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AB-2143 Fairs. (2023-2024)

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Date Published: 09/26/2024 10:00 AM

Assembly Bill No. 2143

CHAPTER 559

An act to amend Sections 19542, 19547, 19601.4, 19606.1, and 19614 of, to repeal Sections 19418.1, 19418.2, 19418.3, 19418.5, 19616.52, 19620, 19620.1, 19620.15, 19620.2, 19621, 19621.1, 19622, 19622.1, 19622.2, 19622.3, 19623, 19627.5, 19628, 19629, 19630, 19631, 19632, 19636, 19637, and 19638 of, and to repeal and add Section 19418 of, the Business and Professions Code, to amend Section 1352 of the Fish and Game Code, to amend Sections 3200, 4003, 4060, 4202, 4534, 4701, and 24013.5 of, to amend the heading of Chapter 3 (commencing with Section 3200) of Part 1 of Division 3 of, to add Sections 3201, 3202, 3203, 3204, 3205, 3206, 3207, 3208, 3209, 3210, 3211, 3212, 3213, 3214, 3215, 3216, 3217, 3218, 3219, 3220, 3221, 3222, 3223, and 3224 to, to add Article 3.7 (commencing with Section 4165) to Chapter 6 of Part 3 of Division 3 of, to repeal Sections 4210, 4651, and 4652 of, to repeal Chapter 2 (commencing with Section 3851) of Part 3 of Division 3 of, and to repeal and add Chapter 2 (commencing with Section 3101) of Part 1 of Division 3 of, the Food and Agricultural Code, to amend Sections 6546, 25903, and 25906 of, and to repeal Section 13083 of, the Government Code, to amend Sections 27575 and 27575.1 of the Penal Code, to amend Sections 5096.339 and 80074 of the Public Resources Code, and to amend Section 605 of the Unemployment Insurance Code, relating to fairs, and making an appropriation therefor.

[Approved by Governor September 25, 2024. Filed with Secretary of State September 25, 2024.]

LEGISLATIVE COUNSEL'S DIGEST

AB 2143, Connolly. Fairs.

(1) Existing provisions of the Business and Professions Code define district agricultural associations and their locations, county fairs and their locations, and citrus fairs and their locations, and funding for these entities, and regulate various aspects of financial management of state, county, and local fairs, including revenue from horse racing, and impose various duties on the Secretary of the Department of Food and Agriculture for those purposes.

This bill would repeal a number of these provisions in the Business and Professions Code and would revise and recast them as new provisions in the Food and Agricultural Code. The bill would replace references to the Division of Fairs and Expositions in the Department of Food and Agriculture with the Department of Food and Agriculture. The bill would make additional technical and conforming changes and repeal obsolete provisions.

(2) Existing law requires that all license fees from satellite wagering that are deposited into the Fair and Exposition Fund, a continuously appropriated fund, be deposited into a separate account in the fund for specified purposes, including for health and safety repair projects at fairs, which includes fire and life safety improvement projects, California Code of Regulations compliance projects, and long-term deferred maintenance projects. Under existing law, all revenues transferred into this account are

continuously appropriated from that account to the Department of Food and Agriculture, for allocation by the Secretary of Food and Agriculture, at the secretary's discretion, for those specified purposes.

This bill would instead authorize certain revenues deposited into the Fair and Exposition Fund to first be deposited into a separate account in the Fair and Exposition Fund designated by the bill as the California Fairs Trust Account, and would continuously appropriate those revenues for specified purposes. By expanding the purposes for which those revenues may be used, the bill would make an appropriation.

(3) The Horse Racing Law appropriates certain unallocated moneys and other specified moneys to the Secretary of Food and Agriculture for capital outlay to California fairs for fair projects involving public health and safety, for fair projects involving major and deferred maintenance, for fair projects necessary due to any emergency, for projects that are required by physical changes to the fair site, for projects that are required to protect the fair property or installation, such as fencing and flood protection, and for the acquisition or improvement of any property or facility that will serve to enhance the operation of the fair.

This bill would additionally appropriate other specified unallocated moneys in the Fair and Exposition Fund for those purposes.

(4) The Horse Racing Law requires, except as specified, for a fair conducting a live racing meeting, that 1% of the total amount handled on live races, excluding wagering at a satellite facility, be retained by the fair association for payment to the state as a license fee. That law also requires any fair racing association to additionally deduct 1% from the total amount handled in its daily conventional and exotic parimutuel pools and requires that these additional moneys be deposited into the Fair and Exposition Fund, a continuously appropriated fund, and, with the approval of the Department of Food and Agriculture, authorizes the expenditure of these additional moneys for the construction or operation of recreational and cultural facilities of general public interest. Existing law also requires that certain moneys that are not expended within 3 years after being deposited into the Fair and Exposition Fund become available for those purposes.

This bill would instead continuously appropriate those additional moneys deposited into the Fair and Exposition Fund and unexpended moneys described above to the Secretary of Food and Agriculture for capital outlay to California fairs for fair projects involving public health and safety, for fair projects involving major and deferred maintenance, for fair projects necessary due to any emergency, for projects that are required by physical changes to the fair site, for projects that are required to protect the fair property or installation, and for the acquisition or improvement of any property or facility that will serve to enhance the operation of the fair, as specified. By expanding the purposes for which those additional moneys may be used, the bill would make an appropriation.

(5) Under existing law, a violation of the Food and Agricultural Code is a crime.

Because certain of the above provisions would be part of the Food and Agricultural Code, the violation of which would be a crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: 2/3 Appropriation: yes Fiscal Committee: yes Local Program: yes

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 19418 of the Business and Professions Code is repealed.

SEC. 2. Section 19418 is added to the Business and Professions Code, to read:

19418. (a) "Fair" or "state-designated fairground" for purposes of this chapter means the California Exposition and State Fair in the City of Sacramento, an organization described in subdivision (b) or (c), and those fairs specified in Sections 3102, 3103, and 3104 of the Food and Agricultural Code that are engaged now or in the future as associations in the conduct of a recognized horse racing meeting or otherwise participate in horse racing activities licensed or approved by the board.

(b) A nonprofit organization that holds an annual fair pursuant to Section 4163 of the Food and Agricultural Code may elect to be a member of the network of California fairs on terms and conditions mutually agreed upon by the Department of Food and Agriculture and the nonprofit organization.

(c) A joint powers agency that holds an annual fair pursuant to Section 4171 of the Food and Agricultural Code may elect to be a member of the network of California fairs on terms and conditions mutually agreed upon by the Department of Food and Agriculture and the joint powers agency.

SEC. 3. Section 19418.1 of the Business and Professions Code is repealed.

SEC. 4. Section 19418.2 of the Business and Professions Code is repealed.

SEC. 5. Section 19418.3 of the Business and Professions Code is repealed.

SEC. 6. Section 19418.5 of the Business and Professions Code is repealed.

SEC. 7. Section 19542 of the Business and Professions Code is amended to read:

19542. Notwithstanding any other law, fairs that conduct live horse racing meetings in the northern zone may allow a joint powers authority to administer and distribute purses.

SEC. 8. Section 19547 of the Business and Professions Code is amended to read:

19547. Notwithstanding Section 19490, no deposit shall be required for any horse racing meeting conducted by a fair.

SEC. 9. Section 19601.4 of the Business and Professions Code is amended to read:

19601.4. (a) Notwithstanding any other law, a fair, combination of fairs, or an association conducting racing at a fair may, after approval from the board, deduct an additional 1 percent from the total amount handled daily in its conventional and exotic pools. The additional 1 percent shall be deposited into the Inclosure Facilities Improvement Fund, which is hereby created as a special fund in the State Treasury, the moneys of which are available upon appropriation by the Legislature in the annual Budget Act. Any moneys deducted from the handle pursuant to this section shall be used solely for the purpose of facilities maintenance and improvements at a fair's racetrack inclosure for those fairs that contribute to, or for those fairs where an association conducting racing at that fair contributes to, the Inclosure Facilities Improvement Fund.

(b) The secretary shall appoint a committee of not more than five and no fewer than three individuals with expertise in financing, constructing, and managing horse racing facilities, to advise in the administration of the funds. The secretary shall have oversight over the committee. The secretary shall adhere to the same oversight responsibilities as outlined in Section 3201 of the Food and Agricultural Code, when administering the funds contributed and disbursed pursuant to this section.

(c) The secretary shall include in the annual expenditure plan required pursuant to Section 3205 of the Food and Agricultural Code any allocations made pursuant to this section.

(d) For purposes of this section, "secretary" means the Secretary of Food and Agriculture.

