



INSURANCE INFORMATION ALERT

TO: ALL CFSA MEMBER FAIRS

FROM: Tom Amberson, Risk Department Manager

SUBJECT: CFSA GENERAL LIABILITY OPERATING MEMO #17-01; REVISED HAZARDOUS ACTIVITIES AND EVENTS TO INCLUDE DRONES AND CANNABIS FESTIVALS/TRADESHOWS; REVISED ADDITIONAL INSURED LANGUAGE ON INSURANCE CERTIFICATES.

DATE: February 8, 2017

Routinely, CFSA revises the list of Hazardous Activities and Events (not Fair sponsored) to include activities and events that are trending in the fair industry and also to remove or change anything that is obsolete or no longer relevant.

The attached CFSA General Liability Program Operating Memorandum #17-01 is an updated list of Hazardous Activities and Events (not Fair Sponsored) and becomes effective March 3, 2017. This Memorandum applies to all DAA fairs and fairs participating in CFSA's General Liability Program.

The following is a summary of the changes made to the Hazardous Activities and Events list.

- ◆ The addition of Drone/Remote Control Flying objects requiring \$1,000,000 per occurrence commercial General Liability.
- ◆ The addition of Cannabis Festivals/Trade Shows requiring \$2,000,000 per occurrence commercial General Liability.
- ◆ Deleted "Orbitrons" from list-attraction has been banned by DOSH.

NOTE: Please file this ALERT under General Liability Section 3, General Liability Memorandum, in your Claim & Loss Reporting Guide - 3rd Edition (The CFSA "Red Book").

1776 TRIBUTE ROAD, SUITE 100
SACRAMENTO, CA 95815
PHONE: (916) 921-2213 | FAX: (916) 646-1238

WWW.CFSA.ORG

- ◆ Revised “Sewer lines, maintenance and/or installation,” to “Sewer, water and other underground utilities (electrical, fiber-optic communications and gas lines) lines-maintenance and/or installation.
- ◆ Additional insured language required on certificates of insurance for each of the activities listed in Section 2 of Operating Memorandum #17-01 is revised to include, “Entities (public or non-profit) operating California designated agricultural fairs”.

Additionally, CFSA reviews contract language requirements for insurance coverage, making changes that bring clarity and broaden the scope of coverage.

Included are revisions to the additional insured language that broaden the scope of those covered to include the Entities (public or non-profit) operating a fair site when the site is not owned by the fair.

REVISED CFSA Insurance Requirements are attached and **must be made a part of all STATE, DISTRICT AGRICULTURAL ASSOCIATION AND COUNTY fair contracts and rental agreements, including any extensions of contracts and rental agreements.** Revisions include adding “Entities (public or non-profit) operating California designated agricultural fairs” to the additional insured language.

Please remember, if you experience difficulty with your vendors in obtaining the required minimum liability limits, call CFSA. We are here to assist you and your fair facility users when an insurance coverage issue arises. Call me at (916) 263-6180 or Lianne Lewellen, CFSA’s Risk Analyst, at (916) 263-6145.

Thank you for your continued cooperation. This is your self-insurance pooled program and whatever we can do together to keep losses down, will benefit us all.

Enclosures

cc California Department of Food & Agriculture, Fairs & Expositions Branch

NOTE: Please file this ALERT under General Liability Section 3, General Liability Memorandum, in your Claim & Loss Reporting Guide - 3rd Edition (The CFSA “Red Book”).

**California Fair Services Authority
Board of Directors**

**General Liability Program Operating Memorandum #17-01
EFFECTIVE MARCH 3, 2017**

Issued pursuant to the “Memorandum Stating the Terms and Conditions of the General Liability Risk Sharing Program Administered by the California Fair Services Authority,” adopted January 1, 2017 (hereinafter “MOC”).

Section 1. Minimum Liability Limits for Fair Contractors and Facility Users

All fairs participating in the CFSA general liability program described by the MOC must insure that fair contractors and other users of fair facilities maintain the following minimum per occurrence limits of commercial general liability coverage for the following activities:

A. Hazardous Activities and Events

\$5,000,000

- **Fairtime Carnival Rides**

\$3,000,000

- **Motorized Events:** Automobile races, drifting exhibitions, truck rodeos, tractor/truck pulls, destruction derbies, RV destruction derbies, mud bogs, mud racing, car crunches, monster truck shows, motorized thrill shows, lawnmower races and snowmobile races
- **Rodeo Events:** All Types **with a paid gate** and any Rough Stock Events such as Bull Riding, Bareback or Saddle Bronc

