BILL ANALYSIS

C.S.S.B. 1484 By: Hinojosa, Adam Trade, Workforce & Economic Development Committee Report (Substituted)

BACKGROUND AND PURPOSE

The bill sponsor has informed the committee that aquaculture is essential to meeting the increasing demand for seafood and contributes significantly to the Texas economy, and that over 85 percent of seafood consumed in the United States is imported, often from countries with different environmental and food safety standards. The bill sponsor has also informed the committee that regulatory burdens and misleading seafood labeling create challenges for local farmers and consumers. C.S.S.B. 1484 seeks to require proper labeling of catfish in order to promote fair competition for domestic producers, ensure transparency, and help consumers make informed choices while supporting Texas aquaculture.

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 this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.S.B. 1484 amends the Health and Safety Code to provide the following with respect to the marketing and sale of catfish and similar fish by food service establishments, food service suppliers, wholesalers, distributors, and wholesale distributors:

- a food service establishment, food service supplier, wholesaler, distributor, or wholesale distributor that offers a food product for sale may represent and identify the product as catfish only if the product contains catfish and does not contain another fish similar to catfish;
- a food service establishment that offers for sale a food product containing a fish similar to catfish that is not catfish may not represent the product as catfish; and
- a food service supplier, wholesaler, distributor, or wholesale distributor that offers for sale a product containing a fish similar to catfish that is not catfish may not represent the product as catfish and must ensure the species and country of origin of the fish contained in the product are conspicuously identified in the description of the product on the product's packaging or container.

C.S.S.B. 1484 authorizes the Department of State Health Services (DSHS), a public health district, or a county that, under the Texas Food, Drug, and Cosmetic Act or statutory provisions relating to the regulation of certain food-related businesses, requires a food service establishment, food service supplier, wholesaler, distributor, or wholesale distributor to hold a license or permit to operate in Texas to impose an administrative penalty against the license or permit holder for a violation of the bill's provisions or a rule adopted under the bill's provisions.

The bill requires DSHS, the public health district, or the county, as applicable, to determine the amount of the penalty imposed for the violation based on the seriousness of the conduct and establishes that each day a violation continues or occurs is a separate violation for purposes of imposing an administrative penalty. The bill establishes as an affirmative defense to imposition of an administrative penalty that a food service establishment demonstrates the establishment in good faith believed the fish the establishment purchased and offered for sale was catfish.

C.S.S.B. 1484 makes a food service establishment, food service supplier, wholesaler, distributor, or wholesale distributor that violates the bill's provisions or a rule adopted under the bill's provisions liable for a civil penalty to the state, a public health district, or an applicable county, as previously described. The bill requires the court to determine the amount of the penalty to be imposed based on the seriousness of the conduct and establishes that each day a violation continues or occurs is a separate violation for purposes of imposing a civil penalty. The bill authorizes the attorney general, the district or county attorney for the county, or the municipal attorney of the municipality in which the violation is alleged to have occurred to bring an action to recover a civil penalty. The bill establishes as an affirmative defense to liability in a civil action under these bill provisions that a food service establishment demonstrates the establishment in good faith believed the fish the establishment purchased and offered for sale was catfish.

C.S.S.B. 1484 establishes that a person may be subject to either an administrative penalty or a civil penalty for a violation of the bill's provisions arising from the same conduct, but not both.

C.S.S.B. 1484 defines the following terms for purposes of the bill's provisions:

- "catfish" means any species of the scientific family Ictaluridae that is caught or produced by the customary technique of aquaculture and fishing and does not include any species of the scientific genus Pangasius, family Clariidae, or family Siluridae, including fish commonly known as basa, tra, and swai;
- "distributor" means a person who transports and delivers seafood from a food service supplier or wholesaler to a food service establishment;
- "food service establishment" has the meaning assigned to that term under statutory provisions relating to the regulation of food service establishments, retail food stores, mobile food units, and roadside food vendors;
- "food service supplier" means a person who sources, processes, or packages seafood for commercial sale, including a wholesaler, manufacturer, and seafood broker;
- "wholesale distributor" means a person who sells seafood exclusively to another business, such as a distributor or a food service establishment, without direct-to-consumer sales; and
- "wholesaler" means a person who purchases seafood in bulk from a food service supplier and resells the food to a distributor or food service establishment.

EFFECTIVE DATE

September 1, 2025.

COMPARISON OF SENATE ENGROSSED AND SUBSTITUTE

While C.S.S.B. 1484 may differ from the engrossed in minor or nonsubstantive ways, the following summarizes the substantial differences between the engrossed and committee substitute versions of the bill.

Whereas the engrossed specified within the definition of "catfish" that the species is caught or produced in freshwater sources in the United States or a territory of the United States, the substitute does not.