

Department of Legislative Services
Maryland General Assembly
2021 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 203 (Senator Bailey)
Education, Health, and Environmental Affairs

Aquaculture Lease Applications - Notices, Protests, Meetings, and Conflict
Resolution

This bill modifies requirements associated with the issuance of a proposed aquaculture lease, relating to (1) nearby property owners that must be given notice of the proposed lease; (2) the handling of protests of a proposed lease; and (3) the holding of a public informational meeting on a proposed lease. **The bill takes effect June 1, 2021.**

Fiscal Summary

State Effect: The bill is not expected to materially affect State finances.

Local Effect: None.

Small Business Effect: Potential meaningful.

Analysis

Bill Summary: The bill requires the Department of Natural Resources (DNR) – when an application for a submerged land or water column lease is submitted and meets State law requirements – to notify the owners of property located *within 500 feet* of the proposed activity, instead of only the owners of property directly in front of the proposed activity.

The bill also requires – when a petition is filed with DNR protesting the issuance of the lease – that the department work with the petitioner and the applicant to mitigate the concerns raised in the petition. DNR must also consider conflict resolution between shoreline property owners and lease applicants before issuing the lease.

The bill modifies a requirement that DNR hold a public informational meeting on the issuance of a lease on the request of any person, by requiring instead that a public informational meeting be held only if the department determines that the person is raising a significant public health, safety, or welfare concern.

Current Law: A person who wishes to obtain an aquaculture, water column, or submerged land lease must pay an application fee and complete and submit an application to DNR. If an application for a submerged land or water column lease in the Chesapeake Bay or in the Atlantic Coastal Bays meets State law requirements, DNR must:

- advertise the application on the department's website and once a week for two weeks in a newspaper published in the county or counties where the proposed lease is to be located;
- notify the owners of property directly in front of the proposed activity;
- notify each chair of an oyster committee in the county in which the proposed activity is located; and
- notify other interested parties that the department deems appropriate.

Within 30 days of publication of the last advertisement, any person who has a specific right, duty, privilege, or interest that is different from that held by the general public and may be adversely affected by the proposed lease may file a petition with the department protesting the issuance of the lease, which must be heard in accordance with specified requirements of the Administrative Procedure Act.

DNR must hold a public informational meeting on the issuance of a lease on the request of any person.

Immediately after termination of the 30-day period for filing a petition, or after a final decision dismissing a protest, DNR must survey the proposed leased area and issue a lease to the applicant.

Small Business Effect: The bill may have a meaningful effect on applicants for a submerged land or water column lease, though it is unclear whether the effect may be positive (by mitigating a conflict), or negative (by potentially extending the lease application process) for any given lease application.

Additional Information

Prior Introductions: SB 711 of 2020, a similar bill, received a hearing in the Senate Education, Health, and Environmental Affairs Committee, but no further action was taken. SB 950 of 2020, also a similar bill, received a hearing in the Senate Education, Health, and Environmental Affairs Committee, but no further action was taken. Its cross file, HB 1059, was referred to the House Environment and Transportation Committee but subsequently withdrawn.

Designated Cross File: None.

Information Source(s): Department of Natural Resources; Department of Legislative Services

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