

## **BILL ANALYSIS**

H.B. 3764  
By: O'Day  
Culture, Recreation, & Tourism  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Section 31.041(d), Parks & Wildlife Code, permits boat dealers and manufacturers to use their license numbers to show, demonstrate, and test boats on the water in connection with the sale of boats. While used for these purposes, boats are temporarily exempted from securing permanent registration numbers (TX numbers).

When dealers or manufacturers show, demonstrate, or test boats, Section 31.041(d) prohibits use for “recreational purposes or for participation in a contest or event”. This has led to confusion and inconsistency in enforcement by the Texas Parks & Wildlife Department (TPWD). In the field, the broad language of the statutory prohibition creates a wide interpretational gap. For instance, any semblance of “recreational” use while demonstrating, no matter how well-intentioned and business related, could subject a dealer or manufacturer to a violation. The term “contest or event” also easily may have different meanings to different observers.

H.B. 3764 addresses the issue by authorizing the Texas Parks & Wildlife Commission (TPWC) to clearly specify by rule, and by use of TPWD issued validation cards, standards for incidental recreational use or contest/event participation in connection with the demonstration of boats by dealers or manufacturers. TPWD enforcement would be improved by reducing interpretational issues and by establishing standards that better reflect the underlying business needs involved.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Parks and Wildlife Commission in SECTION 1 of this bill.

### **ANALYSIS**

SECTION 1: Amends Section 31.041(d), Parks & Wildlife Code, to authorize the TPWC to establish rules for the issuance of validation cards permitting the limited and temporary use of vessels by distributors, and manufacturers for recreational purposes or contest/game participation as may be incidental when showing, demonstrating, or testing vessels. Fees collected are to be deposited in the TPWD game, fish, and water safety account.

SECTION 2: Effective Date, September 1, 2007.

### **EFFECTIVE DATE**

September 1, 2007.