

House District 34

Sunny Point Airport Neighborhood Mendenhall Valley Auke Bay Out the Road

<u>House Committee</u> <u>Membership</u>

Co-Chair Education Committee

Member State Affairs Committee

Member Fisheries Committee

Member Military and Veterans Affairs Committee

Member Way and Means Committee

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Representative Andi Story

Alaska State Legislature

Sponsor Statement

House Bill 115 – Renewal or extension of aquatic farming and aquatic plant and shellfish hatchery site leases and requiring a report to the legislature.

House Bill 115 simplifies the Department of Natural Resources (DNR) lease renewal process for aquatic farms to support Alaska's aquaculture sector while reducing administrative overhead. Examples of aquatic farm products include oysters, kelp, and other shellfish. HB115 makes the aquatic farm lease renewal process consistent with the renewal process for other DNR leases such as agricultural grazing, cabins and lodges, fish processing docks, and hydroelectric facilities. HB 115 does not affect salmon hatchery leases.

If enacted, HB115 would expedite the lease renewal process lowering the risk for businesses investment and reducing the workload of an overstretched state agency.

Current statute requires DNR to approve both initial and renewal aquatic farm leases using the same process, called a "945 authorization" (referring to the adjudication process found in AS 38.05.945), which takes around 200 days. HB115 would allow aquatic farm or hatchery renewals to be renewed in the same manner as most DNR leases like those listed above. This optional process allows the Director of the Division of Mining, Land and Water to renew a lease for a business in good standing and takes around 90 days. Applied to aquatic businesses, this option significantly shortens the renewal process while continuing appropriate regulatory oversight and public engagement.

HB115 also requires DNR to submit an initial report on the backlog of pending aquatic farm and hatchery site lease applications, estimate economic impacts of pending leases, and provide recommendations for streamlining the lease approval process. Subsequent annual reports would detail the application backlog and list the number of leases renewals that underwent the time-intensive lease renewal process.

This bill makes clear ecotourism and educational use of sites is allowed, and explicitly prohibits DNR from charging additional fees for persons using, or traversing, land leased for aquatic farms and hatchery sites.

I respectfully ask for your support in the passage of HB115.