

**ATLANTIC RURAL EXPOSITION**  
**REPORT OF THE**  
**VIRGINIA ADVISORY LEGISLATIVE COUNCIL**  
**to**  
**THE GOVERNOR**  
**and**  
**THE GENERAL ASSEMBLY OF VIRGINIA**



*H-3-1966*

COMMONWEALTH OF VIRGINIA  
Department of Purchases and Supply  
RICHMOND  
1965



MEMBERS OF COUNCIL

---

EDWARD E. WILLEY, *Chairman*

TOM FROST, *Vice-Chairman*

C. W. CLEATON

JOHN WARREN COOKE

JOHN H. DANIEL

CHARLES R. FENWICK

J. D. HAGOOD

EDWARD M. HUDGINS

CHARLES K. HUTCHENS

J. C. HUTCHESON

LEWIS A. McMURRAN, JR.

CHARLES D. PRICE

ARTHUR H. RICHARDSON

WILLIAM F. STONE

STAFF

JOHN B. BOATWRIGHT, JR.

WILDMAN S. KINCHELOE, JR.

G. M. Lapsley—Robert L. Masden—Frank R. Dunham—Mary R. Spain



**ATLANTIC RURAL EXPOSITION**  
**REPORT OF THE**  
**VIRGINIA ADVISORY LEGISLATIVE COUNCIL**

Richmond, Virginia, October 29, 1965

To:

HONORABLE A. S. HARRISON, JR., *Governor of Virginia*

and

THE GENERAL ASSEMBLY OF VIRGINIA

The General Assembly, at its 1964 Regular Session, adopted House Joint Resolution No. 7, which directed the Virginia Advisory Legislative Council to make a study and report on the advisability and feasibility of transforming the Atlantic Rural Exposition into an authority to be operated as a political subdivision of the State. The text of this resolution is as follows:

House Joint Resolution No. 7

*Directing the Virginia Advisory Legislative Council to make a study and report upon matters relating to the Atlantic Rural Exposition.*

Whereas, the Atlantic Rural Exposition has done much to promote agriculture and the economic advancement of the Commonwealth; and

Whereas, if the Atlantic Rural Exposition were transformed into a political subdivision of the State, by creating it as an authority, certain benefits not now available might be possible, and it is desirable to have more information upon these matters; now, therefore, be it

Resolved by the House of Delegates, the Senate concurring, That the Virginia Advisory Legislative Council is hereby directed to make a study and report upon the advisability and feasibility of the Atlantic Rural Exposition being transformed into an authority, and operated as a political subdivision of the State. All agencies of the State shall assist the Council in its study. The Council shall consider the experience of like operations in other states and the advantages which have accrued therefrom. The Council shall conclude its study and make its report to the Governor and General Assembly not later than September one, nineteen hundred sixty-five.

The Governor also requested the Virginia Advisory Legislative Council to broaden the scope of the study to include the advisability and feasibility of exempting the property of the Atlantic Rural Exposition from taxation.

The Council assigned the study to Honorable Edward E. Willey, member of the Senate of Virginia, Richmond, and a member of the Council, as Chairman of the Committee to make the initial study and report to the Council. Selected to serve with Senator Willey as members of the Committee were the following: Hale Collins, member of the Senate of Virginia, Covington; Collins Denny, III, Attorney, Richmond; F. Bruce Eberwine, businessman, Suffolk; Herbert Goodman, Vice-President, Northern Virginia Savings and Loan Association, McLean; R. Henry Matthiessen, Jr.,

member, Executive Committee, and Chairman, Livestock Committee, Virginia State Fair, Hume; Fred G. Pollard, member, House of Delegates, Richmond; Samuel E. Pope, member, House of Delegates, Drewryville; and W. Thomas Rice, President, Atlantic Coast Line Railroad Company, Richmond.

The Committee met and organized, electing Samuel E. Pope as Vice-Chairman. John B. Boatwright, Jr. and Robert L. Masden served as Secretary and Recording Secretary, respectively, to the Committee.

