

Department of Legislative Services
Maryland General Assembly
2003 Session

FISCAL AND POLICY NOTE

Senate Bill 248

(Senator Middleton)

Education, Health, and Environmental Affairs

Environmental Matters

Potomac River Fisheries Commission - Dredging of Oysters and Oyster Repletion Fees

This bill authorizes the Potomac River Fisheries Commission (PRFC) to levy oyster repletion fees and regulate all oyster dredging, not just dredging with handscrapes.

Fiscal Summary

State Effect: PRFC is a semi-autonomous agency. While the Department of Natural Resources provides law enforcement on the Potomac River for PRFC, the bill's changes could be handled with existing budgeted resources.

Local Effect: None.

Small Business Effect: Potential meaningful. To the extent PRFC chooses to regulate power dredging as a result of the bill, it could result in an increase in oysters harvested by watermen. Those wishing to use power dredges would be required to pay any license fees established by PRFC for power dredging.

Analysis

Current Law: PRFC operates under the Potomac River Compact of 1958. Maryland ratified the compact in 1959 (Chapter 269). PRFC is authorized to make, adopt, and publish rules and regulations for authorizing and regulating the dredging of oysters with handscrapes in areas of the Potomac River within its geographical jurisdiction. PRFC may levy license fees and may impose an inspection tax.

Background: The compact states that leasing, dredging, and patent tonging shall be authorized by PRFC only if such authorization is granted by joint action of the legislatures of Maryland and Virginia. In 1974, the General Assembly of Virginia

authorized PRFC to regulate the dredging of oysters with handscrapes and to levy license fees for dredging in the areas of the Potomac River within its geographical jurisdiction. In 1974, Maryland enacted similar legislation (Chapter 403) and the authority became effective. In 1982, the General Assembly of Virginia enacted Chapter 116, which sought to expand the authority of PRFC so that in addition to license fees, it could levy oyster repletion fees, and so that it could regulate all dredging of oysters, not just dredging with handscrapes. Because Maryland has not enacted similar legislation, the Virginia legislation has not yet become effective.

In response to low oyster harvests, PRFC's Oyster Advisory Committee, a citizen/industry advisory panel, asked PRFC to seek authorization to regulate power dredging in addition to dredging with handscrapes. PRFC considered the request and determined that the regulation of power dredging could be a useful management tool.

Additional Comments: To the extent PRFC chooses to regulate power dredging as a result of this bill, PRFC revenues would increase as a result of any license fees established. If the bill results in an increase in oysters harvested, revenues from the existing oyster inspection tax also would increase.

The bill's provision authorizing PRFC to levy repletion fees would not affect PRFC revenues. Repletion fees are assessed to cover the cost of planting oyster seeds and shells for restoration purposes. Because PRFC already receives funds for those purposes from the oyster inspection tax, it advises that it would not use this authority. PRFC advises that the language was included to be consistent with Virginia's legislation.

Additional Information

Prior Introductions: None.

Cross File: HB 344 (Delegate Wood, *et al.*) – Environmental Matters.

Information Source(s): Potomac River Fisheries Commission, Department of Natural Resources, Department of Legislative Services

Fiscal Note History: First Reader - February 12, 2003
lc/jr

Analysis by: Lesley Frymier

Direct Inquiries to:
(410) 946-5510
(301) 970-5510