

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 2333
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Agriculture & Rural Affairs
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 2470, 78th Legislature, Regular Session, 2003, created the Texas Shrimp Marketing Assistance Program (program) implemented under the Texas Department of Agriculture (TDA). The program is designed to assist the Texas shrimp industry in promoting, advertising, and educating the public on the Texas shrimp industry and shrimp produced in Texas.

Currently, the program consists of a 10-member shrimp advisory committee to assist in implementing the program and funds the program at a minimum level of \$250,000 per fiscal year. The program is funded by fees collected from Texas shrimp trawlers (wild-caught shrimpers) and shrimp farmers (produced within the borders of the state). Since shrimp from coastal water are more abundant, shrimp trawlers fund 90 percent of the program and shrimp farmers fund 10 percent of the program.

In 2003, the \$25,000 in fees was collected from shrimp farmers spread over a significant number of shrimp farms in Texas and was not an unreasonable burden on the farmers. However, the number of ponds dedicated to the production of shrimp has declined by more than half and some shrimp farms have converted to other species such as hybrid bass, channel catfish, and redfish production. Since the shrimp farming industry has been steadily decreasing for the past five years, the monies required to be collected from Texas shrimp farms is prohibitively expensive to the few remaining shrimp farms.

C.S.S.B. 2333 amends current law relating to the marketing of shrimp and aquaculture products.

RULEMAKING AUTHORITY

Rulemaking authority previously granted to the Texas Department of Agriculture is rescinded in SECTION 6 (Section 134.014, Agriculture Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 47.051(5), Agriculture Code, to redefine "Texas-produced shrimp."

SECTION 2. Amends Section 47.052(a), Agriculture Code, to provide that the Texas shrimp marketing assistance program (program) is established in the Texas Department of Agriculture (TDA) to assist the Texas wild-caught shrimping industry, rather than the Texas shrimp industry, in promoting and marketing Texas-produced shrimp and educating the public about the Texas wild-caught shrimping industry, rather than about the Texas shrimp industry, and Texas-produced shrimp.

SECTION 3. Amends Section 47.053(b), Agriculture Code, to require the advisory committee to be composed of nine, rather than 10, members including two owners of commercial bay shrimp boats; two owners of commercial gulf shrimp boats; one retail wild caught shrimp dealer, rather than one retail fish dealer; one wholesale wild-caught shrimp dealer, rather than one wholesale fish dealer; one person employed by an institution of higher education as a researcher or instructor specializing in the area of food science, particularly seafood; one member of the seafood restaurant industry; and one representative of the public. Deletes text that includes one member of the Texas shrimp aquaculture industry as a member of the advisory committee. Makes nonsubstantive changes.

SECTION 4. Amends Section 47.054(b), Agriculture Code, to delete existing text requiring that the source of funding for the payment of employee salaries, unless otherwise expressly provided by the legislature, be funds generated from the program, including 10 percent license fee authorized by Section 77.002 (License Fees), Parks and Wildlife Code, and the surcharge on license fees authorized by Section 134.014 (License Fees).

SECTION 5. Amends Section 47.055, Agriculture Code, as follows:

Sec. 47.055. PROMOTION, MARKETING, AND EDUCATION. Requires the program to promote the Texas wild-caught shrimping industry, rather than shrimp industry, by taking certain actions. Makes conforming changes.

SECTION 6. Amends Section 134.014, Agriculture Code, as follows:

Sec. 134.014. LICENSE FEES. Deletes designation of Subsection (a). Creates this section from existing text. Deletes existing Subsection (b) requiring TDA, in addition to the fees under Subsection (a), to assess and collect a surcharge on the annual license fee for aquaculture facilities producing shrimp for the purpose of funding the program created under Subchapter B (Texas Shrimp Marketing Assistance Program in Department of Agriculture), Chapter 47 (Texas Oyster and Shrimp Program); and requiring the surcharge to be set each year, as provided by TDA rule, in an amount equal to 10 percent of the fees generated by the Texas Parks and Wildlife Department under Section 77.002(c) (relating to depositing fees for certain licenses into the shrimp marketing account), Parks and Wildlife Code. Deletes existing Subsection (c) requiring TDA to deposit at the end of each quarter, to the credit of the shrimp marketing account, the fees received under Subsection (b) for use by TDA to conduct and operate the Texas shrimp marketing assistance program created under Subchapter B, Chapter 47.

SECTION 7. Amends Section 77.002(b), Parks and Wildlife Code, to delete existing text providing that the shrimp marketing account consists of funds deposited to the account number under Section 134.014(b) (relating to a surcharge on the annual license fee for aquaculture facilities producing shrimp for a certain purpose), Agriculture Code.

SECTION 8. Effective date: September 1, 2009.