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Budget and Taxation Committee

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Education, Business and Administration

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Joint Committee on Administrative,  
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Joint Committee on the Chesapeake and  
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## THE SENATE OF MARYLAND

ANNAPOLIS, MARYLAND 21401

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### Testimony in Favor of SB830 Natural Resources - Oysters - Spat, Shells, and Substrate

Chairman Pinsky, Vice-Chair Kagan, and members of the Education, Health, & Environmental Affairs Committee,

I respectfully request a favorable report of Senate Bill 830 - a bill to make critical investments in sustaining one of Maryland's keystone species: the Eastern oyster. SB830 is entirely about supply: how we can increase spat production, expand shell retention, better understand our own Bay's bottom, and coordinate substrate research to chart a path forward to increase oyster abundance across the Chesapeake Bay. SB830 provides essential investments that will grow oyster abundance, improve water quality, and benefit Maryland's economy.

SB830 is intentionally devoid of policy beyond these investments and reflects much of the consensus that was achieved in the Oyster advisory Commission. Each piece of the bill builds off another: Maryland needs more shells to help both with natural spat set and increased spat-on-shell production. Increased spat-on-shell production will help bolster oyster abundance across the Bay. The Bay bottom survey, last conducted in the 1970s and 1980s, and the collaborative research on substrate will help us better map, understand, and plan the future of repletion, aquaculture, and restoration of the oyster.

#### **To ensure that Maryland retains and increases our abundance of shell this legislation will:**

1. Revitalize the shell recycling tax credit through the Department of Natural Resources (DNR) and the Oyster Recovery Partnership (ORP).
2. Direct an additional \$1 million dollars to MARBIDCO for the purposes of incentivizing more Maryland-based shucking houses.

#### **To more strategically approach the need for shell, spat, and substrate this legislation will:**

1. Require the Maryland Geological Survey in conjunction with UMCES to undertake the first bay bottom survey since early 1980s
2. Authorize the UMCES to collaborate with other leading research organizations including the Smithsonian Environmental Research Center (SERC), the Virginia Institute of Marine Science (VIMS), as well as other entities including State and Federal agencies

3. Ensure that DNR creates and submits a report on substrate needs and repletion activities over the next 10 years

**To increase the amount of spat-on-shell produced in Maryland this legislation will:**

1. Expand current oyster hatchery efforts in the State by providing \$20 million in capital funding to UMCES to create a second oyster hatchery and \$2.5 million to the Morgan State PEARL laboratory to expand on their oyster hatchery efforts.
2. Add intent language that our State reached 5 billion spat-on-shell produced yearly by 2025.

After input from stakeholders across the Bay, I am currently working with the amendment office to **offer a sponsor amendment that will:**

1. In the section outlining the shucking house investments via MARBIDCO, clarify the definition of “repletion,” remove the term “grants,” include historic oyster shucking facilities, create a nuanced loan forgiveness structure, and allow MARBIDCO to structure grants of varying sizes dependent upon the number of employees.
2. On shell recycling grant, remove the tiered approach to the tax credit for restaurants and seafood processors and instead just make it \$5/bushel or market value, whichever is great, for up to \$2,000; clarify that dealers are eligible; and, ensure that DNR can contract out the program.
3. On the Bay bottom survey, clarify that a goal is to map existing and potential oyster habitat and it will also remove the fish spawning area limitation.
4. Add aquaculture to the report required by DNR.
5. Add language to clarify that the collaborative research on substrate should be conducted in a controlled study within an existing restoration site.
6. Remove language regarding “larger stones” and instead use “stones of various sizes” in the collaborative research section.

**The bipartisan bill sponsors are continuing to work together and with stakeholders to achieve language that provides the critical balance amongst the interests while maintaining the goal of the bill: that greater investment in this natural resource will be a rising tide that lifts all boats. We are again bringing stakeholders together this week to continue that important collaborative work. I expect to bring finalized amendments to this Committee by Friday afternoon for your consideration.**

Thank you and I request a favorable report with amendments for Senate Bill 830.