

BILL ANALYSIS

Senate Research Center

H.B. 3764
By: O'Day, Merritt (Estes)
Natural Resources
5/17/2007
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, boats are authorized to be shown or tested using dealer or manufacturer licenses. Statute prohibits the demonstration from involving recreational use or participation in a contest or event. These prohibitions ensure that boats are not used permanently without being registered, and thereby avoiding a sales tax. The broad language of the statutory restrictions hinders legitimate business and sales practices of dealers and manufacturers, causing inconsistency in statewide enforcement. The Texas Parks and Wildlife Department attempted to address this situation by enacting rules. However, additional statutory authority is required to carry out those rules.

H.B. 3764 authorizes Texas Parks and Wildlife Commission, by rule, to address the licensing of boats to prevent the avoidance of a sales tax.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Parks and Wildlife Commission in SECTION 1 (Section 31.041, Parks and Wildlife Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 31.041(d), Parks and Wildlife Code, as follows:

(d) Authorizes the Parks and Wildlife Commission to establish rules concerning the issuance and price of validation cards permitting the limited and temporary use of vessels for recreational purposes or participation in contests or events. Requires any fees collected by the Parks and Wildlife Department under this subsection to be deposited in the game, fish, and water safety account established under Section 11.032.

SECTION 2. This Act takes effect September 1, 2007.