\$2,000,000

- **Rodeo Events:** All Types **without a paid gate** and with any Rough Stock Events such as Bull Riding, Bareback or Saddle Bronc
- **Interim Carnival Rides**
- **Fairtime Kiddie Carnival Rides:** Up to 6 kiddie rides (includes book-in rides)
- **Concerts:** Over 5,000 attendees
- **Cannabis Festivals/Trade Shows**
- **Mechanical Bulls**
- **Extreme Attractions:** All Types, including but not limited to bungee attractions, ejection seats, sky scrapers, free fall attractions, trampoline things/quad jumpers, zip line or similar attractions requiring a Cal-OSHA permit to operate

\$2,000,000 (cont'd)

- **Rave Type Events:** Any dance or concert which extends beyond midnight
- **Simulators**
- **Motorized Events:** Any arena or track motorcycle racing, including arena-style motocross, motorcycle exhibitions and go-cart racing

\$1,000,000

- **Animals:** All Types of Events, including but not limited to circuses, pony and other animal rides, petting zoos, pig (or other animal) races, dog training/obedience classes, horse-drawn refuse collection, wild/exotic animal exhibits and horse-pulled hay rides
- **Athletic Events, Competitive:** All Types
- **Building & Grounds Maintenance:** Janitorial service, cleaning service, window cleaning, carpet cleaning, landscaping, tree trimming/removal
- **Construction and Improvements on Buildings:** Major repair, major alterations, new construction of buildings, excavation, drilling, and demolition, modular buildings, portable structures
- **Drones/Remote control flying objects**
- **Elevator Maintenance**
- **Entertainment:** Trapeze, spin wheel or acrobat acts, tight rope, boxing matches, wrestling, strolling acts, stilt walkers, clowns and hypnotists
- **Equestrian Events:** All Types of Events, including but not limited to horse show, jousting, cutting and reining horses (training and lessons), gymkhana, team penning, team roping, barrel racing, dressage and show jumping
- **Equipment Rental:** Sound/lights, tents, pipe and drape, bleachers, portable stages, temporary/portable trailer rental and scaffolding
- **Fireworks Exhibitions**
- **Hazardous Substances:** Treatment, removal, storage or any other handling of any hazardous substances, including but not limited to toxic and petroleum waste and asbestos
- **Medical Services:** EMT, first aid services, and ambulance services
- **Miscellaneous:** Dunk tanks, tattooing, body piercing, parachuting, bouncy balloons, bounce houses, trampolines, rock climbing wall, foam parties, water wars, water balloon fights, circus, wheelchair and stroller rental
- **Parking Services**

\$1,000,000 (cont'd)

- **Parades**
- **Rodeo Events:** All types of Events **without** any Rough Stock Events, but including barrel racing, penning, and roping
- **Sanitation Services:** Portable restrooms/showers, portable toilets/port-a-potties and hand-washing stations
- **Security Services:** Public and private
- **Sewer, water and other underground utilities (electrical, fiber-optic communications and gas lines) lines—maintenance and/or installation.**
- **Sport Activities:** Rifle or gun club activities, archery practice, skeet range, golf driving ranges, laser tag and paint ball
- **Spraying:** Pest control, fumigation, crop or agricultural spraying and application
- **Transporting:** All Types, including but not limited to helicopter, stage coach, horse-pulled hay rides, trackless trains, hot air balloons, any aircraft (fixed wing or rotor), watercraft, livestock hauling (for auction) and armored car service
- **Wheeled Events:** All Types, including but not limited to roller derbies, roller skating, in-line skating, hockey, scooters, skateboards, bicycles, and BMX events

B. Non-Hazardous Activities and Events

NON-HAZARDOUS ACTIVITIES AND EVENTS (not fair sponsored) All contracts meeting this criteria over \$15,000 must be sent to CFSA for review and verification of insurance requirements

MINIMUM GENERAL LIABILITY INSURANCE LIMITS

\$1,000,000

- **Antique Shows**
- **Arts/Crafts**
- **Auctions other than Animal**
- **Auto Sales (no auto coverage)**
- **Banquets, Receptions, Social Gatherings:**
- **Barbecues/Picnics**
- **Bingo**
- **Birthday Party/Quinceanera**
- **Business Services:** Accounting services, Advertising agencies, Booking agencies, Public Relations, Fair consulting services, Admissions Management, Computer/IT Services, Exhibitor entry and auction data processing, and other similar services
- **Car Shows**
- **Cattle & Horse Sales**
- **Commercial Concessionaires/Exhibitors**

\$1,000,000 (cont'd)

