



Chesapeake  
**OYSTER ALLIANCE**  
*10 Billion for the Bay*

ANNAPOLIS AQUACULTURE - ARUNDEL RIVERS FEDERATION - BIG ISLAND AQUACULTURE - BLUE OYSTER ENVIRONMENTAL - CHESAPEAKE BAY FOUNDATION - COASTAL CONSERVATION ASSOCIATION MARYLAND - FRIENDS OF ST. CLEMENTS BAY - FRIENDS OF THE WICOMICO RIVER - GROW OYSTER REEFS - HOLLYWOOD OYSTER CO. - LAMBERT SHELLFISH - LYNNHAVEN RIVER NOW - ORCHARD POINT OYSTERS - OYSTER COMPANY OF VIRGINIA - OYSTER NINJA/S.S. SHUCKING - SHORE THING SHELLFISH - SHORERIVERS - TIDEWATER OYSTER GARDENERS ASSOCIATION - VIRGINIA WESLEYAN UNIVERSITY - WARD OYSTER

**Senate Bill 203**

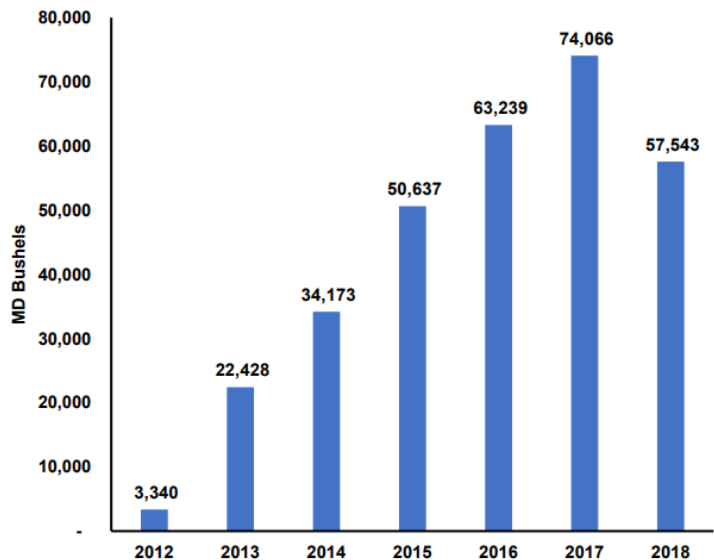
Aquaculture Leases and Shellfish Nursery Operations - Wetlands

DATE: February 10, 2021

POSITION: **OPPOSE**

The Chesapeake Oyster Alliance is a broad coalition of non-profits, community organizations, oyster growers, and business owners with the shared goal of adding 10 billion oysters in the Bay by the year 2025. With a focus on oyster restoration, science-based fishery management, and increased aquaculture, the Chesapeake Oyster Alliance aims to accelerate oyster recovery efforts and in so doing the recovery of the Chesapeake Bay.

Figure 3. Total bushels of Maryland aquaculture oysters harvested from 2012 to 2018.



**The Chesapeake Oyster Alliance opposes Senate Bill 203 and recommends an unfavorable report from the Senate Education, Health, and Environmental Affairs Committee.**

In 2010, the Maryland General Assembly revised the law to encourage private investment in oyster recovery through the growth of the oyster aquaculture industry. As a result of these actions, oyster aquaculture in the state grew significantly from 2010 to 2017, resulting in millions more oysters in the water improving water quality and removing excess nutrients. Additionally, in 2017 alone, the oyster aquaculture industry contributed \$9.7 million to the economy and supported hundreds of Maryland jobs.<sup>i</sup>

Unfortunately, one result of the quick growth of the aquaculture industry has been concern from waterfront property owners about local aquaculture operations. In some cases, property owners simply lack an understanding of how an oyster farm works and what can be expected. In such cases, the concerns of homeowners can usually be successfully resolved through conversations with Department of Natural Resources staff or the applicant, a step which is currently part of DNR's lease review process. In other cases, however, the objection is simply to any use of state-owned bottom or water in the vicinity of the property. No amount of mediation will resolve such conflicts.

As written, this bill requires DNR to “mitigate the concerns raised in the petition” before issuing a lease. This language suggests that unless and until DNR is able to get both parties to agree, DNR may not issue a lease. This presents significant concern for oyster growers. By requiring the petitioner’s concerns to be fully mitigated, a property owner who objects to a lease application can hold up DNR’s decision, either positive or negative, indefinitely, leaving the applicant permanently in limbo.

This legislation is likely to have a chilling effect on private investment in oyster recovery through the oyster aquaculture industry. If passed, small business owners cannot be assured that their investment in locating, scouting, and applying for an oyster lease has a chance of being fruitful even if it meets all regulatory criteria.

We believe that DNR’s current approach which includes a minimum 50 foot setback from waterfront property, notification of adjacent landowners, an online lease application tracking portal, staff facilitation of discussions between applicants and homeowners, and the opportunity for the petitioner to appeal DNR’s decision with a judge at the Office of Administrative hearings provides sufficient opportunity to address homeowner concerns while providing some semblance of regulatory certainty to would-be investors in Maryland’s aquaculture industry.

For these reasons, the Chesapeake Oyster Alliance respectfully recommends an unfavorable report on Senate Bill 203 from the Education, Health and Environmental Affairs Committee. Please contact Scott Budden (scott@orchardpointoysters.com; (443) 480-0302) with any questions.

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<sup>i</sup> van Senten, J., Engle, C., Parker, M., and D. Webster. 2020. Analysis of the Economic Benefits of the Maryland Shellfish Aquaculture Industry. Available at: <https://www.cbf.org/document-library/non-cbf-documents/analysis-of-the-economic-benefits-of-the-maryland-shellfish-aquaculture-industry-full-report.pdf>