



April 6, 2020

F2020-07

TO: All Fairground CEOs and Board Chairs

SUBJECT: Instructions to Become a Qualified Fair for New Fair Funds

Governor Newsom issued an [Executive Order](#) which included changes to the requirements for AB 1499 funds (New Fair Funds) during the COVID-19 emergency. The [Executive Order](#) will allow CDFA to distribute New Fair Funds to all fairs, including those fairs that cannot currently meet the 30 percent above minimum wage requirement. All other workforce requirements for meal and rest periods and overtime are still a requirement.

The California Department of Food and Agriculture (CDFA) has funding available for all fairs in the Network, subject to certain conditions and pursuant to Business and Professions Code (BPC) section [19620.15](#). Funds are available immediately for general operational support costs.

Below is information about application deadline, required workforce conditions to be met, and description of the required submittals.

### **Application Deadline and Submission**

Allocation requests must be submitted while the Executive Order and duration of the proclaimed emergency is in effect, but no later than June 1, 2020. Resolution and Memorandum of Understanding shall be submitted via email to Greg Ferrero at [Gregory.Ferrero@cdfa.ca.gov](mailto:Gregory.Ferrero@cdfa.ca.gov).

### **Required Work Conditions**

Pursuant to Business and Professions Code section [19620.15](#), to be a qualified fair eligible for funding, the fair and the relevant lessees shall provide, without interruption, the following conditions to non-management employees:

- ✓ A meal period of not less than 30 minutes for a work period of more than five hours per day, unless the work period per day of the employee is less than six hours and the meal period is waived by mutual consent of both the employer and the employee.
- ✓ A second meal period of not less than 30 minutes for a work period of more than 10 hours per day, unless the work period per day of the employee is less than 12 hours, the second meal period is waived by mutual consent of both the



employer and the employee, and the first meal period was not waived.

- ✓ Compensation at the rate of no less than one and one-half times the regular rate of pay for any work in excess of eight hours in one workday, any work in excess of 40 hours in any one workweek, and the first eight hours worked on the seventh day of work in any one workweek.
- ✓ Compensation at the rate of no less than twice the regular rate of pay for any work in excess of 12 hours in one day.
- ✓ Compensation at the rate of no less than twice the regular rate of pay for any work in excess of eight hours on any seventh day of a work week.

Non-management employees who will receive the above benefits are those not in a supervisory role or have management decision making authority.

The leases affected are those tenants that have exclusive and continuous rights to occupancy at the fairgrounds for one year or longer. For example, a bakery occupying a building at the fairgrounds under a one-year agreement.

Required work conditions do not apply to:

- ✓ Employees covered by a valid collective bargaining agreement if that agreement expressly provides for all of the following:<sup>1</sup>
  - Wages, hours of work, and working conditions of the employees.
  - Meal periods for the employees, including final and binding arbitration of disputes concerning application of its meal period provisions.
- ✓ Interim events and short-term rentals less than a year. For example, a four-day music festival under a five-year agreement with the fair. The music festival does not have rights to continuous and exclusive use year-round at the fairgrounds and would be excluded from the required work conditions.
- ✓ Lessees that employ less than fifty employees of a fulltime status as determined by the Internal Revenue Service's [Monthly Measurement Method](#).

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<sup>1</sup> BPC section 19620.15 (h)(3)(C) is temporarily suspended while the Governor's Proclamation of the COVID-19 Emergency is in effect, pursuant to Executive Order N-40-20 (March 30, 2020).

**Required Submittals**

**Board approved resolution (Attachment A) signed by CEO and Board President:**

- ✓ Board's request for a general support allocation.

**Memorandum of Understanding (Attachment B) signed by CEO or Board President:**

- ✓ Board's approval of the for General Operational Support.
- ✓ Board's approval to provide the required work conditions to all non-management employees.
- ✓ Board's approval to require lessees provide the required work conditions to all non-management employees.

**Board approved policies (see attached policy templates):**

- ✓ Board's approved policies to ensure workforce requirements are met and incorporated into leases.

If any questions regarding letter, please contact John Quiroz at [John.Quiroz@cdfa.ca.gov](mailto:John.Quiroz@cdfa.ca.gov) or (916) 900-5025.

Sincerely,

John Quiroz, Chief  
Fairs and Exposition Branch

Enclosed