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House Environment and Transportation Committee

Testimony in **OPPOSITION** to **House Bill 1228**

Natural Resources – Oysters – Spat, Shells, and Substrates

March 4, 2022

The Delmarva Fisheries Association (DFA) urges an **unfavorable** report on House Bill 1228. As introduced, such legislation would make a wide range of changes to various programs, goals, research requirements, planning requirements, and funding requirements related to oyster spat, oyster shells, and oyster substrate. *DFA represents over 80% of the commercial watermen in Maryland; individuals whose work and unique way of life spanning several generations depend upon sustainable harvests in a healthy Bay.*

DFA concerns with HB 830 include:

- no opportunity for input by the Oyster Advisory Commission (OAC) or coordination with the Final Report: *Oyster Advisory Commission Consensus Recommendations on Oyster Management*, dated December 1, 2021 (Section 1 is attached);
- a significant fiscal note and no accountability in terms of the high (+/- 95%) mortality rate of hatchery spat when planted in the wild (out of one million planted “baby oysters” from hatcheries maybe 50,000 survive and mature to market size);
- limited resources dedicated to the commercial fishery being diluted, reallocated or wasted on inefficient and/or unproven or programs (i.e., tapping the Fisheries Research and Development Fund);
- methodology and scope of a program to survey portions of Chesapeake Bay bottom;
- a grant program for restaurants and seafood processors that is likely to drive up the cost of much-needed oyster shells for oyster propagation; and
- uncodified language beginning on line 30, page 2, to line 13, page 9, which sets policies and goals relative substrate and the production of hatchery spat.

For these reasons, DFA urges an unfavorable report on HB 1228 and **recommends referral to the Oyster Advisory Commission for stakeholder consideration.**

As amendments are proposed, and the fiscal note is digested, DFA suggests another approach to ramping up spat production to take advantage to the best conditions in decades.

With the existing hatcheries that would benefit from additional orders and from public financial assistance to improve processes, including a brand-new hatchery in Sherwood (Ferry Cove Shellfish), there is no need for another government run hatchery. The estimated cost of \$20 million for a second UMCES hatchery is insufficient for a state-of-the-art oyster hatchery, especially in light of escalating equipment, supplies and construction costs (and would take many years to open and move the needle on overall spat production).

Instead of building another hatchery, we should accentuate the positive and buy more larvae from existing hatcheries. The bill should simply authorize DNR to procure additional larvae and/or spat from approved sources, including Horn Point, Ferry Cove, PEARL, Virginia hatcheries or hatcheries in other states (larvae can be shipped). Such additional larvae would benefit programs in sanctuaries (restoration), aquaculture and the public fishery. Per UMCES Horn Point Laboratory [2022 Larvae Order Form](#), \$1 million will buy **2.5 billion** larvae (Triploid or Diploid Disease Resistant at \$400 per million eyed larvae) or **3.07 billion** larvae (Diploid Wild at \$325 per million eyed larvae). More funding for spat from existing hatcheries would take advantage of the current favorable conditions in areas of the Bay for oyster propagation.

To improve survivability and return on investment, no spat on shell purchased with public funding should be applied to waters of Maryland until five millimeters (5mm) in size, on average.

State financial assistance programs such as MARBIDCO or direct aid from DNR should give priority to existing Maryland hatcheries for improvements and expansion to meet the demand for larvae, and for existing seafood industry businesses.

In addition to buying more larvae for existing hatcheries instead of building new, provide additional funding for the purchase of shell, or seed and shell, from Virginia if available, and to move forward on shell harvesting at Man O'War Shoal, where the estimated return on investment is 8:1.

No more studies are needed to prove that natural indigenous Chesapeake Bay oyster shell is the absolute best for oyster propagation. Spending time and money trying to prove better “alternatives” is a distraction from the abundance of natural shell deposits throughout the Bay (see [Trove of oyster shells discovered in Potomac River. Now what?](#); Bay Journal, 2/2822).

Re the bottom survey, more definition is needed in terms of types of bottom (structure or classification) to be surveyed and the intent – to quantify existing shell and oyster bottom, including oyster bar locations. Given the loss of public fishery bottom over the years (to sanctuaries and private aquaculture leases), the wild public fishery would like assurance in the bill (legislative intent) that the bottom survey will not result in the loss of public fishery bottom.

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