

**Maryland Aquaculture Coordinating Council**  
**Minutes – March 10, 2016**

**Members Attending:**

Don Webster  
Erin Butler  
Karl Roscher  
Reggie Harrell  
Chris Sherman  
Terry Witt  
Stacy Kubofcik  
John Backus for K. Brohawn  
Don Meritt  
Andrew Griffin  
Johnny Shockley

**Guests Attending:**

Chris Aiken (Self)  
Steve Schneider (DNR)  
Maude Morris (DNR)  
Katie Busch (DNR)  
Alyssa Cranska (DNR)  
Rebecca Thur (DNR)  
Mitchell Tarnowski (DNR)  
Robin Henderson (DHMH)  
Steve McHenry (MARBIDCO)  
Rebekah Borgert (MSU)  
Amber Demarr (MSU)  
Pete O'Neill (DOC)  
Rob Witt (Self)

**Call to Order:**

Chair Butler called the meeting to order at 6:30 pm and recognized John Backus, who was representing MDE for Ms. Brohawn.

**Administrative:**

Approve January Minutes

The January 14, 2016 meeting minutes were approved as distributed.

Announcements

There were no announcements from Council members or guests.

**Reports:**

Aquaculture Division Report (Karl Roscher, DNR)

Mr. Roscher reported that the Aquaculture Division receives on average of sixty (60) new applications each year. With the steady rate of applications, the division is having difficulty reducing the number of applications that are categorized as “in process”.

The Division received nine new shellfish lease applications since the last ACC meeting. A total of twelve new applications have been received in 2016, four of which are for water column leases. In addition, five new lease agreements have been issued with four for submerged land leases. Hydrographic surveys for five applications were completed in late January to February and four additional surveys are pending. Once complete, these projects can move to public notice and be forwarded to the Corps of Engineers. Public notices for five proposed submerged land leases were initiated with comment periods ending in late March to mid-April. None have received protests to date. Five new application packets were prepared and forwarded to the Corps of Engineers for review.

Twenty-three Shellfish Import Applications have been received in 2016 with three having been issued for shell. Permits for requests other than shell or eyed larvae are held until health certification is received and evaluated. Three Shellfish Nursery Permit applications have been received in 2016 and one has been issued. Shellfish Nursery Permit modifications for six existing permitted facilities were also issued.

Thirty-six new lease transfer requests have been received in 2016. These resulted from an enclosure in the 2015 annual usage packets that provided leaseholders with the consequences of being a sole leaseholder in the event of that person’s death.

From September 2010 through March, 2016, 355 lease applications have been received. 277 of these have been received since August 1, 2011 when the Department began accepting applications for water column leases and leases in sanctuaries. The State has issued 174 new commercial shellfish aquaculture leases totaling approximately 4,046 acres. An additional 105 lease applications are in process, with five currently being incomplete.

In 2016, 1,416 Shellfish Aquaculture Harvester Permits were issued. These included 424 Permittee and 992 Registration cards. This represents 336 individuals who are permitted to work in the industry.

Total annual harvest in 2015 was reported at 50,669 bushels (subject to QA/QC), compared to 34,154 bushels in 2014. This represented a 48.4% increase for the year.

Mr. McHenry asked why the number of shellfish aquaculture harvester permits issued in 2016 is less than last year. Mr. Roscher informed him that the number reported is just to date, not for the entire year, but he believes we are on track to surpass 2015 numbers.

Lease Protests (Karl Roscher, DNR)

Mr. Roscher reported that the Division has been making progress on the number of proposed leases currently under protest. Recently, three applications were either terminated or denied by the Department after the public comment period, due to information provided to the Division and taken into consideration prior to making a final decision on the request. One lease was issued after an applicant and protestant came to an agreement about hunting concerns and another lease is pending issuance after both parties for that project were able to address their concerns. Public information meetings were held for two projects and five more will be scheduled.

