

1 AN ACT

2 relating to the promotion and marketing of Texas products.

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

4 SECTION 1. Section 12.002, Agriculture Code, is amended to
5 read as follows:

6 Sec. 12.002. DEVELOPMENT OF AGRICULTURE. The department
7 shall encourage the proper development and promotion of
8 agriculture, horticulture, and other ~~[related]~~ industries that
9 grow, process, or produce products in this state.

10 SECTION 2. The heading of Section 12.0175, Agriculture
11 Code, is amended to read as follows:

12 Sec. 12.0175. GROWN OR PRODUCED IN TEXAS PROGRAM.

13 SECTION 3. Sections 12.0175(a) and (b), Agriculture Code,
14 are amended to read as follows:

15 (a) The department by rule may establish programs [~~a~~
16 ~~program~~] to promote and market agricultural products and other
17 products grown, [~~or~~] processed, or produced in the state [~~or~~
18 ~~products made from ingredients grown in the state~~].

19 (b) The department may charge a membership fee, as provided
20 by department rule, for each participant in a [~~the~~] program.

21 SECTION 4. The heading to Chapter 47, Agriculture Code, is
22 amended to read as follows:

23 CHAPTER 47. TEXAS OYSTER AND SHRIMP PROGRAM

24 SECTION 5. Sections 47.001 and 47.002, Agriculture Code,

1 are redesignated as Subchapter A, Chapter 47, Agriculture Code, and
2 a heading is added to that subchapter to read as follows:

3 SUBCHAPTER A. TEXAS OYSTER PROGRAM

4 SECTION 6. Chapter 47, Agriculture Code, is amended by
5 adding Subchapter B to read as follows:

6 SUBCHAPTER B. TEXAS SHRIMP MARKETING ASSISTANCE PROGRAM IN

7 DEPARTMENT OF AGRICULTURE

8 Sec. 47.051. DEFINITIONS. In this subchapter:

9 (1) "Advisory committee" means the shrimp advisory
10 committee.

11 (2) "Coastal waters" means all the salt water of the
12 state, including the portion of the Gulf of Mexico that is within
13 the jurisdiction of the state.

14 (3) "Program" means the Texas shrimp marketing
15 assistance program.

16 (4) "Shrimp marketing account" means the account in
17 the general revenue fund established under Section 77.002(b), Parks
18 and Wildlife Code.

19 (5) "Texas-produced shrimp" means shrimp harvested
20 from coastal waters and produced within the borders of the state.

21 Sec. 47.052. PROGRAM ESTABLISHED. (a) The Texas shrimp
22 marketing assistance program is established in the department to
23 assist the Texas shrimp industry in promoting and marketing
24 Texas-produced shrimp and educating the public about the Texas
25 shrimp industry and Texas-produced shrimp.

26 (b) The commissioner, in consultation with the advisory
27 committee established under Section 47.053, shall adopt rules as

1 necessary to implement the program.

2 (c) The department may accept grants, gifts, and gratuities
3 from any source, including any governmental entity, any private or
4 public corporation, and any other person, in furtherance of the
5 program. Any funds received as a grant, gift, or gratuity shall be
6 deposited in the shrimp marketing account under Section 77.002,
7 Parks and Wildlife Code.

8 (d) The program shall be funded at a minimum level of
9 \$250,000 per fiscal year with funds deposited into the shrimp
10 marketing account under Section 77.002, Parks and Wildlife Code.
11 The department may not expend more than two percent of the annual
12 program budget on out-of-state travel.

13 Sec. 47.053. ADVISORY COMMITTEE. (a) The commissioner
14 shall appoint a shrimp advisory committee to assist the
15 commissioner in implementing the program established under this
16 subchapter and in the expenditure of funds appropriated for the
17 purpose of this subchapter.

