

BILL ANALYSIS

S.B. 823
By: Middleton
Culture, Recreation & Tourism
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The bill sponsor has informed the committee that current state law does not require the label of shrimp sold in Texas to contain a notice stating whether the shrimp is imported. The bill sponsor has also informed the committee that this lack of transparency can create challenges for Texas shrimpers, who often compete with shrimpers who sell cheaper, often lower-quality imported shrimp. S.B. 823 seeks to enhance consumer awareness, support local shrimping industries, and promote fair competition in Texas seafood markets by requiring the label of all shrimp sold in Texas to include a clear and conspicuous label stating whether the shrimp is imported.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the executive commissioner of the Health and Human Services Commission in SECTION 2 of this bill.

ANALYSIS

S.B. 823 amends the Health and Safety Code to prohibit a food service supplier, wholesaler, distributor, or wholesale distributor from selling shrimp in Texas unless the shrimp's label includes a clear and conspicuous notice stating whether the shrimp is imported and to prohibit a restaurant from labeling or representing imported shrimp as "Texas shrimp," "American shrimp," "Domestic shrimp," or "Gulf shrimp." The bill authorizes the Department of State Health Services, a public health district, a county, or a municipality that, under the Texas Food, Drug, and Cosmetic Act or statutory provisions relating to the 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 for the purpose of operating in Texas to impose an administrative penalty against such a license or permit holder for a violation of these provisions or a rule adopted under these provisions. The bill establishes as an affirmative defense to the imposition of such an administrative penalty that the license or permit holder believed in good faith that the shrimp was not imported. These provisions expressly do not create a private cause of action or change any common law or statutory duty. The bill exempts from its provisions 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. For these purposes, a shrimp is considered to be imported if the shrimp does not satisfy the U.S. country of origin requirements for wild or farm-raised shellfish established by federal regulations relating to country of origin labeling for fish and shellfish or successor regulations.

S.B. 823 requires the executive commissioner of the Health and Human Services Commission, as soon as practicable after the bill's effective date, to adopt rules necessary to implement the bill's provisions.

EFFECTIVE DATE

September 1, 2025.