

Department of Legislative Services
 Maryland General Assembly
 2011 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 538 (Senators Colburn and Pipkin)
 Education, Health, and Environmental Affairs Environmental Matters

Natural Resources - Oyster Sanctuaries - Designation

This bill prohibits the Department of Natural Resources (DNR) from designating more than 25% of the quality oyster habitat in State waters as oyster sanctuaries, unless DNR conducts a public hearing and provides scientific evidence of a significant increase in the harvestable oyster population.

Fiscal Summary

State Effect: DNR general fund expenditures increase by \$600,000 annually beginning in FY 2012 to conduct enhanced oyster surveys. Revenues are not affected.

(in dollars)	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	600,000	600,000	600,000	600,000	600,000
Net Effect	(\$600,000)	(\$600,000)	(\$600,000)	(\$600,000)	(\$600,000)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Oyster sanctuaries have been established via statute and regulation. Statutory provisions designate several oyster sanctuaries – protected oyster restoration areas – in waters of the State that are contiguous to Calvert, Dorchester, Somerset, and St. Mary’s counties. Current regulations designate numerous oyster sanctuaries

throughout the Chesapeake Bay, including significant portions of the Chester, Choptank, Magothy, Severn, and South rivers.

DNR is generally authorized to take measures which seem best calculated to increase the productivity or utility of oyster resources in the State. Current regulations designating oyster sanctuaries identify this broad statutory authority as the basis for such designations.

Background: Since 1994, the Chesapeake Bay's oyster population has languished at 1% of historic levels; oyster bars have decreased 80% and the number of harvesters has dwindled from 2,000 in the mid-1980s to just over 500 annually since 2002. To help reverse this trend, DNR unveiled a new management and restoration plan for oysters and the State's oyster industry in December 2009. The plan increases the State's network of oyster sanctuaries from 9% to 24% of the bay's remaining quality oyster bars, establishes oyster aquaculture leasing opportunities, and maintains 76% of the bay's quality oyster habitat for a public oyster fishery. The plan was adjusted in response to public feedback, and implementing regulations were finalized in September 2010.

The expansion of Maryland's oyster sanctuary network was identified as the preferred strategy for restoring the bay's oyster resource in a six-year regional Programmatic Environmental Impact Statement on oyster restoration alternatives and by the Maryland Oyster Advisory Commission.

State Fiscal Effect: DNR's fall oyster survey is conducted annually to check the overall health of the oyster population within the Maryland portion of the Chesapeake Bay and its tributaries. The survey provides information, from a number of sites, about oyster spatfall intensity, observed mortality, and parasitic infection. The current survey does not provide comprehensive scientific data concerning the harvestable oyster population that could be used in the future to determine whether a significant increase in harvestable oysters has occurred.

DNR general fund expenditures increase by \$600,000 annually beginning in fiscal 2012 to conduct enhanced surveys that characterize oyster habitats and estimate oyster abundance sufficiently to meet the bill's requirements. This assumes that DNR secures a contractor to conduct additional sampling and analysis that targets State waters located outside designated oyster sanctuaries.

Additional Information

Prior Introductions: None.

Cross File: Although HB 1340 (Delegates Haddaway-Riccio and O'Donnell - Environmental Matters) is designated as a cross file, it is different.

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

Fiscal Note History: First Reader - February 24, 2011
mm/lgc Revised - Senate Third Reader - March 22, 2011

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