

Alaska Mariculture Task Force

Representative Daniel Ortiz
State Capitol, Room 513
Juneau, Alaska 99801
Ph: 907-465-3824
Representative.Dan.Ortiz@akleg.gov

RE: Support for HB 76 – Mariculture Revolving Loan Fund

Dear Representative Ortiz,

February 24, 2017

The Alaska Mariculture Task Force (Task Force) would like to express support for HB 76. ***The Task Force recognizes that HB 76 is part of a larger effort to develop mariculture in Alaska.***

At the request of industry and communities, Governor Walker established the Task Force by [Administrative Order #280](#). The Governor recognized that a developed mariculture industry will have economic, environmental, cultural, industrial and food security benefits to Alaskans. Members of the Task Force were appointed in May, 2016. The Governor's directive to the Task Force is to provide recommendations for a comprehensive plan ***to develop a viable and sustainable mariculture industry producing shellfish and aquatic plants for the long-term benefit of Alaska's economy, environment, and communities.*** The Task Force must complete its work by March 1, 2018.

The Task Force would like to highlight that we are using the following guiding principles in our work to develop the mariculture industry:

- 1) Mariculture is defined as enhancement of wild fisheries and aquatic farming of shellfish and aquatic plants. Mariculture does not include finfish farming, which is not allowed in Alaska.
- 2) The development of the mariculture industry will be compatible with Alaska's reputation as a world leader in responsible and sustainable management of its seafood resources.
- 3) The development of the mariculture industry will be stakeholder-driven.
- 4) The development of the mariculture industry will coordinate and integrate with those entities conducting ocean monitoring in order to inform research and management of changing ocean conditions.

HB 76 plays an important role in the development of mariculture in Alaska. HB 76 allows for shellfish and seaweed hatcheries to apply for loans funds from the Mariculture Revolving Loan Fund. This will provide an important source of support for these new hatcheries. Additionally, the Task Force would like to work with your office to make changes to HB 76 to more fully meet the needs of this developing industry and to accommodate provisions included with the passage of HB 128.

The Task Force has identified shellfish and seaweed hatcheries as a critical piece of infrastructure that is 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 type of support will help to break the chicken-or-egg stage of the industry and provide the support to help 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. **HB 76 will amend the Mariculture Revolving Loan Fund to more effectively and fully deploy this asset to develop the mariculture industry.**

Thank you for sponsoring this important legislation. ***The Task Force supports HB 76 and appreciates your proactive role in introducing the legislation.*** If there are any questions, you may contact members of the [Task Force](#).

Sincerely,

Alaska Mariculture Task Force

Cc:

Representative Stutes, