

SENATE BILL 558

M1, M2

6lr1971
CF HB 1599

By: ~~Senator Bailey~~ Senators Bailey, Augustine, Corderman, Guzzone, Hettleman, Jennings, King, Lewis Young, McCray, Rosapepe, Salling, and Zucker

Introduced and read first time: February 4, 2026

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 28, 2026

Returned to second reading: March 3, 2026

Senate action: Adopted with floor amendments

Read second time: March 3, 2026

CHAPTER _____

1 AN ACT concerning

2 ~~Chesapeake Bay Enhancement Program – Established~~
3 Chesapeake Bay – Enhancement Program and Maryland Seafood Industry
4 Financial Assistance Fund – Established

5 FOR the purpose of establishing the Chesapeake Bay Enhancement Program to provide
6 funding for certain oyster propagation and replenishment projects that mitigate the
7 effects ~~on the State’s oyster population~~ of certain transportation projects on the
8 State’s oyster population; establishing the Maryland Seafood Industry Financial
9 Assistance Fund to provide financial assistance to certain commercial watermen and
10 small businesses; prohibiting the Department of Natural Resources from making
11 certain approvals for tidal fish licenses or authorizations of certain borrowers; and
12 generally relating to the Chesapeake Bay Enhancement Program.

13 BY adding to
14 Article – Natural Resources
15 Section 4–1020.1
16 Annotated Code of Maryland
17 (2023 Replacement Volume and 2025 Supplement)

18 BY adding to
19 Article – Economic Development

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.



1 Section 10-526.1 and 10-526.2
 2 Annotated Code of Maryland
 3 (2024 Replacement Volume and 2025 Supplement)

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

6 **Article – Natural Resources**

7 **4-1020.1.**

8 (A) IN THIS SECTION, “PROGRAM” MEANS THE CHESAPEAKE BAY
 9 ENHANCEMENT PROGRAM.

10 (B) THERE IS A CHESAPEAKE BAY ENHANCEMENT PROGRAM IN THE
 11 DEPARTMENT.

12 (C) THE PURPOSE OF THE PROGRAM IS TO PROVIDE FUNDING FOR OYSTER
 13 PROPAGATION AND REPLENISHMENT PROJECTS THAT MITIGATE THE EFFECTS ON
 14 ~~THE STATE’S OYSTER POPULATION OF TRANSPORTATION PROJECTS THAT~~
 15 ~~MAINTAIN OR EXPAND THE HELEN DELICH BENTLEY PORT OF BALTIMORE,~~
 16 ~~INCLUDING:~~

17 ~~(1) DREDGING;~~

18 ~~(2) THE CONSTRUCTION OR MAINTENANCE OF:~~

19 ~~(I) PIERS;~~

20 ~~(II) BRIDGES; OR~~

21 ~~(III) SHIPPING CHANNELS; AND~~

22 ~~(3) CONSTRUCTION AT THE HELEN DELICH BENTLEY PORT OF~~
 23 ~~BALTIMORE~~ OF TRANSPORTATION PROJECTS ON THE STATE’S OYSTER
 24 POPULATION.

25 (D) FOR FISCAL YEAR 2028 AND EACH FISCAL YEAR THEREAFTER, THE
 26 GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF
 27 ~~\$2,000,000~~ \$2,250,000 TO THE PROGRAM FROM THE TRANSPORTATION TRUST
 28 FUND UNDER § 3-216 OF THE TRANSPORTATION ARTICLE.

29 (E) (1) THE DEPARTMENT SHALL ADMINISTER THE FUNDS
 30 APPROPRIATED UNDER SUBSECTION (D) OF THIS SECTION.

1 **(2) THE DEPARTMENT SHALL ALLOCATE THE FUNDS APPROPRIATED**
2 **UNDER SUBSECTION (D) OF THIS SECTION TO SUPPORT OYSTER PROPAGATION AND**
3 **REPLENISHMENT AND PROGRAM MANAGEMENT.**

4 **(3) NOTWITHSTANDING PARAGRAPH (2) OF THIS SUBSECTION, THE**
5 **DEPARTMENT SHALL ALLOCATE AT LEAST \$1,500,000 OF THE FUNDS**
6 **APPROPRIATED UNDER SUBSECTION (D) OF THIS SECTION FOR OYSTER**
7 **PROPAGATION AND REPLENISHMENT PROJECTS.**

8 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
9 as follows:

10 **Article – Economic Development**

11 **10-526.1.**

12 **(A) IN THIS SECTION, “FUND” MEANS THE MARYLAND SEAFOOD INDUSTRY**
13 **FINANCIAL ASSISTANCE FUND.**

14 **(B) THERE IS A MARYLAND SEAFOOD INDUSTRY FINANCIAL ASSISTANCE**
15 **FUND.**

16 **(C) THE PURPOSE OF THE FUND IS TO PROVIDE FINANCIAL ASSISTANCE,**
17 **INCLUDING LOANS, TO COMMERCIAL WATERMEN AND SMALL BUSINESSES IN THE**
18 **SEAFOOD INDUSTRY.**

19 **(D) THE CORPORATION SHALL ADMINISTER THE FUND.**

20 **(E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT**
21 **SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

22 **(2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,**
23 **AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

24 **(F) THE FUND CONSISTS OF:**

25 **(1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;**

26 **(2) FEES AND LOAN REPAYMENTS, INCLUDING INTEREST, RELATED**
27 **TO THE FINANCIAL ASSISTANCE UNDER THIS SECTION;**

28 **(3) MONEY MADE AVAILABLE FROM THE FEDERAL, STATE, OR LOCAL**
29 **GOVERNMENT; AND**

1 **(4) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR**
2 **THE BENEFIT OF THE FUND.**

3 **(G) THE FUND MAY BE USED ONLY FOR:**

4 **(1) FINANCIAL ASSISTANCE, INCLUDING LOANS; AND**

5 **(2) THE COSTS OF THE CORPORATION TO ADMINISTER THIS SECTION.**

6 **(H) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN**
7 **THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

8 **(I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE**
9 **WITH THE STATE BUDGET.**

10 **(J) FOR FINANCIAL ASSISTANCE, INCLUDING LOANS, PROVIDED UNDER**
11 **THIS SECTION, THE CORPORATION SHALL DETERMINE THE FOLLOWING:**

12 **(1) THE APPLICATION AND AWARD PROCESS;**

13 **(2) ELIGIBILITY CRITERIA;**

14 **(3) THE AMOUNT OF THE FINANCIAL ASSISTANCE, INCLUDING LOANS,**
15 **FOR EACH APPLICANT;**

16 **(4) THE TERMS AND CONDITIONS OF FINANCIAL ASSISTANCE,**
17 **INCLUDING LOANS;**

18 **(5) THE AMOUNT OF LOAN FORGIVENESS THAT THE CORPORATION**
19 **MAY PROVIDE FOR LOAN REPAYMENT PERFORMANCE; AND**

20 **(6) ANY OTHER PROVISIONS NECESSARY TO CARRY OUT THIS**
21 **SECTION.**

22 **10-526.2.**

23 **(A) (1) IF A BORROWER WHO HOLDS A TIDAL FISH LICENSE UNDER §**
24 **4-701 OF THE NATURAL RESOURCES ARTICLE IS DELINQUENT IN THE REPAYMENT**
25 **OF A LOAN UNDER THIS SUBTITLE, THE CORPORATION SHALL NOTIFY THE**
26 **DEPARTMENT OF NATURAL RESOURCES.**

1 **(2) IF A BORROWER UNDER PARAGRAPH (1) OF THIS SUBSECTION**
2 **BECOMES COMPLIANT WITH THE REPAYMENT OF A LOAN UNDER THIS SUBTITLE,**
3 **THE CORPORATION SHALL NOTIFY THE DEPARTMENT OF NATURAL RESOURCES.**

4 **(B) NOTWITHSTANDING § 4-701 OF THE NATURAL RESOURCES ARTICLE,**
5 **AFTER RECEIVING A NOTIFICATION UNDER SUBSECTION (A)(1) OF THIS SECTION**
6 **AND UNTIL RECEIVING A NOTIFICATION UNDER SUBSECTION (A)(2) OF THIS**
7 **SECTION, THE DEPARTMENT OF NATURAL RESOURCES MAY NOT APPROVE A**
8 **TRANSFER OF THE TIDAL FISH LICENSE OR AUTHORIZATION.**

9 SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take
10 effect July 1, 2026.

11 SECTION ~~3~~ 4. AND BE IT FURTHER ENACTED, That, except as provided in
12 Section 3 of this Act, this Act shall take effect October 1, 2026.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.