may create up to 2 “feeder calf” entry classes based on weight.
- “Market steer or heifer” (at least 17 weeks old). The fair board may create up to 3 “market steer or heifer” entry classes based on weight.

Under this rule, an exhibitor may enter up to 3 market beef animals in all market beef entry classes, and may receive up to 2 premiums in any market beef entry class.

Swine

This rule clarifies, but does not substantially alter, current rule provisions related to *market swine* entry classes in both the open and junior fair divisions. Under this rule:

- Market swine are raised for market and shown by weight (entry classes are not limited by breed, sex or age).

- A fair board may establish up to 3 market swine entry classes, based on weight.
- An exhibitor may enter up to 3 market swine in all market swine entry classes, and may receive up to 2 premiums in any entry class.

This rule clarifies, but does not substantially alter, the current *swine carcass* entry class in the junior fair division. This rule clarifies that an exhibitor may enter only one market pig in the *swine carcass* class, but may enter that same market pig in a *market swine* class.

Sheep

This rule expands the current *sheep* department in the open division to include a *dairy sheep* entry category (that category already exists in the junior fair division). The fair board may create one or more entry classes within the new “dairy sheep” category. This rule specifies premiums for the new category.

This rule clarifies, but does not substantially alter, current rule provisions related to *market lamb* entry classes in both the open and junior fair divisions. Under this rule:

- Market lambs are raised for market and shown by weight (entry classes are not limited by breed, sex or age).
- A fair board may establish up to 3 market lamb entry classes, based on weight.
- A single exhibitor may enter up to 3 market lambs in all market lamb entry classes, and may receive up to 2 premiums in any entry class.

This rule clarifies shearing standards for sheep exhibited in both the open and junior fair divisions (different standards apply to fleece, meat and other breeds).

Goats

In both the open and junior fair divisions, this rule expands the current *dairy goats* department to create a more general *goats* department. Within the *goats* department, this rule creates *dairy goat*, *meat goat* and *other goat* entry categories. Within each entry category, this rule specifies allowed entry classes and premiums (this rule clarifies but does not change the current *dairy goat* entry classes and premiums). This rule eliminates *goat* department entry classes for pygmy and angora goats (pygmy and angora goats may instead be exhibited as “domesticated exotic animals”).

Llamas, Alpacas and Domesticated Exotic Animals

This rule re-names the *domesticated exotic animals* department as the *llamas, alpacas and domesticated exotic animals* department, to put more emphasis on llamas and alpacas (which are widely shown at fairs). Under this rule, the exhibitor of a llama or alpaca may win premiums for both exhibitor showmanship and animal performance.

Self-Determined Projects

This rule gives fair boards more flexibility to create special junior fair division entry classes for “self-determined projects” in a wide range of departments. Projects must meet 4-H guidelines or comparable youth organization standards. This rule specifies reimbursable premium amounts for “self-determined projects.” Under this rule, a fair board has some flexibility to choose among alternative premium levels (depending, for example, on the department to which the project pertains).

Youth Group Booths, Banners and Scrapbooks

This rule creates, in the junior fair division, a new department of *youth group booths, banners and scrapbooks*. The fair board may create one or more entry classes within this category. This rule specifies reimbursable premium amounts for the new department.

New Entry Classes in Senior Citizens Division

Within the senior citizens division, this rule authorizes new entry classes related to natural sciences, antiques and clothing.

Other Changes and Clarifications

This rule does all of the following:

- Retains current language allowing fair boards to charge entry fees *or stall rents* to exhibitors, but it eliminates current provisions that limit stall rent amounts.
- Clarifies that state aid may not be used to award more than one premium to any exhibitor in any department in the junior fair division, except that:
 - A premium may be awarded to each member of a group that collectively owns and enters a livestock exhibit.
 - An exhibitor may receive a separate premium for showmanship, where specifically allowed by this rule.
 - An exhibitor may receive more than one premium for animals entered in certain market classes, as specifically provided in this rule.
- Clarifies that, for entry classes based on animal age, the age of an animal is determined as of the first day of the fair.
- Makes a variety of other editorial changes and clarifications to current rules.

Public Hearing

DATCP held one public hearing on this rule on July 26, 2011 in Madison and accepted written comments until August 12, 2011. Two persons attended the hearing and offered public hearing comments. Jayme Buttke, Secretary Treasurer of the WI Association of Fairs and Dennis Duesterbeck of

the WI Association of Fairs Premium Committee suggested minor technical corrections to the draft rules.

Responses to Rules Clearinghouse Comments

The Wisconsin Legislative Council Rules Clearinghouse report made several minor technical recommendations. DATCP incorporated all of the Clearinghouse recommendations in the final draft and made technical changes in response to the comments received at the administrative hearing.

Fiscal Impact

This rule will not affect state costs or revenues. DATCP does not project a significant change in reimbursement requests because of this rule (in any case, fair aids are subject to aggregate appropriation limits). This rule will not affect local government costs or revenues. A complete fiscal estimate is attached.

Business Impact

This rule will not have any impact on business. Participation in county and district fairs is voluntary. Individual businesses may benefit from winning premiums at county or district fairs, but premium amounts are relatively small and this rule does not substantially affect the likelihood of winning. A complete business impact analysis is attached.

Federal and Surrounding State Programs

Federal Programs

There is no federal regulation of, or financial support for, county or district fairs.

Surrounding States

Illinois

Illinois appropriates state funds to pay premium aids for county fairs. The 12 largest fairs receive \$30,000 in reimbursement for every \$45,000 spent on maintenance and rehabilitation; smaller fairs are funded based on a population formula. A 1999 law specified that 66 2/3 cents would be reimbursed for each premium dollar paid in fair-exhibit competition, including 4-H. As of 2009, the actual reimbursement rate dropped below 30 cents as a result of state budget problems. Illinois has rules governing the distribution of premiums.

Iowa

Iowa allocates state funds to the association of Iowa fairs, which in turn distributes funds to county and local fairs. The association determines funding distributions, subject to Iowa law. To qualify for funding, local fair organizations must own land and buildings worth at least \$25,000. They must also report their financial status and the amount of funds spent on fair premiums during the prior year.

Michigan

Until recently, Michigan paid state aides equal to 66% of the prior year's premiums paid by county fairs. However this funding was eliminated in the 2009-11 biennial budget bill.

Indiana

Indiana authorizes counties to levy a tax of up to 4 cents on each one hundred dollars valuation of taxable property for support of 4-H clubs, boys and girls clubs and agricultural fairs.

Minnesota

Minnesota authorizes counties to appropriate funds to county agricultural societies, for the purpose of operating county fairs.