

SB0386_DNR_SUP_EEE_2-15-23.pdf

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Wes Moore, Governor
Aruna Miller, Lt. Governor
Josh Kurtz, Acting Secretary
Allan Fisher, Deputy Secretary

February 15, 2023

BILL NUMBER: Senate Bill 386 – First Reader

SHORT TITLE: Certified Local Farm and Chesapeake Invasive Species Provider Program – Establishment

DEPARTMENT’S POSITION: SUPPORT

EXPLANATION OF DEPARTMENT’S POSITION

The Department supports Senate Bill 386. The Department is working on a variety of programs to control the invasive blue and flathead catfish issue. This bill would provide an additional means for the sale of these invasive species.

While the USDA requirement for inspectors at the point of processing can cause a problematic bottleneck to the sale of wild caught catfish including invasives in Maryland, the Department is continuing to look for opportunities for market-expansion and expanded abilities to harvest these species. This bill would provide an additional tool for the State in the management of certain aquatic nuisance species.

BACKGROUND INFORMATION

The USDA currently requires inspectors for processing of catfish, including wild caught catfish. As the bill is written, those processors/dealers currently working with inspectors would qualify for the program.

BILL EXPLANATION

The bill adds certified seafood dealers that deal in invasive catfish caught in Maryland to an existing Department of Agriculture process for procurement that would allow the harvest of this product to be awarded a certain percentage toward procurement contracts.

Contact: Emily Wilson, Director, Legislative and Constituent Services (Acting)
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SB 386 LETTER OF SUPPORT .docx.pdf

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Maryland Department of Agriculture

Office of the Secretary

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Maryland Department of Agriculture

Legislative Comment

Date: February 15, 2023

BILL NUMBER: SB 386

SHORT TITLE: CERTIFIED LOCAL FARM AND CHESAPEAKE INVASIVE SPECIES PROVIDER PROGRAM- ESTABLISHMENT

MDA POSITION: SUPPORT

The Certified Local Farm Enterprise Program was established by the General Assembly in 2020. This Maryland Department of Agriculture (MDA) program encourages state institutions, including four-year universities, to achieve an overall goal of purchasing 20% of their food from certified local farm enterprises listed on a directory compiled by MDA. To become a certified local farm enterprise, a farmer needs to meet Maryland's nutrient management law requirements. Currently, there are 85 farms on this voluntary list.

Senate Bill 386 will increase the scope of the program to include the invasive blue catfish. This is an important and positive step in working to reduce the blue catfish population in the Chesapeake Bay as they are a direct threat to the Bay's ecosystem. More than 2.2 million pounds of blue catfish was harvested in 2021 according to the National Oceanic and Atmospheric Agency (NOAA). That had a dockside value for Maryland watermen of \$1.6 million. That has increased from 935,000 pounds worth \$341,000 in 2015.

MDA's Seafood Marketing Program has a robust advertising and promotion campaign working to increase sales of the invasive blue catfish to restaurants and other buyers of the fish. MDA's seafood marketing efforts work along the supply chain to increase demand and market share to include connecting wholesale buyers with processors and producers as well as holding numerous blue catfish tasting events for consumers throughout the state. MDA also is providing funding to the Maryland Food Bank in 2023-24 to purchase and distribute blue catfish filets from Maryland watermen through a federal grant.

The current Certified Local Farm Enterprise Program has successfully worked with the Department of Public Safety and Correctional Services (DPSCS) to purchase \$500,000 of food

from nine certified farms in 2022. In addition, the University of Maryland College Park has begun purchasing products from Certified Local Farm Enterprises.

In 2023, MDA will continue to aggressively promote the program to state institutions and producers to increase participation. It is estimated the State of Maryland procures approximately \$175 million of food for hospitals and universities according to a [2015 John Hopkins University](#) study. DPSCS procures approximately \$25 million annually on food. (Source: [eMMA](#)).

The Maryland Department of Agriculture supports this legislation and thanks you for your consideration of a favorable report.

If you have additional questions, please contact Steve Connelly, Deputy Secretary, at steve.connelly@maryland.gov or (410) 841-5881.