- **Concerts (Non-Rave Events):** Under 5,000 attendees
- **Conventions**
- **Dances:** Under 5,000 attendees
- **Dog Shows:** No training/obedience classes
- **Equestrian Facility Use**
- **Exchange/Service Club Meetings**
- **Exhibitions**
- **Festivals**
- **Films/Lectures**
- **Funerals/Memorial Services**
- **Food and Beverage Concessionaires**
- **Graduation Ceremonies**
- **Health Fairs**
- **Horse/Cattle Symposiums**
- **Horse Shows:** (non-competitive or competitive horse shows being operated under State rules, United States Equestrian Federation (formerly USA Equestrian) rules or Breed Association rules
- **Independent Animal Exhibitors**
- **Instruction Classes/Aerobics (no participant coverage)**
- **Job Fair/Business Expo**
- **Meetings:** Social organizations, Fraternities, Business, Charity, Non-Profit
- **Overnight camping**
- **Palm Readings/Tarot Card Reading/Face Painting**
- **Performances/Theatrical (NOT CONCERTS) and Practices**
- **Retreats**
- **Reunions:** Family or class
- **Rummage/Garage Type Sales**
- **RV Rallies**
- **Seminars/Speaking Engagements/Training Sessions**
- **Shows, Flea Markets:** All Types, including but not limited to boat shows, car shows, coin shows, craft/ceramic shows, doll shows, flea markets, flower shows, gem and mineral shows, gun shows, home and garden shows, RV show and sales, sports card shows, swap meets, and trade shows
- **Small Animal Show & Clinic**
- **Sport Shows**
- **Stamps Shows**
- **Weddings/Receptions/Baptisms**

Section 2. Insurance Certificate/Additional Insured Requirements

All fairs participating in the CFSA general liability program described by the MOC must obtain a certificate of insurance for each of the activities listed in Section 1 above, showing the required coverage, and such certificate of insurance must include the following additional insured language: **“That the State of California, the District Agricultural Associations, County Fairs, Counties in which the County Fair is located, Lessor/Sublessor if fair site is leased/subleased, Citrus Fruit Fair, California Exposition and State Fair, or Entities (public or non-profit) operating California designated agricultural fairs, their directors, officers, agents, servants, and employees are made additional insured, but only insofar as the operations under this contract are concerned.”**

Section 3. Effective Date

This Operating Memorandum shall become effective March 3, 2017 at 12:01 a.m. Pacific Standard Time and shall apply to all contracts and rental agreements, and extensions of any contracts or rental agreements, entered into by a participating fair on or after such effective date.

California Fair Services Authority

By: 

Chair, Board of Directors

INSURANCE REQUIREMENTS

I. Evidence of Coverage

The contractor/renter shall provide a signed original evidence of coverage form for the term of the contract or agreement (hereinafter "contract") protecting the legal liability of the State of California, District Agricultural Associations, County Fairs, Counties in which County Fairs are located, Lessor/Sublessor if fair site is leased/subleased, Citrus Fruit Fairs, California Exposition and State Fair, or Entities (public or non-profit) operating California designated agricultural fairs, their directors, officers, agents, servants, and employees, from occurrences related to operations under the contract. This may be provided by:

- A. Insurance Certificate - The contractor/renter provides the fair with a signed original certificate of insurance (the ACORD form is acceptable), lawfully transacted, which sets forth the following:
 - 1. List as the Additional Insured: "That the State of California, the District Agricultural Association, County Fair, the County in which the County Fair is located, Lessor/Sublessor if fair site is leased/subleased, Citrus Fruit Fair, California Exposition and State Fair, or Entities (public or non-profit) operating California designated agricultural fairs, their directors, officers, agents, servants, and employees are made additional insured, but only insofar as the operations under this contract are concerned."
 - 2. Dates: The dates of inception and expiration of the insurance. **For individual events, the specific event dates must be listed, along with all set-up and tear down dates.**
 - 3. Coverages:
 - a. General Liability - Commercial General Liability coverage, on an occurrence basis, at least as broad as the current Insurance Service Office (ISO) policy form #CGL 001. Limits shall be not less than \$5,000,000 per occurrence for Fairtime Carnival Rides; \$3,000,000 per occurrence for Motorized Events All Types except arena or track motorcycle racing and go-cart racing; \$3,000,000 per occurrence for Rodeo Events all types **with a paid gate** and any Rough Stock events; \$2,000,000 per occurrence for Rodeo Events All Types **without a paid gate** and with any Rough Stock events; \$1,000,000 per occurrence for Rodeo Events All Types **without** any Rough Stock Events; \$2,000,000 per occurrence for Interim Carnival Rides, Fairtime Kiddie Carnival Rides of up to 6 rides, Concerts with over 5,000 attendees, Rave Type Events All Types, Cannabis Festivals/Trade Shows, Mechanical Bulls, Extreme Attractions All Types that require a DOSH permit to operate, Orbitrons, Simulators, and Motorized Events of arena or track motorcycle racing and go-cart racing; \$1,000,000 per occurrence for all other contracts for which liability insurance (and liquor liability, if applicable) is required.
 - b. Automobile Liability - Commercial Automobile Liability coverage, on a per accident basis, at least as broad as the current ISO policy form # CA 0001, Symbol #1 (Any Auto) with limits of not less than \$1,000,000 combined single limits per accident for contracts involving use of contractor vehicles (autos, trucks or other licensed vehicles) on fairgrounds.
 - c. Workers' Compensation - Workers' Compensation coverage shall be maintained covering contractor/renter's employees, as required by law.
 - d. Medical Malpractice - Medical Malpractice coverage with limits of not less than \$1,000,000 per occurrence shall be maintained for contracts involving medical services.
 - e. Liquor Liability - Liquor Liability coverage with limits of not less than \$1,000,000 per occurrence shall be maintained for contracts involving the sale of alcoholic beverages.
 - 4. Cancellation Notice: Notice of cancellation of the listed policy or policies shall be sent to the Certificate Holder in accordance with policy provisions.
 - 5. Certificate Holder:
 - For Individual Events Only - Fair, along with fair's address, is listed as the certificate holder.
 - For Master Insurance Certificates Only - California Fair Services Authority, Attn: Risk Management, 1776 Tribute Road, Suite 100, Sacramento, CA 95815 is listed as the certificate holder.

