

Montana State Fair. Executive Committee, Powers Of. Directors, Powers Of.

The executive committee, Montana State Fair, has no authority independently of the Board of Directors, to erect a grand stand, or to permit one to be erected by others. The duties of the executive committee are administrative and executive, rather than initiative.

Helena, Montana, April 5th, 1906.

Mr. John W. Pace, Secretary, Montana State Fair, Helena, Montana.

Dear Sir:—I am in receipt of your favor of April 2nd, submitting for determination by this office the question, has the Executive Committee of the Montana State Fair the authority to permit the erection of a grand stand on the State Fair Grounds by a private person, association, or company under contract to lease same at a fixed rental.

From your communication we understand that a company has been, or will be, formed for the purpose of erecting a grand stand on the State Fair Grounds at a cost of \$20,000.00, the same, when erected, to be leased to the State at an annual rental which shall equal eight per cent of the cost of construction, an agreement at the same time to be made that the State of Montana may, at any time, purchase such grand stand by paying to this company the actual cost of construction.

The Act creating the Montana State Fair, Chap. XCVI, Laws of 1903, page 173, provides that: "The Montana State Fair" shall be under the management and control of a Board of Directors consisting of one resident citizen of each county who shall hold office for the period of six years. This "Board of Directors shall meet only during the fair of exhibition" between the 15th day of August and the 15th day of October, and between such meetings the business of the institution shall be conducted by the executive committee, assisted by the Secretary and Treasurer.

This executive committee is selected by the Board of Directors and "may be selected in whole or in part from persons other than members of the board of directors," but the management and control of the institution is vested in the board of directors, and the executive committee itself is under the board of directors, for a majority of the board of directors may, at any time, remove any member of the executive committee.

The executive committee has no power or authority except to execute the will and command of the board of directors, to care for and protect the property of the institution and to discharge administrative and executive duties necessary to the proper conduct of the fair and in furtherance of the policy adopted or endorsed by the board of directors.

The executive committee has no authority, independently of the board of directors, to initiate and make new improvements of magnitude and character named in your inquiry, or to authorize the construction of such improvements by others, and neither the board of directors nor the executive committee can "incur any debt to be paid by the State of Montana."

A grand stand is a well recognized necessity, and it is clearly within the power of the board of directors to cause such an improvement to be erected, or to rent one erected by others, if the finances of the institution will not permit of its erection by the board.

If the board has heretofore authorized the executive committee to act in this specific matter, of course, such committee may then act, and the act done by the executive committee may be ratified by the board at a subsequent meeting, and in this matter, the members of the board may, in writing, authorize the committee to complete arrangements for renting this grand stand, and the board may then at its first meeting ratify the agreement.

The rent should be paid from the receipts of the Fair, and not from the direct appropriation heretofore made by the legislature "for maintenance of the State Fair Association."

In this matter we suggest that the executive committee procure the plans and specifications of this proposed grand stand, together with a proper agreement with the parties who are to erect the same, and submit the plans and specifications and agreement to each member of the board for his approval, which may be, substantially, as follows:

"We, the undersigned, directors of the Montana State Fair, hereby approve of the foregoing and attached plans and specifications for the grand stand to be erected on the ground of the State Fair Association, and hereby endorse and approve of the agreement, a copy of which is hereto attached, and do hereby authorize the executive committee of such association to do and perform all things that may be necessary to secure the erection of such grand stand."

There will be no difficulty in securing the signatures of the members of the board of directors to this agreement, and while of course, such endorsement by the individual members of the board is not legally binding upon the board, it is not within the range of probabilities that the directors, when they meet as a board, would repudiate their endorsement under which the grand stand had been erected.

Very truly yours,

ALBERT J. GALEN,

Attorney General.