

# HOUSE BILL 120

C8

(PRE-FILED)

4r0827  
CF SB 32

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By: ~~Delegate T. Morgan~~ Delegates T. Morgan, Addison, Allen, Boyce, Jacobs, Lehman, J. Long, Love, and Ruth

Requested: October 3, 2023

Introduced and read first time: January 10, 2024

Assigned to: Environment and Transportation

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: February 20, 2024

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

1 AN ACT concerning

2 **Economic Development – Maryland Watermen’s Microloan Program – Eligibility**

3 FOR the purpose of expanding eligibility for the Maryland Watermen’s Microloan Program  
4 within the Maryland Agricultural and Resource–Based Industry Development  
5 Corporation to include, on or after a certain date, individuals who are residents of  
6 the State and hold certain commercial fishing licenses issued by the Potomac River  
7 Fisheries Commission; repealing a certain requirement relating to the amount of a  
8 loan under the Program; and generally relating to the Maryland Watermen’s  
9 Microloan Program.

10 BY repealing and reenacting, with amendments,  
11 Article – Economic Development  
12 Section 10–526  
13 Annotated Code of Maryland  
14 (2018 Replacement Volume and 2023 Supplement)

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

17 **Article – Economic Development**

18 10–526.

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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.



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1 (a) (1) In this section the following words have the meanings indicated.

2 (2) “Beginner waterman” means an individual who ~~has~~:

3 (i) IS A RESIDENT OF THE STATE;

4 (II) 1. HOLDS a tidal fish license under § 4–701 of the Natural  
5 Resources Article; OR

6 2. HOLDS A COMMERCIAL LICENSE TO CATCH FINFISH,  
7 CRABS, CLAMS, AND OYSTERS, ISSUED BY THE POTOMAC RIVER FISHERIES  
8 COMMISSION IN ACCORDANCE WITH § 4–306 OF THE NATURAL RESOURCES  
9 ARTICLE; and

10 (ii) (III) HAS at least 2 years and not more than 10 years of  
11 experience in commercial seafood harvesting.

12 (3) “Generational waterman” means an individual who:

13 (i) ~~has~~ IS A RESIDENT OF THE STATE;

14 (II) 1. HOLDS a tidal fish license under § 4–701 of the Natural  
15 Resources Article; OR

16 2. HOLDS A COMMERCIAL LICENSE TO CATCH FINFISH,  
17 CRABS, CLAMS, AND OYSTERS, ISSUED BY THE POTOMAC RIVER FISHERIES  
18 COMMISSION IN ACCORDANCE WITH § 4–306 OF THE NATURAL RESOURCES  
19 ARTICLE; and

20 (ii) (III) can demonstrate, through the submission of the two most  
21 recent federal income tax returns and other supporting documents, that at least 50% of the  
22 individual’s annual income is derived from commercial seafood harvesting.

23 (4) “Program” means the Maryland Watermen’s Microloan Program.

24 (5) “Qualified commercial fisherman” includes:

25 (i) a beginner waterman; ~~[and]~~

26 (ii) a generational waterman; ~~AND~~

27 ~~(III) AN INDIVIDUAL WHO IS A RESIDENT OF THE STATE AND~~  
28 ~~HOLDS A COMMERCIAL LICENSE TO CATCH FINFISH, CRABS, CLAMS, OR OYSTERS~~  
29 ~~ISSUED BY THE POTOMAC RIVER FISHERIES COMMISSION IN ACCORDANCE WITH §~~  
30 ~~4–306 OF THE NATURAL RESOURCES ARTICLE.~~

1 (b) There is a Maryland Watermen's Microloan Program in the Corporation.

2 (c) The purpose of the Program is to provide loans to qualified commercial  
3 fishermen to continue commercial operations in the State, including for purchasing:

4 (1) boats;

5 (2) mechanical equipment;

6 (3) fishing gear;

7 (4) fishing quota; and

8 (5) any other item used in commercial seafood harvesting.

9 (d) The Corporation shall implement and administer the Program in accordance  
10 with this section.

11 (e) (1) Through June 30, 2025, only generational watermen are eligible to  
12 receive a loan under the Program.

13 (2) Starting July 1, 2025, the following persons are eligible to receive a loan  
14 under the Program:

15 (i) generational watermen;

16 (ii) beginner watermen; ~~and~~

17 (iii) seafood processing businesses; ~~AND~~

18 ~~(iv) INDIVIDUALS WHO ARE RESIDENTS OF THE STATE AND~~  
19 ~~HOLD A COMMERCIAL LICENSE TO CATCH FINFISH, CRABS, CLAMS, OR OYSTERS~~  
20 ~~ISSUED BY THE POTOMAC RIVER FISHERIES COMMISSION IN ACCORDANCE WITH §~~  
21 ~~4-306 OF THE NATURAL RESOURCES ARTICLE.~~

22 (f) (1) For loans made under the Program, the Corporation shall determine:

23 (i) the eligibility of an applicant;

24 (ii) the amount of loan to be given to a borrower;

25 (iii) the terms and conditions of a loan contract; and

26 (iv) the amount of debt forgiveness that may be provided to a  
27 borrower for loan repayment performance.

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1 (2) ~~A loan made under the Program shall be at least \$7,000 and not more~~  
2 ~~than \$15,000.~~

3 ~~(2)~~ A borrower under the Program may not have more than one  
4 outstanding loan from the Program during any period of time.

5 (g) (1) For each of fiscal years 2024 through 2026, the Governor shall include  
6 in the annual State budget bill an appropriation of \$500,000 to the Program.

7 (2) The appropriation in paragraph (1) of this subsection shall be  
8 distributed to a special fund, to be used only to:

9 (i) make loans under the Program; and

10 (ii) pay the costs necessary to administer and operate the Program.

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
12 ~~October~~ July 1, 2024.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.