SB 386_CBF_FAV.pdf

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Position: FAV



CHESAPEAKE BAY FOUNDATION

*Environmental Protection and Restoration
Environmental Education*

Senate Bill 386

Certified Local Farm and Chesapeake Invasive Species Provider Program – Establishment

Date: February 15, 2023

Position: Support

To: Education, Energy, and the Environment Committee

From: Allison Colden, Sr. Fisheries Scientist

Chesapeake Bay Foundation (CBF) **SUPPORTS** SB 386 which would allow state agencies to count the purchase of invasive blue and flathead catfish from Chesapeake Bay seafood dealers towards the statutory goal of purchasing 20% of food from certified local farm enterprises. Specifically, it defines licensed seafood dealers as “certified Chesapeake Bay invasive species providers” and defines invasive species as those identified as high priority by the Maryland Aquatic Nuisance Species Management Plan.

Blue and flathead catfish were first introduced in the 1970s and 1980s in Virginia to develop a recreational fishery. Since then, these invasive fish have expanded their range into nearly every Chesapeake Bay tributary. The blue catfish’s ability to tolerate varying salinities, temperatures, and habitat types make it easy for them to move throughout the Bay. This expansion is especially troublesome as blue catfish are voracious generalist predators that feed on native species such as menhaden, striped bass, eel, shad, river herring, and blue crabs. In areas where blue catfish populations have been established, catfish make up approximately 75% of the total weight of all fish inhabiting the river. The Chesapeake Bay Program’s Invasive Catfish Management Strategy, published in August 2020, identifies increased commercial fisheries harvest as a priority management strategy.

SB 386 would create greater demand for blue and flathead catfish product, increasing the profitability for Maryland watermen at minimal or no additional cost to the state. Increased harvest would help reduce the predation of invasive catfish on native species while providing a sustainable source of local seafood and meeting the state’s nutritional needs and procurement goals.

CBF urges the Committee’s FAVORABLE report on SB 386.

For more information, please contact Matt Stegman, Maryland Staff Attorney, at mstegman@cbf.org.

Maryland Office • Philip Merrill Environmental Center • 6 Herndon Avenue • Annapolis • Maryland • 21403

The Chesapeake Bay Foundation (CBF) is a non-profit environmental education and advocacy organization dedicated to the restoration and protection of the Chesapeake Bay. With over 300,000 members and e-subscribers, including over 109,000 in Maryland alone, CBF works to educate the public and to protect the interest of the Chesapeake and its resources.

SB386 - RMC Support Testimony - Certified Local Fa

Uploaded by: Megan D'Arcy

Position: FAV

Susan O'Neill, Chair

Charlotte Davis, Executive Director

Testimony in Support of
Senate Bill 386 – Certified Local Farm and Chesapeake Invasive Species Provider Program – Establishment
Education, Energy, and the Environment Committee
February 15, 2023

The Rural Maryland Council **supports** Senate Bill 386 – Certified Local Farm and Chesapeake Invasive Species Provider Program – Establishment. The purpose of this bill is to expand the Certified Local Farm Enterprise program to include the Chesapeake Invasive Species Provider Program. The bill defines a certified Chesapeake invasive species as a finfish species that is 1) ranked as high priority in the Maryland Aquatic Nuisance Species Management Plan; and 2) harvested from the Chesapeake Bay or its tributaries.

According to www.fisheries.noaa.gov, the Chesapeake Bay is the nation's largest estuary at 64,000 square miles and produces approximately 500 million pounds of seafood each year, supporting jobs in both commercial and recreational fishing and bolstering the regional economy. This estuary is under threat due to an invasive fish species known as the blue catfish (*Ictalurus furcatus*). According to www.chesapeakebay.net this species has the potential to cause substantial harm to the Chesapeake Bay food web as it has a long lifespan and an expansive diet, which can include many native species that call the Bay their home such as menhaden and blue crabs. In August 2020, the Chesapeake Bay Program developed the Invasive Catfish Management Strategy that included a commercial fishery and marketing strategy to increase consumer awareness and market demand of wild-caught blue catfish from the Bay.

This bill will bolster this strategy as the Certified Local Farm Enterprise and Chesapeake Invasive Species Provider Program encourages state agencies, including public four-year universities, to achieve an overall goal of purchasing 20% of their food from this Program. Additionally, it will allow this entity to access the Certified Local Farm Enterprise Food Aggregation Grant Fund within the Maryland Agricultural and Resource-Based Industry Development Corporation (MARBIDCO). This program focuses on food aggregation, storage, processing, and distribution sites across the State through grants and near-equity investments. This bill will advance efforts to target, remove, process, and market blue catfish from the Chesapeake Bay.