The Committee held several meetings at which the problems involved in the matters under study were carefully considered. The Committee also consulted with the officials of Henrico County and the Atlantic Rural Exposition as well as the members of the State Corporation Commission. The Committee also corresponded with each of the several states to determine the type of organization through which their State Fairs were operated; whether or not the property of such organizations are tax exempt; the amount of state assistance given to each; and the purpose or purposes for which such fairs are operated. Information received from the several states is included in Appendix I.

Prior to the time that the Committee completed its study the President of the Atlantic Rural Exposition, acting pursuant to a directive of the Executive Committee, asked that the study be discontinued for the present, giving the following reason for the request:

“At the time the General Assembly was asked to have these matters studied, there existed a real possibility that The Atlantic Rural Exposition might be called upon to build a multi-million dollar all-purpose coliseum on its property. The only way such a project could have been financed would have been through a tax free bond issue, and if a structure of this value were to be put on our property, exemption from real estate taxes would have been essential. In the light of these considerations, we felt that a study should be requested in spite of the fact that we were not then legally capable of becoming an authority because a sizeable percentage of our stock was still outstanding. It was hoped that a concerted effort to reacquire the outstanding stock would put us in position to ask that the study be pursued by the time the Virginia Advisory Legislative Council committee was ready to proceed.

“Our efforts to reacquire stock have not been nearly so successful as we had hoped and quite frankly, we are convinced that at the present time, our legal position is such as to preclude the transfer of A.R.E. assets to an authority even if one were authorized. Furthermore, since the City of Richmond indicates that it is interested in building the coliseum in a downtown location, the need for becoming an authority and for tax-exempt status has become less pressing. It is for these reasons that we are requesting that your study be pursued no further.”

Pursuant to the foregoing request, the study was discontinued and we are therefore submitting no detailed report. However, in the light of the study already made by it, we feel that there is a great deal of merit in the request made by the Atlantic Rural Exposition for authority status at such time as that corporation is in a legal position to assume such status. It is therefore our recommendation that if in the future the Atlantic Rural Exposition shall request that it be permitted to become a political subdivision of the State and can show itself legally capable of doing so, the

request should be granted by the General Assembly, if conditions then prevailing are still the same.

We should like to express our appreciation to the members of the Committee, the staff and officials of the Atlantic Rural Exposition, and others who assisted in the study.

Respectfully submitted,

EDWARD E. WILLEY, *Chairman*

TOM FROST, *Vice-Chairman*

C. W. CLEATON

JOHN WARREN COOKE

JOHN H. DANIEL

CHARLES R. FENWICK

J. D. HAGOOD

EDWARD M. HUDGINS

CHARLES K. HUTCHENS

J. C. HUTCHESON

LEWIS A. McMURRAN, JR.

CHARLES D. PRICE

ARTHUR H. RICHARDSON

WILLIAM F. STONE

**APPENDIX I**  
**COMPILATION OF INFORMATION RECEIVED FROM VARIOUS**  
**STATES CONCERNING OPERATION OF STATE FAIRS**

State	STATE AGENCY	CORPORATION	AUTHORITY	TAX EXEMPT		STATE ASSISTANCE			PURPOSE	
	Name	Type	Selection of Governing Body	Real Prop.	Pers. Prop.	Annual Appropriation	Others	Designation	Agri.	Ind.
Alabama	Agri. & Ind. Exhibit Commission	Nonprofit	Selected by governing body of Birmingham	yes	yes	\$60,000	yes	25,000 Maint. & Op./35,000 prizes & prem.	X	X
Alaska		Nonprofit		yes	yes				X	
Arizona	State Fair Commission	Profit		yes	yes	yes	None	Capital Improvement only		
Arkansas		Nonprofit		yes	yes	\$40,000	Prop. leased from State	Livestock premiums	X	
California	State Fair & Exposition	Nonprofit		yes	yes	\$390,000	yes	Operation & Maintenance	X	X
Colorado	State Fair Commission		Appointed by Governor	yes	yes	1964-65: \$98,700	None	Oper. & Maint. Prizes	X	X
Delaware		Nonprofit		yes		\$20,000		Prizes	X	
Florida		Nonprofit		yes	yes	\$10,000	yes	Exhibit Premiums	X	X
Georgia		Nonprofit		yes	yes	None			X	X
Illinois	Dept. of Agriculture			yes	yes	1963-65: \$4,931,036	Fairgrounds: State owned	Pari-mutuel Taxes Sources Earmarked	X	
Iowa	State Fair Board		Selected by delegates to Agri. Convention from county and district fairs	yes	yes	\$55,000		Capital Improvements	X	



