

**Maryland Aquaculture Coordinating Council
Minutes – January 10, 2013**

Members Attending:

Don Webster	Don Flax	Karl Roscher
Craig Mask	Andy Lazur	Erin Butler
Joanna Kille	Kathy Klausmeier	Tony O'Donnell
Matt Rowe	Mindie Burgoyne	Jon Farrington
Andrew Buck	Johnny Shockley	Terry Witt
Kathy Brohawn		

Guests:

Steve Schneider, DNR	Rebecca Thur, DNR
Katie Busch, DNR	Kate Meade, DNR
Jill Buck, Patuxent Seafood Co., LLC	Kim Coulbourne, DHMH
Ted Cooney, Chesapeake Island Oysters, LLC	Rob Witt, Witt Seafood
Linda Arnold, MARBIDCO	Larry Jennings, CCA
David Alves, NMFS	H. Beth Mauk, NRP
Jack Devine, Barren Island Seafood	Matt Rowe, MDE
Rona Kobell, Bay Journal	
Nancy Shockley, Hoopers Island Oyster Aquaculture	
Carol McCollough, Philips Wharf Environmental Center	

Call to Order

Chairman Webster opened the meeting. He welcomed attendees, and introduced David Alves, the Northeast Regional Coordinator for the NMFS Office of Aquaculture in Gloucester, Massachusetts. Mr. Alves previously worked for the state of Rhode Island where he was in charge of a program similar to the Aquaculture Division in Maryland. Mr. Alves has been visiting aquaculture facilities in Maryland and has provided Maryland staff with his insights on regulatory and policy issues related to the commercial shellfish aquaculture industry in Maryland.

Administrative

Approve Meeting Summaries

The September and November 2012 meeting summaries were approved with edits by the Council.

Announcements (Chairman Webster and Members)

- Aquaculture Seminar Program, Saturday, *January 19, 2013*, East Coast Commercial Fishermen's & Aquaculture Trade Exposition, Ocean City, Maryland.
- 2013 Multi-State Aquaculture Forum, *January 25-26*, Holiday Inn, Martinsburg, WV. Includes a reception featuring regional aquaculture products.

- Taste of Maryland Dinner, *February 7, 2013*, Lowes Hotel in Annapolis, Maryland Legislators and Shellfish Industry representatives are encouraged to attend.
- MDA's annual Buyer-Grower meeting will be held on Tuesday, January 22 at the Navy Stadium. (Ms. Kille)
- USDA Oyster Bed Restoration Program Funding. January 18th is the cut off date to sign up. (Mr. Mask)
- Maryland residents affected by Hurricane Sandy (Somerset, Wicomico, and Worchester Counties) may be eligible for a low interest loan program offered by the US Small Business Association <https://disasterloan.sba.gov/ela>. (Mr. Roscher)

Review Council Background and Procedures (Chairman Webster & Senator Klausmeier)

A task force to study the economic development of the Maryland seafood and aquaculture industries was created in 2003 by the Maryland General Assembly. The task force had two workgroups (seafood and aquaculture) and an executive committee. Executive Committee members included Delegate O'Donnell and Senator Klausmeier (Chairperson). The recommendations led to legislation signed into law in 2005 which established the Aquaculture Coordinating Council and the Aquaculture Review Board.

The Council is tasked with formulating proposals for the Governor and legislature for “advancing Maryland aquaculture” (including shellfish, finfish, and aquatic plants); establishing a grant program for the implementation of projects to bolster the industry; making recommendations to the Aquaculture Review Board regarding needed regulatory changes; and establishing Best Management Practices (BMP's) for all segments of the aquaculture industry.

The Aquaculture Coordinating Council's annual reports with status of the industry and recommendations for the Governor and Maryland General Assembly are to be delivered on or by October 1 each year. The 2012 annual report is currently being developed and reviewed by the Council.

Council procedures on electing officers, holding meetings and creating, staffing and charging workgroups were reviewed for the new members.

Reports

Legislative (Senator Klausmeier)

Senator Klausmeier and Delegate O'Donnell reviewed and discussed SB 21 and HB 306. The Council agreed to support this legislation.

