

**BILL ANALYSIS**

C.S.H.B. 1781  
By: González, Mary  
Culture, Recreation & Tourism  
Committee Report (Substituted)

**BACKGROUND AND PURPOSE**

The bill author has informed the committee that many local rodeos and livestock shows are unable to receive state funds to help with costs associated with running their shows as two of the main sources of event funding, the events trust fund and the major events reimbursement program, have narrow criteria for eligible events and many local rodeos do not qualify. The bill author has also informed the committee that since these shows are an important part of local economies and youth agricultural programs, the state should provide support to these shows. According to the Houston Livestock Show and Rodeo's 2024 Economic Impact Study, the 2024 rodeo generated total economic activity worth \$597 million in the Greater Houston area. C.S.H.B. 1781 seeks to address this issue by creating the Texas Livestock and Rodeo Education and Continuation Grant Program to award money to county fairs and local rodeos for certain assistance purposes.

**CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

**RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the governor and the Texas Livestock and Rodeo Education and Continuation Board in SECTION 1 of this bill.

**ANALYSIS**

C.S.H.B. 1781 amends the Government Code to create the Texas Livestock and Rodeo Education and Continuation Grant Program to be established and administered by the Texas Livestock and Rodeo Education and Continuation Board to award money from the Texas Livestock and Rodeo Education and Continuation Fund to county fairs and local rodeos for the purposes of assisting with the following:

- facility and infrastructure maintenance or construction;
- event programs;
- personnel salaries; and
- public health and safety.

The bill requires an applicant, in order to be eligible for a grant award under the grant program, to be in good standing under the laws of the state and do the following:

- apply in the manner the board prescribes;
- specify the manner the grant money would benefit county livestock programs or local youth agricultural programs within the county; and
- demonstrate a legitimate need for the grant money that provides a public benefit to the state in accordance with board rules.

The board may only award a grant in accordance with a contract between the board and a grant recipient that includes conditions providing the board with sufficient control to ensure the public

purpose of continuing to promote and improve the state's livestock and agricultural programs and to educate the public regarding those programs is accomplished and the state receives a return benefit. The bill requires each local rodeo or county fair applicant awarded a grant under the grant program to submit the following:

- for a rodeo or county fair with an operating budget greater than \$10 million, a report on the economic impact attributable to the preparation for and presentation of the rodeo or fair in the area served by the rodeo or fair; or
- for a rodeo or county fair with an operating budget less than \$10 million, a report demonstrating the economic development needs of the community.

The bill requires the board to adopt rules as necessary to implement the grant program and, as soon as practicable following the bill's effective date, to adopt the rules necessary to administer the grant program.

C.S.H.B. 1781 establishes the Texas Livestock and Rodeo Education and Continuation Board, which consists of seven members appointed by the governor who serve staggered six-year terms, with the terms of two or three members expiring on January 1 of each even-numbered year, and who are prohibited from serving more than two terms. The bill requires the governor, not later than January 1, 2026, to appoint members to the board and requires the governor, in making those initial appointments, to designate two members to serve terms expiring January 1, 2028, two members to serve terms expiring January 1, 2030, and three members to serve terms expiring January 1, 2032.

C.S.H.B. 1781 requires the governor, in appointing members to the board, to ensure each member has demonstrated interest in issues related to rodeos and county fairs in Texas through the following:

- competing in rodeos; or
- previous service on a board of a rodeo organization, county fair organization, 4-H program, or Future Farmers of America organization or previous service with any of these organizations or programs in the preceding 15 years.

The bill requires the board to include at least two members with rodeo experience and two members with county fair experience and requires each appointed board member to represent a different region of the state. The bill prohibits a board member from holding any other public office and establishes that a board member serves without compensation but is entitled to reimbursement for actual expenses incurred in attending board meetings and in performing board duties. The bill requires the governor to appoint a member to fill a vacancy on the board who is to serve the remainder of the unexpired term and requires the board to meet quarterly. The bill requires the governor to select from among the board members a presiding officer for the board who serves at the governor's pleasure, with the initial selection to be made not later than January 1, 2026, and requires the board members to elect an assistant presiding officer from among the board members who serves at the board's pleasure. The presiding officer and assistant presiding officer serve two-year terms. The bill requires the board to employ the officers and employees necessary to administer the bill's provisions.

C.S.H.B. 1781 establishes the Texas Livestock and Rodeo Education and Continuation Fund outside the state treasury. The bill establishes that the fund's administration is considered to be a trusteed program within the office of the governor. The fund consists of the following:

- money appropriated, credited, or transferred to the fund by the legislature;
- gifts or grants contributed to the fund; and
- interest earned on the fund's deposits and investments.

The bill restricts the use of the fund to the implementation of the grant program, including the costs of grant program administration and operation. The bill authorizes the governor at the board's direction to disburse money from the fund without appropriation only as provided by the bill's provisions and rules adopted under those provisions. The bill authorizes the governor in consultation with the board to adopt rules necessary to implement the bill's provisions.

C.S.H.B. 1781 requires the board, not later than December 1 of each even-numbered year, to prepare and submit to each member of the legislature a report that includes the following:

- the fund balance as of the date of the report;
- the total amount of grant money awarded under and other disbursements from the fund during the two preceding state fiscal years;
- the number of grant applications submitted to the board during the two preceding state fiscal years; and
- the economic impact reports and community need reports submitted to the board during the two preceding state fiscal years.

#### **EFFECTIVE DATE**

September 1, 2025.

#### **COMPARISON OF INTRODUCED AND SUBSTITUTE**

While C.S.H.B. 1781 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

Whereas the introduced established that the Texas Livestock and Rodeo Education and Continuation Fund is to be held in trust by the comptroller of public accounts for administration of the bill's provisions, the substitute instead establishes that the fund's administration is considered to be a trustee program within the office of the governor. The substitute changes from the comptroller, as in the introduced, to the governor the person who may do the following:

- at the direction of the Texas Livestock and Rodeo Education and Continuation Board, disburse money from the fund without appropriation only as provided by the bill's provisions and rules adopted under such provisions; and
- in consultation with the board, adopt rules necessary to implement such provisions.

The substitute does not include the governor and the lieutenant governor as recipients of the board's biennial report, whereas the introduced included them as recipients.