### Shellfish Aquaculture Financing Program Status (Steve McHenry, MARBIDCO)

MARBIDCO has worked with the DNR for the past six years on two different shellfish aquaculture loan programs, the regular program and the remote setting program. There are a total of 62 current projects (59 Regular and 3 Remote Setting) in ten counties with 52 loans fully drawn. Some loans are in their second year of amortizing and about \$700,000 of the principal has been returned which is ready to be re-loaned. Only four loans have been approved this fiscal year and Mr. McHenry suggested that additional information about the program be provided to interested parties due to the availability of funds in the programs.

### 2016 Legislative Update (Karl Roscher on behalf of Delegate O' Donnell)

Mr. Roscher announced that Delegate O'Donnell could not make tonight's meeting but provided a summary of House Bill 51, which was included in member packets. The purpose of the bill is to alter the membership of the Council to include representatives from the Oyster Recovery Partnership and the Maryland Farm Bureau. The bill passed unanimously in both the House and Senate. Two additional bills currently being reviewed were also included in the packet. Delegate O'Donnell introduced a bill last year that was enacted into law for the purpose of awarding civil damages to a leaseholder for damage to their lease equipment and product. House Bill 799 expands the language to include "leaseholder or any agent, employee, business partner, or contractor of the leaseholder" and the bill is being considered. House Bill 1527 was introduced late in February for the purpose of creating an exemption from the requirement to obtain a water appropriation permit under certain circumstances for using tidal waters for oyster aquaculture purposes.

### **Continuing Business:**

#### Council Appointed Member Nominations (Chair Butler)

Chair Butler reported there was a 75% response rate of voting on appointed member nominations for the Council. Results will be forwarded to the Governor's Appointments Office where the final decision on appointments of the recommended candidates will be made.

#### Shellfish Aquaculture Harvester Permit Regulation Changes (Karl Roscher)

Leaseholders have expressed concern about the requirement that every person working on a lease possess a Shellfish Aquaculture Harvester Permit card. Two paths have been identified to provide flexibility for the industry. In the first, if a Permittee was on the lease, harvesters working under his or her supervision would not need a permit card. The second would be to appoint a permitted farm manager, who is not a Permittee, as supervisor of workers who would not have to obtain permit cards themselves. After examining the regulations and consulting with the Attorney General's office, the Department decided to move forward with the Option One. The regulation change will be submitted and take effect in ninety (90) days after submittal. Option Two will require more time because it involves a comprehensive restructuring of regulations.

### **New Business**

#### 2016 ACC Annual Report Development (Chair Butler & Vice-Chair Harrell)

Vice-Chair Harrell announced that the 2016 Annual Report of the Aquaculture Coordinating Council is on due June 1<sup>st</sup> and a few volunteers are needed as a committee to develop a draft. Mr. Griffin agreed to coordinate the report development. The Council approved Mr. Roscher, Mr. Shockley, Mr. Webster, Ms. Brohawn, and Ms. Kubofcik to be members of the committee chaired by Mr. Griffin to create the draft report.

### Exploring Export Markets for Maryland Oysters (Pete O'Neill)

Mr. O'Neill, Maryland Department of Commerce, presented a proposal for exploring and expanding export markets for Maryland growers. Commerce is offering their services and resources to the shellfish aquaculture industry to build the business portion of the industry and promote growth. If regulations do not prevent international trade of oysters, the Department can assist in evaluating feasibility of exporting products and create a guide book. Mr. O'Neill suggested that he meet and talk with growers to assess demand or interest in exploring export markets.

Following his presentation, issues about international trade were discussed by the Council. Mr. O'Neill will look into existing impediments and proceed with research.

Chair Butler addressed MDEs water quality sampling web page. She noted that sampling dates are not listed with site locations and growers would like that information to be made available for their use. Mr. Backus noted that he would relay these concerns to appropriate agency staff.

#### **Public Comments:**

No comments were made by the public

#### **Adjourn:**

The meeting was adjourned at 7:27 pm with the next regularly scheduled meeting to be held on Thursday, May 12, 2016 at 6:30 pm in the Maryland Department of Natural Resources, C-1 Conference Room.