

- SUBJECT:** Issuing commercial gulf shrimp unloading licenses
- COMMITTEE:** Culture, Recreation and Tourism — favorable, without amendment
- VOTE:** 6 ayes — Frullo, Faircloth, Fallon, Gervin-Hawkins, Krause, Martinez
- 0 nays
- 1 absent — D. Bonnen
- WITNESSES:** For — Andrea Hance, Texas Shrimp Association; Buddy Treybig; Tracy Woody; (*Registered, but did not testify:* Shane Bonnot, Coastal Conservation Association-Texas; David Sinclair, Game Warden Peace Officers Association; John Shepperd, Texas Foundation for Conservation)
- Against — None
- On — Brandi Reeder and Robin Riechers, Texas Parks and Wildlife Department
- BACKGROUND:** Parks and Wildlife Code, sec. 77.035 governs commercial gulf shrimp boat licenses, which authorize commercial boats to catch shrimp in salt water in the portion of the Gulf of Mexico under Texas jurisdiction (i.e., “outside water”), as well as in salt water outside the state’s jurisdiction. The Texas Parks and Wildlife Commission sets the cost of a resident commercial gulf shrimp boat license at \$495. A non-resident commercial gulf shrimp boat license costs \$1,485.
- SB 454 by Arbrister, enacted in 2005 by the 79th Legislature, established a moratorium on the issuance of new commercial gulf shrimp boat licenses.
- DIGEST:** HB 1260 would create a commercial gulf shrimp unloading license, which would allow a person who also held a federal commercial shrimp vessel permit to unload shrimp in Texas that had been caught in salt water outside the state without previously having been unloaded in another state

or country. This requirement would not apply to the holders of valid resident or non-resident commercial gulf shrimp boat licenses.

The bill would require a vessel operating under a commercial gulf shrimp unloading license to travel nonstop through Texas' outside waters to a place of unloading. By September 1, 2018, the Parks and Wildlife Commission would be required to adopt rules governing the storage of trawl gear when the vessel was in transit to an unloading site, as well as specifications for the sign attached to boats with unloading licenses.

HB 1260 would allow commercial gulf shrimp unloading license holders to sell their catch in Texas and would add them to the list of license holders from whom wholesale and retail fish dealers and restaurant owners, operators, and employees would have to purchase their aquatic products.

The fee for the unloading license would be \$1,485, or a larger amount set by the Texas Parks and Wildlife Commission.

The bill would take effect September, 1, 2017.

**SUPPORTERS  
SAY:**

HB 1260 would create a commercial gulf shrimp unloading license that would allow out-of-state shrimpers to unload and sell shrimp at Texas docks, bringing more economic activity to the state. Due to a moratorium on new shrimp boat licenses, commercial shrimpers currently cannot buy a license to unload their catch at Texas ports. The commercial gulf shrimp unloading license would permit commercial fishing vessels operating in federal waters to travel nonstop through outside waters to a port in Texas to unload and sell their shrimp.

When operators of these out-of-state vessels arrived at Texas docks to unload shrimp, they could purchase supplies, repairs, and fuel from Texas businesses. Restocking and refueling a vessel can cost an estimated \$20,000 to \$30,000. The bill would encourage out-of-state shrimp boats to conduct more of this business in Texas.

HB 1260 would open up markets and give restaurants, shrimp wholesalers, and dealers access to another 7 million pounds of shrimp that could be brought to the Texas market from out-of-state boats operating in federal waters in the gulf. This could bring an additional \$100 million in annual sales for the shrimp industry.

The bill would not harm the Texas shrimping industry because it would not permit unloading license holders to catch shrimp in Texas waters. It merely would give unloading license holders the ability to bring ashore in Texas the shrimp they caught in federal waters, which begin nine miles off the coast.

The bill would set the licensing fee for a commercial gulf shrimp unloading license at a minimum of \$1,485, which is the same amount charged for a non-resident commercial shrimp boat license. The fees collected would help fund the Texas shrimp marketing assistance program, which is designed to promote Texas shrimp both nationally and internationally.

The bill would not increase the price of shrimp for Texas retailers, wholesalers, and consumers but could lower prices.

OPPONENTS  
SAY: HB 1260 would create another unnecessary occupational license and fee. Licenses should not be required for fishermen, whether from Texas or from a neighboring state, simply to unload or sell shrimp caught in federal waters. Excessive licensing can lead to increased prices for consumers.

NOTES: A companion bill, SB 2017 by Creighton, was referred to the Senate Committee on Agriculture, Water, and Rural Affairs on March 27.