

January 23, 1951.  
Agriculture 1.

**House File 152**

By NELSON of Woodbury, BROWN, METZ, KOSEK,  
McNEAL, PENDLETON and MUNGER.

Passed House, Date .....

Vote: Ayes..... Nays.....

Passed Senate, Date .....

Vote: Ayes..... Nays.....

Approved .....

**A BILL FOR**

An Act to amend section one hundred seventy-four point two (174.2), Code 1950, to clarify the powers of a "society" as defined in section one hundred seventy-four point two (174.2).

*Be It Enacted by the General Assembly of the State of Iowa:*

- 1 Section 1. Section one hundred seventy-four point two
- 2 (174.2), Code 1950, is hereby amended by adding to said section
- 3 following the period (.) in line seven (7) thereof the
- 4 following:
- 5 "In addition to the powers granted herein the society
- 6 shall possess the powers of a corporation not for pecuniary
- 7 profit under the laws of this state and those powers enumerated
- 8 in its articles of incorporation, such powers to be exercised
- 9 before and after the holding of such fairs."

**EXPLANATION OF H. F. 152**

In the case of state of Iowa ex rel Don McElhinney vs. All Iowa Agricultural Association which was tried in the district court of Linn county, Iowa, the district court held that the only powers of a fair society, receiving State and county aid under chapter one hundred seventy-four (174) of the Code, was to hold an annual fair and that the grounds cannot be used or leased for income purposes at times other than holding the fair. Fair societies for many years have used or leased their property for income purposes other than fair time. This amendment confirms said practices and recognizes the right of fair societies to exercise the usual powers of non-profit corporations for income essential to carrying on their activities whether during fair time or at other times of the year.