

# SENATE BILL 434

M2

(3lr2079)

## ENROLLED BILL

— *Education, Energy, and the Environment/Environment and Transportation* —

Introduced by **Senator Klausmeier**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

\_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
President.

### CHAPTER \_\_\_\_\_

1 AN ACT concerning

#### 2 **Natural Resources – Restorative Aquaculture Pilot Program**

3 FOR the purpose of requiring the Department of Natural Resources to establish and  
4 implement a Restorative Aquaculture Pilot Program to provide financial incentives  
5 to certain holders of aquaculture leases; authorizing a holder of an aquaculture lease  
6 who is participating in the Pilot Program to meet certain requirements by shellfish  
7 seed planting only; *providing for the financing of the financial incentives under the*  
8 *Pilot Program*; and generally relating to the Restorative Aquaculture Pilot Program.

9 BY adding to

10 Article – Natural Resources  
11 Section 4–11A–24  
12 Annotated Code of Maryland  
13 (2018 Replacement Volume and 2022 Supplement)

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#### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

*Italics* indicate opposite chamber/conference committee amendments.



1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
2 That the Laws of Maryland read as follows:

3 **Article – Natural Resources**

4 **4–11A–24.**

5 (A) IN THIS SECTION, “PILOT PROGRAM” MEANS THE RESTORATIVE  
6 AQUACULTURE PILOT PROGRAM.

7 (B) THE GENERAL ASSEMBLY FINDS THAT, WITH APPROPRIATE SITING,  
8 ACTIVE USE REQUIREMENTS THAT REQUIRE ANNUAL SHELLFISH SEED PLANTINGS,  
9 AND APPROPRIATE HUSBANDRY, SHELLFISH AQUACULTURE IS A RESTORATIVE  
10 ACTIVITY THAT BENEFITS WATER QUALITY, OYSTER PRODUCTIVITY, AND HABITAT.

11 (C) (1) THE DEPARTMENT SHALL ESTABLISH AND IMPLEMENT A  
12 RESTORATIVE AQUACULTURE PILOT PROGRAM.

13 (2) THE PILOT PROGRAM SHALL BE DESIGNED TO PROVIDE  
14 FINANCIAL INCENTIVES TO A HOLDER OF AN AQUACULTURE LEASE WHO:

15 (I) MAINTAINS THE LEASE, IN WHOLE OR IN PART, IN  
16 ACCORDANCE WITH THE CRITERIA FOR RESTORATIVE AQUACULTURE IDENTIFIED  
17 BY THE DEPARTMENT UNDER SUBSECTION (D) OF THIS SECTION; ~~AND~~

18 (II) MAINTAINS THE RESTORATIVE CONDITIONS FOR AT LEAST  
19 4 YEARS; AND

20 (III) MEETS ANY CRITERIA THE DEPARTMENT, IN  
21 CONSULTATION WITH THE AQUACULTURE COORDINATING COUNCIL, CONSIDERS  
22 NECESSARY.

23 (D) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE  
24 DEPARTMENT SHALL IDENTIFY CRITERIA AND METRICS FOR RESTORATIVE  
25 AQUACULTURE THAT TAKE INTO CONSIDERATION:

26 (I) OYSTER DENSITY;

27 (II) OYSTER BIOMASS;

28 (III) HABITAT COMPLEXITY; AND

29 (IV) ANY OTHER CRITERIA AND METRICS DEVELOPED OR  
30 IDENTIFIED IN COORDINATION WITH THE AQUACULTURE COORDINATING COUNCIL,

1 THE UNIVERSITY OF MARYLAND CENTER FOR ENVIRONMENTAL SCIENCE, OR  
2 OTHER INTERESTED STAKEHOLDERS.

3 (2) THE CRITERIA AND METRICS IDENTIFIED UNDER PARAGRAPH (1)  
4 OF THIS SUBSECTION SHALL BE AT LEAST AS STRINGENT AS THE TARGET CRITERIA  
5 AND METRICS USED IN LARGE-SCALE OYSTER RESTORATION PROJECTS OVERSEEN  
6 OR SUPPORTED BY THE CHESAPEAKE BAY PROGRAM.

7 (E) (1) SUBJECT TO PARAGRAPHS (2) AND (3) OF THIS SUBSECTION, THE  
8 DEPARTMENT SHALL ESTABLISH ELIGIBILITY REQUIREMENTS AND FINANCIAL  
9 INCENTIVES FOR THE PILOT PROGRAM.

10 (2) THE FINANCIAL INCENTIVES ESTABLISHED UNDER PARAGRAPH  
11 (1) OF THIS SUBSECTION SHALL BE DESIGNED IN A MANNER THAT PAYS ELIGIBLE  
12 LEASE HOLDERS:

13 (I) 1. ON A PER-ACRE BASIS; AND

14 2. AT A RATE DETERMINED BY THE DEPARTMENT IN  
15 CONSULTATION WITH THE AQUACULTURE COORDINATING COUNCIL; OR

16 (II) FOR OYSTERS PURCHASED BY THE DEPARTMENT FOR USE  
17 IN OYSTER RESTORATION SANCTUARY PROJECTS.

18 (3) THE DEPARTMENT MAY CONSULT WITH INTERESTED  
19 STAKEHOLDERS IN ESTABLISHING THE FINANCIAL INCENTIVES UNDER THIS  
20 SUBSECTION.

21 (4) FINANCIAL INCENTIVES UNDER THIS SUBSECTION SHALL BE  
22 FINANCED THROUGH:

23 (I) PRIVATE DONATIONS;

24 (II) FEDERAL FUNDING;

25 (III) MONEY APPROPRIATED IN THE STATE BUDGET  
26 SPECIFICALLY FOR THE PAYMENT OF THE INCENTIVES; OR

27 (IV) ANY OTHER FUNDING FROM ANY OTHER SOURCE ACCEPTED  
28 FOR THE PAYMENT OF THE INCENTIVES.

29 (F) A HOLDER OF AN AQUACULTURE LEASE WHO IS PARTICIPATING IN THE  
30 PILOT PROGRAM MAY MEET ANY REQUIREMENTS FOR THE ACTIVE USE OF THE  
31 LEASE BY SHELLFISH SEED PLANTING ONLY.

1           **(G) (1) ON OR BEFORE OCTOBER 1, 2024, THE DEPARTMENT SHALL**  
2 **ADOPT REGULATIONS TO CARRY OUT THIS SECTION.**

3           **(2) THE REGULATIONS ADOPTED UNDER PARAGRAPH (1) OF THIS**  
4 **SUBSECTION SHALL INCLUDE PROVISIONS FOR THE VERIFICATION OF EXISTING**  
5 **AND IMPROVED CONDITIONS ON AQUACULTURE LEASES THAT ARE PART OF THE**  
6 **PILOT PROGRAM.**

7           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
8 October 1, 2023. It shall remain effective for a period of 6 years and, at the end of September  
9 30, 2029, this Act, with no further action required by the General Assembly, shall be  
10 abrogated and of no further force and effect.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.