

1-1 By: Kuempel (Senate Sponsor - Jackson) H.B. No. 2470
1-2 (In the Senate - Received from the House April 28, 2003;
1-3 May 1, 2003, read first time and referred to Committee on Natural
1-4 Resources; May 21, 2003, reported adversely, with favorable
1-5 Committee Substitute by the following vote: Yeas 10, Nays 0;
1-6 May 21, 2003, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR H.B. No. 2470 By: Jackson

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to buyback programs of commercial licenses for certain
1-11 aquatic animals and the promotion and marketing of the shrimp
1-12 industry in this state and to funding those activities.

1-13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-14 SECTION 1. Subchapter A, Chapter 12, Parks and Wildlife
1-15 Code, is amended by adding Section 12.009 to read as follows:

1-16 Sec. 12.009. FUNDING FOR LICENSE BUYBACK PROGRAMS. (a) If
1-17 money is available, the department shall increase the allocations
1-18 of the license buyback programs under Sections 47.081, 77.119, and
1-19 78.111 by \$2 million for the fiscal biennium beginning September 1,
1-20 2003.

1-21 (b) The department may finance the increase in funding under
1-22 Subsection (a) by donations, grants, or any money appropriated by
1-23 the legislature or otherwise available for the programs. The
1-24 department may actively solicit donations and apply for grants to
1-25 finance the increase.

1-26 (c) This section expires September 1, 2005.

1-27 SECTION 2. The heading to Chapter 47, Agriculture Code, is
1-28 amended to read as follows:

1-29 CHAPTER 47. TEXAS OYSTER AND SHRIMP PROGRAM

1-30 SECTION 3. Sections 47.001 and 47.002, Agriculture Code,
1-31 are redesignated as Subchapter A, Chapter 47, Agriculture Code, and
1-32 a heading is added to that subchapter to read as follows:

1-33 SUBCHAPTER A. TEXAS OYSTER PROGRAM

1-34 SECTION 4. Chapter 47, Agriculture Code, is amended by
1-35 adding Subchapter B to read as follows:

1-36 SUBCHAPTER B. TEXAS SHRIMP MARKETING ASSISTANCE PROGRAM IN
1-37 DEPARTMENT OF AGRICULTURE

1-38 Sec. 47.051. DEFINITIONS. In this subchapter:

1-39 (1) "Advisory committee" means the shrimp advisory
1-40 committee.

1-41 (2) "Coastal waters" means all the salt water of the
1-42 state, including the portion of the Gulf of Mexico that is within
1-43 the jurisdiction of the state.

1-44 (3) "Program" means the Texas shrimp marketing
1-45 assistance program.

1-46 (4) "Shrimp marketing account" means the account in
1-47 the general revenue fund established under Section 77.002(b), Parks
1-48 and Wildlife Code.

1-49 (5) "Texas-produced shrimp" means shrimp harvested
1-50 from coastal waters and produced within the borders of the state.

1-51 Sec. 47.052. PROGRAM ESTABLISHED. (a) The Texas shrimp
1-52 marketing assistance program is established in the department to
1-53 assist the Texas shrimp industry in promoting and marketing
1-54 Texas-produced shrimp and educating the public about the Texas
1-55 shrimp industry and Texas-produced shrimp.

1-56 (b) The commissioner, in consultation with the advisory
1-57 committee established under Section 47.053, shall adopt rules as
1-58 necessary to implement the program.

1-59 (c) The department may accept grants, gifts, and gratuities
1-60 from any source, including any governmental entity, any private or
1-61 public corporation, and any other person, in furtherance of the
1-62 program. Any funds received as a grant, gift, or gratuity shall be
1-63 deposited in the shrimp marketing account under Section 77.002,

2-1 Parks and Wildlife Code.

2-2 (d) The program shall be funded at a minimum level of
 2-3 \$250,000 per fiscal year with funds deposited into the shrimp
 2-4 marketing account under Section 77.002, Parks and Wildlife Code.
 2-5 The department may not expend more than two percent of the annual
 2-6 program budget on out-of-state travel.

2-7 Sec. 47.053. ADVISORY COMMITTEE. (a) The commissioner
 2-8 shall appoint a shrimp advisory committee to assist the
 2-9 commissioner in implementing the program established under this
 2-10 subchapter and in the expenditure of funds appropriated for the
 2-11 purpose of this subchapter.

