

February 24, 2026

The Honorable Guy Guzzone
Chair, Senate Budget and Taxation Committee
3 West Miller Senate Office Building
Annapolis, MD 21401

RE: Letter of Concern – Senate Bill 558 – Chesapeake Bay Enhancement Program – Established

Dear Chair Guzzone and Committee Members:

The Maryland Department of Transportation (MDOT) takes no position on Senate Bill 558 but offers the following concerns for the committee's consideration.

SB 558 would establish a Chesapeake Bay Enhancement Program at the Department of Natural Resources (DNR) to provide funding for oyster propagation and replenishment programs. This program would be funded through a mandated appropriation of \$2 million from the Transportation Trust Fund annually beginning in Fiscal Year 2028.

MDOT and DNR's Commitment to Continuing Partnership

MDOT understands the vital importance of the oyster population to the health and economy of the Chesapeake Bay, and since 2005, it has provided funding from the Transportation Trust Fund toward oyster propagation and replenishment activities through a Memorandum of Understanding (MOU) between MDOT and DNR. Last fall, MDOT fully restored all \$2 million in funding for FY 2026 for the oyster reseeding program consistent with the existing MOU. While the MOU ends in FY 2026, MDOT and DNR have begun conversations to enter into a new, multi-year MOU. Additionally, MDOT has budgeted \$2 million in FY 2027 to show its commitment to continuing this partnership with DNR. MDOT will keep the General Assembly informed as the conversations regarding the new MOU continue. In next year's draft Consolidated Transportation Program, MDOT will fully fund the term of the multi-year MOU.

The Port of Baltimore and Environmental Stewardship

The Port of Baltimore is an economic engine and critical international gateway that connects the region to global suppliers and markets, relying wholly on the existence of the 50-foot channel maintained by the U.S. Army Corps of Engineers. SB 558 sends a troubling message to the hardworking men and women who make their living at the Port of Baltimore.

The Port of Baltimore has a 320-year history of delivering economic prosperity through trade in the largest estuary in the United States. For generations, the Maryland Port Administration has been committed to supporting Maryland's economic vitality while at the same time caring for and

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protecting our environment and improving the lives of our neighbors. Stakeholders play a vital role in shaping the Port and their input has driven efforts to enhance transparency and collaboration.

As written, the purpose described in SB 558 is inaccurate and misplaced. Dredging makes it possible for some of the largest cargo ships in the world to do business in Maryland. With innovative thinking, thoughtful investment and careful implementation, dredging also provides material to create beautiful habitats for thousands of species of birds and animals, and places of wonder for people to discover nature. The State's Dredged Material Management Program (DMMP) established by state law provides for exhaustive, multi-stakeholder input and evaluation of dredging and management of dredged material. Additionally, the construction and operation of the State's DMMP projects are subject to extensive permitting, environmental impacts studies, wetland licensing, and the State's clearing house processes – all of which include extensive evaluation of Port project impacts to a wide variety of finfish, shellfish, and other living resources in the Chesapeake Bay.

In advancing this new MOU, MDOT will note the broad nexus between oysters, the health of the Bay, and transportation-related impacts. MDOT and DNR will also work to ensure the funds directly support the repletion and restoration of oysters and oyster beds within the Chesapeake Bay relative to administrative costs.

The Maryland Department of Transportation respectfully request the Committee consider this information when deliberating Senate Bill 558.

Respectfully submitted,

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