The Rural Maryland Council supports and encourages steps taken to promote a healthier and bountiful Chesapeake Bay. The Rural Maryland Council respectfully requests your favorable support of Senate Bill 386.

The Rural Maryland Council (RMC) is an independent state agency governed by a nonpartisan, 40-member board that consists of inclusive representation from the federal, state, regional, county, and municipal governments, as well as the for-profit and nonprofit sectors. We bring together federal, state, county, and municipal government officials as well as representatives of the for-profit and nonprofit sectors to identify challenges unique to rural communities and to craft public policy, programmatic or regulatory solutions.

SB386_ShoreRivers_Favorable.pdf

Uploaded by: Zack Kelleher

Position: FAV



Testimony in SUPPORT of SB386 – Certified Local Farm and Chesapeake Invasive Species Provider Program - Establishment

February 15, 2023

Dear Chairman Feldman and Members of the Committee,

Thank you for this opportunity to submit testimony in **SUPPORT of SB386** on behalf of ShoreRivers. ShoreRivers is a river protection group on Maryland's Eastern Shore with more than 2,000 members. Our mission is to protect and restore our Eastern Shore waterways through science-based advocacy, restoration, and education.

This bill will change the Certified Local Farmer Enterprise Program to be the Certified Local Farm and Chesapeake Invasive Species Provider Program. By including invasive species providers in this program, it will incentivize the catching and usage of invasive species like blue catfish and snakeheads, which wreak ecological and economic devastation on our Chesapeake ecosystem. These invasive species threaten native fish populations because they are aggressive, adapt to a variety of water conditions, and can outcompete native fish for food and resources. They have proliferated the Bay watershed, and while recreational fishermen do catch some of them, it is really our commercial watermen who make the largest impact in reducing the population of these invasive species.

This bill has a very low fiscal note as state agencies, including the Maryland Department of Agriculture, are already working on this program for local farm produce, so adding invasive species to it would have minimal impact on programmatic expenses. It will also provide a benefit to local businesses as the demand for these delicious invasive species increases. The more these harmful fish species are removed from our local waterways, the healthier our aquatic ecosystems will be. Adding invasive species to the procurement requirements for state agencies also shows Maryland's commitment to improving the health of Chesapeake Bay and supporting the local community that depends on clean water and thriving native ecosystems.

For these reasons stated above, ShoreRivers urges the Committee to adopt a **FAVORABLE** report on SB386.

Sincerely,

Zack Kelleher,
Sassafras Riverkeeper, on behalf of ShoreRivers

ShoreRivers

Isabel Hardesty, Executive Director

Annie Richards, Chester Riverkeeper | Matt Pluta, Choptank Riverkeeper | Zack Kelleher Sassafras Riverkeeper

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SB 386 Testimony MARBIDCO.pdf

Uploaded by: Steve McHenry

Position: FWA



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Mary Shank Creek, *Chair* / Stephen R. McHenry, *Executive Director*

TESTIMONY STATEMENT

BILL: Senate Bill 386 (Certified Local Farm and Chesapeake Invasive Species Provider Program – Establishment)

COMMITTEE: Senate Education, Energy and Environment

DATE: February 15, 2023

POSITION: Support with Amendment

The Maryland Agricultural and Resource-Based Industry Development Corporation (MARBIDCO) supports Senate Bill 386, which proposes to allow certain finfish from an expanded Certified Local Farm and Chesapeake Bay Invasive Species Program to count toward the 20% procurement goal that State agencies and institutions must try to purchase locally grown food and locally harvested seafood.

More specifically, SB 386 alters the name of the existing Certified Local Farm Enterprise Program to the Certified Local Farm and Chesapeake Invasive Species Provider Program and the name of the Certified Local Farm Enterprise Food Aggregation Grant Fund to the Certified Local Farm and Chesapeake Bay Invasive Species Provider Food Aggregation Grant Fund. Chesapeake Bay Invasive Species is defined in the bill as a finfish species that is: 1) ranked as a high priority in the Maryland Aquatic Nuisance Species Management Plan, and 2) is harvested from the Chesapeake Bay or its tributaries.

Senate Bill 386 would allow Chesapeake Bay Invasive Species to count toward the 20% procurement goal and for a person that is licensed and authorized under current law as a seafood dealer to be certified by MDA as a “Certified Chesapeake Bay Invasive Species Provider”. Certified Chesapeake Bay Invasive Species Providers would also be eligible for funding through the Certified Local Farm and Chesapeake Bay Invasive Species Provider Food Aggregation Grant Fund program (which is administered by MARBIDCO).