2-12 (b) The advisory committee shall be composed of the
 2-13 following 10 members:

2-14 (1) two owners of commercial bay shrimp boats;
 2-15 (2) two owners of commercial gulf shrimp boats;
 2-16 (3) one member of the Texas shrimp aquaculture
 2-17 industry;

2-18 (4) one retail fish dealer;
 2-19 (5) one wholesale fish dealer;
 2-20 (6) one person employed by an institution of higher
 2-21 education as a researcher or instructor specializing in the area of
 2-22 food science, particularly seafood;

2-23 (7) one member of the seafood restaurant industry; and

2-24 (8) one representative of the public.
 2-25 (c) The members of the advisory committee serve without
 2-26 compensation but may be reimbursed for expenses incurred in the
 2-27 direct performance of their duties on approval by the commissioner.

2-28 (d) An advisory committee member serves a three-year term,
 2-29 with the terms of three or four members expiring August 31 of each
 2-30 year. The commissioner may reappoint a member to the advisory
 2-31 committee.

2-32 (e) The members of the advisory committee shall elect a
 2-33 presiding officer from among the members and shall adopt rules
 2-34 governing the operation of the committee. The rules shall specify
 2-35 that five members of the advisory committee constitute a quorum
 2-36 sufficient to conduct the meetings and business of the committee.

2-37 (f) The advisory committee shall meet as necessary, but not
 2-38 less frequently than once each calendar year, to provide guidance
 2-39 to the commissioner in establishing and implementing the program.

2-40 Sec. 47.054. PROGRAM STAFF. (a) The commissioner shall
 2-41 employ one or more persons as employees of the department to staff
 2-42 the program.

2-43 (b) Unless otherwise expressly provided by the legislature,
 2-44 the source of funding for the payment of employee salaries shall be
 2-45 funds generated from the program, including the 10 percent license
 2-46 fee increase authorized by Section 77.002, Parks and Wildlife Code,
 2-47 and the surcharge on license fees authorized by Section 134.014.

2-48 Sec. 47.055. PROMOTION, MARKETING, AND EDUCATION. The
 2-49 program shall promote and advertise the Texas shrimp industry by:

2-50 (1) developing and maintaining a database of Texas
 2-51 shrimp wholesalers that sell Texas-produced shrimp;

2-52 (2) operating a toll-free telephone number to:
 2-53 (A) receive inquiries from persons who wish to
 2-54 purchase a particular type of Texas-produced shrimp; and

2-55 (B) make information about the Texas shrimp
 2-56 industry available to the public;

2-57 (3) developing a shrimp industry marketing plan to
 2-58 increase the consumption of Texas-produced shrimp;

2-59 (4) educating the public about Texas-produced shrimp
 2-60 by providing publicity about the information in the program's
 2-61 database to the public and making the information available to the
 2-62 public through the department's toll-free telephone number and
 2-63 electronically through the Internet;

2-64 (5) promoting the Texas shrimp industry; and
 2-65 (6) promoting and marketing, and educating consumers

2-66 about, Texas-produced shrimp using any other method the
 2-67 commissioner determines appropriate.

2-68 SECTION 5. Section 134.014, Agriculture Code, is amended to
 2-69 read as follows:

3-1 Sec. 134.014. LICENSE FEES. (a) The department shall issue
3-2 an aquaculture license or a fish farm vehicle license on completion
3-3 of applicable license requirements and the payment of a fee by the
3-4 applicant, as provided by department rule.

3-5 (b) In addition to the fees under Subsection (a), the
3-6 department shall assess and collect a surcharge on the annual
3-7 license fee for aquaculture facilities producing shrimp for the
3-8 purpose of funding the Texas shrimp marketing assistance program
3-9 created under Subchapter B, Chapter 47. The amount of the surcharge
3-10 shall be set each year, as provided by department rule, in an amount
3-11 equal to 10 percent of the fees generated by the Parks and Wildlife
3-12 Department under Section 77.002(c), Parks and Wildlife Code.

3-13 (c) The department shall deposit at the end of each quarter,
3-14 to the credit of the shrimp marketing account, the fees received
3-15 under Subsection (b) for use by the department to conduct and
3-16 operate the Texas shrimp marketing assistance program created under
3-17 Subchapter B, Chapter 47.

3-18 SECTION 6. Section 77.002, Parks and Wildlife Code, is
3-19 amended to read as follows:

3-20 Sec. 77.002. LICENSE FEES. (a) License fees provided in
3-21 this chapter are a privilege tax on catching, buying, selling,
3-22 unloading, transporting, or handling shrimp within the
3-23 jurisdiction of this state.

3-24 (b) The shrimp marketing account is an account in the
3-25 general revenue fund to be used by the Department of Agriculture
3-26 solely for the purpose of the Texas shrimp marketing assistance
3-27 program established under Subchapter B, Chapter 47, Agriculture
3-28 Code. The account consists of funds deposited to the account under
3-29 this section and Section 134.014(b), Agriculture Code. The account
3-30 is exempt from the application of Section 11.032 of this code and
3-31 Section 403.095, Government Code.

3-32 (c) Except as provided by Sections 47.021 and 77.049, in
3-33 addition to fee increases the department is authorized to make
3-34 under this code, the department shall increase by 10 percent the
3-35 fee, as of September 1, 2003, for the following licenses and shall
3-36 deposit the amount of the increase to the credit of the shrimp
3-37 marketing account:

3-38 (1) a wholesale fish dealer's license issued under
3-39 Section 47.009;

3-40 (2) a wholesale truck dealer's fish license issued
3-41 under Section 47.010;

3-42 (3) a retail fish dealer's license issued under
3-43 Section 47.011;

3-44 (4) a retail dealer's truck license issued under
3-45 Section 47.013;

3-46 (5) a commercial bay shrimp boat license issued under
3-47 Section 77.031; and

3-48 (6) a commercial gulf shrimp boat license issued under
3-49 Section 77.035.

3-50 (d) Money in the shrimp marketing account may be used only
3-51 for implementing, maintaining, and conducting, including hiring
3-52 program staff employees for, the Texas shrimp marketing assistance
3-53 program created under Subchapter B, Chapter 47, Agriculture Code.
3-54 The Department of Agriculture may allocate not more than \$100,000
3-55 per fiscal year of the money in the account to cover administrative
3-56 and personnel costs of the Department of Agriculture associated
3-57 with the program.

3-58 (e) The department shall deposit, at the end of each quarter
3-59 to the credit of the shrimp marketing account, fees received under
3-60 Subsection (c) for use by the Department of Agriculture to conduct
3-61 and operate the Texas shrimp marketing assistance program created
3-62 under Subchapter B, Chapter 47, Agriculture Code.

3-63 SECTION 7. Subchapter A, Chapter 47, Parks and Wildlife
3-64 Code, is amended by adding Section 47.021 to read as follows:

3-65 Sec. 47.021. LICENSE FEES. (a) Fees for licenses issued
3-66 under Sections 47.009, 47.011, and 47.013 may not be increased by
3-67 more than 10 percent of the amount of the fee set by the commission
3-68 and effective on September 1, 2002.

3-69 (b) This section expires September 1, 2005.

4-1 SECTION 8. Subchapter C, Chapter 77, Parks and Wildlife
4-2 Code, is amended by adding Section 77.049 to read as follows:

4-3 Sec. 77.049. LICENSE FEES. (a) Fees for licenses issued
4-4 under Sections 77.031 and 77.035 may not be increased by more than
4-5 10 percent of the amount of the fee set by the commission and
4-6 effective on September 1, 2002.

4-7 (b) This section expires September 1, 2005.

4-8 SECTION 9. The Parks and Wildlife Department shall transfer
4-9 a minimum amount of \$250,000 each year of the biennium to the shrimp
4-10 marketing account for use by the Department of Agriculture to
4-11 conduct and operate the Texas shrimp marketing program created
4-12 under Subchapter B, Chapter 47, Agriculture Code, as added by this
4-13 Act. All unexpended balances remaining from appropriations for
4-14 fiscal year 2004 may be carried forward to fiscal year 2005.

4-15 SECTION 10. This Act takes effect immediately if it
4-16 receives a vote of two-thirds of all the members elected to each
4-17 house, as provided by Section 39, Article III, Texas Constitution.
4-18 If this Act does not receive the vote necessary for immediate
4-19 effect, this Act takes effect September 1, 2003.

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