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March 25, 2025

Representative Louise Stutes State Capitol Room 216 Juneau AK, 99801

RE: House Bill 135 - "An Act relating to the duties of the Alaska Seafood Marketing Institute; and relating to the seafood marketing assessment."

Dear Madam Chair Stutes and Members of the House Fisheries Committee:

The Alaska Shellfish Growers Association strongly opposes House Bill 135, which would amend the definition of "seafood" to include aquatic farm products. This change would subject shellfish growers to ASMI authorities and assessments that were never designed for our industry, creating regulatory and financial burdens that would impede our industry's growth.

FUNDAMENTAL PUBLIC VS. PRIVATE DISTINCTION

A critical distinction overlooked in HB 135 is the fundamental difference in resource ownership:

Wild Fisheries (Currently Covered by ASMI)

- Fish stocks are a public resource held in trust by the state for all Alaskans
- Access is granted through permits and managed by the state
- State marketing of public resources may serve a clear public interest

Aquatic Farm products including shellfish and aquatic plants

- Begins with privately purchased seed from private hatcheries
- Occurs through private parties with privately owned equipment leasing water from the state
- Represents private investment from planning through harvest and sales

This distinction is recognized in other policy areas:

- Federal programs like USDA treat shellfish farming as agriculture, not fisheries
- Other states with developed shellfish industries (Washington, Maine, Virginia) categorize shellfish aquaculture under agriculture departments rather than fisheries

Using public funds to market privately-owned resources is inconsistent with the state's approach to other private agricultural products. While the state provides resources for agricultural development generally, it does not typically assess individual private agricultural producers to fund state-directed marketing efforts.

In addition to fundamental concerns, are regulatory concerns. Shellfish operations are already inspected and regulated by DEC, USDA, FDA, DNR, ADF&G,Army Corp and special area habitat requirements. Additional inspection requirements for ASMI marketing support would strain our members' operations without any additional benefits to product quality, safety, traceability or visibility. ASMI's authority to "adopt and distribute recommendations regarding the handling of seafood from moment of capture or harvest to final distribution" would create parallel regulations to the comprehensive regulations in place through the Interstate Shellfish Sanitation Conference (ISSC). Adding more regulatory framework would be exhaustive and cause regulatory confusion, compliance challenges, and potential conflicts with existing standards.

ASMI's mandate to develop "market-oriented quality specifications" and "inspection" programs would interfere with farmers building their own distinctive products and inappropriately extend government oversight to shellfish farms. Unlike wild-caught seafood, shellfish farming is a private enterprise. Government-imposed marketing standards are inappropriate for these private market driven activities. Farmers, not government agencies, are best positioned to respond to the diverse and evolving needs of their customer base.

As an association representing the interests of shellfish farmers across Alaska, we support policies that help build Alaska's mariculture industry into the \$100 million sector envisioned in the Alaska Mariculture Development Plan. However, this bill in its current form would create significant obstacles to achieving that goal. We respectfully urge you to maintain the current exemption for aquatic farm products in the definition of seafood or reconsider these provisions to better align with the state's economic development objectives.

Sincerely, Washer & Str.

Weatherly Bates

President, Alaska Shellfish Growers Association

cc: Representative Louise Stutes

Representative Bryce Edgmon

Representative Rebecca Himschoot

Representative Chuck Kopp

Representative Kevin McCabe

Representative Sarah Vance

Representative Bill Elam