

SUBJECT: Limited entry for commercial shrimping

COMMITTEE: State Recreational Resources — favorable, without amendment

VOTE: 7 ayes — Kuempel, Siebert, Black, Horn, Rabuck, B. Turner, Woolley

0 nays

2 absent — Hightower, Oakley

SENATE VOTE: On final passage, March 23 — 30-0

WITNESSES: *(On House companion, HB 1841 by Uher, et al.):*

For — Dennis L. Wittnebert, Commercial Shrimpers of Calhoun County; Sandra Schweizer, Terry E. Ricks and Janet Bardwell, Texas Seafood Producers; Richard E. Moore; Ronald H. Hornbeck; Jim Sagnes, Texas Shrimp Association; Muriel Tipps, Matagorda County Fishermen; Billy Clays

Against — None

On — Andrew Sansom, Texas Parks and Wildlife Department

DIGEST: SB 750 would establish a limited entry plan for shrimp license management. The stated purposes of the program would be to promote efficiency and economic stability in the shrimping industry and conserving economically important shrimp resources.

SB 750 would prohibit the TPWD from issuing a commercial bay and bait shrimp boat license after August 31, 1995, unless the vessel for which the license was sought was owned by the person, under construction and at least 50 percent complete on April 1, 1995, and was intended to be used as a commercial shrimp boat. For license renewals before August 31, 1996, the renewal would be allowed so long as the person applying for the license owned the vessel for which the license was sought and held the license to be renewed on April 1, 1995, or received the license by transfer after that

date. After August 31, 1996, a renewal would only be allowed when the person owned the vessel and held the license the year before.

A license could not be transferred after September 1, 1999, except in three situations:

- between two persons who both hold a commercial shrimp boat license;
- between a licensed commercial shrimper and a historical shrimp boat captain or
- to an heir or devisee so long as that person would have been entitled to a portion of the decedent's estate under intestacy laws.

SB 750 would allow a single person to hold no more than four licenses after August 31, 2002. Shrimp boat licenses could only be held by individuals.

SB 750 would also prohibit a commercial shrimp boat from being longer than 60 feet or more than 400 horsepower. A vessel licensed before September 1, 1995, that was under the limits could be increased once by no more than 15 percent. A vessel licensed before September 1, 1995, that was over the limits could still have the license renewed but could not be increased.

Commercial shrimping licenses could be suspended for six months for three flagrant violations within a two-year period. The license could be suspended for 12 months if the operator committed three flagrant violations and had been previously suspended. And the license could be revoked if there were three flagrant violation and the license had been suspended twice before. Flagrant violations would include:

- trawling in a nursery;
- shrimping longer than 30 minutes before or after the legal shrimping hours;
- exceeding possession limits by more than 100 pounds;
- exceeding net size by more than five feet or more; or
- falsifying information provided for licensure.

A shrimp license management review board would be established composed of nine members who hold commercial shrimp licenses and selected to represent geographical areas. The board would advise the Parks and Wildlife Commission on all matters concerning commercial shrimping.

SB 750 would begin a license buyback program managed by the executive director of TPWD to buyback the licenses of any willing commercial shrimp licensee. Purchased licenses would be retired until the commission determined that they could be reissued. The buyback program would be funded by a fee increase of not more than 15 percent or \$25 on a number of different licenses.

SB 750 would require TPWD to submit a report by January 1, 1999, concerning the effects of the program.

This bill would take immediate effect if approved by two-thirds of the membership of each house.

**SUPPORTERS  
SAY:**

The Texas shrimp industry is the state's largest commercial fishing industry with annual landings of nearly 100 million pounds or \$500 million. However, the shrimp population has been declining because of overshrimping and a dramatic increase in the number of shrimping boats in the last 20 years. In order to find a way to steady the shrimping industry and promote shrimp management, the Parks and Wildlife Department and the shrimping industry have developed a limited entry plan to limit the number of new shrimpers in Texas, and SB 750 would implement that program.

Limited entry refers to a form of regulation that stops other producers from entering a field that is based on a natural resource in order to avoid its depletion. Limited entry management systems have been used in Texas for oil, gas, and timber production. Many other states and countries use limited entry plans for fishing, including Alaska, California, Canada, Australia, and New Zealand.

The Texas shrimp industry is seeing the signs of an economic crisis caused by overshrimping. There is practically unlimited access to the shrimping industry under current regulations. Without a limited entry plan, the Texas

shrimp industry will eventually deplete all the shrimp in the bay and gulf areas.

This legislation represents an agreement between representatives of the shrimp industry and the TPWD to develop a plan that meets the needs of the shrimp industry and also serves to limit the number of shrimpers allowed to have commercial licenses. The shrimping industry was represented in these meetings by over twenty representatives from all parts of the gulf and bay areas, including representatives of the Southeast Asian shrimping communities.

The time limit provisions would allow someone who is starting to get into the shrimp business to do so, and the transferability provisions would allow someone to take over someone else's operations, but there would undoubtedly be potential shrimpers who would not be able to get licenses. But if every potential shrimper who desires to get a license received one, the entire shrimp industry would suffer from a severe depletion of the supply of available shrimp.

**OPPONENTS  
SAY:**

This bill could hurt the growth of the shrimping industry. Those already in the industry would be allowed to entrench their positions and prohibit future competitors from coming into the industry. There are a number of immigrants, especially from Vietnam and other Southeast Asian countries, who are beginning to shrimp in Texas. A limited entry program could be especially onerous on these new residents.