

BILL ANALYSIS

Senate Research Center
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S.B. 379
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Natural Resources
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AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

The Texas Parks and Wildlife Department (department) administers commercial fishing license buyback programs for shrimp, crab, and finfish. Funds generated from a surcharge on these commercial licenses and on the saltwater fishing stamp endorsement are used for purchasing and retiring commercial crab, finfish, bait shrimp, and bay shrimp licenses. The goal of the program is to reduce the number of license holders and the fishing effort in each of those fisheries.

The license buyback programs depends on voluntary offers from persons willing to sell their licenses to the department. To date, most of the funds expended have been used for the purchase of commercial bay and bait shrimp fishing boat licenses. This is primarily due to the size of the fishery and that the inshore shrimp fishery was the first limited entry and buyback program established, in 1995-96. The current management regime, which includes the regulations in place and the limited-entry program, has led to decreasing inshore shrimping effort (30 percent) and decreasing total catches of bycatch organisms (40 percent).

To date, \$7.7 million has been spent to purchase 1,260 commercial bay and bait shrimp fishing boat licenses. Additionally, \$676,069 has been spent purchasing 24 commercial crab fishing boat licenses and 120 commercial finfish fishing boat licenses.

As proposed, S.B. 379 authorizes the department to request the Texas Public Finance Authority (authority) to issue revenue bonds or other revenue obligations to finance the purchase and retirement of licenses at an aggregated cost not to exceed \$10 million. This bill also directs the authority to issue the revenue bonds or other revenue obligations according to current statutes, and directs the department to deposit the revenue generated from the sale of the bonds to the game, fish, and water safety account for the purpose of financing the commercial buyback programs. S.B. 379 restricts the department to paying no more than \$7,500 for a license in these programs and directs the department to repay the bonds from the fees and surcharges assessed by the department for the saltwater sport fishing stamp.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter A, Chapter 12, Parks and Wildlife Code, by adding Section 12.0091, as follows:

Sec. 12.0091. REVENUE BONDS FOR CERTAIN BUYBACK PROGRAMS. (a) Authorizes the Parks and Wildlife Department (department), by resolution of the Parks and Wildlife commission (commission), to request the Texas Public Finance Authority (authority) to issue revenue bonds or other revenue obligations to finance the purchase and retirement of licenses under Section 47.081, 77.119, or 78.111 at an aggregated cost not to exceed \$10 million.

(b) Requires the authority, on receipt of a request by the department under this section, to promptly issue the bonds or other revenue obligations under and in accordance with Chapter 1201 and 1232 (Texas Public Finance Authority), Government Code, and other provisions of Title 9, Government Code, applicable

to revenue bonds. Provides that Section 1232.066(a) (limiting the actions which may be taken by the board of the authority), Government Code, does not apply to this section.

(c) Requires the department to deposit the proceeds of revenue bonds or other revenue obligations issued under this section to the credit of the game, fish, and water safety account and authorizes the department to use the proceeds only to buy back and permanently retire licenses under Section 47.081, 77.119, or 78.111.

(d) Prohibits the department from paying more than \$7,500 for a license purchased and retired with the proceeds from the bonds or other revenue obligations issued under this section.

(e) Requires the repayment of bonds issued under this section to be paid from the revenue collected from the fees and surcharges charged by the department for the saltwater sportfishing stamp under Subchapter M, Chapter 43.

SECTION 2. Provides that the legislature finds that the issuance and repayment of bonds under Section 12.0091, Parks and Wildlife code, as added by this Act, is beneficial in certain ways.

SECTION 3. Effective date: upon passage or September 1, 2005.