- Maryland Senate Bill SB 21 (Cross-filed HB 72) alters the date by which the Aquaculture Coordinating Council must submit its annual report and recommendations from October 1 to June 30 to better reflect state budget timelines.
- Currently, shellfish nursery operators who wish to operate small in-water nurseries located near shore can only be authorized by the State through the lengthy lease application process. House Bill HB 306 (Crossfile SB 464) would authorize the Department to issue shellfish nursery permits for in-water structures and to limit the size and location of in-water nursery areas.

Maryland Department of the Environment (MDE) Monitoring

Another important bill related to aquaculture, that has not been introduced yet, would allow MDE more flexibility in monitoring restricted shellfish waters. Current monitoring regulations were enacted prior to the Clean Water Act and do not adequately reflect water quality monitoring needs. The new legislation would not change the established monitoring schedule; however it would make it easier for MDE to effectively respond to additional monitoring needs. It was noted that the sampling schedule is an important issue for the aquaculture industry and MDE may also need additional resources in order to respond to the needs of the industry.

Ms. Brohawn will work with Mr. Webster to send the Council background information on the bill when it becomes available and will provide an update on support for the legislation at the March Council meeting.

Shellfish Aquaculture (Mr. Roscher)

Mr. Roscher provided Council members with a summary of the Department's shellfish aquaculture leasing and permitting activity. The Department has received 169 applications for leases since September 2010, 51 leases have been fully executed, 7 are being prepared for issuance and 87 applications are still in various stages of review.

Oyster gardeners are now required to register with the State and to report on the oysters that they grow. These new requirements are required by the National Shellfish Sanitation Program and the US Army Corps of Engineers regulatory jurisdiction over oyster gardening. Oyster gardeners will be able to register on-line beginning in February 2013.

2013 harvest tags will be distributed to leaseholders during the next few weeks. The Department is making a significant effort to complete the review and approval of the lease applications that have been under review for the longest period so that they are completed by the end of March 2013.

Shellfish Aquaculture Financing Programs (Linda Arnold, MARBIDCO)

Ms. Arnold provided an update on the Maryland Agricultural and Resource-Based Industry Development Corporation (MARBIDCO) Shellfish Aquaculture Financing Program. She reported that MARBIDCO has currently completed 6 rounds of financing (37 projects totaling \$2.3 million have been funded). Funding is also available for shell, seed, capital equipment, bottom improvement, and remote setting equipment. Applications and additional information are on the MARBIDCO website.

Aquaculture Education and Training (Chairman Webster)

Mr. Webster noted that shellfish aquaculture topics would be discussed at the Aquaculture Seminars at the East Coast Trade Expo next week in Ocean City. In addition to the classroom seminar program several demonstrations of remote setting equipment will be conducted by the University of Maryland Horn Point Hatchery staff and the Oyster Recovery Partnership at their joint display on the show floor.

A spreadsheet tool for calculating resource needs for bottom culture will be available soon. Also, a new Aquaculture Resource Guide, which will provide information on purchasing seed and shell, loan programs and other resources, will be published. It will be available in print and on-line.

A question was asked about whether nutrient trading for growing oysters would likely be an option in the future. It was explained that there is a need for standards that quantify the amount of nutrients (including nitrogen) that oysters remove from the environment under various situations and as well as how long the nutrients are made unavailable. There is on-going scientific research taking place to answer these questions, but it does not seem likely that the Maryland nutrient trading program will include trading credits for growing oysters in the near future. The Council agreed that they would be interested in reviewing material and hearing a presentation on the State nutrient trading policy and ongoing research about how oyster aquaculture could be used for nutrient trading. Mr. Alves noted that he could provide some material on research on nutrient uptake by oysters in a New York river.

Unfinished Business

Annual Report (Chairman Webster)

The executive summary for the Council's 2012 annual report has been sent to the Council members for review. This summary will be expanded and put into the annual report.

Aquaculture size limit regulations (Mr. Roscher)

Emergency regulations allowing the sale of oysters as small as 2 inches were approved last year. Current regulations allow the harvest and sale of oysters under 3 inches only during the time when the public fishery is closed. Emergency regulations allow a one inch maximum seed size limit, a 5% tolerance limit (same as commercially harvested oysters) cull law, addition of an application fee for water column leases of \$300 (same as submerged land leases), and annual rent of \$25 per acre for water column leases.

The Council supports a regulatory proposal that would allow the sale of farm-raised oysters from water column leases as small as 2 inches year round.

The DNR regulatory proposal currently under review would expand the ability to sell oysters harvested from a water column lease that are a minimum of 2" by allowing year round sale of such oysters. Leaseholders with submerged land leases would only be authorized to sell oysters that are a minimum of 2" while the public oyster fishery is closed, April 1-September 30. The proposal would additionally allow for leaseholders who are also certified by the Maryland Department of Health and Mental Hygiene to utilize a dealer tag that meets the requirements stipulated in the National Shellfish Sanitation Program Model Ordinance in lieu of a Department issued harvester tag. The seed size, tolerance limit, application fee and annual rent will be the same as in the emergency regulations. The public comment period for this proposed legislation closes at 4:00 p.m. on March 4, 2013.

Lease marking issues (Mr. Flax)

Aquaculture leases are currently marked in the field by the leaseholder with various stakes, poles, and buoys, as well as different types of signs to indicate the location and layout of their leases. Since the type of markers and the color and writing on the signs differ from each other, it is often not easy to recognize a lease area. In addition, the public is confused about what activities are allowed on a lease.

The Council discussed problems associated with some members of the boating public removing lease markers. They discussed the need to allow leaseholders flexibility with how they mark their leases and whether a standard decal to attach to the markers would be beneficial. It was suggested that outreach materials (possibly a fact sheet) be developed to educate the public regarding shellfish aquaculture practices and the rights and responsibilities of both leaseholders and recreational users.

The Council agreed that this is an issue that should be explored further. The Chairman asked that Mr. Flax report this issue with recommendations by the July meeting.

New Business

Election of Council Vice-chair

The Council presented Mr. Flax with a plaque in honor of his service as Chairman during the past year. Mr. Webster, Council Vice-chairman, took over as Chairman for 2013.

Mr. Buck was nominated as Vice-chairman of the Council for 2013 and was elected by acclamation.

Revision of Shellfish Best Management Practices (BMPs)

Aquaculture BMPs for Maryland were revised by the Council in 2007. These practices are voluntary but the shellfish section is outdated due to the change in lease laws in 2009. In 2010 the East Coast Shellfish Growers Association (ECSGA), with funding from the Northeastern Regional Aquaculture Center, published a detailed BMP manual, <http://www.ecsga.org/Pages/Resources/BMP.html>.

The Council agreed to the formation of a BMP Workgroup to revise the Maryland shellfish BMPs, review the ECSGA manual and decide whether to adopt that version in whole or in part or rewrite the current MD version to reflect the changed laws. Chairman Webster charged a workgroup and appointed Erin Butler to chair it with a reporting date of the July 2013 meeting. Other ACC members who volunteered include Karl Roscher, Johnny Shockley, and Kathy Brohawn.

Aquaculture Industry Development Priorities

It was agreed that the Council should discuss Maryland aquaculture industry research and development priorities due to the important role that these have in guiding policy and regulation in the State. The recently released Florida Aquaculture Plan was presented to members. Representatives from the Florida industry present recommendations for legislative change and research in the Plan. <http://www.freshfromflorida.com>.

The Council agreed that an Industry Research and Development Priorities Workgroup needed to be formed to develop these priorities for Maryland. Chairman Webster charged the workgroup to survey all segments of the Maryland industry and appointed Dr. Andrew Lazur as Chairman. Other ACC members include Karl Roscher and Johnny Shockley. The reporting date for the workgroup is the July 2013 meeting.

DHMH Fee Schedule Changes

Ms. Butler informed the group that the DHMH will be raising fees for various food handling permits and permit renewals. These include fees for operating processing plants and shucking houses. Shellfish handlers who have seasonal permits will see a large increase in their fees which may have a disproportionate impact on small aquaculture operators. Ms. Butler explained that DHMH does have the authority to adjust these fees. Delegate O'Donnell asked that Ms. Butler to provide a briefing on the issue to himself and Senator Klausmeier.

Public Comments – No Public Comments were presented.

Adjourn – The next regular meeting will be Thursday, **March 14, 2013**, at 6:30 p.m. at the Maryland Department of Natural Resources, C-1 Conference Room.