

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 4593
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Agriculture & Rural Affairs
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 2470, 78th Legislature, Regular Session, 2003, created the Texas Shrimp Marketing Assistance Program (program) implemented under the Texas Department of Agriculture (TDA). The program is designed to assist the Texas shrimp industry in promoting, advertising, and educating the public on the Texas shrimp industry and shrimp produced in Texas.

Currently, the program consists of a 10-member shrimp advisory committee to assist in implementing the program which is funded at a minimum level of \$250,000 per year. Of that amount, 90 percent is collected from licenses issued to members of the Texas wild-caught shrimp industry and the balance of 10 percent allocated to the Texas shrimp aquaculture industry.

At the time of the program's creation there were eight to 10 active shrimp aquaculture operations in Texas. Since then, as a result of disease, economic hardship and foreign competition, the current industry is represented by a single active aquaculture operation. The market has declined to the point where the 10 percent funding requirement has become a burden for one operation.

C.S.H.B. 4593 amends current law relating to the marketing of shrimp and aquaculture products.

RULEMAKING AUTHORITY

Rulemaking authority previously granted to the Texas Department of Agriculture is modified in SECTION 6 (Section 134.014, Agriculture Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 47.051(5), Agriculture Code, to redefine "Texas-produced shrimp."

SECTION 2. Amends Section 47.052(a), Agriculture Code, to provide that the Texas shrimp marketing assistance program (program) is established in the Texas Department of Agriculture (TDA) to assist the Texas wild-caught shrimping industry, rather than Texas shrimp industry, in promoting and marketing Texas-produced shrimp and educating the public about the Texas wild-caught shrimping, rather than Texas shrimp, industry and Texas-produced shrimp.

SECTION 3. Amends Section 47.053(b), Agriculture Code, to require that the shrimp advisory committee be composed of nine certain members, rather than 10 certain members.

SECTION 4. Amends Section 47.054(b), Agriculture Code, to require that the source of funding for the payment of employee salaries, unless otherwise expressly provided by the legislature, be funds generated from the program, including the 10 percent license fee increase authorized by Section 77.002 (License Fees), Parks and Wildlife Code, rather than the 10 percent license fee increase authorized by Section 77.002, Parks and Wildlife Code, and the surcharge on license fees authorized by Section 134.014 (License Fees).

SECTION 5. Amends Section 47.055, Agriculture Code, to make conforming changes.

SECTION 6. Amends Section 134.014, Agriculture Code, as follows:

Sec. 134.014. LICENSE FEES. Deletes existing Subsection (a) designation. Requires TDA to issue an aquaculture license or a fish farm vehicle license on completion of applicable license requirements and the payment of a fee by the applicant, as provided by TDA rule. Deletes the designation of Subsection (a). Deletes existing text of Subsection (b) requiring TDA, in addition to the fees under Subsection (a) (relating to an applicant fee), to assess and collect a surcharge on the annual license fee for aquaculture facilities producing shrimp for the purpose of funding the Texas shrimp marketing assistance program created under Subchapter B (Texas Shrimp Marketing Assistance Program in Department of Agriculture), Chapter 47 (Texas Oyster and Shrimp Program), and requiring that the amount of the surcharge be set each year, as provided by TDA rule, in an amount equal to 10 percent of the fees generated by the Parks and Wildlife Department under Section 77.002(c) (relating to increasing the fee to 10 percent), Parks and Wildlife Code. Deletes existing text of Subsection (c) requiring TDA to deposit at the end of each quarter, to the credit of the shrimp marketing account, the fees received under Subsection (b) for use by TDA to conduct and operate the Texas shrimp marketing assistance program created under Subchapter B, Chapter 47.

SECTION 7. Amends Section 77.002(b), Parks and Wildlife Code, as follows:

(b) Provides that the shrimp marketing account is an account in the general revenue fund to be used by TDA solely for the purpose of the program established under Subchapter B, Chapter 47, Agriculture Code. Provides that the account consists of funds deposited to the account under this section, rather than and Section 134.014(b), Agriculture Code. Provides that the account is exempt from the application of Section 11.032 (Game, Fish, and Water Safety Account; Sources) of this code and Section 403.095 (Use of Dedicated Revenue), Government Code.

SECTION 8. Effective date: September 1, 2009.