

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 784

(Delegate D. Jones)

Environment and Transportation

Education, Energy, and the Environment

Aquaculture - Placement of Shellfish, Bags, Nets, and Structures on Submerged Aquatic Vegetation - Extension

This bill extends – from June 30, 2027, to June 30, 2030 – the termination date of Chapter 238 of 2019 (as amended by Chapter 113 of 2024), which allows an aquaculture leaseholder to place shellfish, bags, nets, or structures on submerged aquatic vegetation (SAV) with specified prior written approval from the Department of Natural Resources (DNR). **The bill takes effect June 1, 2026.**

Fiscal Summary

State Effect: The bill does not directly affect State finances.

Local Effect: None.

Small Business Effect: Potential meaningful.

Analysis

Current Law: Chapter 238 of 2019 (as amended by Chapter 113 of 2024) allows an aquaculture leaseholder to place shellfish, bags, nets, or structures on SAV with prior written approval from DNR. In approving the placement of shellfish, bags, nets, or structures on SAV, DNR (1) may not authorize harvesting by dredge in areas where SAV is present; (2) must authorize for water column leases the placement of shellfish, bags, nets, or structures in at least 10% of the area where SAV is present; and (3) must authorize harvest by diving in areas on any submerged land lease where SAV is present.

Chapter 113 of 2024 extended the termination date of Chapter 238 of 2019, from June 30, 2024, to June 30, 2027.

Chapter 113 also contains a requirement that DNR report – by June 1, 2025, and each June 1 of the following two years – on (1) specified impacts of allowing leaseholders to place shellfish, bags, nets, or structures on SAV and (2) specified related data. (The bill does not extend the reporting requirement.)

Small Business Effect: Small businesses engaged in shellfish aquaculture may meaningfully benefit from extending Chapter 238 (as amended by Chapter 113). DNR indicates that the full extent of the law’s benefits to the industry have not been evaluated to date because authorized placement of shellfish, bags, nets, or structures on SAV has only been implemented for a few aquaculture leases.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

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

Fiscal Note History: First Reader - February 23, 2026
js/lgc Third Reader - March 12, 2026

Analysis by: Scott D. Kennedy

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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Aquaculture - Placement of Shellfish, Bags, Nets, and Structures on Submerged Aquatic Vegetation - Extension

BILL NUMBER: HB 784

PREPARED BY: Sarah Widman

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS

If the process can be expanded over time to include more leases, there could be a greater positive economic impact on the industry. For individual leases, this provides a meaningful positive economic impact as it allows the department to consider whether aquaculture activities should be allowed in these areas or not, and if so, maximize aquaculture working areas while still protecting SAV beds.