6. **Insurance Company:** The company providing insurance coverage must be acceptable to the California Department of Insurance.
7. **Insured:** The contractor/renter must be specifically listed as the Insured.

OR

- B. **CFSA Special Events Program** - The contractor/renter obtains liability protection through the California Fair Services Authority (CFSA) Special Events Program, when applicable.

OR

- C. **Master Certificates** - A current master certificate of insurance for the contractor/renter has been approved by and is on file with California Fair Services Authority (CFSA).

OR

- D. **Self-Insurance** - The contractor/renter is self-insured and acceptable evidence of self-insurance has been approved by California Fair Services Authority (CFSA).

II. General Provisions

1. **Maintenance of Coverage** - The contractor/renter agrees that the commercial general liability (and automobile liability, workers' compensation, medical malpractice and/or liquor liability, if applicable) insurance coverage herein provided for shall be in effect at all times during the term of this contract. In the event said insurance coverage expires or is cancelled at any time or times prior to or during the term of this contract, contractor/renter agrees to provide the fair, prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of the term of the contract, or for a period of not less than one (1) year. New certificates of insurance are subject to the approval of California Fair Services Authority, and contractor/renter agrees that no work or services shall be performed prior to the giving of such approval. In the event the contractor/renter fails to keep in effect at all times insurance coverage as herein provided, the fair may, in addition to any other remedies it may have, take any of the following actions: (1) declare a material breach by contractor/renter and terminate this contract; (2) withhold all payments due to contractor/renter until notice is received that such insurance coverage is in effect; and (3) obtain such insurance coverage and deduct premiums for same from any sums due or which become due to contractor/renter under the terms of this contract.
2. **Primary Coverage** - The contractor/renter's insurance coverage shall be primary and any separate coverage or protection available to the fair or any other additional insured shall be secondary.
3. **Contractor's Responsibility** - Nothing herein shall be construed as limiting in any way the extent to which contractor/renter may be held responsible for damages resulting from contractor/renter's operations, acts, omissions or negligence. Insurance coverage obtained in the minimum amounts specified above shall not relieve contractor/renter of liability in excess of such minimum coverage, nor shall it preclude the fair from taking other actions available to it under contract documents or by law, including, but not limited to, actions pursuant to contractor/renter's indemnity obligations. **The contractor/renter indemnity obligations shall survive the expiration, termination or assignment of this contract.**
4. **Certified Copies of Policies** - Upon request by fair, contractor/renter shall immediately furnish a complete copy of any policy required hereunder, with said copy certified by the underwriter to be a true and correct copy of the original policy. Fairtime Carnival Ride contractors must submit copies of actual liability insurance policies, certified by an underwriter, to California Fair Services Authority (CFSA).

III. Participant Waivers

For hazardous participant events, the contractor/renter agrees to obtain a properly executed release and waiver of liability agreement (Form required by contractor/renter's insurance company or CFSA Release and Waiver Form) from each participant prior to his/her participation in the events sponsored by contractor/renter. Hazardous participant events include but are not limited to any event within the following broad categories: Athletic Team Events; Equestrian-related Events; Motorized Events; Rodeo Events; and Wheeled Events, including bicycle, skates, skateboard, or scooter. Contact California Fair Services Authority at (916) 921-2213 for further information.