

.01 Tax Returns and Reports.

A. Alcoholic Beverage Tax Returns and Reports.

(1)—(3) (text unchanged)

(4) Filing frequency for Manufacturers and Wholesalers of Beer, Wine or Liquor.

(a) The Comptroller shall notify manufacturers and wholesalers of their filing frequency under [§A(5)(b) of] this regulation.

(b)—(e) (text unchanged)

[(5) Beer Franchise Filing.

(a) A beer franchise filing is required to be filed with the Revenue Administration Division on the form prescribed by the Comptroller on the form prescribed by the Executive Director. A beer franchise form shall be filed before distribution of a brand of beer by:

(i) A beer nonresident dealer who sells beer to a Maryland wholesaler or county dispensary for distribution in the State;

(ii) A Maryland brewery or microbrewery who sells beer to a Maryland wholesaler for distribution in this State; or

(iii) A Maryland beer wholesaler who self-imports beer for sale in Maryland or subdistributes beer to another Maryland beer wholesaler for sale in Maryland.

(b) A person required to file a beer franchise form under §A of this regulation, when a franchise status changes, shall report the change promptly to the Comptroller by filing a replacement beer franchise form or submitting an explanatory letter, or both.]

[(6)] (5) A holder of a nonresident winery, distillery, and brewery permit authorized to sell wine, distilled spirits, or beer shall file a [wine] tax return with the Revenue Administration Division on forms prescribed by the Comptroller for each month that the holder's permit is active. A tax return is required for each month even if the permittee had no activity. A nonresident [winery] permit holder shall file a [wine] tax return by the 10th of the month following the report month.

B.—C. (text unchanged)

BROOKE E. LIERMAN
Comptroller of Maryland

Title 08
DEPARTMENT OF NATURAL RESOURCES
Subtitle 02 FISHERIES SERVICE

08.02.03 Blue Crabs

Authority: Natural Resources Article, §§4-215 and 4-803, Annotated Code of Maryland

Notice of Proposed Action

[23-055-P]

The Secretary of Natural Resources proposes to amend Regulations .11 and .12 under **COMAR 08.02.03 Blue Crabs**.

Statement of Purpose

The purpose of this action is to modify and clarify the commercial harvest times for blue crabs.

This action will add the recently recognized federal holiday Juneteenth National Independence Day to the list of federal holidays which modify commercial crabbing times. Commercial crabbers are currently allowed to begin crabbing an hour earlier than their usual start time on federal holidays in the summer months between Memorial Day and Labor Day, as well as the day immediately prior to those holidays. The holidays are named in the regulation. The modification would add the Juneteenth holiday to that list. Adding Juneteenth National Independence Day will maintain the intention of the regulation, as the holiday falls within that time. The purpose of allowing an extra hour in the morning on these days is to enable commercial crabbers to have extra time to crab on and immediately before summer holidays when demand for crabs is often highest. Juneteenth National Independence Day was established as a federal holiday in 2021 and will be observed annually on June 19th. Therefore, the holiday falls within the summer time frame (Memorial Day to Labor Day) and should be included in the regulation.

The action will clarify when crab pots may be set. There is currently an allowance to set crab pots already on board a vessel for 1 hour after the legal harvest times, but it is not clearly stated when crab pots may be set otherwise. The clarification will explicitly state that crab pots may be set during the legal harvest times for crab pots and the 1 hour after the legal harvest times. Individuals have asked for clarification on when crab pots may be set due to the current wording of the regulation. The current language allows for crabs to be removed from crab pots during the established legal crabbing times and for pots already on board the vessel to be set for one hour after the end of the legal crabbing times. The change being considered will clarify those are the only times crab pots may be set and remove any ambiguity about when crab pots may be set.

Estimate of Economic Impact

I. Summary of Economic Impact. The proposed action will have an indeterminable positive impact on the regulated industry by allowing commercial harvesters to begin crabbing 1 hour early on Juneteenth National Independence Day and the day prior to the holiday.

II. Types of Economic Impact.

Impacted Entity	Revenue (R+/R-) Expenditure (E+/E-)	Magnitude
A. On issuing agency:	NONE	
B. On other State agencies:	NONE	
C. On local governments:	NONE	

	Benefit (+) Cost (-)	Magnitude
D. On regulated industries or trade groups:		
Commercial licensees	(+)	Indeterminable
E. On other industries or trade groups:	NONE	
F. Direct and indirect effects on public:	NONE	

III. Assumptions. (Identified by Impact Letter and Number from Section II.)

D. The proposed action may have an indeterminable positive impact on commercial licensees. By allowing commercial licensees to begin crabbing 1 hour early on both the newly created holiday and the day prior to the holiday, those licensees will be able to moderately increase their harvest at times of increased demand, thereby resulting in positive economic impacts. It is not possible to determine exactly how much more harvest may occur, or how much of an economic impact will be created by the extra hour. Furthermore, some buyers put time limits on commercial harvesters which are more restrictive than the times set by the Department; to the extent that such outside restrictions exist, the additional harvest time may or may not have more or less impact on the individual harvesters.

Economic Impact on Small Businesses

The proposed action has a meaningful economic impact on small businesses. An analysis of this economic impact follows:
This action may have a positive economic impact on commercial licensees, all of whom are small businesses.

Impact on Individuals with Disabilities

The proposed action has no impact on individuals with disabilities.

Opportunity for Public Comment

Comments may be sent to Commercial Crab Time Regulations, Regulatory Staff, Department of Natural Resources, 580 Taylor Avenue, E-4, Annapolis, MD 21401, or call 410-260-8300, or complete the comment form at <https://dnr.maryland.gov/fisheries/pages/regulations/changes.aspx>. Comments will be accepted through May 22, 2023. A public hearing will be held on a date yet to be determined.

