

Wednesday, February 26, 2025

TO: Marc Korman, Chair of Environment and Transportation Committee, and Committee Members

FROM: Michelle Dietz, The Nature Conservancy, Director of Government Relations; Amy Jacobs, The Nature Conservancy, Chesapeake Bay Director

POSITION: Oppose HB 1022 Oyster Restoration - Use of Federal Funds - Prohibition

The Nature Conservancy (TNC) opposes HB 1022 offered by Delegates Hutchinson, Adams, Jacobs and Otto. For the past two decades, the world has looked to the Chesapeake Bay to learn what's possible in oyster restoration. No effort in the world matches the scale of what has been accomplished here, and TNC has been proud to support and invest in oyster restoration along with many others during this time.

HB 1022 would prohibit the use of federal funds to be used by the Maryland Department of Natural Resources (DNR) for any oyster restoration project in Maryland outside of the oyster sanctuaries identified in the 2014 Chesapeake Bay Watershed Agreement. As written, this could prohibit DNR from the use of federal appropriations, Congressionally Directed Spending, and federal grant program funding for oyster reef restoration in the state outside of these previously defined tributaries.

TNC supports the oyster industry across the state. We have a history of working across sectors to leverage private, state and federal funding for its benefit. Harvesting and restoration efforts must be balanced in order to realize the many benefits oysters provide to the Chesapeake Bay, including improving the Bay's health, strengthening our state and local economies, and enhancing Maryland's culture. Sanctuaries improve recreational and commercial fishing in the Bay by providing persistent habitat for blue crabs, striped bass, white perch and other important finfish species. Oysters within sanctuaries can produce larvae that benefit areas beyond the sanctuary, including adjacent public fishery areas. In this way, oyster restoration work also increases harvest opportunities.

Oysters provide critical ecosystem services across the Bay, ranging from cleaning water to enhancing fish populations to producing and exporting oyster larvae to help support oyster harvests across the Bay. As the Chesapeake Watershed Agreement Beyond 2025 is revised and renewed in the coming months, we are likely to see changes to oyster restoration goals. Limiting funding opportunities from the federal government before the Agreement is finalized is a preemptive step to hinder potential conservation efforts. The Chesapeake Bay program and partner organizations will need to invest in areas outside of the five sanctuaries to achieve these outcomes. As agencies across the state look towards tighter budget years, limiting what types of funding can and can't be used for restoration could impact restoration efforts in smaller sanctuaries. This approach fails to consider the impact of restoration efforts on broader habitat and ecosystem health in the Bay.

The Nature Conservancy strongly opposes putting limitations on funding for oyster restoration work across the Chesapeake Bay through the methods proposed in HB 1022, which could undermine ongoing restoration efforts and potentially hinder recommendations from the Chesapeake Watershed Agreement Beyond 2025 goals.

Therefore, we urge an unfavorable report on HB 1022.

