SENATE BILL 434

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By: Senator Klausmeier

Introduced and read first time: February 2, 2023 Assigned to: Education, Energy, and the Environment

A BILL ENTITLED

1 AN ACT concerning

Natural Resources – Restorative Aquaculture Pilot Program

- FOR the purpose of requiring the Department of Natural Resources to establish and
 implement a Restorative Aquaculture Pilot Program to provide financial incentives
 to certain holders of aquaculture leases; authorizing a holder of an aquaculture lease
 who is participating in the Pilot Program to meet certain requirements by shellfish
 seed planting only; and generally relating to the Restorative Aquaculture Pilot
 Program.
- 9 BY adding to
- 10 Article Natural Resources
- 11 Section 4–11A–24
- 12 Annotated Code of Maryland
- 13 (2018 Replacement Volume and 2022 Supplement)
- SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
 That the Laws of Maryland read as follows:
- 16 Article Natural Resources
- 17 **4–11A–24.**

18 (A) IN THIS SECTION, "PILOT PROGRAM" MEANS THE RESTORATIVE 19 AQUACULTURE PILOT PROGRAM.

(B) THE GENERAL ASSEMBLY FINDS THAT, WITH APPROPRIATE SITING,
ACTIVE USE REQUIREMENTS THAT REQUIRE ANNUAL SHELLFISH SEED PLANTINGS,
AND APPROPRIATE HUSBANDRY, SHELLFISH AQUACULTURE IS A RESTORATIVE
ACTIVITY THAT BENEFITS WATER QUALITY, OYSTER PRODUCTIVITY, AND HABITAT.

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1 (C) (1) THE DEPARTMENT SHALL ESTABLISH AND IMPLEMENT A 2 RESTORATIVE AQUACULTURE PILOT PROGRAM.

3 (2) THE PILOT PROGRAM SHALL BE DESIGNED TO PROVIDE 4 FINANCIAL INCENTIVES TO A HOLDER OF AN AQUACULTURE LEASE WHO:

5 (I) MAINTAINS THE LEASE, IN WHOLE OR IN PART, IN 6 ACCORDANCE WITH THE CRITERIA FOR RESTORATIVE AQUACULTURE IDENTIFIED 7 BY THE DEPARTMENT UNDER SUBSECTION (D) OF THIS SECTION; AND

8 (II) MAINTAINS THE RESTORATIVE CONDITIONS FOR AT LEAST 9 4 YEARS.

10 (D) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE 11 DEPARTMENT SHALL IDENTIFY CRITERIA AND METRICS FOR RESTORATIVE 12 AQUACULTURE THAT TAKE INTO CONSIDERATION:

- 13 (I) OYSTER DENSITY;
- 14 (II) OYSTER BIOMASS;
- 15 (III) HABITAT COMPLEXITY; AND

16 (IV) ANY OTHER CRITERIA AND METRICS DEVELOPED OR 17 IDENTIFIED IN COORDINATION WITH THE AQUACULTURE COORDINATING COUNCIL, 18 THE UNIVERSITY OF MARYLAND CENTER FOR ENVIRONMENTAL SCIENCE, OR 19 OTHER INTERESTED STAKEHOLDERS.

(2) THE CRITERIA AND METRICS IDENTIFIED UNDER PARAGRAPH (1)
 OF THIS SUBSECTION SHALL BE AT LEAST AS STRINGENT AS THE TARGET CRITERIA
 AND METRICS USED IN LARGE-SCALE OYSTER RESTORATION PROJECTS OVERSEEN
 OR SUPPORTED BY THE CHESAPEAKE BAY PROGRAM.

24 (E) (1) SUBJECT TO PARAGRAPHS (2) AND (3) OF THIS SUBSECTION, THE 25 DEPARTMENT SHALL ESTABLISH ELIGIBILITY REQUIREMENTS AND FINANCIAL 26 INCENTIVES FOR THE PILOT PROGRAM.

(2) THE FINANCIAL INCENTIVES ESTABLISHED UNDER PARAGRAPH
(1) OF THIS SUBSECTION SHALL BE DESIGNED IN A MANNER THAT PAYS ELIGIBLE
(2) LEASE HOLDERS:

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(I) 1. ON A PER–ACRE BASIS; AND

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12. At a rate determined by the Department in2CONSULTATION WITH THE AQUACULTURE COORDINATING COUNCIL; OR

3 (II) FOR OYSTERS PURCHASED BY THE DEPARTMENT FOR USE
 4 IN OYSTER RESTORATION SANCTUARY PROJECTS.

5 (3) THE DEPARTMENT MAY CONSULT WITH INTERESTED 6 STAKEHOLDERS IN ESTABLISHING THE FINANCIAL INCENTIVES UNDER THIS 7 SUBSECTION.

8 (F) A HOLDER OF AN AQUACULTURE LEASE WHO IS PARTICIPATING IN THE 9 PILOT PROGRAM MAY MEET ANY REQUIREMENTS FOR THE ACTIVE USE OF THE 10 LEASE BY SHELLFISH SEED PLANTING ONLY.

11 (G) (1) ON OR BEFORE OCTOBER 1, 2024, THE DEPARTMENT SHALL 12 ADOPT REGULATIONS TO CARRY OUT THIS SECTION.

13 (2) THE REGULATIONS ADOPTED UNDER PARAGRAPH (1) OF THIS 14 SUBSECTION SHALL INCLUDE PROVISIONS FOR THE VERIFICATION OF EXISTING 15 AND IMPROVED CONDITIONS ON AQUACULTURE LEASES THAT ARE PART OF THE 16 PILOT PROGRAM.

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect 18 October 1, 2023. It shall remain effective for a period of 6 years and, at the end of September 19 30, 2029, this Act, with no further action required by the General Assembly, shall be 20 abrogated and of no further force and effect.