



TESTIMONY BY THE OYSTER RECOVERY PARTNERSHIP

House Environment and Transportation Committee

House Bill 1228: Natural Resources – Oysters – Spat, Shells, and Substrate

Favorable with Amendments

March 4, 2022

Chairman Barve, Vice Chair Stein, and members of the House Environment and Transportation Committee:

My name is Paul Schurick and, on behalf of the Oyster Recovery Partnership (ORP), I respectfully ask the Committee to consider changes to House Bill 1228 to better advance the state’s need to recover and re-use oyster shells to rebuild oyster populations in the Chesapeake Bay.

ORP is a 28-year old nonprofit organization headquartered in Annapolis. Our mission is to increase the environmental and economic value of Maryland’s oyster population and we work closely with the Maryland Department of Natural Resources, Maryland’s commercial seafood industry, and the oyster aquaculture industry to restore oyster reefs in the Chesapeake Bay. Since its founding in 1994, ORP has planted more than nine billion juvenile oysters in the Bay and its tributaries.

Oyster shell is a significant natural resource and, in 2010, we established a Shell Recycling Alliance to recover oyster shells from area restaurants. Recycled shell is aged, cleaned, and used to build and rebuild oyster reefs. Since that time, ORP has recycled 256,000 bushels of shell; we currently pick up shell on a weekly basis from hundreds of restaurants and public drop-off sites in Maryland, Virginia, Washington DC, Pennsylvania, and Delaware. Maryland-based restaurants currently are eligible for a \$5-per-bushel state tax credit, capped at \$1,500 per year.

The most recent five years of shell recycling shows the growth and impact of this recycling effort:

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|---------------------------|--------|--------|--------|--------|--------|
| Bushels recycled | 33,457 | 33,635 | 35,749 | 15,905 | 26,428 |
| Participating restaurants | 276 | 291 | 319 | 262 | 205 |

House Bill 1228 proposes to replace the current shell recycling tax credit with a grant program that would pay organizations for recycled shell; it proposes a system of tiered per-bushel payments that would differ depending on the number of shells recycled. ORP believes the proposal would result in a complicated and confusing system of payments. We respectfully suggest that it be changed to a flat \$5 per-bushel rate of payment with a cap of \$2,000 per year per eligible entity.

We look forward to continuing to work with the General Assembly and the Maryland Department of Natural Resources to refine and administer this critical shell recycling program.