

**Wednesday, March 29, 2023**

**TO:** Kumar Barve, Chair of the House Environment and Transportation Committee, and Committee Members  
**FROM:** Mark Bryer, The Nature Conservancy, Chesapeake Bay Program Director; and Michelle Dietz, The Nature Conservancy, Director of Government Relations  
**POSITION:** Support SB 434 Natural Resources – Restorative Aquaculture Pilot Program

The Nature Conservancy (TNC) supports SB 434 offered by Senator Klausmeier. 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.

SB 434 would require the Maryland Department of Natural Resources (DNR) to establish a Restorative Aquaculture Pilot Program. This program would provide financial incentives to aquaculture lease holders who, for restoration purposes, only seed shellfish on their lease holdings for four or more years. Pausing oyster harvesting for this set amount of time will allow for restorative aquaculture activity that benefits water quality, oyster productivity and habitat. The program will also enable DNR to purchase oysters from these growers for use in ongoing restoration sanctuary projects. Over the course of this pilot program, DNR will work with partners like the University of Maryland Center for Environmental Science, the Aquaculture Coordinating Council, and other interested parties to develop restorative aquaculture criteria and metrics as well as define program eligibility and financial incentives for the pilot program. By allowing broad engagement in this process, members of the aquaculture industry, conservation community, researchers and state agencies can work together to ensure this program is supported by all interests in the Chesapeake Bay.

Sanctuaries and protected areas in the Chesapeake Bay improve recreational and commercial fishing by providing persistent habitat for blue crabs, striped bass, white perch and other important finfish species. Oysters within these protected areas can produce larvae that benefit areas not only within these boundaries, but also in public fishery areas adjacent to sanctuaries, which increases harvest opportunities. By establishing the Restorative Aquaculture Pilot Program, Maryland is providing the aquaculture industry with financial incentive to support enhancing the shellfish population for their environmental benefits to the Chesapeake Bay.

TNC has a history of working across sectors to leverage private, state and federal funding to support the aquaculture industry in Maryland. Our Supporting Oyster Aquaculture and Restoration (SOAR) program is a good example of leveraging investments to establish alternative markets for oyster farmers to sell oysters for reef restoration projects, as well as to expand the Shellfish Grower's Resilience Fund in Maryland. In 2022, TNC received \$150,000 in Congressionally Directed Funding thanks to support from Senators Cardin and Van Hollen. This funding will be used to purchase farmed oysters in the spring of 2023 for use in sanctuary restoration in Maryland. TNC is pleased to see additional state investments into developing programs such as the Restorative Aquaculture Pilot Program, assisting oyster growers in the Chesapeake Bay to participate in restoration efforts.

TNC commends Senator Klausmeier for advancing legislation that is aimed at investing in Maryland's critical oyster industry by incentivizing restoration practices. SB 434 reflects a positive step forward in the long road to restoring oysters to the Chesapeake.

**Therefore, we urge a favorable report on SB 434.**