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By: **Senator Colburn**

Introduced and read first time: February 2, 2001

Assigned to: Economic and Environmental Affairs

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A BILL ENTITLED

1 AN ACT concerning

2 **Natural Resources - Oyster Taxes**

3 FOR the purpose of providing for the refund of a certain permit and inspection tax on  
4 exported oysters if the shipper provides certain documentation; and generally  
5 relating to the refund of a certain permit and inspection tax on exported oysters  
6 under certain circumstances.

7 BY repealing and reenacting, without amendments,  
8 Article - Natural Resources  
9 Section 4-1019.2  
10 Annotated Code of Maryland  
11 (2000 Replacement Volume)

12 BY repealing and reenacting, with amendments,  
13 Article - Natural Resources  
14 Section 4-1020(a)  
15 Annotated Code of Maryland  
16 (2000 Replacement Volume)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
18 MARYLAND, That the Laws of Maryland read as follows:

19 **Article - Natural Resources**

20 4-1019.2.

21 (a) This section does not apply to:

22 (1) An individual who takes or uses oysters for personal use or  
23 consumption purposes; or

24 (2) Old oyster shells that are dredged from the Chesapeake Bay or its  
25 tributaries.

1 (b) Except as provided in subsection (c) of this section, any licensed oyster  
2 dealer shall reserve for 8 months after the opening of each annual harvest season all  
3 shells of oysters harvested from the Chesapeake Bay or its tributaries and  
4 commercially shucked in the State for purchase by the Department for replanting on  
5 public oyster areas unless the dealer plants these oyster shells:

6 (1) On private leased ground or riparian bottom for the propagation of  
7 oysters; or

8 (2) On public oyster areas designated by the Department.

9 (c) (1) The Department shall determine whether sufficient funds are  
10 available for the Oyster Shell Purchase Program under this section.

11 (2) The Department shall notify every licensed oyster dealer not later  
12 than September 1 of each year whether the Oyster Shell Purchase Program will be  
13 carried out during the ensuing license year.

14 (3) If the Department does not notify licensed oyster dealers that the  
15 Oyster Shell Purchase Program will be carried out during the ensuing license year, a  
16 licensed oyster dealer may sell or dispose of fresh oyster shell at any time to any  
17 person for any lawful purpose.

18 (4) The Department shall:

19 (i) Establish procedures for the expeditious notice, payment, and  
20 removal of shells purchased; and

21 (ii) Provide for the transportation, storage, and placement on public  
22 oyster bars in State waters.

23 (d) All existing contracts executed prior to July 1, 1988 concerning the  
24 purchase of oyster shell shall be valid and exempt from the provisions of this section  
25 for the length of time for which the contract covers.

26 (e) Unless permission has been obtained from the Department, it shall be  
27 unlawful for any person to take or catch oysters or shell in any of the waters of the  
28 State for the purpose of converting the oysters or shell into lime, chickenmeal, or road  
29 construction materials.

30 (f) (1) In consultation with the Maryland oyster packers, the Department  
31 shall determine annually the fair market value that the Department pays for fresh  
32 oyster shells.

33 (2) However, the Department shall pay not more than 25 cents per  
34 bushel of oyster shells to the holder of the shells at the site where the shells are kept.

1 4-1020.

2 (a) A separate permit shall be obtained for shipping each cargo, truckload, or  
3 other consignment of oysters in the shell out of the State. An inspection tax of 30 cents  
4 per bushel shall be levied upon marketable oysters shipped in the shell to any place  
5 outside the State and shall be paid by the shipper. The tax imposed by this subsection  
6 shall be levied in addition to every other tax imposed on oysters. THE DEPARTMENT  
7 SHALL REFUND ANY TAX PAID IF THE SHIPPER PROVIDES DOCUMENTATION THAT  
8 THE OYSTERS OR SHELLS WERE RETURNED TO THE STATE AND THE SHELLS ARE  
9 AVAILABLE TO THE STATE IN ACCORDANCE WITH § 4-1019.2 OF THIS SUBTITLE.

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
11 July 1, 2001.