



Mississippi Legislature Passes Senate Bill 2544 to Expand Private Oyster Leasing

Biloxi, Mississippi was once known as the “Seafood Capital of the World” for the abundant amounts of shrimp and oysters landed and processed there. However, in recent years oyster harvests in Mississippi have declined drastically. Mississippi’s public oyster reefs have been closed to public harvest since the 2018 season. Oyster reef restoration is one of the state’s key priorities, but, despite significant investment in oyster reef restoration projects, environmental conditions in the Gulf present challenges for oyster recovery. In an effort to speed restoration efforts, the Mississippi Legislature passed [new legislation](#) in April 2023 expanding private molluscan shellfish leasing and designating certain public areas as state-owned reefs.

The legislation, known as Senate Bill 2544, provides the Mississippi Department of Marine Resources (MDMR) with the authority to lease any area within its jurisdiction, with the exception of state-owned reefs, to private entities for oyster production. “State-owned reefs” is a new designation that preserves some areas within the state’s historic public oyster reefs for the protection, propagation, and management of oyster populations for the benefit of the environment and the oyster industry. No areas designated as state-owned reefs may be leased for shellfish harvest by the MDMR. However, the agency may open state-owned reefs for public harvest in the future if oyster populations recover sufficiently. MDMR has provided the geographic coordinates for the seven designated state-owned reefs in its regulations at Rule 4.2 of [Title 22-Part 1](#).

Senate Bill 2544 states that MDMR may designate no more than 20% of the area available for leasing as state-owned reefs. The legislation directs the agency to make the remaining 80% available for private leasing and sets forth requirements for the new private molluscan shellfish leases. Some of the requirements that will apply to new lease applications are:

1. \$50 application fee.
2. Applicant must be a Mississippi resident.
3. Applications must include a detailed description of the location and amount of land desired by the applicant.
4. Leased acreage may range from minimum of 1 acre to a maximum of 2,500 acres.
5. Initial lease term is 15 years with right of renewal at 15-year intervals.
6. Production requirements obligate the lessee to make the necessary efforts to ensure the maximum cultivation and propagation of oysters.
7. Public notice requirements for applications and right to protest to assert ownership of the intended lease location.

The state will deposit revenue from the leasing program in the newly established “Oyster Production Preserve Account” within the state’s Seafood Fund. MDMR may expend funds from this account “for the management, improvement and acquisition of permissible property for oyster production in the state, which includes planting of oysters and cultch materials.”

On June 21, 2023, the MDMR filed an amendment to the state’s shellfish regulation (Title 22) with the Mississippi Secretary of State’s office to implement Senate Bill 2544. The regulatory amendments become effective on July 24, 2023.