# **Department of Legislative Services**

Maryland General Assembly 2017 Session

#### FISCAL AND POLICY NOTE Third Reader - Revised

Senate Bill 964 (Senators Klausmeier and Eckardt)

Education, Health, and Environmental Affairs Environment and Transportation

#### **Aquaculture - Leases - Submerged Aquatic Vegetation**

This emergency bill requires the Department of Natural Resources (DNR), in consultation with interested stakeholders, to (1) review the conflicts that arise when implementing its policies of protecting submerged aquatic vegetation (SAV) and promoting aquaculture in the State and (2) develop solutions to these conflicts that take into account the benefits provided by both SAV and aquaculture. DNR must report its findings and recommendations, including any proposed legislation, to the Governor and the General Assembly by December 1, 2017. DNR may adopt regulations that establish standards and a process under which the department may assess and evaluate an aquaculture lease on which SAV has encroached to determine if aquaculture activity on the lease must be restricted or prohibited due to the circumstances of the encroachment.

## **Fiscal Summary**

**State Effect:** The bill can be implemented with existing resources.

**Local Effect:** None.

Small Business Effect: Potential meaningful.

## **Analysis**

**Current Law/Background:** An aquaculture leaseholder may not place shellfish, bags, nets, or structures on SAV. A lease also may not be located in an SAV protection zone (an area of SAV mapped in aerial surveys by the Virginia Institute of Marine Science). A person is prohibited from using a hydraulic clam dredge, a traditional bottom dredge, or a shinnecock rake in an SAV protection zone.

DNR screens aquaculture leases for the presence of SAV pursuant to agreements with the National Marine Fisheries Service and U.S. Army Corp of Engineers, which can result in restrictions being imposed on the use of the leases if SAV has encroached on the lease. DNR indicates that SAV has become more abundant in the Chesapeake Bay in recent years. There are currently 393 shellfish aquaculture leases that are held by 169 distinct leaseholders.

**Small Business Effect:** Aquaculture leaseholders may meaningfully benefit to the extent the review required under the bill and any regulations adopted pursuant to the authority provided under the bill result in fewer restrictions imposed on leases with SAV encroachment.

#### **Additional Information**

**Prior Introductions:** None.

Cross File: None.

**Information Source(s):** Department of Natural Resources; Department of Legislative

Services

**Fiscal Note History:** First Reader - March 3, 2017 md/lgc Third Reader - March 15, 2017

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