SEC. 10. Section 19606.1 of the Business and Professions Code is amended to read:

19606.1. (a) All license fees from satellite wagering that are deposited into the Fair and Exposition Fund shall be deposited in a separate account in the fund and, notwithstanding Section 13340 of the Government Code, are continuously appropriated from that account to the Department of Food and Agriculture, for allocation by the Secretary of Food and Agriculture, at the secretary's discretion, for the purposes set forth in paragraphs (1) to (6), inclusive. The concurrence of the Director of Finance shall be required for allocations pursuant to paragraphs (1) and (2). Allocations pursuant to paragraphs (3) to (6), inclusive, shall be made with the concurrence of the Joint Committee on Fairs Allocation and Classification.

(1) For the repayment of the principal of, interest on, and costs of issuance of, and as security, including any coverage factor, pledged to the payment of, bonds issued or to be issued by a joint powers agency or other debt service or expense, including repayment of any advances made or security required by any provider of credit enhancement or liquidity for those bonds or other indebtedness or expenses of maintaining that credit enhancement or liquidity, incurred for the purpose of constructing or acquiring improvements at a fair's racetrack inclosure, satellite wagering facilities at fairs, health and safety repair projects, or handicapped access compliance projects at fairs or for the purpose of refunding bonds or other indebtedness incurred for those purposes. As used in this paragraph, "coverage factor" means revenues in excess of the amount necessary to pay debt service on the bonds or other indebtedness, up to an amount equal to 100 percent more than the amount of that debt service, which a joint powers agency, pursuant to the resolution or indenture under which the bonds or other indebtedness are or will be issued, pledges as additional security for the payment of that debt service or is required to have or maintain as a condition to the issuance of additional bonds or other indebtedness. Notwithstanding any other law, at the discretion of the Secretary of Food and Agriculture, the department may also commit any funds available for allocation under Chapter 3 (commencing with Section 3200) of Part 1 of Division 3 of the Food and Agricultural Code to complete projects funded under this paragraph in the priority described in this paragraph.

(2) For payment to the State Race Track Leasing Commission to be pledged for the repayment of debt necessary to construct a racetrack grandstand at the 22nd District Agricultural Association fairgrounds. This payment shall be made only if the Secretary of Food and Agriculture determines, annually, that all other pledged revenues have been applied to the repayment of that debt and have been determined by the secretary to be inadequate for that purpose.

(3) For the payment of expenses incurred in establishing and operating satellite wagering facilities at fairs.

(4) For the support of an equipment and operating fund to produce and display a consolidated California signal at satellite wagering facilities and fairs.

(5) For health and safety repair projects at fairs, which includes fire and life safety improvement projects, California Code of Regulations compliance projects, and long-term deferred maintenance projects.

(6) For the development and payment of revenue generating projects, the establishment of pilot projects to restructure the current fair system, and for projects realizing a cost savings for more efficient use of existing fair resources.

(b) The Secretary of Food and Agriculture shall not make an allocation for purposes of paragraphs (2) to (6), inclusive, of subdivision (a) until the payments required in any fiscal year pursuant to paragraph (1) of subdivision (a) have been funded.

(c) Pursuant to subdivision (a), the Joint Committee on Fairs Allocation and Classification shall review and concur, or not concur, with the secretary's determination of the allocations to be made pursuant to paragraphs (3) to (6), inclusive, of subdivision (a) in total, and the committee shall not add to, or delete projects or line items from, the proposed allocations.

(d) Approval of the Joint Committee on Fairs Allocation and Classification is deemed complete when one of the following conditions is met:

(1) The annual Budget Act is enacted.

(2) If the secretary's recommendations are received by the Joint Committee on Fairs Allocation and Classification after the enactment of the annual Budget Act, the recommendations shall be deemed approved 30 days after they are received unless they are rejected by the committee.

(e) If the Joint Committee on Fairs Allocation and Classification does not concur with the secretary's recommendations, the secretary may resubmit another set of recommendations pursuant to this section that considers the committee's review and suggestions. The resubmitted recommendations shall be deemed approved 30 days after they are received by the committee.

(f) The payments required in any fiscal year for the purposes of paragraphs (1) to (3), inclusive, of subdivision (a) shall be made before any transfer is made pursuant to subdivision (g).

(g) Except as otherwise provided in subdivision (f), if the revenues deposited into the separate account exceed eleven million dollars (\$11,000,000) in any fiscal year, the amount in excess of eleven million dollars (\$11,000,000) shall be transferred to the Fair and Exposition Fund for allocation in accordance with Section 3204 of the Food and Agricultural Code.

(h) All of the costs of administering the account created by subdivision (a) shall be charged to the account.

SEC. 11. Section 19614 of the Business and Professions Code is amended to read:

19614. (a) Notwithstanding Sections 19611 and 19612, and except for an association that qualifies pursuant to Section 19612.6, for a fair conducting a live racing meeting, 1 percent of the total amount handled on live races, excluding wagering at a satellite facility, shall be retained by the fair association for payment to the state as a license fee.

(b) Additionally, 0.48 percent of the total amount handled on live racing, excluding wagering at a satellite facility, shall be deposited with the official registering agency pursuant to subdivision (a) of Section 19617.2, and shall thereafter be distributed in accordance with subdivisions (b), (c), and (d) of Section 19617.2.

(c) (1) After distribution of the applicable amounts as set forth in subdivisions (a) and (b) and the payments made pursuant to other relevant sections of this chapter, all funds remaining from the deductions provided in Section 19610 shall be distributed 47.5 percent as commissions and 52.5 percent as purses. From the amount distributed as thoroughbred purses, a sum equal to 0.07 percent of the total handle shall be held by the association to be deposited with the official registering agency pursuant to subdivision (a) of Section 19617.2, and shall thereafter be distributed in accordance with subdivisions (b), (c), and (d) of Section 19617.2.

(2) Any additional amount generated for purses and not distributed during the previous corresponding meeting shall be added to the purses at the current meeting.

(d) In addition to the amounts deducted pursuant to Section 19610, any fair racing association shall deduct 1 percent from the total amount handled in its daily conventional and exotic parimutuel pools. The additional 1 percent shall be deposited into the Fair and Exposition Fund and is hereby appropriated for the purposes specified in Section 3204 of the Food and Agricultural Code, except as specified in subdivision (e).

(e) (1) A fair conducting a live racing meeting at a fair in the northern zone or a joint powers authority designated by a fair racing association in the northern zone involved in conducting live racing meetings at fairs in the northern zone may retain the funds described in subdivision (d) for the purposes of improving a fair enclosure, racetrack maintenance, safety at fairs, or other similar activities if both of the following conditions are satisfied:

(A) The administrative costs do not exceed 7.5 percent of the funds retained.

(B) An annual audit of the funds is conducted by an independent third party to ensure compliance with the law and approved standards and policies that shall be filed with the Department of Food and Agriculture, the board, and the Senate and Assembly Committees on Governmental Organization.

(2) This subdivision shall apply retroactively to January 1, 2016.

SEC. 12. Section 19616.52 of the Business and Professions Code is repealed.

SEC. 13. Section 19620 of the Business and Professions Code is repealed.

SEC. 14. Section 19620.1 of the Business and Professions Code is repealed.

SEC. 15. Section 19620.15 of the Business and Professions Code is repealed.

SEC. 16. Section 19620.2 of the Business and Professions Code is repealed.

SEC. 17. Section 19621 of the Business and Professions Code is repealed.

SEC. 18. Section 19621.1 of the Business and Professions Code is repealed.

SEC. 19. Section 19622 of the Business and Professions Code is repealed.

SEC. 20. Section 19622.1 of the Business and Professions Code is repealed.

SEC. 21. Section 19622.2 of the Business and Professions Code is repealed.

SEC. 22. Section 19622.3 of the Business and Professions Code is repealed.

SEC. 23. Section 19623 of the Business and Professions Code is repealed.

SEC. 24. Section 19627.5 of the Business and Professions Code is repealed.

SEC. 25. Section 19628 of the Business and Professions Code is repealed.

SEC. 26. Section 19629 of the Business and Professions Code is repealed.

SEC. 27. Section 19630 of the Business and Professions Code is repealed.

SEC. 28. Section 19631 of the Business and Professions Code is repealed.

SEC. 29. Section 19632 of the Business and Professions Code is repealed.

SEC. 30. Section 19636 of the Business and Professions Code is repealed.

SEC. 31. Section 19637 of the Business and Professions Code is repealed.

SEC. 32. Section 19638 of the Business and Professions Code is repealed.

SEC. 33. Section 1352 of the Fish and Game Code is amended to read:

1352. (a) The money in the Wildlife Restoration Fund, as provided for by Section 19632 of the Business and Professions Code, as that section read on January 1, 2024, is available for expenditure under this chapter.

(b) All federal moneys made available for projects authorized by the board shall be deposited into the Wildlife Restoration Fund or the Fish and Game Preservation Fund.

(c) Any moneys received into the Wildlife Restoration Fund or the Fish and Game Preservation Fund from leases authorized pursuant to paragraph (2) or (3) of subdivision (c) of Section 1348 shall be expended, upon appropriation by the Legislature, by the department for purposes of managing, maintaining, restoring, or operating lands owned and managed by the department.

SEC. 34. Chapter 2 (commencing with Section 3101) of Part 1 of Division 3 of the Food and Agricultural Code is repealed.

SEC. 35. Chapter 2 (commencing with Section 3101) is added to Part 1 of Division 3 of the Food and Agricultural Code, to read:

CHAPTER 2. Fairs and District Agricultural Associations

3101. (a) "Fair," or "state-designated fairground," referred to in this division, means the California Exposition and State Fair in the City of Sacramento and those fairs specified in Sections 3102, 3103, and 3104 that may receive financial support or are otherwise governed pursuant to this chapter. These fairs may also be referred to as part of the "network of California fairs."

(b) A nonprofit organization that holds an annual fair pursuant to Section 4163 may elect to be a member of the network of California fairs on terms and conditions mutually agreed upon by the department and the nonprofit organization.

(c) A joint powers agency that holds an annual fair pursuant to Section 4171 may elect to be a member of the network of California fairs on terms and conditions mutually agreed upon by the department and the joint powers agency.

3102. The district agricultural associations and their locations are as follows:

(a) District 1 is the County of Alameda.

(b) District 1-A is the County of San Mateo and the City and County of San Francisco, held in the City of Daly City.

(c) District 2 is the County of San Joaquin, held in the City of Stockton.

(d) District 3 is the County of Butte, held in the City of Chico.

(e) District 4 is the Counties of Sonoma and Marin, held in the City of Petaluma.

(f) District 5 is the City and County of San Francisco, held in the City and County of San Francisco.

(g) District 6 is all of that portion of the County of Los Angeles that is not included in District 48, District 50, and District 51, and, notwithstanding any other provision of this chapter, also includes that portion of the County of Los Angeles within the boundaries of the 29th Senatorial District. District 6 shall also be known and designated as Exposition Park and shall have all of the following powers and duties:

(1) To lease, exchange, sell, or otherwise dispose of all property.

(2) To compromise and settle claims of every nature.

(3) To sue and be sued in the same manner and to the same extent as the California Science Center, and the members of the governing body thereof.

(h) District 7 is the County of Monterey, held in the City of Monterey.

(i) District 9 is the County of Humboldt, held in the City of Eureka.

(j) District 10 is that portion of the County of Siskiyou that is not included in District 10-A, held in the City of Yreka.

(k) (1) District 10-A is all of that portion of the Counties of Siskiyou and Modoc that is described as follows:

(2) Beginning at the intersection of west longitude 122 degrees 10 minutes within the Oregon-California boundary line, thence southerly along said line of longitude to north latitude 41 degrees 30 minutes, thence easterly along said line of latitude to the point where it intersects west longitude 121 degrees 10 minutes, thence northerly along said line of longitude to the Oregon state line, thence westerly along said state line to the point of beginning, held in the City of Tulelake.

(l) District 12 is the County of Mendocino, held in the City of Ukiah.

(m) District 13 is the Counties of Sutter and Yuba, held in the City of Yuba City.

(n) District 14 is the County of Santa Cruz, held in the City of Watsonville.

(o) District 15 is all of that portion of the County of Kern that is not included in District 53, held in the City of Bakersfield.

(p) District 16 is the County of San Luis Obispo, held in the City of Paso Robles.

- (q) District 17 is the County of Nevada, held in the City of Grass Valley.
- (r) District 18 is the Counties of Mono, Inyo, and Alpine, held in the City of Bishop.
- (s) District 19 is all of that portion of the County of Santa Barbara that lies east of Gaviota and south of the Santa Ynez Mountains, held in the City of Santa Barbara.
- (t) District 20 is the County of Placer, held in the City of Auburn.
- (u) District 21 is the County of Fresno, held in the City of Fresno.
- (v) District 21-A is the County of Madera, held in the City of Madera.
- (w) District 22 is the County of San Diego, held in the City of Del Mar.
- (x) District 23 is the County of Contra Costa, held in the City of Antioch.
- (y) District 24 is the County of Tulare, held in the City of Tulare.
- (z) District 24-A is the County of Kings, held in the City of Hanford.
- (aa) District 25 is the County of Napa, held in the City of Napa.
- (ab) District 26 is the County of Amador, held in the City of Plymouth.
- (ac) District 27 is the County of Shasta, held in the City of Anderson.
- (ad) District 28 is the County of San Bernardino, held in the City of Victorville.
- (ae) District 29 is the County of Tuolumne, held in the City of Sonora.
- (af) District 30 is the County of Tehama, held in the City of Red Bluff.
- (ag) District 31 is the County of Ventura, held in the City of Ventura.
- (ah) District 32 is the County of Orange, held in the City of Costa Mesa.
- (ai) District 33 is the County of San Benito, held in the City of Hollister.
- (aj) District 34 is that portion of the County of Modoc that is not included in District 10-A, held in the Town of Cedarville.
- (ak) District 35 is the County of Merced, held in the City of Merced.
- (al) District 35-A is the County of Mariposa, held in the Town of Mariposa.
- (am) District 36 is the County of Solano, held in the City of Dixon.
- (an) District 37 is all of that portion of the County of Santa Barbara that is not included in District 19, held in the City of Santa Maria.
- (ao) District 38 is the County of Stanislaus, held in the City of Turlock.
- (ap) District 39 is the County of Calaveras, held in the City of Angels Camp.
- (aq) District 40 is the County of Yolo, held in the City of Woodland.
- (ar) District 41 is the County of Del Norte, held in the City of Crescent City.
- (as) District 42 is the County of Glenn, held in the City of Orland.
- (at) District 44 is the County of Colusa, held in the City of Colusa.
- (au) District 45 is the County of Imperial, held in the City of Imperial.
- (av) District 46 is all of that portion of the County of Riverside that is not included in District 54, held in the City of Perris.
- (aw) District 48 is the County of Los Angeles, held in the City of City of Industry.
- (ax) District 49 is the County of Lake, held in the City of Lakeport.

(ay) District 50 is all of that portion of the County of Los Angeles that lies north of the south line of Township 5 North, San Bernardino base, held in the City of Lancaster.

(az) (1) District 51 is all of the portion of the City of Los Angeles that is described as follows:

(2) From a point commencing where the most northerly boundary of the City of Los Angeles intersects with the Golden State Freeway and following on the city boundary in an easterly direction where the boundary first intersects with the boundary of the City of Burbank; thence continuing southeasterly along the City of Burbank boundary to its intersection with Barham Boulevard; thence in a southerly direction on Barham Boulevard to its intersection with Cahuenga Boulevard; thence in a southeasterly direction on Cahuenga Boulevard to Mulholland Drive; thence along Mulholland Drive to the City of Los Angeles boundary; thence following the City of Los Angeles boundary west and northerly until the boundary intersects with the Los Angeles-Ventura county line, thence following the Los Angeles county line north to the Kern county line, and east to the Golden State Freeway, and thence in a southerly direction on the Golden State Freeway to the starting point at the Golden State Freeway, held in the San Fernando Valley.

(ba) District 52 is the County of Sacramento, held in the City of Sacramento.

(bb) District 53 is all of the portion of the County of Kern east of the Los Angeles Aqueduct. District 53 shall be known and designated as the Desert Empire Fair, and the fair site shall be held in the City of Ridgecrest.

(bc) District 54 is all of the portion of the County of Riverside east of the Coachella Branch of the All-American Canal and east of the line running due north from the northernmost point of that canal, held in the City of Blythe.

3103. The county fairs and their locations are as follows:

(a) The Alameda County Fair, held in the City of Pleasanton.

(b) The Butte County Fair, held in the City of Gridley.

(c) The El Dorado County Fair, held in the City of Placerville.

(d) The Humboldt County Fair, held in the City of Ferndale.

(e) The Lassen County Fair, held in the City of Susanville.

(f) The Los Angeles County Fair, held in the City of Pomona.

(g) The Madera County Fair, held in the City of Chowchilla.

(h) The Marin County Fair, held in the City of San Rafael.

(i) The Mendocino County Fair, held in Boonville.

(j) The Merced County Fair, known as the Merced County Spring Fair, held in the City of Los Banos.

(k) The Monterey County Fair, known as the Salinas Valley Fair, held in the City of King City.

(l) The Napa County Fair, held in the City of Calistoga.

(m) The Placer County Fair, held in the City of Roseville.

(n) The Plumas Sierra County Fair, held in the Town of Quincy.

(o) The Riverside County Fair, known as the Riverside County Fair and National Date Festival, held in the City of Indio.

(p) The San Benito County Fair, held in Tres Pinos.

(q) The San Francisco County Fair, held in the City and County of San Francisco.

(r) The San Joaquin County Fair, known as the Lodi Grape Festival and Harvest Fair, held in the City of Lodi.

(s) The San Mateo County Fair, held in the City of San Mateo.

(t) The Santa Clara County Fair, held in the City of San Jose.

(u) The Shasta County Fair, held in the Town of McArthur.

(v) The Solano County Fair, held in the City of Vallejo.

(w) The Sonoma County Fair, held in the City of Santa Rosa.

(x) The Trinity County Fair, held in Hayfork.

3104. The citrus fruit fairs and their locations are as follows:

(a) The Cloverdale Citrus Fair, held in the City of Cloverdale.

(b) The National Orange Show, held in the City of San Bernardino.

3105. (a) The Legislature finds and declares that district agricultural associations, county fairs, citrus fruit fairs, and the California Exposition and State Fair, collectively known as the network of California fairs, are a valuable community resource, and recognizes that local businesses and local communities make valuable contributions to fairs that include direct and indirect support of fair programs. The Legislature further finds and declares that local businesses often provide opportunity purchases to local fairs that, for similar things available through the state purchasing program, may be purchased locally at a price equivalent to or less than that available through the state purchasing program.

(b) In order to make opportunity purchases, a fair shall develop applicable policies and procedures.

(c) As used in this section, "opportunity purchases" means purchases made locally, either individually or cooperatively, at a price equal to or less than the price available through the state purchasing program on or off state contract.

3106. The provisions of this chapter, insofar as they are substantially the same as existing code provisions relating to the same subject matter, shall be construed as restatements and continuations thereof, and not as new enactments.

SEC. 36. The heading of Chapter 3 (commencing with Section 3200) of Part 1 of Division 3 of the Food and Agricultural Code is amended to read:

CHAPTER 3. Revenue and Fiscal Provisions

SEC. 37. Section 3200 of the Food and Agricultural Code is amended to read:

3200. All funds appropriated by the Legislature or designated for California fairs and expositions pursuant to this chapter or any other law shall be deposited into the Fair and Exposition Fund and be continuously appropriated pursuant to, and for the purposes of, Sections 3204 and 3205.

SEC. 38. Section 3201 is added to the Food and Agricultural Code, to read:

3201. (a) The Legislature finds and declares that the Department of Food and Agriculture is responsible for ensuring the integrity of the Fair and Exposition Fund, administering allocations from the fund to the network of California fairs, as defined in Sections 3101 to 3104, inclusive, and providing oversight of activities carried out by each California fair.

(b) Oversight shall include, but not be limited to, all of the following:

(1) Monitoring the solvency of the Fair and Exposition Fund.

(2) Distributing available state resources to the network of California fairs based on criteria for state allocations approved by the Secretary of Food and Agriculture. The criteria for the distribution of available state resources to the network of California fairs shall not include a consideration of the structure that governs the fair.

(3) Creating a framework for administration of the network of California fairs allowing for maximum autonomy and local decisionmaking authority, and conducting, or causing to be conducted, annual fiscal audits and periodic compliance audits.

(4) Conducting fiscal and performance audits of county fairs and citrus fruit fairs that are requested by the fair that is the subject of the audit, and that the Department of Food and Agriculture deems to be necessary.

(5) Guiding and providing incentives to fairs to seek matching funds and generate new revenue from a variety of sources.

(6) Supporting continuous improvement of fair programming to ensure that California fairs remain highly relevant community institutions.

SEC. 39. Section 3202 is added to the Food and Agricultural Code, to read:

3202. From the total revenue received by the department, the Legislature shall annually appropriate to the department those sums as it deems necessary for the following purposes:

(a) For the oversight of the network of California fairs receiving money from the Fair and Exposition Fund.

(b) For the auditing of all district agricultural association fairs, county fairs, and citrus fruit fairs.

SEC. 40. Section 3203 is added to the Food and Agricultural Code, to read:

3203. (a) Notwithstanding any other law, a return filed with the California Department of Tax and Fee Administration (CDTFA) to report gross receipts for sales and use tax purposes shall segregate the gross receipts of the seller and the sales price of the property on a line or a separate form as prescribed by the CDTFA when the place of sale in this state or for use in this state is on or within the real property of a fair or any real property of a fair that is leased to another party.

(b) For purposes of this section, "fair" means a fair as defined in Section 3101, 3102, 3103, or 3104.

(c) The CDTFA shall add a line to a current return form or develop a separate form for purposes of this section.

(d) (1) The CDTFA shall report the amount of the total gross receipts segregated on the returns filed for the prior fiscal year pursuant to subdivision (a) to the Department of Finance on or before November 1 of each year.

(2) The total gross receipts shall be subject to review by the CDTFA for errors. The review may be a review of a sample of returns. The CDTFA shall note any errors identified in the review and the approximate impact of those errors on the total gross receipts in its report to the Department of Finance to allow an adjusted total gross receipt amount to be determined.

(e) An amount equal to three-quarters of 1 percent of the total amount of gross receipts, or adjusted gross receipts, for the prior fiscal year reported to the Department of Finance by the CDTFA as specified in subdivision (d) shall be included in the next annual Governor's Budget for the Department of Food and Agriculture for allocation to fairs pursuant to Section 3204. No later than 30 days after the enactment of the annual Budget Act, the amount appropriated by the Legislature to the Department of Food and Agriculture pursuant to this section shall be transferred by the Controller to the Fair and Exposition Fund in the State Treasury and shall be continuously appropriated and available to be allocated pursuant to Section 3204.

(f) The CDTFA shall be paid the actual cost for administering the provisions of this section from the funds appropriated pursuant to subdivision (e) before any allocation is made to fairs in accordance with Section 3204.

(g) (1) Any revenues deposited into the Fair and Exposition Fund pursuant to this section shall only be allocated to a fair if nonmanagement employees at that fair, or nonmanagement employees at any real property of that fair that is leased to another party, are provided the following working conditions:

(A) The employee receives a meal period of not less than 30 minutes for a work period of more than five hours per day, unless the work period per day of the employee is less than six hours and the meal period is waived by mutual consent of both the employer and the employee.

(B) The employee receives a second meal period of not less than 30 minutes for a work period of more than 10 hours per day, unless the work period per day of the employee is less than 12 hours, the second meal period is waived by mutual consent of both the employer and the employee, and the first meal period was not waived.

(C) Any work in excess of 8 hours in one workday, any work in excess of 40 hours in any one workweek, and the first 8 hours worked on the seventh day of work in any one workweek is compensated at the rate of no less than one and one-half times the regular rate of pay for an employee.

(D) Any work in excess of 12 hours in one day is compensated at the rate of no less than twice the regular rate of pay for an employee.

(E) Any work in excess of eight hours on any seventh day of a workweek is compensated at the rate of no less than twice the regular rate of pay for an employee.

(2) This subdivision does not apply to full-time carnival ride operators employed by a traveling carnival.

(3) For purposes of this subdivision, an employee shall not include an employee covered by a valid collective bargaining agreement if that agreement expressly provides for all of the following:

(A) Wages, hours of work, and working conditions of the employees.

(B) Meal periods for the employees, including final and binding arbitration of disputes concerning application of its meal period provisions.

(C) Premium wage rates for all overtime hours worked, and a regular hourly rate of pay of not less than 30 percent more than the state minimum wage.

SEC. 41. Section 3204 is added to the Food and Agricultural Code, to read:

3204. (a) Any unallocated balance from Section 3202, 3203, or 3205, revenue deposited into the Fair and Exposition Fund pursuant to Section 19614 of the Business and Professions Code, and funding appropriated by the Legislature or otherwise designated for California fairs pursuant to this chapter or any other law is hereby appropriated without regard to fiscal years for allocation by the Secretary of Food and Agriculture for capital outlay to California fairs for fair projects involving public health and safety, for fair projects involving major and deferred maintenance, for fair projects necessary due to any emergency, for projects that are required by physical changes to the fair site, for projects that are required to protect the fair property or installation, such as fencing and flood protection, and for the acquisition or improvement of any property or facility that will serve to enhance the operation of the fair.

(b) A portion of the funds subject to allocation pursuant to subdivision (a) may be allocated to California fairs for general operational support. It is the intent of the Legislature that these moneys be used primarily for those fairs whose sources of revenue may be limited for purposes specified in this section.

SEC. 42. Section 3205 is added to the Food and Agricultural Code, to read:

3205. (a) Notwithstanding any other law, at the direction of the Secretary of Food and Agriculture with the concurrence of the Director of Finance, all revenues that are deposited into the Fair and Exposition Fund pursuant to Section 3203 may first be deposited into a separate account in the fund to be known as the California Fairs Trust Account and, notwithstanding Section 13340 of the Government Code, are continuously appropriated from that account to the Department of Food and Agriculture, for allocation by the secretary, at the secretary's discretion, for the purposes set forth in paragraphs (1) to (4), inclusive. The concurrence of the Director of Finance shall be required for allocations pursuant to paragraph (1). Allocations pursuant to paragraphs (2) to (4), inclusive, shall be made with the concurrence of the Joint Committee on Fairs Allocation and Classification.

(1) For the repayment of the principal of, interest on, and costs of issuance of, and as security, including any coverage factor, pledged to the payment of, bonds issued or to be issued by a joint powers agency or other debt service or expense, including repayment of any advances made or security required by any provider of credit enhancement or liquidity for those bonds or other indebtedness or expenses of maintaining that credit enhancement or liquidity, incurred for the purpose of constructing or acquiring capital improvements at fairgrounds, maintaining facilities at fairs, health, fire and life safety, and emergency services projects, or handicapped access compliance projects at fairgrounds or for the purpose of refunding bonds or other indebtedness incurred for those purposes. As used in this paragraph, "coverage factor" means revenues in excess of the amount necessary to pay debt service on the bonds or other indebtedness, up to an amount equal to 100 percent more than the amount of that debt service, which a joint powers agency, pursuant to the resolution or indenture under which the bonds or other indebtedness are or will be issued, pledges as additional security for the payment of that debt service or is required to have or maintain as a condition to the issuance of additional bonds or other indebtedness. Notwithstanding any other law, the department may also commit any other funds available for allocation pursuant to this chapter to complete projects funded under this paragraph in the priority described in this paragraph.

(2) For health, fire and life safety, and emergency services improvement projects at fairs, California Code of Regulations compliance projects, and maintenance projects at fairgrounds that are necessary for public safety and security.

(3) For capital improvement projects at fairgrounds. When making determinations to fund capital improvements pursuant to this paragraph, the secretary may grant priority status to renewable energy generation projects or to projects that meet or exceed the standards of the California Environmental Protection Agency.

(4) For the payment of expenses incurred in developing and operating revenue generating projects at fairs, or that directly benefit fairs, including the payment of expenses incurred in establishing and operating horse racing and future gaming-related facilities, the establishment of pilot projects to restructure the current fair system, and for projects realizing a cost savings for more efficient use of existing fair resources.

(b) The secretary may not make an allocation for purposes of paragraphs (2) to (4), inclusive, of subdivision (a) until the payments required in any fiscal year pursuant to paragraph (1) of subdivision (a) have been funded.

(c) Pursuant to subdivision (a), the Joint Committee on Fairs Allocation and Classification shall review and concur, or not concur, with the secretary's determination of the allocations to be made pursuant to paragraphs (2) to (4), inclusive, of subdivision (a) in total, and the committee shall not add to, or delete projects or line items from, the proposed allocations.

(d) Approval of the Joint Committee on Fairs Allocation and Classification shall be deemed complete when one of the following conditions is met:

(1) The annual Budget Act is enacted.

(2) If the secretary's recommendations are received by the Joint Committee on Fairs Allocation and Classification after the enactment of the annual Budget Act, the recommendations shall be deemed approved 30 days after they are received unless they are rejected by the committee.

(e) If the Joint Committee on Fairs Allocation and Classification does not concur with the secretary's recommendations, the secretary may resubmit another set of recommendations that consider the committee's review and suggestions. The resubmitted recommendations shall be deemed approved 30 days after they are received by the committee.

(f) The payments required in any fiscal year for the purposes of paragraph (1) of subdivision (a) shall be made before any transfer is made pursuant to subdivision (g).

(g) If the revenues deposited into the separate account exceed the amount necessary to satisfy the purposes of subdivision (f) in any fiscal year, the amount remaining shall be transferred to the Fair and Exposition Fund for allocation in accordance with Section 3204.

(h) All of the costs of administering the account created by subdivision (a) shall be charged to the account.

SEC. 43. Section 3206 is added to the Food and Agricultural Code, to read:

3206. All revenues payable to the state and deposited in a separate account in the fund pursuant to Section 3205 that are allocated by the secretary for the purposes of paragraph (1) of subdivision (a) of Section 3205 are hereby pledged for the repayment of the principal of, and interest on, bonds issued by a joint powers agency, or of other debt service or expense incurred for the purposes described in that paragraph.

SEC. 44. Section 3207 is added to the Food and Agricultural Code, to read:

3207. (a) Any joint powers agency requesting money in connection with the issuance of bonds for the purposes described in paragraph (1) of subdivision (a) of Section 3205 shall file an application with the secretary, in the form required by the secretary.

(b) The secretary shall, upon review of the applications, prepare a statement of allocation of money to the joint powers agency, in the priority the secretary deems appropriate.

(c) The secretary shall adopt regulations governing the allocation procedures to be followed in implementing this section.

SEC. 45. Section 3208 is added to the Food and Agricultural Code, to read:

3208. It is the intent of the Legislature in enacting Sections 3206, 3207, and 3209 to provide the revenues necessary for the financing by joint powers agencies of the described facilities and projects, which shall be deemed to be public capital improvements within the meaning of Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code. Deposits into the account in the fund in accordance with paragraph (1) of subdivision (a) of Section 3205 shall continue through and include either the 20th year after the initial calendar year in which the revenues are collected, or whatever period of time is necessary to repay any borrowings of the joint powers funding mechanism.

SEC. 46. Section 3209 is added to the Food and Agricultural Code, to read:

3209. (a) The State of California does hereby pledge to and agree with the holders of any bonds or other indebtedness issued, and with those joint powers agencies that may enter into project agreements with fairs or other third parties or authorize bonds or other indebtedness to be issued, in reliance on the revenue and deposits set forth in Section 3203 or the allocations set forth in subdivision (a) of Section 3205, that the state will not alter or change the structure of funding and deposits set forth in, or the pledge of funds for, debt service, security, including any coverage factors, and expenses, pursuant to those sections until the bonds and other indebtedness are fully paid or discharged and the project is fully performed or discharged. However, nothing precludes any alteration or change if and when adequate provision has been made by law for the protection from impairment of the contracts represented by the bonds, other indebtedness and projects, and the right to so alter or change is hereby reserved. Joint powers agencies may include this pledge and undertaking of the state in the bonds, agreements evidencing other indebtedness, and project agreements.

(b) The provisions of this chapter related to the issuance of bonds pursuant to Sections 3205 to 3209, inclusive, insofar as they are substantially the same as existing code provisions relating to the same subject matter, shall be construed as restatements and continuations thereof, and not as new enactments.

SEC. 47. Section 3210 is added to the Food and Agricultural Code, to read:

3210. (a) Notwithstanding any other law, neither the state nor the department is liable for any contract or tort of, or any action taken or any failure to act by, any fair in the network of California fairs that does not comply with the requirements of Section 3214.

(b) No member of the fair board, or any employee or agent thereof, is personally liable for the contracts or actions of the fair board, and no member of the fair board or employee or agent thereof is responsible individually in any way to any other person for error in judgment, mistakes, or other acts, either of commission or omission, as principal, agent, or employee, except for their own individual acts of dishonesty or crime. No member of the fair board shall be held responsible individually for any act or omission of any other member of the fair board. The liability of the members of the fair board is several and not joint, and no member is liable for the default of any other member.

SEC. 48. Section 3211 is added to the Food and Agricultural Code, to read:

3211. (a) (1) The secretary shall prepare and submit to the Department of Finance an estimate of revenue to be deposited into the fund and allocations to be made from the fund for each fiscal year.

(2) The Director of Finance may authorize short-term cashflow loans from the unappropriated surplus of the General Fund to the Fair and Exposition Fund if both of the following conditions are met:

(A) The loan will be repaid during the same fiscal year in which it is made.

(B) No loan exceeds the amount remaining to be allocated in any fiscal year or 75 percent of the revenue estimated to be deposited into the Fair and Exposition Fund during the remainder of the fiscal year.

(b) The secretary shall notify the Controller when loans under this section are no longer required and any unnecessary loan funds shall be returned to the General Fund.

SEC. 49. Section 3212 is added to the Food and Agricultural Code, to read:

3212. (a) In order to maintain their eligibility to receive funds or to utilize state assets, the fairs specified in Section 3101 shall do all of the following:

(1) File an annual statement of operations with the department.

(2) Conduct an annual fair that includes agriculture and other community-relevant exhibits and competitions.

(b) The department may withhold or restrict allocations to fairs that do not comply with this section or the fiscal standards or administrative standards established by the department. The department shall establish an appeal process for fairs regarding funds that are withheld or restricted.

SEC. 50. Section 3213 is added to the Food and Agricultural Code, to read:

3213. (a) The authority of the department shall include, but is not limited to, requiring the California Exposition and State Fair to meet all applicable standards prescribed by the department.

(b) The department may delegate approval authority for matters as the department may determine to the Board of Directors of the California Exposition and State Fair if the fair complies with this section.

(c) Notwithstanding any other law, the department may assume all rights, duties, and powers of the Board of Directors of the California Exposition and State Fair if the department determines there is insufficient fiscal or administrative control. The board of directors shall again exercise these rights, duties, and powers when the department determines that the fair has been restored to solvency and is in compliance with this section.

(d) The department may petition a court of competent jurisdiction for an order appointing the department, or a person designated by the department, as a receiver if it determines that the California Exposition and State Fair is insolvent, or is in imminent danger of insolvency. The court shall appoint a receiver upon showing that the fair is insolvent or is in imminent danger of insolvency.

(e) For purposes of this section, "insolvency" means that the California Exposition and State Fair is unable to discharge its debts as they become due in the usual course of business.

(f) The General Fund and the Fairs and Exposition Fund shall be held harmless from any debts, liabilities, settlements, judgments, or liens incurred by the California Exposition and State Fair, including any deficiency in operating funds.

SEC. 51. Section 3214 is added to the Food and Agricultural Code, to read:

3214. (a) The authority of the department shall include, but is not limited to, requiring district agricultural associations to meet all applicable standards prescribed by the department.

(b) The department may delegate approval authority for matters as the department may determine to the board of directors if the board complies with this section.

(c) Notwithstanding any other law, and in order to protect the integrity of the Fair and Exposition Fund, the department may assume any or all rights, duties, and powers of the board of directors of a district agricultural association if the department reasonably determines that there is insufficient fiscal or administrative control. The board of directors shall again exercise these rights, duties, and powers when the department determines that the fair is in compliance with this section.

(d) The department may petition a court of competent jurisdiction for an order appointing the department, or a person designated by the department, as a receiver if it determines that the fair is insolvent, or is in imminent danger of insolvency. The court shall appoint a receiver upon a showing that the fair is insolvent, or is in imminent danger of insolvency.

(e) For purposes of this section, "insolvency" means that the district agricultural association is unable to discharge its debts as they become due in the usual course of business.

SEC. 52. Section 3215 is added to the Food and Agricultural Code, to read:

3215. The authority of the department shall include, but is not limited to, requiring county fairs and citrus fruit fairs to do all of the following:

(a) Meet all applicable standards prescribed by the department.

(b) Submit to the department for review and approval every five years a written agreement specifying the operational, financial, and administrative responsibilities between the entity producing the fair and the host county or the host agency.

SEC. 53. Section 3216 is added to the Food and Agricultural Code, to read:

3216. Funds appropriated from the Fair and Exposition Fund may be expended for the payment of premiums, for capital outlay purposes, including the purchase of land and equipment for construction and improvements, and for the general support and maintenance of the network of California fairs and for the department's oversight of the network of California fairs.

SEC. 54. Section 3217 is added to the Food and Agricultural Code, to read:

3217. (a) Notwithstanding Section 3216, any unanticipated revenues, other than any allocation from the state, that are in excess of the approved budget for any fiscal or calendar year of any California fair shall be retained by that fair.

(b) These funds may be expended, without regard to any fiscal year, by any fair to which Section 3216 applies, upon approval by the board of directors of that fair, which shall be recorded in the official minutes of the fair approving a plan of expenditure.

SEC. 55. Section 3218 is added to the Food and Agricultural Code, to read:

3218. If any California fair does not hold a fair in any year because of war conditions, or because the grounds or buildings of the fair have been taken over and occupied by the United States or its armed forces, or that fair is not held due to an act of God, or any unavoidable catastrophe, natural or human made, the fair shall nevertheless submit an annual statement of operations and shall not resume operations without a budget that has been approved by the department.

SEC. 56. Section 3219 is added to the Food and Agricultural Code, to read:

3219. The department may make and may administer loans from the Fair and Exposition Fund to any fair in the network of California fairs according to agreements that are specific to the circumstances that gave rise to a receiving fair's need for a loan, subject to the fair's demonstrated ability to repay the loan.

SEC. 57. Section 3220 is added to the Food and Agricultural Code, to read:

3220. Notwithstanding any other law, any fair qualified to receive an allocation that has complied with the requirements set forth in subdivision (b) of Section 3212, with the approval of the department, may expend available funds for the construction or operation of recreational and cultural facilities of general public interest.

SEC. 58. Section 3221 is added to the Food and Agricultural Code, to read:

3221. Notwithstanding any other law, the 1-A District Agricultural Association may, with the approval of the department, expend any money available for expenditure by the association, for construction, repairs, and equipment.

SEC. 59. Section 3222 is added to the Food and Agricultural Code, to read:

3222. All money appropriated pursuant to this chapter to the California Exposition and State Fair, the Los Angeles County Fair, the Sixth District Agricultural Association, known and designated as Exposition Park, the citrus fruit fairs, as defined in Section 4603, and the 1-A District Agricultural Association, is exempt from Section 16304 of the Government Code, and shall remain available for expenditure from year to year until expended.

SEC. 60. Section 3223 is added to the Food and Agricultural Code, to read:

3223. (a) Appropriations and allocations from the Fair and Exposition Fund made pursuant to this chapter, other than those made under subdivision (b) of Section 3201, are exempt from Section 16304 of the Government Code. The date of the executive order is deemed to be the date when the appropriation becomes available for expenditure.

(b) All appropriations and allocations made by this article that are not exempted by this section from Section 16304 of the Government Code are subject to that section.

SEC. 61. Section 3224 is added to the Food and Agricultural Code, to read:

3224. (a) The books and records of any county or citrus fruit fair or exposition receiving an appropriation or an allocation from the Fair and Exposition Fund, insofar as they relate to revenues and expenditures for fair or exposition purposes, may be audited by the Department of Finance.

(b) When any county or citrus fruit fair or exposition receiving an appropriation or allocation from the Fair and Exposition Fund contracts with an association to conduct the fair or exposition, the contract shall include a provision that the books and records of the association shall be subject to audit by the Department of Finance at the discretion of the department.

SEC. 62. Chapter 2 (commencing with Section 3851) of Part 3 of Division 3 of the Food and Agricultural Code is repealed.

SEC. 63. Section 4003 of the Food and Agricultural Code is amended to read:

4003. Any money that is not expended within three years after being paid into the Fair and Exposition Fund pursuant to Section 4002 shall be added to and become a part of the amount available pursuant to Section 3204 for permanent improvements on the property of the state, citrus, county, or district agricultural associations for fair purposes, or the purchase of equipment for fair purposes, or the acquisition or purchase of real property, including costs of appraisal or other incidental costs, to be used as sites for those permanent improvements, in amounts as may be allocated by the secretary.

SEC. 64. Section 4060 of the Food and Agricultural Code is amended to read:

4060. (a) Any compensation to any officer or employee of the state by any nonprofit corporation formed exclusively to aid and assist an association, as provided for in Section 18000.5 of the Government Code, shall be approved by the department before payment. The nonprofit corporation shall notify the department of the compensation.

(b) The department shall, during regular audits, review the payments from the nonprofit corporation to any state employees and those state employees' responsibilities to the nonprofit corporation. The financial information from the nonprofit corporation shall be made available to the department for the audit. Any compensation shall be justified by related work that is not the normal responsibility of the state officer or employee through employment by an association, including normal duties and working hours. The audit shall also determine if any board member serving on an association is also serving on the board of directors of the related nonprofit corporation and determine if there are any conflicts of interest regarding the payment to the association employees. The audit shall also determine if any officer or employee is receiving compensation from the nonprofit corporation in violation of subdivision (c).

(c) Pursuant to Section 1090 of the Government Code, a state officer or employee of an association shall not be compensated by the nonprofit corporation when that state officer or employee acts in an official capacity regarding any contract made with the nonprofit corporation.

SEC. 65. Article 3.7 (commencing with Section 4165) is added to Chapter 6 of Part 3 of Division 3 of the Food and Agricultural Code, to read:

Article 3.7. 48th District Agricultural Association

4165. Notwithstanding any other law, the directors of the 48th District Agricultural Association may not serve concurrently on another fair board.

SEC. 66. Section 4202 of the Food and Agricultural Code is amended to read:

4202. In the event of a dispute between the 52nd District Agricultural Association and the California Exposition and State Fair, the department shall represent the interests of the association. If mediation of any matter fails to reach a consensus, the Department of General Services shall arbitrate all matters based on the best economic interests of the state and the decision of the department in the matter shall be final. Reasonable notice shall be given by the department to all parties to a disputed matter and an opportunity to present evidence shall be provided to all parties. Arbitration costs shall be shared equally between the parties.

SEC. 67. Section 4210 of the Food and Agricultural Code is repealed.

SEC. 68. Section 4534 of the Food and Agricultural Code is amended to read:

4534. (a) The committee shall investigate, study, and analyze, when it deems it necessary, any or all facts and matters relating to the operation and financing of fairs that are subject to this division and the effect and operation of the laws relating thereto.

(b) The committee shall regularly review the administration of the Fair and Exposition Fund by the department and make recommendations to improve efficiency and economy in the operation of all fairs.

(c) The committee shall seek methods whereby private financing can be secured for support of all local fairs.

(d) The committee shall regularly review the capability of the department to administer and supervise the allocation of moneys from the Fair and Exposition Fund to all local fairs.

(e) The committee shall make recommendations to the Legislature regarding the establishment of new district agricultural associations or local fairs.

(f) The committee shall regularly review the criteria for the classification of fairs specified by Section 4507 and make recommendations for changes whenever appropriate.

(g) The committee shall encourage, where feasible, the conduct on a regular basis of joint or combined fairs pursuant to Section 4441.

SEC. 69. Section 4651 of the Food and Agricultural Code is repealed.

SEC. 70. Section 4652 of the Food and Agricultural Code is repealed.

SEC. 71. Section 4701 of the Food and Agricultural Code is amended to read:

4701. An association that conducts and carries on any citrus fruit fair that is eligible to receive apportionments pursuant to this division:

(a) Has the same power as a district agricultural association to construct, maintain, and operate recreational and cultural facilities of general public interest.

(b) Is an instrumentality of the state for the purposes mentioned in subdivision (a) and in Section 4603.

SEC. 72. Section 24013.5 of the Food and Agricultural Code is amended to read:

24013.5. (a) The secretary shall appoint an advisory committee to serve without compensation. The committee shall meet at least once a year, however, the chairperson may call for additional meetings as the chairperson determines are necessary. The committee shall elect a chairperson at its first meeting after appointment. Thereafter selection of the chairperson shall take place as deemed appropriate by, and at the pleasure of, the committee.

(b) (1) Members of the committee and their alternates may include, but not be limited to, representation from the California State Horsemen's Association, the Equestrian Trails, Inc., the California Professional Horsemen's Association, the Los Angeles Hunter Jumper Association, the California Dressage Society, the Pacific Coast Quarter Horse Association, the Central California Quarter Horse Association, the department, the North American Trail Ride Conference, the United States Equestrian Federation, the University of California School of Veterinary Medicine, the Appaloosa Horse Club, the Arabian Horse Association, the Pinto Horse Association of America, the California Veterinary Medical Association, the NorCal Hunter Jumper Association, the California Farm Bureau Federation, the California Gymkhana Association, the American Morgan Horse Association, the Pacific Coast Cutting Horse Association, the Pacific Coast Horse Shows Association, and any other organization the secretary deems appropriate.

(2) The advisory committee members and their alternates shall be representative of the industry that this chapter regulates. The members of the committee may also include, but are not limited to, representatives of breed associations represented within the state and other organizations with an interest in the deterrence of drug abuse in the industry that this chapter regulates.

(c) (1) In addition, the secretary may appoint one public member to the committee.

(2) Upon the secretary's request, the committee shall submit to the secretary the names of three or more natural persons, each of whom shall be a citizen and resident of this state for appointment by the secretary as a public member and an alternate public member of the committee. The secretary may appoint one of the nominees as the public member on the committee. If all nominees are unsatisfactory to the secretary, the committee shall continue to submit lists of nominees until the secretary has made a selection. Any vacancy in the office of the public member of the committee shall be filled by appointment by the secretary from the nominee or nominees similarly qualified and submitted by the committee. The public member of the committee shall represent the interests of the general public in all matters considered by the committee and shall have the same voting and other rights and immunities as other members of the committee.

SEC. 73. Section 6546 of the Government Code is amended to read:

6546. In addition to other powers, any agency, commission, or board provided for by a joint powers agreement pursuant to Article 1 (commencing with Section 6500) may issue revenue bonds pursuant to this article to pay the cost and expenses of acquiring or constructing a project or conducting a program for any or all of the following purposes:

(a) An exhibition building or other place for holding fairs or exhibitions for the display of agricultural, livestock, industrial, or other products, including movable equipment, entertainment facilities, and other facilities to be used in conjunction with holding a fair or exposition in several locations, including those projects and facilities specified in paragraph (1) of subdivision (a) of Section 19606.1 of the Business and Professions Code, those projects and facilities specified in paragraph (1) of subdivision (a) of Section 3205 of the Food and Agricultural Code, that project and facility authorized by Article 3.5 (commencing with Section 4161) of Chapter 6 of Part 3 of Division 3 of the Food and Agricultural Code, and for those purposes specified in an agreement pursuant to Section 6516 of the Government Code.

(b) A coliseum, a stadium, a sports arena or sports pavilion, or other building for holding sports events, athletic contests, contests of skill, exhibitions, spectacles, and other public meetings.

(c) Any other public buildings, including, but not limited to, general administrative facilities of a city, county, city and county, special district, or authority.

(d) A regional or local public park, recreational area, or recreational center, and all facilities and improvements related thereto.

(e) A facility for the generation or transmission of electrical energy for public or private uses and all rights, properties, and improvements necessary therefor, including fuel and water facilities and resources. As used in this chapter, "transmission of electric energy" does not include the final distribution of electric energy to the consumer.

(f) A facility for the disposal, treatment, or conversion to energy and reusable materials of solid or hazardous waste or toxic substances.

(g) Facilities for the production, storage, transmission, or treatment of water or wastewater.

(h) Local streets, roads, and bridges.

(i) Bridges and major thoroughfares construction pursuant to Sections 50029 and 66484.3.

(j) Mass transit facilities or vehicles.

(k) Publicly owned or operated commercial or general aviation airports and airport-related facilities.

(l) Police or fire stations.

(m) Public works facilities, including corporation yards.

(n) Public health facilities owned or operated by a city, county, city and county, special district, or authority.

(o) Criminal justice facilities, including court buildings, jails, juvenile halls, and juvenile detention facilities.

(p) Public libraries.

(q) Publicly owned or operated parking garages.

(r) Low-income housing projects owned or operated by a city, county, city and county, or housing authority.

(s) Public improvements authorized in a project area created pursuant to the Community Redevelopment Law, Part 1 (commencing with Section 33000) of Division 24 of the Health and Safety Code.

(t) Public improvements authorized pursuant to the Improvement Act of 1911, Division 7 (commencing with Section 5000) of the Streets and Highways Code, the Improvement Bond Act of 1915, Division 10 (commencing with Section 8500) of the Streets and Highways Code, the Municipal Improvement Act of 1913, Division 12 (commencing with Section 10000) of the Streets and Highways Code, and the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5.

(u) Telecommunication systems or service, including, but not limited to, the installation, provision, or maintenance of that system or service.

(v) (1) Programs, facilities, rights, properties, and improvements for the management, conservation, reuse, or recycling of electric capacity or energy, natural gas, water, wastewater, or recycled water, including demand side or load management and other programs and facilities designed to reduce the demand for, or permit or promote the efficient use of, those resources.

(2) "Programs," for the purpose of this subdivision, shall include activities only to the extent the costs thereof may be charged to a capital account under applicable generally accepted accounting principles or are of a type required to be charged to a capital account by entities subject to regulation by the Public Utilities Commission or other regulatory body of the state.

(w) Equipment necessary to support the above-listed facilities or necessary to deliver public services therefrom, including, but not limited to, telecommunications equipment, computers, and service vehicles.

(x) Bonds may be issued pursuant to this article if the joint powers entity, or its individual parties that contract pursuant to Section 6547.5, 6547.6, or 6547.7 to make payments to be applied to the payment of the indebtedness, have the power to acquire, construct, maintain, or operate one or more of the projects specified in this section.

SEC. 74. Section 13083 of the Government Code is repealed.

SEC. 75. Section 25903 of the Government Code is amended to read:

25903. With the approval of the Department of Food and Agriculture and the State Public Works Board, the amount paid into the Fair and Exposition Fund pursuant to Section 25902 shall be available for expenditure by the county for permanent improvements for fair purposes on the property of the county, the purchase of equipment for fair purposes, or the acquisition or purchase of real property, including costs of appraisal or other incidental costs, to be used as sites for those permanent improvements. Any portion of those funds that is not so expended within three years after being paid into the State Treasury shall be added to and become a part of the amount available under law for permanent improvements on the property of the state, citrus, county, or district agricultural associations for fair purposes, or the purchase of equipment for fair purposes, or the acquisition or purchase of real property and appraisal or other incidental costs, to be used as sites for those permanent improvements, in those amounts as are allocated by executive order of the Secretary of Food and Agriculture.

SEC. 76. Section 25906 of the Government Code is amended to read:

25906. The board of supervisors of a county may contract with a nonprofit corporation or association for the conducting of an agricultural fair in the county for the period and under those conditions as the board may determine. The contracts may provide for the use, possession, and management of any public park or fairgrounds by the nonprofit corporation during the period of the contract. When that use, possession, and management is granted, the board may also allocate to the nonprofit corporation a sum of money it deems necessary to be used for any purpose incidental to the fair. If the contract involves the use of property acquired with money derived from the state or if the contract contemplates the use of money allocated or appropriated by the state for the fair, the contract shall be subject to approval by the Department of Food and Agriculture. If the county desires to receive an allocation under Section 3200 of the Food and Agricultural Code, the corporation shall submit an annual budget to the Department of Food and Agriculture, showing the estimated revenues and the proposed expenditures from all sources during the ensuing calendar year, which budget shall first be approved by the board of supervisors. The corporation shall also comply with any other law relating to county fairs as a condition necessary for the county to receive an allocation of state money for fair purposes. Upon the dissolution of any such corporation, all property and assets thereof within the county with which it contracts shall be paid to that county.

SEC. 77. Section 27575 of the Penal Code is amended to read:

27575. (a) Notwithstanding any other law, an officer, employee, operator, lessee, or licensee of the 32nd District Agricultural Association, as defined in Section 3102 of the Food and Agricultural Code, shall not contract for, authorize, or allow the sale of

any firearm, firearm precursor part, or ammunition on the property or in the buildings that comprise the OC Fair and Event Center, in the County of Orange, the City of Costa Mesa, or any successor or additional property owned, leased, or otherwise occupied or operated by the district.

(b) This section does not apply to any of the following:

- (1) A gun buyback event held by a law enforcement agency.
- (2) The sale of a firearm by a public administrator, public conservator, or public guardian within the course of their duties.
- (3) The sale of a firearm, firearm precursor part, or ammunition on state property that occurs pursuant to a contract that was entered into before January 1, 2022.
- (4) The purchase of ammunition on state property by a law enforcement agency in the course of its regular duties.

SEC. 78. Section 27575.1 of the Penal Code is amended to read:

27575.1. (a) Notwithstanding any other law, an officer, employee, operator, lessee, or licensee of the 31st District Agricultural Association, as defined in Section 3102 of the Food and Agricultural Code, shall not contract for, authorize, or allow the sale of any firearm, firearm precursor part, or ammunition on the property or in the buildings that comprise the Ventura County Fair and Event Center, in the County of Ventura, the City of Ventura, or any successor or additional property owned, leased, or otherwise occupied or operated by the district.

(b) This section does not apply to any of the following:

- (1) A gun buyback event held by a law enforcement agency.
- (2) The sale of a firearm by a public administrator, public conservator, or public guardian within the course of their duties.
- (3) The sale of a firearm, firearm precursor part, or ammunition on state property that occurs pursuant to a contract that was entered into before January 1, 2023.
- (4) The purchase of ammunition on state property by a law enforcement agency in the course of its regular duties.

SEC. 79. Section 5096.339 of the Public Resources Code is amended to read:

5096.339. (a) Not less than 11 percent of the funds authorized in paragraph (1) of subdivision (l) of Section 5096.310 shall be available as grants administered by the department to cities, counties, and nonprofit organizations for the development, rehabilitation, or restoration of facilities accredited by the American Zoo and Aquarium Association (AZA) and operated by cities, counties, and nonprofit organizations, and to cities, counties, and nonprofit organizations for the development, rehabilitation, or restoration of zoos and aquariums operated by cities, counties, and nonprofit organizations, but not yet accredited by the AZA. This program shall be known, and may be cited, as the Dr. Paul Chaffee Zoological Program. Allocation in awarding grants pursuant to this section shall be in accordance with the following schedule:

- (1) Individual grants of up to one million dollars (\$1,000,000), or an amount to be determined by dividing 95 percent of the total zoo and aquarium funds available pursuant to this subdivision by the number of AZA accredited institutions at the time of enactment of this section, shall be made available to zoos and aquariums that are AZA accredited.
- (2) Not less than 20 percent or two million dollars (\$2,000,000), whichever is greater, of the funds available pursuant to this subdivision shall be reserved for institutions with annual operating budgets of less than one million dollars (\$1,000,000).
- (3) Not more than 5 percent of the total funds available pursuant to this subdivision, shall be made available as grants to zoos and aquariums that have initiated the AZA accreditation process but are not yet accredited at the time of the enactment of this section. Grants awarded under this subdivision shall be dedicated to projects that will enhance the institution's ability to meet standards of AZA accreditation.
- (4) Not more than 5 percent of the total funds available pursuant to this subdivision shall be granted for publicly owned or nonprofit zoos and wildlife centers that may not be accredited, but that care for animals that have been injured or abandoned and that cannot be returned to the wild. To be eligible for this portion of those funds, applicants shall demonstrate that they serve a regional area, foster the environmental relationships of animals within that region, and operate outreach and onsite programs communicating those objectives to the public.

(b) At least ten million dollars (\$10,000,000) of the funds allocated pursuant to paragraph (1) of subdivision (l) of Section 5096.310 shall be provided to the California Science Center for implementation of the Exposition Master Plan. Three million dollars (\$3,000,000) of this amount shall be made available to the California African American Museum for completion of its

education and visitor facility in Exposition Park and seven million dollars (\$7,000,000) of this amount shall be made available for the California Science Center School.

(c) Not less than five hundred thousand dollars (\$500,000) of the funds allocated pursuant to paragraph (1) of subdivision (l) of Section 5096.310 shall be available as grants for facilities for education programs focused on the National Marine Sanctuaries along California's coast.

(d) Not less than forty-four million seven hundred fifty thousand dollars (\$44,750,000) of the funds allocated pursuant to paragraph (1) of subdivision (l) of Section 5096.310 shall be made available for the following purposes:

(1) At least ten million dollars (\$10,000,000) shall be provided to the Discovery Science Center in Santa Ana for capital improvement.

(2) At least ten million dollars (\$10,000,000) shall be provided to the California Academy of the Sciences for capital improvement projects.

(3) At least two million dollars (\$2,000,000) shall be provided toward the creation of the Delta Science Center to carry out significant marine and delta aquatic education and interpretive programs.

(4) At least fifteen million dollars (\$15,000,000) shall be provided to the Alliance of Redding Museums for capital improvements for the Turtle Bay-Museums and the Arboretum on the River.

(5) An individual grant of four million two hundred fifty thousand dollars (\$4,250,000) shall be made to the Department of Food and Agriculture for capital outlay to assist with an approved contract entered into on or before January 1, 2000, for an exposition or state fair relocation in any county with a population greater than 5,000,000.

(6) The sum of three million five hundred thousand dollars (\$3,500,000) to enhance the two-acre historical exhibit at the Kern County Museum.

SEC. 80. Section 80074 of the Public Resources Code is amended to read:

80074. Of the amount made available pursuant to Section 80070, eighteen million dollars (\$18,000,000) shall be available to the Department of Food and Agriculture to provide for facility improvements for county fairs, district agricultural associations, including the Sixth District Agricultural Association, as described in Section 4101 of the Food and Agricultural Code, and the Forty-Fifth District Agricultural Association, citrus fruit fairs, and the California Exposition and State Fair.

SEC. 81. Section 605 of the Unemployment Insurance Code is amended to read:

605. (a) Except as provided by Section 634.5, "employment" for the purposes of this part and Parts 3 (commencing with Section 3501) and 4 (commencing with Section 4001) includes all service performed by an individual (including blind and otherwise disabled individuals) for any public entity or Indian tribe, if the service is excluded from "employment" under the Federal Unemployment Tax Act solely by reason of Section 3306(c)(7) of Title 26 of the United States Code.

(b) For purposes of this section, both of the following definitions apply:

(1) "Public entity" means the State of California (including the Trustees of the California State University and Colleges, and the California Industries for the Blind), an instrumentality of this state (including the Regents of the University of California), a political subdivision of this state or any of its instrumentalities, a county, city, district (including the governing board of a school district or community college district, a county board of education, a county superintendent of schools, or a personnel commission of a school district or community college district that has a merit system pursuant to the Education Code), entities conducting fairs as identified in Sections 3101 to 3104, inclusive, of the Food and Agricultural Code, a public authority, public agency, or public corporation of this state, an instrumentality of more than one of the foregoing, and an instrumentality of any of the foregoing and one or more other states or political subdivisions.

(2) "Indian tribe" means an Indian tribe described by Section 3306(u) of Title 26 of the United States Code.

SEC. 82. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.