

Department of Legislative Services
Maryland General Assembly
2006 Session

FISCAL AND POLICY NOTE
Revised

House Bill 1188

(Delegates O'Donnell and Aumann)

Environmental Matters

Education, Health, and Environmental Affairs

Natural Resources - Aquaculture Operations

This bill requires the Aquaculture Coordinating Council within the Maryland Department of Agriculture (MDA) to investigate and provide recommendations to the Department of Natural Resources (DNR) by December 31, 2006, on: (1) the establishment of areas for shellfish seed production, sale, and use in accordance with the U.S. Food and Drug Administration's National Shellfish Sanitation Program (NSSP) guidelines; and (2) the feasibility and impacts of exempting aquaculture operations from harvesting restrictions for wild stocks of fish. In consultation with MDA, DNR must adopt regulations that reflect the recommendations provided to DNR by the council.

The bill takes effect June 1, 2006.

Fiscal Summary

State Effect: The bill's changes could be handled with existing budgeted resources. State finances could be affected by the regulations adopted pursuant to the bill; any such impact cannot be predicted.

Local Effect: The bill would not directly affect local government operations or finances.

Small Business Effect: Potential meaningful.

Analysis

Current Law: A person must obtain a permit from DNR to engage in aquaculture activities; there is no permit fee. "Aquaculture" means the commercial rearing of fish or aquatic plants for sale, trade, barter, or shipment. DNR is required by law to promulgate

by regulation requirements that are necessary to ensure that aquaculture operations do not adversely impact wild stocks of fish.

Under current DNR regulations, a person may not import or possess within the State shellfish (including seed oysters) taken from waters outside the waters of the State for planting in the waters of the State, unless a permit is obtained from DNR. DNR must issue a permit if presented with satisfactory proof that the shellfish will not be harmful to Maryland shellfish.

In general, except as otherwise provided by law, all provisions of Title 4 – Fish and Fisheries, of the Natural Resources Article that are applicable to the taking, possession, sale, and transport of finfish do not apply to finfish that are in or from aquaculture operations in nontidal ponds, lakes, or impoundments.

Chapter 405 of 2005 established the Aquaculture Coordinating Council within MDA. Among other things, the council must formulate and make proposals for advancing Maryland aquaculture; develop best management practices that provide guidance for aquaculture permitting and compliance and serve as the basis for the adoption of State regulations regarding aquaculture; and, on a regular basis, review State regulations impacting aquaculture and make recommendations to the Aquaculture Review Board. The Aquaculture Review Board is charged with, among other things, coordinating the development of statewide aquaculture policy.

Background: NSSP is the federal/state cooperative program for the sanitary control of shellfish produced and sold for human consumption. The purpose of NSSP is to promote and improve the sanitation of shellfish moving in interstate commerce through federal/state cooperation and uniformity of State shellfish programs. DNR works closely with the Maryland Department of the Environment and the Department of Health and Mental Hygiene to ensure compliance with NSSP.

Small Business Effect: According to the *2002 Census of Agriculture*, there were 48 aquafarms in Maryland. In addition, in 2002, sales of aquaculture products in Maryland totaled approximately \$14.6 million. Aquaculture operations could benefit from the regulations adopted pursuant to the bill, but any such impact cannot be predicted.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Natural Resources, Maryland Department of the Environment, Department of Health and Mental Hygiene, Maryland Department of Agriculture, Board of Public Works, U.S. Food and Drug Administration, Department of Legislative Services

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