



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

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March 2, 2023

**BILL NUMBER: Senate Bill 634 – First Reader**

**SHORT TITLE: Natural Resources – Oyster Inspection and Severance Taxes - Increase**

**DEPARTMENT’S POSITION: SUPPORT WITH AMENDMENTS**

### **EXPLANATION OF DEPARTMENT’S POSITION**

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The Department supports Senate Bill 634 with amendments. The oyster inspection and severance fees have not been updated since 1991. Updating these will provide the Department with additional funds to administer the Public Fishery Replenishment Planting Program.

The Department would suggest amending the bill to clarify that the Department would receive the tax funds and not the county oyster committees as they do not have the ability to receive the funds. This clarification would be interpreted to mean the Department would utilize the funding on behalf of the County Oyster Committees to conduct replenishment (i.e. repletion) plantings.

Since this statute was last updated in 1991, harvesters are now required to have commercial licenses to sell their own catch, as well as harvest. Therefore, the Department recommends including the ability to sell in (b)(2)(i) of the bill for consistency. The Department would note that section (c)(1) covers all 11 Chesapeake Bay counties while section (c)(3) covers only 10. To further clarify, the Department would suggest adding Baltimore County to be consistent so that all Chesapeake Bay counties with oyster bars are represented.

The Department would suggest removing section (c)(2) altogether. This 10-cent increase was part of the old Seed and Shell program, which ended 15 years ago. That process is now handled through the Public Fishery Replenishment Planting Program.

The Department would ask for a favorable report with the above amendments included.

### **BACKGROUND INFORMATION**

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None.

### **BILL EXPLANATION**

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The bill would raise the inspection tax from 30 cents to \$1 and the severance tax from \$1 to \$2 per bushel of oysters. The bill requires the distribution of \$1 of the \$2 severance tax to the county oyster committees for oyster repletion on natural oyster bars in the listed counties.

Contact: Emily Wilson, Director, Legislative and Constituent Services (Acting)  
[emilyh.wilson@maryland.gov](mailto:emilyh.wilson@maryland.gov) ♦ 410-260-8426 (office) ♦ 443-223-1176 (cell)

BY:

(To be offered in the Education, Energy, and the Environment Committee)

AMENDMENTS TO SENATE BILL 634

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 5, after “bars;” insert “repealing an antiquated statutory provision requiring certain funds to be used for an oyster seed program;”; and in line 6, strike “distributed to” and substitute “used by”.

AMENDMENT NO. 2

On page 2, in line 7, after “catch” add “and sell”.

AMENDMENT NO. 3

On pages 2 and 3, strike beginning with “**(2)**” in line 18 down through “Wicomico.” in line 1 on page 3.

On page 3, in line 2, strike “**(3)**” and substitute “**(2)**”.

AMENDMENT NO. 4

On page 3, in line 3, strike “**distributed to**” and substitute “used by”; after line 6, insert “**(ii) Baltimore;**”; and in lines 7, 8, 9, 10, 11, 12, 13, 14, and 15, strike “**(ii)**”, “**(iii)**”, “**(iv)**”, “**(v)**”, “**(vi)**”, “**(vii)**”, “**(viii)**”, “**(ix)**”, and “**(x)**”, respectively, and substitute “**(iii)**”, “**(iv)**”, “**(v)**”, “**(vi)**”, “**(vii)**”, “**(viii)**”, “**(ix)**”, “**(x)**”, and “**(xi)**”, respectively.