| 1  | State of Arkansas   |              |
|----|---|--------------|
| 2  | 95th General Assembly <b>A Bill</b>   |              |
| 3  | Regular Session, 2025 SENATE BILL 40  | 0            |
| 4  |   |              |
| 5  | By: Senator Irvin   |              |
| 6  | By: Representatives Milligan, Cavenaugh, Steimel, Cozart, Wooldridge, Vaught  |              |
| 7  |   |              |
| 8  | For An Act To Be Entitled   |              |
| 9  | AN ACT TO AMEND THE LAW CONCERNING AGRICULTURE; TO                            |              |
| 10 | AMEND THE FAIR-FUNDING PROGRAM; AND FOR OTHER                                 |              |
| 11 | PURPOSES.   |              |
| 12 |   |              |
| 13 |   |              |
| 14 | Subtitle  |              |
| 15 | TO AMEND THE FAIR-FUNDING PROGRAM.  |              |
| 16 |   |              |
| 17 | BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:               |              |
| 18 |   |              |
| 19 | SECTION 1. Arkansas Code § 2-36-101 is amended to read as follows:            |              |
| 20 | 2-36-101. Fair-funding program Funding for livestock shows and fairs -        | =            |
| 21 | <u>Requirements - Districts</u> .   |              |
| 22 | (a) There is created within the Department of Agriculture a fair-             |              |
| 23 | funding program that shall be used to provide fair-funding assistance to      |              |
| 24 | junior livestock shows, county fairs, district fairs, and the Arkansas State  |              |
| 25 | Fair and Livestock Show.  |              |
| 26 | (b) The department shall utilize a historical average of total fair           |              |
| 27 | funding provided by the State of Arkansas to previous fair-funding recipients | <del>}</del> |
| 28 | in determining an equitable distribution of available funding appropriated by | Z.           |
| 29 | the General Assembly.   |              |
| 30 | (c)(l)(A) A recipient of fair funding under the fair-funding program          |              |
| 31 | under subsection (a) of this section shall:                                   |              |
| 32 | (i) Maintain records of expenditures; and                                     |              |
| 33 | (ii) Submit an annual financial report to the                                 |              |
| 34 | department and to Arkansas Legislative Audit by the end of each calendar      |              |
| 35 | <del>year.</del>  |              |
| 36 | (B) A recipient of fair funding is subject to a decrease                      |              |

| 1  | in future funding if the recipient of fair funding does not:                  |
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| 2  | (i) Submit an annual financial report as required                             |
| 3  | under subdivision (c)(1)( $\Lambda$ )(ii) of this section; or                 |
| 4  | (ii) Provide proof of yearly continuing education                             |
| 5  | requirements under guidance adopted by the department.                        |
| 6  | (2) A recipient of fair funding under the fair-funding program                |
| 7  | established under subsection (a) of this section is subject to audit by       |
| 8  | Arkansas Legislative Audit (1) The Department of Agriculture is authorized    |
| 9  | to provide financial assistance to livestock shows and fairs.                 |
| 10 | (2) Financial assistance provided by the department under                     |
| 11 | subdivision (a)(1) of this section shall be in accordance with the            |
| 12 | department's annual appropriation approved by the General Assembly.           |
| 13 | (3) Future fiscal year funding from the state shall not be                    |
| 14 | distributed to a livestock show or fair until all requirements of this        |
| 15 | section are met.  |
| 16 | (b)(1) A recipient of financial assistance under subsection (a) of            |
| 17 | this section shall:   |
| 18 | (A) Submit the following items each fiscal year to the                        |
| 19 | department and Arkansas Legislative Audit:                                    |
| 20 | (i) An annual financial report for the previous                               |
| 21 | state fiscal year that includes without limitation an accounting of state     |
| 22 | funding utilization;  |
| 23 | (ii) An annual operating plan for the upcoming year;                          |
| 24 | <u>and</u>  |
| 25 | (iii) A certificate of good standing from the                                 |
| 26 | Secretary of State; and   |
| 27 | (B) Be subject to an audit at any time by Arkansas                            |
| 28 | <u>Legislative Audit.</u>   |
| 29 | (2) A county fair that utilizes county facilities or county                   |
| 30 | funds for a livestock show or fair shall submit the information in            |
| 31 | subdivisions (b)(l)(A)(i)-(iii) of this section to the county quorum court    |
| 32 | for review and approval before submitting to the department and to Arkansas   |
| 33 | <u>Legislative Audit.</u>   |
| 34 | (c) A recipient of financial assistance under this section shall not          |
| 35 | utilize funding provided by the state to pay association fees, dues, or other |
| 36 | association-related expenses.   |

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| 1  | (d) A county extension agent shall serve as a member of a county fair         |
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| 2  | board.  |
| 3  | (e) An exhibitor may only participate in the district fair of his or          |
| 4  | her primary residence.  |
| 5  | (f) The following counties shall be members of the districts as               |
| 6  | follows:  |
| 7  | (1) Cleburne County, Fulton County, Independence County, Izard                |
| 8  | County, Sharp County, Stone County, and Van Buren County shall be in the      |
| 9  | North Central District;   |
| 10 | (2) Mississippi County, Craighead County, Greene County, Clay                 |
| 11 | County, Crittenden County, St. Francis County, Cross County, Poinsett County, |
| 12 | Jackson County, Lawrence County, Randolph County, Lee County, Woodruff        |
| 13 | County, and White County shall be in the Northeast District;                  |
| 14 | (3) Baxter County, Boone County, Carroll County, Madison County,              |
| 15 | Marion County, Newton County, and Searcy County shall be in the Northwest     |
| 16 | <pre>District;</pre>  |
| 17 | (4) Arkansas County, Ashley County, Bradley County, Calhoun                   |
| 18 | County, Chicot County, Cleveland County, Dallas County, Drew County, Grant    |
| 19 | County, Faulkner County, Lincoln County, Lonoke County, Ouachita County, and  |
| 20 | Prairie County shall be in the South Arkansas District;                       |
| 21 | (5) Clark County, Columbia County, Garland County, Hempstead                  |
| 22 | County, Hot Springs County, Howard County, Lafayette County, Little River     |
| 23 | County, Miller County, Montgomery County, Nevada County, Pike County, Saline  |
| 24 | County, Sevier County, and Union County shall be in the Southwest Arkansas    |
| 25 | District; and   |
| 26 | (6) Benton County, Conway County, Crawford County, Franklin                   |
| 27 | County, Johnson County, Logan County, Perry County, Polk County, Pope County, |
| 28 | Scott County, Sebastian County, Washington County, and Yell County shall be   |
| 29 | in the Arkansas-Oklahoma District as provided under § 2-36-307.               |
| 30 | (g)(1) For purposes of financial assistance under this section, the           |
| 31 | Four States Fair hosted in Texarkana, Arkansas, shall be treated the same as  |
| 32 | a district fair under this section.   |
| 33 | (2) Residency restrictions on exhibitors shall not apply to this              |
| 34 | subsection (g).   |

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