The Honorable Preston Stevens
County Attorney
Wheeler County
P.O. Box 571
Shamrock, Texas 79079

Opinion No. H- 520
Re: County participation in construction of a privately operated livestock show barn.

Dear Mr. Stevens:

You have requested our opinion regarding whether the Commissioners Court of Wheeler County may contribute $50,000.00 toward the construction of a livestock show barn, which facility would be owned and operated by the Wheeler County Livestock Association, a private non-profit organization.

Article 2372d-2, V, T. C. S., authorizes:

[t]he Commissioners Court of any county . . . to purchase, build, or construct buildings and other permanent improvements to be used for annual exhibits of horticultural and agricultural products, and/or livestock and mineral products of the county . . .

Payment must be made from the constitutional permanent improvement fund.

Although this statute does not itself prohibit a county's participation in the construction of facilities in which the title thereto is vested elsewhere, article 3, section 52 of the Texas Constitution contains an affirmative proscription:

Except as otherwise provided by this section, the Legislature shall have no power to authorize
any county, city, town or other political corporation or subdivision of the State to lend its credit or to grant public money or thing of value in aid of, or to any individual, association or corporation whatsoever, or to become a stockholder in such corporation, association or company.

There is no question that the Wheeler County Livestock Association is an "association or corporation" within the meaning of article 3, section 52.

Under the provisions of article 2372d-3, V. T. C. S., a county may:

... enter into contracts with persons, firms, or corporations for complete management of, the conducting, maintenance, use, and operation of such exhibits, buildings and improvements on such terms as may be agreeable to the Court, and shall have the authority to lease such exhibits, buildings and improvements on such terms as may be agreeable to the Court, and shall have the authority to lease such exhibits, buildings and improvements under such terms and agreements as may be satisfactory to the Commissioners Court and the lessee.

The Commissioners Court thus may permit the Wheeler County Livestock Association for adequate consideration to lease and operate a county facility. See e.g. Attorney General Opinions H-472 (1974), H-403 (1973). Although the county may not contribute to the erection of a show barn by a private corporation, it may be possible for the county to contract with the private corporation concerning premises owned by the county for the purposes set out in the statute.

SUMMARY

A county may not contribute public funds to the construction of a facility to be owned and operated by a private corporation.

Very truly yours,

John L. Hill
Attorney General of Texas