

By: Troxclair

H.B. No. 3539

A BILL TO BE ENTITLED

AN ACT

relating to the establishment and administration of a state
ammunition manufacturing facility; granting rulemaking authority.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle F, Title 4, Government Code, is amended
by adding Chapter 490J to read as follows:

CHAPTER 490J. TEXAS AMMUNITION MANUFACTURING FACILITY

SUBCHAPTER A. ESTABLISHMENT AND ADMINISTRATION OF TEXAS AMMUNITION

MANUFACTURING FACILITY

Sec. 490J.001. DEFINITIONS. In this chapter:

(1) "Ammunition" means a combination of projectiles,
cartridges, primers and propellants fired from a handgun or rifle.

(2) "Facility operator" means a person selected under
Section 490J.002(d) to operate the facility.

Sec. 490J.002. TEXAS AMMUNITION MAUFACTURING FACILITY. (a)
The Texas Ammunition Manufacturing Facility is established as an
agency of this state within the Department of Public Safety.

(b) The facility is established to manufacture quality
ammunition for use by law enforcement for training and to ensure
public safety and the general public for recreational shooting,
hunting, self-defense and all other legal purposes as protected by
the Second Amendment to the United States Constitution.

(c) The department shall have broad authority under this
chapter and shall exercise close supervision over the facility to

1 promote and ensure integrity, security, honesty, and fairness in
2 the operation of the facility.

3 (d) The department may contract with or employ a person to
4 perform a function, activity, or service in connection with the
5 facility as necessary to implement this chapter, including but not
6 limited to the construction and operation of the facility.

7 Sec. 490J.003. POWERS AND DUTIES. (a) The facility
8 operator has the powers necessary to carry out the duties of this
9 chapter including the power to enter into contracts and other
10 necessary instruments.

11 (b) The facility operator shall manufacture quality
12 ammunition to be sold to law enforcement agencies at a reasonable
13 price.

14 (c) The facility operator shall sell ammunition to
15 ammunition wholesalers and retailers at a reasonable price.

16 (d) The facility operator may sell component parts of
17 ammunition to other ammunition manufacturers domiciled in Texas,
18 including projectiles, cartridges, primers and propellants.

19 (e) The facility operator may print the state seal, state
20 arms, or the state flag on packaging for ammunition manufactured by
21 the facility.

22 (f) All ammunition manufactured by the facility must
23 contain the words "Made in Texas" on the packaging.

24 Sec. 490J.004. CERTAIN ACTIONS PROHIBITED. The facility
25 may not take any of the following actions:

26 (1) sell ammunition manufactured by the facility or
27 any component parts directly to consumers;

1 (2) sell ammunition or any component parts to foreign
2 countries.

3 Sec. 490J.005. RULEMAKING. The department may adopt rules
4 as necessary to implement this chapter.

5 Sec. 490J.006. TAXES. Ammunition sold by the facility to
6 law enforcement agencies in Texas is not subject to state or local
7 sales and use tax.

8 Sec. 490J.007. ANNUAL REPORT. The department shall submit
9 to the governor and the legislature a report on the status,
10 condition, operations, and prospects for the facility each year not
11 later than December 1st.

12 SECTION 2. This Act takes effect immediately if it receives
13 a vote of two-thirds of all the members elected to each house, as
14 provided by Section 39, Article III, Texas Constitution. If this
15 Act does not receive the vote necessary for immediate effect, this
16 Act takes effect September 1, 2023.