

MADE IN ALASKA MARICULTURE

To: Senator Anna MacKinnon, Co-Chair
Senate Finance Committee
Senator.Anna.MacKinnon@akleg.gov

From: Julie Decker, Chair
Alaska Mariculture Task Force

RE: Support for HB 76 and HB 128 (mariculture bills)

Dear Members of the Senate Finance Committee,

March 30, 2018

The Alaska Mariculture Task Force (Task Force) would like to express support for both mariculture bills, HB 76 and HB 128, which are ***part of a larger plan to develop the mariculture industry in Alaska.***

In 2016, Governor Walker established and appointed members to the Task Force by [Administrative Order No.280](#), with the directive to provide recommendations to develop a viable and sustainable mariculture industry. On behalf of the Task Force, I am pleased to provide you with the culmination of our work - the [Alaska Mariculture Development Plan](#) (excerpt of the plan is attached). ***Please note the priority recommendations on page 22 of the plan which include passage of the two bills before you (HB 76 and HB 128).*** These bills will help support shellfish and seaweed hatcheries through the existing Mariculture Revolving Loan Fund (HB 76) and allow for shellfish enhancement (HB 128).



HB 76 expands the use of the Mariculture Revolving Loan Fund by allowing it to also be used as investment towards the development of critical components of the mariculture industry: shellfish and seaweed hatcheries, or enhancement projects. The Task Force has identified shellfish and seaweed hatcheries as a critical piece of infrastructure necessary for the development of mariculture in Alaska. However, the financial support of these operations is difficult during the developmental stage of the industry when the industry is too small to financially support these operations entirely through seed sales. This bill will help break the chicken-or-egg stage of the industry by helping to secure a supply of seed which will enable the industry to grow past this stage.

The Mariculture Revolving Loan Fund is an existing \$5 million asset of the State of Alaska that was created to help develop the mariculture industry by providing loans to aquatic farmers. However, if farmers do not have a consistent source of seed to purchase, it is difficult for them

to grow and expand their businesses, including accessing this loan fund for their own operations. HB 76 will amend the Mariculture Revolving Loan Fund to more effectively and fully utilize this asset toward mariculture development.

HB 128 creates a regulatory framework with which ADF&G can allow for and manage shellfish enhancement and restoration. This bill will allow interested stakeholders to either continue working towards enhancement and/or restoration of shellfish species such as King crab, sea cucumber, geoduck, abalone, razor clams, or others. HB 128 is also modeled after Alaska's salmon fishery enhancement program, which has proven to be successful resource development. This framework (HB 128) is absolutely necessary to continue moving forward with the development of mariculture related to shellfish enhancement and restoration.

The Task Force would also like to highlight some recent tangible progress towards the growth of the industry listed below:

- recent farm lease applications for kelp and oysters which would increase farmed acreage by 200-400%;
- new interest from and partnerships with seafood processors, fishermen, CDQ groups, tribes, tourism businesses, and others;
- new research funded (create a GIS MaricultureMap, economic feasibility of sea cucumber enhancement, seaweed as a biofuel, geoduck seed production, etc.);
- a new cluster of seaweed development on Kodiak Island (a seaweed hatchery, 6 farms, processing infrastructure and product development).

HB 76 and HB 128 both play critically important roles in the growth of the mariculture industry in Alaska. The members of the Task Force urge you to support these bills. Thank you for your time and consideration.

Sincerely,



Julie Decker, Chair, Alaska Mariculture Task Force

Cc: Alaska Mariculture Task Force



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DEPARTMENT of
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