18 (b) The advisory committee shall be composed of the
19 following 10 members:

- 20 (1) two owners of commercial bay shrimp boats;
21 (2) two owners of commercial gulf shrimp boats;
22 (3) one member of the Texas shrimp aquaculture
23 industry;
24 (4) one retail fish dealer;
25 (5) one wholesale fish dealer;
26 (6) one person employed by an institution of higher
27 education as a researcher or instructor specializing in the area of

1 food science, particularly seafood;

2 (7) one member of the seafood restaurant industry; and

3 (8) one representative of the public.

4 (c) The members of the advisory committee serve without
5 compensation but may be reimbursed for expenses incurred in the
6 direct performance of their duties on approval by the commissioner.

7 (d) An advisory committee member serves a three-year term,
8 with the terms of three or four members expiring August 31 of each
9 year. The commissioner may reappoint a member to the advisory
10 committee.

11 (e) The members of the advisory committee shall elect a
12 presiding officer from among the members and shall adopt rules
13 governing the operation of the committee. The rules shall specify
14 that five members of the advisory committee constitute a quorum
15 sufficient to conduct the meetings and business of the committee.

16 (f) The advisory committee shall meet as necessary, but not
17 less frequently than once each calendar year, to provide guidance
18 to the commissioner in establishing and implementing the program.

19 Sec. 47.054. PROGRAM STAFF. (a) The commissioner shall
20 employ one or more persons as employees of the department to staff
21 the program.

22 (b) Unless otherwise expressly provided by the legislature,
23 the source of funding for the payment of employee salaries shall be
24 funds generated from the program, including the 10 percent license
25 fee increase authorized by Section 77.002, Parks and Wildlife Code,
26 and the surcharge on license fees authorized by Section 134.014.

27 Sec. 47.055. PROMOTION, MARKETING, AND EDUCATION. The

1 program shall promote and advertise the Texas shrimp industry by:

2 (1) developing and maintaining a database of Texas
3 shrimp wholesalers that sell Texas-produced shrimp;

4 (2) operating a toll-free telephone number to:

5 (A) receive inquiries from persons who wish to
6 purchase a particular type of Texas-produced shrimp; and

7 (B) make information about the Texas shrimp
8 industry available to the public;

9 (3) developing a shrimp industry marketing plan to
10 increase the consumption of Texas-produced shrimp;

11 (4) educating the public about Texas-produced shrimp
12 by providing publicity about the information in the program's
13 database to the public and making the information available to the
14 public through the department's toll-free telephone number and
15 electronically through the Internet;

16 (5) promoting the Texas shrimp industry; and

17 (6) promoting and marketing, and educating consumers
18 about, Texas-produced shrimp using any other method the
19 commissioner determines appropriate.

20 SECTION 7. Section 134.014, Agriculture Code, is amended to
21 read as follows:

22 Sec. 134.014. LICENSE FEES. (a) The department shall issue
23 an aquaculture license or a fish farm vehicle license on completion
24 of applicable license requirements and the payment of a fee by the
25 applicant, as provided by department rule.

26 (b) In addition to the fees under Subsection (a), the
27 department shall assess and collect a surcharge on the annual

1 license fee for aquaculture facilities producing shrimp for the
2 purpose of funding the Texas shrimp marketing assistance program
3 created under Subchapter B, Chapter 47. The amount of the surcharge
4 shall be set each year, as provided by department rule, in an amount
5 equal to 10 percent of the fees generated by the Parks and Wildlife
6 Department under Section 77.002(c), Parks and Wildlife Code.

7 (c) The department shall deposit at the end of each quarter,
8 to the credit of the shrimp marketing account, the fees received
9 under Subsection (b) for use by the department to conduct and
10 operate the Texas shrimp marketing assistance program created under
11 Subchapter B, Chapter 47.

12 SECTION 8. Section 77.002, Parks and Wildlife Code, is
13 amended to read as follows:

14 Sec. 77.002. LICENSE FEES. (a) License fees provided in
15 this chapter are a privilege tax on catching, buying, selling,
16 unloading, transporting, or handling shrimp within the
17 jurisdiction of this state.

