

Department of Legislative Services
Maryland General Assembly
2007 Session

FISCAL AND POLICY NOTE
Revised

House Bill 760

(Delegate V. Clagett, *et al.*)

Environmental Matters

Education, Health, and Environmental Affairs

Natural Resources - Diamondback Terrapin - Take and Possession

This bill prohibits a person from taking or possessing diamondback terrapin for commercial purposes, but allows a person to possess up to three diamondback terrapin for noncommercial purposes. The bill specifies exceptions to the prohibition.

The bill takes effect July 1, 2007.

Fiscal Summary

State Effect: The bill's changes would not materially affect State finances.

Local Effect: None.

Small Business Effect: Potential meaningful.

Analysis

Bill Summary: The bill does not prohibit the incidental catching of diamondback terrapin if immediately returned to the water, the collection or possession of diamondback terrapin in accordance with the terms of a scientific or educational certificate or permit, or the possession and breeding of diamondback terrapin under a valid permit for aquaculture activities or captive wildlife breeding. Specified regulations must be adopted prior to the Department of Natural Resources (DNR) issuing any additional aquaculture or captive wildlife permits relating to diamondback terrapins. Diamondback terrapin are removed from the list of species for which DNR must prepare

a fishery management plan; instead DNR must adopt regulations governing the conservation of diamondback terrapin.

The bill repeals associated tax provisions: • the exemption from the vessel excise tax for a vessel whose current owner was licensed before July 1, 1986, to catch terrapin for commercial purposes and used the vessel to do so; and • a credit against the vessel excise tax for sales tax paid on materials and equipment incorporated into the vessel if the person is licensed to catch terrapin for commercial purposes and uses the vessel to do so.

Current Law: A person may only catch terrapin for commercial purposes if licensed by DNR. The annual fee for an unlimited tidal fish license is \$300. The annual fee for a tidal fish authorization for conch, turtles, and lobster is \$50. DNR must develop a fishery management plan for the diamondback terrapin and must adopt regulations governing the catching of terrapin and terrapin resources consistent with the recommendations of the Maryland Diamondback Terrapin Task Force issued in 2001.

Except under specified conditions, an excise tax is levied at the rate of 5% of the fair market value of a vessel on • the issuance of every original certificate of title required for a vessel; • the issuance of every subsequent certificate of title for the sale, resale, or transfer of the vessel; • the sale within the State of every other vessel; and • the possession within the State of a vessel purchased outside the State to be used principally in the State. Current law provides for an exemption from the vessel excise tax for the possession within the State of a vessel if the current owner, before July 1, 1986 • was licensed by DNR to catch, for commercial purposes, finfish, eels, crabs, conch, terrapin, soft-shell clams, hard-shell clams, oysters, or any other fish; and • used the vessel for any of those commercial fishing purposes.

A credit is available against any vessel excise tax paid, for sales tax paid to the State, another state, or the District of Columbia on materials and equipment incorporated into the vessel if the person • is licensed by DNR to catch, for commercial purposes, finfish, eels, crabs, conch, terrapin, soft-shell clams, hard-shell clams, oysters, or any other fish; and • uses the vessel for any of those commercial fishing purposes.

Background: Diamondback terrapins live in coastal salt marshes, estuaries, and tidal creeks along the U.S. Atlantic and Gulf coasts from Cape Cod, Massachusetts, to western Texas, and the Florida Keys. The diamondback terrapin is the only species of turtle in North America that spends its life in brackish water (salty but less so than sea water). Diamondback terrapins are well adapted for eating hard-shelled prey including aquatic snails, crabs, and blue mussels. They also eat fish, marine worms, and plant material. Diamondback terrapins produce about 40 eggs per year and do not reach maturity until at least eight years of age. Survival rates during the first year are estimated to be as low as

20%. The low reproductive potential of terrapins indicates that females must reproduce for many years in order for the population to grow or remain stable. The diamondback terrapin can live beyond 50 years.

Current Threats to Diamondback Terrapins

Diamondback terrapins are susceptible to various threats including the terrapin's highly specific range of nesting beach habitat, which is dwindling due to development and shoreline erosion controls, egg predation, commercial harvest, drowning in recreational crab pots, and boat strikes. The current population of diamondback terrapins in Maryland's waters is not well known.

2006 Legislation and Regulations

Chapter 477 of 2006 required DNR to adopt a fishery management plan for diamondback terrapin and adopt regulations governing the catching of diamondback terrapin and terrapin resources that are consistent with the recommendations of the Maryland Diamondback Terrapin Task Force issued in 2001. The approved regulatory measures, which became effective August 1, 2006, are intended to reduce the commercial harvest until a more comprehensive population assessment and management plan can be completed. The regulations shortened the commercial season from nine months to three months, implemented a harvest permit system, and established a slot limit of four to seven inches for the harvest of terrapin designed to protect and conserve reproducing female terrapins. Under the new regulations (effective August through October 2006), 14 permittees reported a terrapin harvest with a dockside value of approximately \$39,800.

Small Business Effect: A prohibition on the taking and possession of diamondback terrapins could adversely affect small business harvesters or dealers of diamondback terrapin. Information is not available to quantify the effect on these businesses overall. With the total dockside value of the harvest between August and October 2006 being \$39,800, among 14 permittees, it is assumed that income for small businesses from the harvest of terrapins is likely supplemental in most cases. Nonetheless, the loss of that income could conceivably have a meaningful effect on a given small business.

Additional Information

Prior Introductions: None.

Cross File: SB 532 (Senator Dyson) – Education, Health, and Environmental Affairs.

Information Source(s): Department of Natural Resources, Department of Legislative Services

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