

SUBJECT: Surcharge on shrimp-related licenses for an two additional years

COMMITTEE: Culture, Recreation, and Tourism — favorable, without amendment

VOTE: 4 ayes — Hilderbran, Kuempel, Baxter, Phillips

0 nays

3 absent — Dukes, Dunnam, Gallego

SENATE VOTE: On final passage, April 28 — 31-0, on Local and Uncontested Calendar

WITNESSES: *(On House companion bill, HB 2942 by Eiland:)*

For — Ed McCarthy, Texas Shrimp Association; *(Registered, but did not testify: Walter W. Zimmerman, Texas Shrimp Association)*

Against — None

BACKGROUND: Parks and Wildlife Code, ch. 77, provides the licensing requirements for catching and selling shrimp legally in Texas. In addition to acquiring these licenses, a person who wishes to retain and sell aquatic products other than shrimp, taken incidental to a legal shrimping operation, under current regulations must acquire other licenses issued pursuant to ch. 47 by the Texas Parks and Wildlife Department (TPWD).

In 2003, the 78th Legislature enacted HB 1858 by Wise, which created the Shrimp Marketing Program. The program, administered by the Texas Department of Agriculture (TDA), is funded at a minimum level of \$250,000 per year through transfers made by TPWD. Revenue sources for funding the program include a 10 percent surcharge on certain shrimp-related licenses issued by TPWD. These surcharges are set to expire September 1, 2005.

DIGEST: SB 1271 would extend for two years, until September 1, 2007, the 10 percent increase in fees that TPWD could charge for the following licenses: wholesale fish dealer's license, retail fish dealer's license, retail fish dealer's truck license; commercial bay shrimp boat license, and

commercial gulf shrimp boat license.

The bill would take effect August 29, 2005.

**SUPPORTERS
SAY:**

SB 1271 would extend for two additional years the surcharge of up to 10 percent on five commercial licenses issued by TPWD affecting shrimpers. The surcharges would continue to support the Shrimp Marketing Program, enacted last session and administered by TDA, to assist the Texas shrimp industry in promoting and marketing Texas-produced shrimp and educating the public about both the Texas shrimp industry and Texas-produced shrimp. The program has been a success and should be continued at least for two more years.

**OPPONENTS
SAY:**

No apparent opposition.

NOTES:

The companion bill, HB 2942 by Eiland, passed the House on the Local, Consent, and Resolutions Calendar on April 29 and was reported favorably, without amendment, by the Senate Natural Resources Committee on May 18.