

Act No. 39
Public Acts of 2000
Approved by the Governor
March 24, 2000
Filed with the Secretary of State
March 24, 2000
EFFECTIVE DATE: March 24, 2000

**STATE OF MICHIGAN
90TH LEGISLATURE
REGULAR SESSION OF 2000**

**Introduced by Reps. DeVuyst, Rick Johnson, Richardville, Jelinek, Hager, Kukuk, Mead, Green, Bovin,
Howell, Scranton, Vear, Voorhees, Pappageorge, Tabor, Geiger and Koetje**

ENROLLED HOUSE BILL No. 5341

AN ACT to amend 1978 PA 361, entitled "An act to provide for the control and management of certain state exposition centers and fairgrounds; to create a state exposition center and fairgrounds council; to prescribe its powers and duties; to provide for the appointment of a state exposition center and fairgrounds manager and to prescribe the manager's powers and duties; to designate the method of financing state exposition centers and fairgrounds; and to repeal certain acts and parts of acts," by amending sections 2, 5, 6, 7, 8, 9, and 11 (MCL 285.162, 285.165, 285.166, 285.167, 285.168, 285.169, and 285.171) and by adding sections 14a and 15a; and to repeal acts and parts of acts.

The People of the State of Michigan enact:

Sec. 2. As used in this act:

- (a) "Council" means the state exposition and fairgrounds council created in section 9.
- (b) "Department" means the department of agriculture.
- (c) "Director" means the director of the department.
- (d) "Fund" means the state exposition and fairgrounds fund created in section 14a.
- (e) "Manager" means the manager of the state exposition and fairgrounds.

Sec. 5. The control of all land and other property held or acquired by the state or its people for the purpose of holding and conducting agricultural and industrial fairs and exhibitions is vested in the department.

Sec. 6. The department shall do all of the following:

(a) Conduct an annual state fair and other exhibits or events for the purpose of promoting all phases of the economy of this state. This fair and the exhibits or events shall encourage and demonstrate agricultural, industrial, commercial, and recreational pursuits.

(b) Lease the state exposition and fairgrounds, a portion of the state exposition and fairgrounds, or a building on the state exposition and fairgrounds for purposes considered by the department to be consistent with the staging of the state fair and other exhibits or events. The department may determine and impose rental charges and other fees for the use or lease of the buildings and grounds or a portion of the buildings and grounds. The department may lease properties to private and public organizations for a period not to exceed 30 years for consideration established by the department. The department may grant leases for all or a portion of the state exposition and fairgrounds to private and public organizations, conditional upon construction and improvements according to plans approved by the department to be financed by the lessees, for terms not to exceed 30 years. The department may grant an extension of the lease term for not more than an additional 20 years. The use of the state exposition and fairgrounds, a portion of the state exposition and fairgrounds, or a building on the state exposition and fairgrounds shall not interfere with the preparation for or holding of the state fair and other exhibits or events. Land, a building, or other property that is leased under this

subdivision to a for-profit business shall be leased at fair market value. All leases and contracts entered into under this act remain valid until the expiration of the term of the lease or contract.

(c) Enter into contracts to conduct the annual state fair, exhibits, or other events, at the state exposition and fairgrounds that enhance agricultural, industrial, commercial, recreational, educational, or cultural pursuits or government services to citizens.

Sec. 7. (1) The department annually shall present a report to the governor, the legislature, and the council describing the receipts or expenditures through appropriation, gift, grant, or conveyance that have a material bearing on the operation of the state fair or the state exposition and fairgrounds.

(2) An annual audit of the books and records of the state exposition and fairgrounds shall be made by the auditor general.

(3) The department shall promulgate rules governing the conduct of the annual state fair and state exposition and fairgrounds and the development and administration of the state exposition and fairgrounds as a commercial, agricultural, recreational, and multipurpose facility, pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

Sec. 8. The manager shall do all of the following:

(a) Be directly responsible to the director.

(b) Be the chief administrative officer for the management and operation of the state exposition and fairgrounds, and may enter into contracts and leases as authorized by rule promulgated under this act.

(c) Have as a primary work station the site of the state exposition and fairgrounds.

(d) Through the department, hire all necessary personnel associated with the management and operation of the state exposition and fairgrounds.

(e) Be responsible for the financial operation of the state exposition and fairgrounds.

(f) Develop ideas and programs that enhance the operation and functioning of the state exposition and fairgrounds.

(g) Be responsible for the preparation of the annual budget for the state exposition and fairgrounds for presentation to the department.

Sec. 9. (1) A state exposition and fairgrounds council is established within the department. The council shall consist of the following members:

(a) The director or a designated representative.

(b) The director of the department of natural resources or a designated representative.

(c) Nine members, not more than 5 of whom shall be members of the same political party, appointed by the governor by and with the consent of the senate. The term of office of each member in this subdivision shall be 3 years except that, of the members first appointed, 2 shall serve for 1 year, 3 shall serve for 2 years, and 4 shall serve for 3 years. In case of vacancy, an appointment to fill the vacancy shall be made in the same manner as the original appointment for the unexpired term. Three members shall be engaged in the agriculture industry, 1 member shall represent labor, 2 members shall represent business, 1 member shall be from the travel industry, and 2 members shall be from the general public.

(2) Council members shall be paid a per diem compensation and receive reimbursement of expenses.

(3) The council shall select a chairperson and other officers from its membership.

(4) The director and the director of the department of natural resources shall not serve as officers of the council.

(5) The council shall be provided staff assistance by the department to carry out its functions and shall meet not less than 4 times per year.

Sec. 11. The council shall do all of the following:

(a) Advise the director, the legislature, and the governor on the operating budget, capital improvements, programs, exhibits, and other matters relevant to the state exposition and fairgrounds.

(b) Advise the director relative to the selection of a manager before selection.

(c) Advise the director with regard to utilization of the state exposition and fairgrounds, including its use as the site for the annual state fair, and on any other matter which the council may regard as appropriate.

(d) Promote, encourage, and assist the director and the manager in conducting exhibits or other events at the state exposition and fairgrounds that enhance agricultural, industrial, commercial, recreational, educational, or cultural pursuits or government service to citizens.

(e) Perform other functions the director or the manager requests.

Sec. 14a. (1) The state exposition and fairgrounds fund is created within the state treasury.

(2) The state treasurer shall direct the investment of the fund. The state treasurer shall credit to the fund interest and earnings from fund investments. The state treasurer may receive money or other assets from any source for deposit into the fund. All of the following shall be deposited in the fund:

(a) Money appropriated from the general fund for the purpose of holding a state fair that is unencumbered and unspent at the close of the fiscal year.

(b) Money generated from the operation of activities authorized by this act.

(3) Money in the fund at the close of the fiscal year shall remain in the fund and shall not lapse to the general fund.

(4) The department shall submit an annual report to the legislature and the council showing the amount of money received under this act and how that money was spent.

(5) Upon appropriation, money in the fund shall be expended by the director, with the advice of the council, to provide for an annual state fair, the maintenance of the state exposition and fairgrounds, and for any purpose authorized in section 6.

Sec. 15a. The department may demolish or permit the demolition of any building or structure on the state exposition and fairgrounds that is determined by the director to be unsuitable for uses consistent with the holding of the state fair.

Enacting section 1. The following acts and parts of acts are repealed:

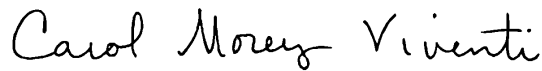
(a) Sections 14, 15, and 16 of the Michigan exposition and fairgrounds act, 1978 PA 361, MCL 285.174, 285.175, and 285.176.

(b) Section 4 of 1921 PA 13, MCL 285.4.

This act is ordered to take immediate effect.



Clerk of the House of Representatives.



Secretary of the Senate.

Approved _____

Governor.