18 (b) The shrimp marketing account is an account in the
19 general revenue fund to be used by the Department of Agriculture
20 solely for the purpose of the Texas shrimp marketing assistance
21 program established under Subchapter B, Chapter 47, Agriculture
22 Code. The account consists of funds deposited to the account under
23 this section and Section 134.014(b), Agriculture Code. The account
24 is exempt from the application of Section 11.032 of this code and
25 Section 403.095, Government Code.

26 (c) Except as provided by Sections 47.021 and 77.049, in
27 addition to fee increases the department is authorized to make

1 under this code, the department shall increase by 10 percent the
2 fee, as of September 1, 2003, for the following licenses and shall
3 deposit the amount of the increase to the credit of the shrimp
4 marketing account:

5 (1) a wholesale fish dealer's license issued under
6 Section 47.009;

7 (2) a wholesale truck dealer's fish license issued
8 under Section 47.010;

9 (3) a retail fish dealer's license issued under
10 Section 47.011;

11 (4) a retail dealer's truck license issued under
12 Section 47.013;

13 (5) a commercial bay shrimp boat license issued under
14 Section 77.031; and

15 (6) a commercial gulf shrimp boat license issued under
16 Section 77.035.

17 (d) Money in the shrimp marketing account may be used only
18 for implementing, maintaining, and conducting, including hiring
19 program staff employees for, the Texas shrimp marketing assistance
20 program created under Subchapter B, Chapter 47, Agriculture Code.
21 The Department of Agriculture may allocate not more than \$100,000
22 per fiscal year of the money in the account to cover administrative
23 and personnel costs of the Department of Agriculture associated
24 with the program.

25 (e) The department shall deposit at the end of each quarter
26 to the credit of the shrimp marketing account, fees received under
27 Subsection (c) for use by the Department of Agriculture to conduct

1 and operate the Texas shrimp marketing assistance program created
2 under Subchapter B, Chapter 47, Agriculture Code.

3 SECTION 9. Subchapter A, Chapter 47, Parks and Wildlife
4 Code, is amended by adding Section 47.021 to read as follows:

5 Sec. 47.021. LICENSE FEES. (a) Fees for licenses issued
6 under Sections 47.009, 47.011, and 47.013 may not be increased by
7 more than 10 percent of the amount of the fee set by the commission
8 and effective on September 1, 2002.

9 (b) This section expires September 1, 2005.

10 SECTION 10. Subchapter C, Chapter 77, Parks and Wildlife
11 Code, is amended by adding Section 77.049 to read as follows:

12 Sec. 77.049. LICENSE FEES. (a) Fees for licenses issued
13 under Sections 77.031 and 77.035 may not be increased by more than
14 10 percent of the amount of the fee set by the commission and
15 effective on September 1, 2002.

16 (b) This section expires September 1, 2005.

17 SECTION 11. The Parks and Wildlife Department shall
18 transfer a minimum amount of \$250,000 each year of the biennium to
19 the shrimp marketing account for use by the Department of
20 Agriculture to conduct and operate the Texas shrimp marketing
21 assistance program created under Subchapter B, Chapter 47,
22 Agriculture Code, as added by this Act. All unexpended balances
23 remaining from appropriations for fiscal year 2004 may be carried
24 forward to fiscal year 2005.

25 SECTION 12. This Act takes effect immediately if it
26 receives a vote of two-thirds of all the members elected to each
27 house, as provided by Section 39, Article III, Texas Constitution.

H.B. No. 1858

1 If this Act does not receive the vote necessary for immediate
2 effect, this Act takes effect September 1, 2003.

President of the Senate

Speaker of the House

I certify that H.B. No. 1858 was passed by the House on April 10, 2003, by the following vote: Yeas 143, Nays 0, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 1858 on May 30, 2003, by the following vote: Yeas 146, Nays 0, 1 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 1858 was passed by the Senate, with amendments, on May 28, 2003, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor