SENATE BILL 634

M2 HB 1217/22 – ENT 3lr2529 CF HB 1084

By: Senator Mautz

Introduced and read first time: February 6, 2023 Assigned to: Education, Energy, and the Environment

Committee Report: Favorable with amendments Senate action: Adopted Read second time: March 5, 2023

CHAPTER _____

1 AN ACT concerning

2 Natural Resources – Oyster Inspection and Severance Taxes – Increase

FOR the purpose of increasing the amount of the inspection tax levied on marketable oysters shipped in the shell to any place outside the State; increasing the amount of the severance tax levied on oysters caught within certain natural oyster bars; <u>repealing a certain requirement that a certain tax increase be used for the oyster</u> <u>seed program in a certain manner;</u> requiring that a certain amount of the severance tax levied be <u>distributed to</u> used by certain county oyster committees; and generally

- 9 relating to oyster inspection and severance taxes.
- 10 BY repealing and reenacting, with amendments,
- 11 Article Natural Resources
- 12 Section 4–1020(a) through (c)
- 13 Annotated Code of Maryland
- 14 (2018 Replacement Volume and 2022 Supplement)
- 15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
 16 That the Laws of Maryland read as follows:

17

Article – Natural Resources

18 4–1020.

19	(a)	(1)	A separate permit shall be obtained for shipping each cargo, truckload,			
20) or other consignment of oysters in the shell out of the State.					

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

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



SENATE BILL 634

1 (2) An inspection tax of [30 cents] \$1 per bushel shall be levied [upon] ON 2 marketable oysters shipped in the shell to any place outside the State and shall be paid by 3 the shipper.

4 (3) The tax imposed by this subsection shall be levied in addition to every 5 other tax imposed on oysters.

6 (b) (1) (I) A severance tax of [\$1] \$2 per bushel shall be levied [upon] ON 7 every bushel of oysters caught within the limits of the natural oyster bars of the State 8 exclusive of the Potomac River.

9 (II) The oyster buyer or receiver shall pay the tax to the Department 10 for deposit to the credit of the Fisheries Research and Development Fund.

11 (2) (I) This section does not prevent any person licensed to catch <u>AND</u> 12 <u>SELL</u> oysters in the State from selling [his] THE PERSON'S oysters in the shell directly to 13 a consumer in the State.

14 (II) 1. If the consumer is a licensed buyer of oysters, [he] THE 15 CONSUMER shall assume the obligations placed by this subsection on the first buyer of the 16 oysters to remit the tax to the Department. [However, if]

17 **2.** IF the consumer is not a licensed buyer of oysters, the 18 seller of oysters shall assume this obligation.

19 (c) (1) All taxes collected under this section shall be credited to the Fisheries 20 Research and Development Fund and used only for the repletion of the natural oyster bars 21 of the State.

22 (2) The 10-CENT tax increase effective July 1, 1982, shall be used solely 23 for the oyster seed program, with a minimum of [5 percent] 5% of the increase being used 24 in each of the following counties:

- 25 (I) Anne Arundel;
- 26 (II) Calvert;
- 27 (III) Charles;
- 28 (IV) Dorchester;
- 29 (V) Kent;
- 30 (VI) Queen Anne's;

 $\mathbf{2}$

1	(VII)	Some	rset;	
2	(VIII)	St. M a	rry's;	
3	(IX)	Talbo	t; and	
4	(X)	Wicon	nico.	
5 6 7 8	(B) OF THIS SECTION, \$1 OF EACH \$2 COLLECTED SHALL BE DISTRIBUTED TO <u>USEI</u> <u>BY</u> THE COUNTY OYSTER COMMITTEES IN THE FOLLOWING COUNTIES FOR THI			
9	(I)	ANNE	E ARUNDEL;	
10	<u>(II)</u>	BALT	IMORE;	
11	(II) (1	<u>(II)</u>	CALVERT;	
12	(III) (<u>(IV)</u>	CHARLES;	
13	(IV) (<u>v)</u>	DORCHESTER;	
14	(V) (I	<u>/I)</u>	Kent;	
15	(VI) (<u>VII)</u>	QUEEN ANNE'S;	
16	(VII)	<u>(VIII)</u>	Somerset;	
17	(VIII)	• <u>(IX)</u>	ST. MARY'S;	
18	(IX) (<u>X)</u>	TALBOT; AND	
19	(X) (X	<u>(I)</u>	WICOMICO.	
20	SECTION 2. AND	BE IT	FURTHER ENACTED, That this Act shall take effect July	

21 1, 2023.