

OFFICE OF LEGISLATIVE RESEARCH
PUBLIC ACT SUMMARY



PA 21-24—SB 840

Environment Committee

AN ACT CONCERNING CONNECTICUT'S SHELLFISH RESTORATION PROGRAM, THE CONNECTICUT SEAFOOD COUNCIL AND THE TAXATION OF CERTAIN UNDERWATER FARMLANDS

SUMMARY: This act extends Connecticut's PA 490 program to certain aquaculture operations. PA 490 allows farm, forest, open space, and maritime heritage land to be assessed for property tax purposes based on current use value rather than fair market value (CGS § 12-63). In exchange for this reduced assessment, the property owner cannot change the land's use for a period of time. By law, if the use changes within 10 years of ownership or classification, a conveyance tax penalty is charged to the owner (CGS § 12-504a).

The act also expands Connecticut's shellfish restoration program by allowing the Department of Agriculture (DoAg) to do the following:

1. acquire, in addition to purchase, shell or other cultch material to deposit on state shellfish beds;
2. contract to use a shell recovery vessel to collect and deposit shell on the beds; and
3. receive and deposit on the beds cultch from oyster shell recycling programs DoAg administers or authorizes.

The act requires private, state, or federal grants and other direct funding for the shellfish restoration program to be deposited in the Shellfish Fund, which DoAg uses to operate the program. It explicitly allows DoAg to use the fund for an oyster shell recycling program it administers with any other person.

Lastly, the act reconstitutes the Connecticut Seafood Advisory Council and renames it the Connecticut Seafood Development Council. By law, the council, which is within DoAg, must help promote Connecticut seafood products and examine market opportunities.

EFFECTIVE DATE: October 1, 2021, and the PA 490 provision applies to tax assessments on and after that date.

PA 490 PROGRAM EXTENDED TO AQUACULTURE

The act extends the state's PA 490 program to certain aquaculture operations by expanding specified definitions. Specifically, it expands the definition of "farm land" to include underwater farmlands used for aquaculture. Under existing law, farm land includes tracts of land constituting a farm.

The act also expands the definition of "maritime heritage land" to include waterfront property owned by a licensed shellstock shipper or aquaculture operator who uses the property for commercial shellfishing or aquaculture

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purposes, so long as the shipper or operator earned at least 50% of his or her adjusted gross income (AGI) from the commercial operations. Maritime heritage land does not include buildings not used exclusively by the shipper or operator for commercial purposes. (By law, maritime heritage land also includes waterfront property a commercial lobsterman owns and uses for commercial lobstering, if at least 50% of the lobsterman’s AGI comes from the commercial operation and does not include buildings not used exclusively by the lobsterman for commercial purposes.)

The act repeals a requirement that shellfish grounds be taxed in the same manner as real estate in the towns in which the grounds are situated.

CONNECTICUT SEAFOOD DEVELOPMENT COUNCIL

The act increases the council’s membership from 11 to 13 members. Prior law included four nonvoting members representing DoAg, the Department of Economic and Community Development (DECD), the Department of Energy and Environmental Protection (DEEP), and the UConn Sea Grant Program. The act instead includes, as voting members, the DoAg, DECD, and DEEP commissioners and the Sea Grant Program’s director, or their designees.

Under the act, various authorities appoint the remaining nine members, who must meet specified qualifications. The below table compares the appointments under the act with those under prior law.

Connecticut Seafood Development Council Appointments

| <i>Appointing Authority</i> | <i>Prior Law</i> | <i>The Act</i> |
|------------------------------------|---------------------------------------------------------------------------------------|-----------------------------------------|
| Governor | One freshwater fish producer | One freshwater finfish producer |
| House speaker | One finfish, shellfish, or lobster harvester or harvester organization representative | One aquaculture finfish producer |
| House majority leader | One finfish, shellfish, or lobster harvester or harvester organization representative | One commercial marine finfish harvester |
| House minority leader | One finfish, shellfish, or lobster processor or processor organization representative | One commercial lobster harvester |
| Senate president pro tempore | One retailer who serves restaurants or represents a restaurant organization | One small scale aquaculture producer |
| Senate majority leader | One member-at-large | One seaweed aquaculture producer |
| Senate minority leader | One finfish, shellfish, or lobster processor or processor organization representative | One shellfish harvester |

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| DoAg commissioner | None | One shellfish wholesale dealer |
| CT Restaurant Association | None | One representative of the association |

The act requires the DoAg commissioner or his designee to serve as council chairperson.

By law, the council may use federal, state, or other funds and may enter into contracts to carry out its purposes. The act specifically allows the council to (1) receive state, federal, or municipal funds and funds from any nonprofit or nongovernmental organization and (2) spend those funds to perform its duties. It also allows the council to seek funding for and provide financial support to organizations for activities directly related to seafood production and related products.