

Larry Hogan, Governor Boyd Rutherford, Lt. Governor Jeannie Haddaway-Riccio, Secretary

April 5, 2021

The Honorable Anne Healey 361 House Office Building 6 Bladen Street Annapolis, MD 21401

The Honorable Marvin E. Holmes, Jr. 364 House Office Building 6 Bladen Street
Annapolis, MD 21401

## Re: Letter of Support – Senate Joint Resolution 4 – Natural Resources – Fishing – Wild-Caught Blue Catfish

Dear Chair, Vice Chair, and Committee Members,

The Maryland Department of Natural Resources offers its full support for Senate Joint Resolution 4 and respectfully requests a favorable committee report. To protect the Chesapeake Bay from the growing threat of the Blue Catfish, the resolution urges the U.S. Congress to return federal oversight responsibilities related to the processing and inspection of wild invasive catfish caught in the Bay to the U.S. Food and Drug Administration.

Based on feedback from seafood dealers and watermen alike, the department has determined that the commercial processing industry, key to removing the invasive threat, is suffering from the currently regulatory regime of the U.S. Department of Agriculture (USDA). Under the USDA, there is a low return on investment going for Blue Catfish because there are not enough processors buying the catch. This lack of competition keeps the price per pound low. Processors are also geographically limited due to the burden of the new regulations, with the Eastern Shore lacking a single catfish processor.

Moreover, current catfish dealers are critical of USDA regulation, largely because they restrict the ability of the dealers getting product to market. The supply of the processed product cannot be matched up with orders because of the mandated USDA inspector schedule. Where dealers have flexibility to process other wild catches as they come in, USDA inspectors can only work set hours with overtime pay on weekends and holidays being characterized as "punitive". As a result, dealers must try and predict the number of orders for the following day, while factoring for spoilage. They are sometimes over and sometimes under in supply due to relatively volatile demand.

Other noted burdens to processing is that USDA inspector schedules cannot be altered without providing two-weeks notice, giving dealers even less of a chance to respond to incoming products. Processing catfish under current regulation also requires the room to be cleared of all other seafood products, causing disruption to the rest of the business. This requirement in particular led to at least a dealer going from bringing in 1,000 to 2,000 pounds per week before the regulations went into effect to less than 100 pounds per week of product purchased second-hand.

For the above reasons, the department respectfully requests the committee to grant Senate Joint Resolution 4 a favorable report.

Respectfully submitted,

James W. McKitrick Director, Legislative and Constituent Services