APPENDIX I (continued)

COMPILATION OF INFORMATION RECEIVED FROM VARIOUS STATES CONCERNING OPERATION OF STATE FAIRS

State	STATE AGENCY Name	CORPORATION Type	AUTHORITY Selection of Governing Body	TAX EXEMPT		STATE ASSISTANCE			PURPOSE	
				Real Prop.	Pers. Prop.	Annual Appropriation	Others	Designation	Agri.	Ind.
Kentucky	Yes: Name Not Indi.		Appointed by Governor		yes	\$450,000	None			
Louisiana		Nonprofit- Stock		yes	yes	None	None		X	
Maryland		Nonprofit- Stock		yes		Approx. \$90,000		Premiums & cer- tain promotional activities	X	X
Michigan	State Fair Authority		Appointed by Governor	yes	yes	None	None		X	X
Minnesota	State Agri. Society	Nonprofit	Selected by regional societies	yes	yes	Recent Years: None		Capital Improvements	X	X
Mississippi	Fair Commission		3 appointed by Gov.; 4 members by virtue of office held.	yes	yes	None	None		X	X
Missouri	Dept. of Agriculture		Appointed by Governor	yes	yes	Varies		Oper. & Maint. Salaries, Cap. Improvements	X	
Nebraska	State Board of Agri.			yes	yes	1963-65: \$68,094		16,000-4H Clubs; 4,000-Premis.		
N. Carolina	N.C. Dept. of Agri.			yes	yes	None	None		X	X
N. Jersey		Private- Profit		no	no	Indirect Appropriation		Exhibits	X	X
N. Mexico	N.M. State Fair			yes	yes	\$1,561,500 (includes mutuel funds)		None	X	X

APPENDIX I (continued)

**COMPILATION OF INFORMATION RECEIVED FROM VARIOUS STATES CONCERNING OPERATION OF STATE FAIRS**

State	STATE AGENCY Name	CORPORATION Type	AUTHORITY Selection of Governing Body	TAX EXEMPT		STATE ASSISTANCE			PURPOSE	
				Real Prop.	Pers. Prop.	Annual Appropriation	Others	Designation	Agri.	Ind.
N. York	Div. of Dept. of Agri.			yes	yes	\$425,000 (approx.)	yes	Operation & Maintenance	X	X
N. Dakota	State Fair Association			yes	yes	1963-65: \$25,000			X	
Oklahoma		Nonprofit		yes	yes	None	None		X	X
Oregon	State Fair Commission			yes	yes	None	None		X	X
R. Island		Corporation				\$9,000 to \$11,000	Varies	Prizes & Premiums		
S. Carolina		Nonprofit		yes	yes	None	None		X	X
S. Dakota	Yes: Name Not Indi.		Appointed by Governor	yes	yes	\$30,030	\$125 M Pari-mutuel Fund	Oper. & Maint. Salaries, Capital Imp.	X	X
Texas		Nonprofit				None	None		X	X
Utah	State Fair Board			yes	yes	\$40,000	None	Oper. & Maintenance	X	X
W. Virginia		Nonprofit- Stock		no	no	1965-66: \$25,000		Premiums	X	X
Wisconsin	Wis. Expos. Department			yes	yes	\$1,519,000	yes	Cap. Imp. & Operations and Maint.	X	X
Wyoming	Department of Agri.			yes	yes	\$200,000 (approx.)	Prop. owned by State	Operation and Maintenance	X	X

10

(a) The following states do not have a state fair as such, but indirectly support other public fairs within the state:

Maine	New Hampshire	Idaho
Massachusetts	Tennessee	Connecticut
Montana	Washington	

(b) The following states did not respond:

Hawaii	Kansas	Pennsylvania
Indiana	Ohio	

(c) Nevada and Vermont indicated that they do not have a state fair or exhibit.



