

BILL ANALYSIS

Senate Research Center

S.B. 823
By: Middleton
Water, Agriculture and Rural Affairs
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current Texas law does not require labeling that informs consumers whether shrimp sold in the state are imported from outside Texas, including shrimp caught in Gulf waters beyond the state's jurisdiction. This lack of transparency creates challenges for Texas shrimpers, who compete with cheaper, often lower-quality imported shrimp. S.B. 823, as substituted in committee, narrows its focus solely to shrimp and requires that all shrimp imported from outside Texas carry a clear, conspicuous label disclosing their out-of-state origin. This measure aims to strengthen consumer awareness, support local shrimping industries, and promote fair competition in Texas seafood markets.

(Original Author's/Sponsor's Statement of Intent)

S.B. 823 amends current law relating to labeling and representation of imported shrimp.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the executive commissioner of the Health and Human Services Commission in SECTION 2 of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter F, Chapter 436, Health and Safety Code, by adding Section 436.083, as follows:

Sec. 436.083. LABELING OF SHRIMP. (a) Provides that, for purposes of this section, a shrimp is considered to be imported if the shrimp does not satisfy the United States country of origin requirements for wild or farm-raised shellfish established by 7 C.F.R. Section 60.128, or successor regulations.

(b) Prohibits a food service supplier, wholesaler, distributor, or wholesale distributor from selling shrimp in this state unless the shrimp's label includes a clear and conspicuous notice stating whether the shrimp is imported.

(c) Prohibits a restaurant from labeling or representing imported shrimp as "Texas shrimp," "American shrimp," "Domestic shrimp," or "Gulf shrimp."

(d) Authorizes the Department of State Health Services, a public health district, a county, or a municipality that under Chapter 431 (Texas Food, Drug, and Cosmetic Act) or 437 (Regulation of Food Service Establishments, Retail Food Stores, Mobile Food Units, and Roadside Food Vendors) requires a restaurant, food service supplier, wholesaler, distributor, or wholesale distributor to hold a license or permit to operate in this state to impose an administrative penalty against the license or permit holder for a violation of this section or a rule adopted under this section.

(e) Provides that it is an affirmative defense to the imposition of an administrative penalty under this section that the license or permit holder believed in good faith the shrimp was not imported.

(f) Provides that this section does not create a private cause of action or change any common law or statutory duty.

(g) Provides that this section does not apply to foods served or prepared in similar retail food establishments, such as grocery stores or other food enterprises located within grocery stores, or properly labeled shrimp packaged by itself or as an ingredient in another packaged food product that is sold packaged.

SECTION 2. Requires the executive commissioner of the Health and Human Services Commission, as soon as practicable after the effective date of this Act, to adopt rules necessary to implement Section 436.083, Health and Safety Code, as added by this Act.

SECTION 3. Effective date: September 1, 2025.