

Department of Legislative Services
Maryland General Assembly
2015 Session

FISCAL AND POLICY NOTE

House Bill 1002 (Delegate Jacobs, *et al.*)
Environment and Transportation

Natural Resources - County Oyster Committees - Authority

This bill authorizes a county oyster committee to use funds received from the Department of Natural Resources (DNR) or any other source to purchase oyster shells, seed oysters, or spat-on-shell for use on the public oyster fishery.

The bill takes effect June 1, 2015.

Fiscal Summary

State Effect: The bill is not expected to affect State finances.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law/Background:

County Oyster Committees

DNR must have licensed oystermen in each tidewater county of the State select committees of oystermen, representing different gear types, to confer with DNR concerning oyster propagation conducted by the department in each county.

Oyster Surcharge and Tax Revenue

A person who catches oysters for sale must pay an annual surcharge of \$300 and the revenue must be used by DNR only for oyster repletion activities.

A severance tax of \$1 is levied on every bushel of oysters caught within the limits of the natural oyster bars of the State, excluding the Potomac River. An inspection tax of 30 cents per bushel is levied on marketable oysters shipped in the shell outside the State. Oyster severance and inspection tax revenue is credited to DNR's Fisheries Research and Development Fund and is used only for the repletion of the State's natural oyster bars. A certain portion of those revenues is limited to use for an oyster seed program.

As required by statute, oyster surcharge and tax revenues are used by DNR for oyster repletion activities (placing shell that has gone through a hatchery on a public oyster fishery bottom, placing shell directly on a public oyster fishery bottom for natural production, or dredging and moving shell to a public oyster fishery bottom). Certain funding provided to DNR by the Maryland Department of Transportation has also been allocated to this purpose. The funding for oyster repletion activities is used based on recommendations of the county oyster committees, but subject to DNR's approval. DNR advises that the department does not provide funds to county oyster committees but instead to contractors to provide the oyster repletion services in accordance with State procurement rules.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Natural Resources, Howard and Montgomery counties, Baltimore City, Department of Legislative Services

Fiscal Note History: First Reader - March 4, 2015
mel/lgc

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