

Rodeo Insurance

Liability Insurance:

Discussing liability exposure for a rodeo requires the recognition of two distinct groups. These are "spectators" and "participants". Spectator Liability Coverage is a major component of your general liability coverage for the fair. However, coverage for "Rodeo Spectators" may require a special endorsement to the basic "Amusement Park Operations" package. See your insurance representative. The rodeo contractor may also carry a business liability policy that includes "spectator liability" coverage. It is imperative you distinguish between "spectators" and "contestants" when discussing liability coverage with a rodeo contractor.

Only the PRCA (and now, possibly IPRA) rodeos are able to provide rodeo contractor "liability coverage" for "participants".

Spectator Insurance:

Fairs & other organizations purchase "Amusement Park Operations" packages for the inclusive dates of their public event. The premium is based upon the attendance or gross receipts and the "attractions" you offer. Inform your insurance agent you are hosting a rodeo, the number of performances and expected attendance. Similarly, you should be informing them of demo derbies, horse shows, live stock shows, parades and any other attraction that would be considered outside the realm of a typical "amusement park". These attractions may be part of the basic package, but your safest route is to specify them when speaking with your agent. Including a rodeo may involve an additional endorsement and a modest premium increase.

Your "risk" value (and insurance premium) with an insurance carrier may be reduced by requiring that vendors on the premises document current "spectator liability coverage" for their concession, amusement or service. Rodeo contractor liability coverage for spectators, (\$300,000 to .5 million limits) costs approximately \$500 to \$800 per performance. Premiums will vary based on the limits of coverage and the size of the rodeo. If required, expect this expense to be included in the cost of your rodeo contract.

Two competing views exist on the logic of requiring your rodeo contractor to carry spectator liability coverage. One view would argue that in requiring coverage by both the fair and the rodeo contractor, you are "insuring the same group twice" and there by increasing your cost without necessarily increasing your "protection". The second view would argue that if a suit is brought, the sponsoring organization (the fair), the rodeo contractor and likely the county (who owns the land) would all be named as defendants, and therefore should each have liability coverage. In either event, the sponsoring organization (the fair) will pay the bill since they provide their own coverage and, if contractor coverage is required, also pay for that in their rodeo contract fee. It is wise to review any relevant policies of the County Board and Fair Board, and the provisions/requirements of your general spectator liability coverage since they may dictate how you must address this matter. Obviously, insurance companies will argue "more insurance" is necessary.

"Participant" Liability Coverage:

Basically, there is no "liability coverage" available to either the fair associations, or the rodeo contractors to protect them from liability exposure for rodeo participants (contestants). This is the reason for Wisconsin's "Civil liability exemption-equine events" (SS 895.481) law. However, this exemption only applies to losses that result from the "inherent risks" associated with rodeo participation. It is not protection from negligence that occurs due to inadequate tack, equipment, grounds or failure to provide a safe environment. More importantly, this exemption does not apply to spectators so it is important to have spectator insurance and to regulate access to the higher risk areas in the chutes and back pen areas of the rodeo. A "safe environment" would

likely be interpreted to mean "adequate and competent" medical care (Ambulance and EMTs) are readily accessible during the rodeo performance.

Exception: PRCA rodeos provide "medical insurance" for contestants and therefore are able to obtain liability coverage for the rodeo contractor. Additionally, IPRA shows now have medical coverage for contestants and so, may be able to obtain liability coverage as well. Naturally, the problem with this is the cost, which is reasonably passed along to the consumer in the price of the rodeo contract.

Minimizing your insurance exposure:

- Be certain your fair's spectator liability insurance includes the rodeo performances
- Evaluate the expense verses the benefit of requiring "spectator liability coverage" from your rodeo contractor
- Insist your contractor obtain a signed release for each contestant, with a guardian signature for any contestant under 18 years of age
- Properly & prominently "post" your rodeo as an "equine event" per the state statue
- Have contestant's guests and back chute area visitors sign a "group release" form
- Have an ambulance "on site" during rodeo competition. Stop the performance until the ambulance returns if they are called away for another emergency situation. (Access to a second or "back-up" unit is sound planning)
- Just an idea: Consider a very low limits (\$2500-\$5000) "secondary coverage", medical expense policy for "contestants". The cost per contestant runs about \$35 to \$50 per entry. It is unlikely you could include the full premium in the contestant entry fee unless you are offering some very big prize money, so such a policy would an expensive proposition. However, such a policy may reduce the risk of smaller suits being brought and it would demonstrate a "good faith" effort on the part of the rodeo producer to consider the interests and needs of the contestants.

Rodeo Liability Insurance Company:

Specialty Programs Insurors, Inc.
PO Box 2946
4300 Shawnee Pkwy
Shawnee Mission, KS 66201-1346
1-800-338-3313
Ask for: Kevin Shewmaker

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