



INSURANCE INFORMATION ALERT

TO: ALL CFSA MEMBER FAIRS

FROM: Tom Amberson, Risk Department Manager

SUBJECT: **Changes to CFSA Insurance Requirements for all Fair Contractors and Facility Users Related to all Motorized Events and Swap Meets/Flea Markets**

DATE: December 11, 2017

On December 6, 2017, the CFSA Board of Directors adopted General Operating Memo #18-01 (attached) implementing changes to the CFSA Hazardous Activities List related to **all motorized events** and swap meets at CFSA General Liability Pool member fairgrounds. The following changes go into effect on January 1, 2018:

- The minimum General Liability limits for all motorized events is \$5 million per occurrence. Motorized events include **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, snowmobile races, motorcycle racing, including arena-style motocross, motorcycle exhibitions and go-cart racing.**
- The minimum General Liability limits for swap meets and flea markets is \$2,000,000 per occurrence.

The motorized events change was made due to the CFSA board's decision to place our excess insurance with the California State Association of Counties – Excess Insurance Authority (CSAC-EIA). CFSA has worked with CSAC-EIA to include motorized events excess coverage above \$5 million, it was previously excluded at all levels. The CSAC-EIA excess program provides CFSA with \$25 million in excess coverage above a \$100,000 Self-Insured Retention level that will assist us in building our General Liability Pool reserves at a faster rate.

The increase in limits for swap meets and flea markets is due to a State of California Business and Professions Code Section 21669 requirement that swap meets and/or flea markets held on public property be insured at a minimum of \$2,000,000 per occurrence.

IMPORTANT: The adoption of General Operating Memo #18-01 also changes the language in CFSA's Insurance Requirements document that all General Liability Pool member fairs are required to include in all contracts. Please see the new Insurance Requirements document attached here.

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

WWW.CFSA.ORG

In addition, the REVISED CFSA Insurance Requirements **must be made a part of all STATE AND COUNTY fair contracts and rental agreements, including any extensions of contracts and rental agreements related to motorized events (not just auto racing) and swap meets, entered into by a CFSA participating fair on or after January 1, 2018.** This includes any current multi-year contracts that extend into 2018.

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 pooled insurance program and whatever we can do together to transfer risk and keep losses down, will result in benefit for all.

Enclosures

cc CDFA Branch of Fairs & Expositions

**California Fair Services Authority
Board of Directors**

**General Liability Program Operating Memorandum #18-01
EFFECTIVE JANUARY 1, 2018**

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, 2018 (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**
- **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, snowmobile races, motorcycle racing, including arena-style motocross, motorcycle exhibitions and go-cart racing.

\$3,000,000

-
- **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**

\$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**
- **Parades**

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

- **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

\$2,000,000

- **Swap Meets**
- **Flea Markets**

\$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:** All Types, including but not limited to boat shows, car shows, coin shows, craft/ceramic shows, doll shows, flower shows, gem and mineral shows, gun shows, home and garden shows, RV show and sales, sports card shows, 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.”

In addition, all fairs participating in the CFSA general liability program are required to submit all contracts involving hazardous activities and events, or contracts over \$15,000 for non-hazardous events and activities, to CFSA for an insurance certificate review. For each contract requiring CFSA review, a copy of the complete contract and the insurance certificate for the contractor must be submitted well in advance of the effective date of the contract. The CFSA Risk Analyst may also require the actual insurance policy to review for exclusions or waivers that may prohibit insurance coverage of the activity.

The contract and insurance certificate are reviewed for the following:

- a. Insurance and/or hold harmless/indemnification provision in the contract;
- b. The insurance certificate for compliance with minimum liability insurance requirements and additional insured requirements;
- c. Legitimacy that the insurance certificate is in fact true, authentic and current;
- d. Legitimacy that the insurance policy does cover the activities designated in the contract to be conducted on the fairgrounds.

In order for CFSA to be assured it is receiving all required contracts for review, all fairs participating in the CFSA general liability program must submit a monthly contract log to the CFSA Risk Analyst. The log must include all contracts that fall under the above review requirements.

Section 3. Effective Date

This Operating Memorandum shall become effective January 1, 2018 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