Background Information

In 2020, Senate Bill 985/ House Bill 1488 was passed that establishes the Certified Local Farm Enterprise Program. The bill established a 20% procurement goal for Maryland State agencies and institutions to purchase locally grown food from certified local farm enterprises. A Certified Local Farm Enterprise was defined as a farm that had a nutrient management plan and was certified by Maryland Department of Agriculture (MDA). It also created the Certified Local Farm Enterprise Food Aggregation Grant Fund to be administered by MARBIDCO.

A major benefit of passing SB 386 would be to increase the demand and market for invasive species from the Chesapeake Bay by including them in the 20% procurement goal of State agencies and institutions to purchase locally grown food and harvested seafood, especially by increasing the demand for blue catfish.

It is a high priority for the State to create strategies to handle the abundant blue catfish because it is an invasive predator to the Bay's native species populations of Maryland's blue crab, striped bass and oysters. Allowing the blue catfish to continue to threaten the populations of these native species also threatens the livelihood of Maryland's watermen. Increased demand to harvest Blue Catfish represents an economic opportunity for Maryland watermen because they are plentiful and there are no limits in Maryland on how many fish can be caught. Commercial watermen in Maryland and Virginia harvested more than 5 million pounds of Blue Catfish in 2017.

MARBIDCO currently administers the Certified Local Farm Enterprise Food Aggregation Grant Fund program which supports the development of local food aggregation infrastructure in Maryland to help meet current and future wholesale and institutional market demand for locally produced food products and to help support the state's 20% procurement goal. MARBIDCO has received mandatory funding in the State Budget of \$435,000 annually for the program since fiscal 2021, and this funding is scheduled to sunset in fiscal 2025. (A total of five years of appropriations). MARBIDCO has awarded, or has pending projects, totaling \$622,718, and has \$402,828 remaining to be allocated in this program in fiscal 2023. **Because the blue catfish problem is such a pressing concern, MARBIDCO recommends moving the effective of the bill forward to July 1, 2023, in order that grant funds might be awarded more quickly to eligible blue catfish processing and aggregation projects.**

In addition, MARBIDCO has recently applied to USDA to its Meat and Poultry Intermediary Lending Program (MPILP) for grant funds to help establish a revolving loan fund to significantly increase the overall processing capacity of Maryland livestock processors. Since catfish are required under federal law to be USDA-inspected, if MARBIDCO is awarded the USDA grant, blue catfish processors in Maryland would be a target of this new lending program too. In support of this application, MARBIDCO received a preliminary loan application requesting \$2.5 million for a substantial new blue catfish processing and aggregation facility to be located on the Eastern Shore.

In conclusion

MARBIDCO supports SB 386 to allow Chesapeake Bay Invasive Species to count toward the State's 20% procurement goal for State institutions and agencies to purchase locally grown food and locally harvested seafood, and to allow Certified Chesapeake Bay Invasive Species Providers to be eligible for grant funds through the Certified Local Farm and Chesapeake Bay Invasive Species Provider Food Aggregation Grant Fund program.

As such, MARBIDCO respectfully requests a Favorable Report with Amendment for SB 386.

MARBIDCO Contact: Steve McHenry, 410.267.6807

MARBIDCO was established by the Maryland General Assembly 15 years ago to help enhance the sustainability and profitability of the State's agricultural and resource-based industries to help bolster rural economies, support locally produced food and fiber products, and preserve working farm and forest land. MARBIDCO is a nimble, quasi-public financial intermediary organization which has a mission to serve exclusively the commercial farming, forestry, and seafood industries of Maryland. Assisting young and beginning farmers are a special focus for MARBIDCO, as is farm operation diversification (through value added processing activities). Commercial urban farming has also become a focus of MARBIDCO's efforts.

In delivering its financing programs, MARBIDCO works cooperatively with commercial banks and farm credit associations, as well as a host of federal, State, regional and local government agencies, and universities. Since 2007, MARBIDCO has approved 1184 financings totaling \$94.2 million for food and fiber business projects located in of all Maryland's counties – and in the process has leveraged more than \$204.5 million in commercial lender financing. For more information about MARBIDCO's programs, please visit: www.marbidco.org.