

SENATE BILL 32

C8

(PRE-FILED)

4lr0826
CF HB 120

By: **Senator Bailey**

Requested: October 3, 2023

Introduced and read first time: January 10, 2024

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Economic Development – Maryland Watermen’s Microloan Program – Eligibility**

3 FOR the purpose of expanding eligibility for the Maryland Watermen’s Microloan Program
4 within the Maryland Agricultural and Resource-Based Industry Development
5 Corporation to include, on or after a certain date, individuals who are residents of
6 the State and hold certain commercial fishing licenses issued by the Potomac River
7 Fisheries Commission; and generally relating to the Maryland Watermen’s
8 Microloan Program.

9 BY repealing and reenacting, with amendments,
10 Article – Economic Development
11 Section 10-526
12 Annotated Code of Maryland
13 (2018 Replacement Volume and 2023 Supplement)

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

Article – Economic Development

16
17 10-526.

18 (a) (1) In this section the following words have the meanings indicated.

19 (2) “Beginner waterman” means an individual who has:

20 (i) a tidal fish license under § 4-701 of the Natural Resources
21 Article; and

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (ii) at least 2 years and not more than 10 years of experience in
2 commercial seafood harvesting.

3 (3) “Generational waterman” means an individual who:

4 (i) has a tidal fish license under § 4–701 of the Natural Resources
5 Article; and

6 (ii) can demonstrate, through the submission of the two most recent
7 federal income tax returns and other supporting documents, that at least 50% of the
8 individual’s annual income is derived from commercial seafood harvesting.

9 (4) “Program” means the Maryland Watermen’s Microloan Program.

10 (5) “Qualified commercial fisherman” includes:

11 (i) a beginner waterman; [and]

12 (ii) a generational waterman; AND

13 **(III) AN INDIVIDUAL WHO IS A RESIDENT OF THE STATE AND**
14 **HOLDS A COMMERCIAL LICENSE TO CATCH FINFISH, CRABS, CLAMS, OR OYSTERS**
15 **ISSUED BY THE POTOMAC RIVER FISHERIES COMMISSION IN ACCORDANCE WITH §**
16 **4–306 OF THE NATURAL RESOURCES ARTICLE.**

17 (b) There is a Maryland Watermen’s Microloan Program in the Corporation.

18 (c) The purpose of the Program is to provide loans to qualified commercial
19 fishermen to continue commercial operations in the State, including for purchasing:

20 (1) boats;

21 (2) mechanical equipment;

22 (3) fishing gear;

23 (4) fishing quota; and

24 (5) any other item used in commercial seafood harvesting.

25 (d) The Corporation shall implement and administer the Program in accordance
26 with this section.

27 (e) (1) Through June 30, 2025, only generational watermen are eligible to
28 receive a loan under the Program.

1 (2) Starting July 1, 2025, the following persons are eligible to receive a loan
2 under the Program:

3 (i) generational watermen;

4 (ii) beginner watermen; [and]

5 (iii) seafood processing businesses; AND

6 **(IV) INDIVIDUALS WHO ARE RESIDENTS OF THE STATE AND**
7 **HOLD A COMMERCIAL LICENSE TO CATCH FINFISH, CRABS, CLAMS, OR OYSTERS**
8 **ISSUED BY THE POTOMAC RIVER FISHERIES COMMISSION IN ACCORDANCE WITH §**
9 **4-306 OF THE NATURAL RESOURCES ARTICLE.**

10 (f) (1) For loans made under the Program, the Corporation shall determine:

11 (i) the eligibility of an applicant;

12 (ii) the amount of loan to be given to a borrower;

13 (iii) the terms and conditions of a loan contract; and

14 (iv) the amount of debt forgiveness that may be provided to a
15 borrower for loan repayment performance.

16 (2) A loan made under the Program shall be at least \$7,000 and not more
17 than \$15,000.

18 (3) A borrower under the Program may not have more than one
19 outstanding loan from the Program during any period of time.

20 (g) (1) For each of fiscal years 2024 through 2026, the Governor shall include
21 in the annual State budget bill an appropriation of \$500,000 to the Program.

22 (2) The appropriation in paragraph (1) of this subsection shall be
23 distributed to a special fund, to be used only to:

24 (i) make loans under the Program; and

25 (ii) pay the costs necessary to administer and operate the Program.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
27 October 1, 2024.