.11 Season and Time for Catching Crabs.

A. Commercial.

(1) An individual licensed to catch crabs for sale may remove crabs from commercial gear in the Chesapeake Bay and its tidal tributaries only during the following time periods:

(a) Trotlines:

(i)—(ii) (text unchanged)

(iii) Between 2 hours before sunrise to 9 hours after sunrise on Memorial Day, *Juneteenth National Independence Day*, July 4, Labor Day, and the day immediately preceding each of those holidays; and

(b) Crab scrapes:

(i)—(ii) (text unchanged)

(iii) Between 2 hours before sunrise to 9 hours after sunrise on Memorial Day, *Juneteenth National Independence Day*, July 4, Labor Day, and the day immediately preceding each of those holidays; and

(c) Crab pots, bank traps, channel pounds, collapsible traps, net rings, handlines, dip nets, and pound nets:

(i) (text unchanged)

(ii) Between 1-1/2 hours before sunrise to 7-1/2 hours after sunrise on Memorial Day, *Juneteenth National Independence Day*, July 4, Labor Day, and the day immediately preceding each of those holidays.

(2) (text unchanged)

(3) An individual licensed to catch crabs for sale may set or place overboard scrapes only during the following time periods:

(a)—(b) (text unchanged)

(c) Between 2 hours before sunrise to 9 hours after sunrise on Memorial Day, *Juneteenth National Independence Day*, July 4, Labor Day, and the day immediately preceding each of those holidays.

[(4) Crab pots already on board a boat at the end of the time periods specified in §A(1)(c) of this regulation may be set during a period of 1 hour immediately following those time periods.]

(4) *Crab Pot Set Times. Crab pots may only be set:*

(a) *During the time periods established in §A(1)(c) of this regulation; or*

(b) *If already onboard a boat at the end of the time periods established in §A(1)(c) of this regulation, for 1 hour after the end of the time periods established in §A(1)(c) of this regulation.*

(5) (text unchanged)

B.—C. (text unchanged)

.12 Special Regulations for Crabbing in Worcester County.

A.—C. (text unchanged)

D. Commercial Daily Time Restrictions. A person licensed to catch crabs for sale may remove crabs from commercial gear and set or retrieve crab pots in the coastal bays of the Atlantic Ocean and their tidal tributaries only during the following time periods:

(1)—(2) (text unchanged)

(3) Between 1-1/2 hours before sunrise to 8 hours after sunrise on Memorial Day, *Juneteenth National Independence Day*, July 4, Labor Day, and the day immediately preceding each of those holidays.

E.—F. (text unchanged)

JOSH KURTZ
Secretary of Natural Resources

Subtitle 02 FISHERIES SERVICE

08.02.04 Oysters

Authority: Natural Resources Article, §§ 4-215 and 4-1019.2, Annotated Code of Maryland

Notice of Proposed Action

[23-038-P]

The Secretary of Natural Resources proposes to amend Regulation .11 under **COMAR 08.02.04 Oysters**.

Statement of Purpose

The purpose of this action is to alter the procedure for establishing the fees the Department pays for fresh oyster shells and the transportation and placement of new oyster shells. The current value is set by regulation; the Department is considering changing the regulation to set the value by public notice with consideration of current market conditions.

Current regulation sets the rate to be paid by the Department to any person for the hauling and planting of the fresh oyster shell at 25 cents per bushel and the rate to be paid to purchase new oyster shells at \$2 per bushel, for a total of \$2.25 per bushel. The 2022 cost to buy the out-of-State shell, transport the shell, and plant the shell was \$7.25 per bushel. As a result, Maryland shucking houses are not selling fresh shell to the Department because the current values established in regulation are greatly out of line with current market conditions. Changing the process of establishing the rate paid by public notice each year, rather than setting the rate in regulation, will allow the Department to pay a competitive fee based on current market conditions. If the rate set by the Department is actually reflective of market conditions, more Maryland shucking houses may be willing to sell to the Department, thereby allowing the Department more access to shells.

Estimate of Economic Impact

I. Summary of Economic Impact. The proposed action may have an indeterminable positive economic impact by resulting in the planting of more oyster shell in the water which may result in additional oysters available for harvest.

II. Types of Economic Impact.

Impacted Entity	Revenue (R+/R-) Expenditure (E+/E-)	Magnitude
A. On issuing agency: Maryland Department of Natural Resources	(E+)	Indeterminable
B. On other State agencies:	NONE	
C. On local governments:	NONE	
	Benefit (+) Cost (-)	Magnitude
D. On regulated industries or trade groups: Oyster harvesters	(+)	Indeterminable
E. On other industries or trade groups: Oyster dealers	(+)	Indeterminable
F. Direct and indirect effects on public:	NONE	

III. Assumptions. (Identified by Impact Letter and Number from Section II.)

A. During the 2021—2022 oyster season, approximately 36 percent of the oysters stayed within Maryland (200,000 bushels of oysters). This is estimated using the export tax revenue and total bushels harvested as reported to the Department via Seafood Dealers Buy Tickets and Tax information. If these oysters were shucked in-State, this equates to approximately 100,000 bushels of shell with the assumption that 2 bushels of oysters creates 1 bushel of shell. Currently, in-State shucked shell is mainly being sold to aquaculture leaseholders or to out-of-State business/individuals.

Current regulation caps the cost of in-State oyster shell at \$2 a bushel if sold to the Department. The current market value of shell right now is between \$4 and \$6 dollars. Businesses/individuals are not selling shell to the Department at \$2 a bushel given the \$4—\$6 market price. This equates to less shell being able to be re-planted on Maryland's oyster bars.