

JACK BAILEY
Legislative District 29
Calvert and St. Mary's Counties

Budget & Taxation Committee



THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Annapolis Office
James Senate Office Building
11 Bladen Street, Room 401
Annapolis, Maryland 21401
410-841-3673 • 301-858-3673
800-492-7122 Ext. 3673
Jack.Bailey@senate.state.md.us

District Office
Dorsey Professional Park
23680 Three Notch Road, Unit 101
Hollywood, Maryland 20636
240-309-4238

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Senate Bill 32 – Economic Development - Maryland Agricultural and Resource-Based Industry Development Corporation - Loans

Dear Chairman Korman and Members of the Committee,

I am writing to introduce Senate Bill 32. This bill would allow Maryland commercial watermen who hold a license from the Potomac River Fisheries Commission to access funds available under the Maryland Watermen's Microloan Program.

In 2022, the General Assembly passed Senate Bill 826, which established the Maryland Watermen's Microloan Program in the Maryland Agricultural and Resource-Based Industry Development Corporation (MARBIDCO) to provide loans to qualified commercial fishermen to continue commercial operations in the State. The bill specified that the watermen eligible for the program were required to hold a Tidal Fish License under §4-701 of the Natural Resources Article. However, the wording of this bill inadvertently excluded Maryland residents who work on the Potomac River, which is part of our State in its entirety.

During the interim, I was contacted by a commercial waterman who lives in my district who held only a PRFC license, not a Maryland State license, and wanted to apply for a loan under the program. If a waterman fishes only in the Potomac River, they may only hold a PRFC license rather than a Tidal Fish License. However, these watermen still contribute to Maryland's economy and we should be able to assist them in the same manner as we do other watermen in our State. Senate Bill 32 is intended to ensure that these individuals have access to these loans as well by making Maryland residents who hold PRFC licenses eligible in statute.

The provisions of this bill altering the Maryland Watermen's Microloan Program are identical to House Bill 120 as it passed this Committee and the House of Delegates. The Senate added an additional amendment to address a concern with another loan program administered by MARBIDCO. In 2022, the General Assembly passed legislation that included provisions allowing MARBIDCO to make loans to seafood processing projects, including oyster shucking facilities. The law currently permits these loans to be granted based on the number of full-time jobs that are expected to be created or retained by the project. An issue arose that these shucking facilities are not in operation year-round, so the amendment gives them the opportunity to receive financing based on the number of seasonal full-time jobs projected to be created or retained. This would permit these funds to go to these facilities as intended by the original law.

I respectfully request a favorable report on Senate Bill 32. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Bailey".

Senator Jack Bailey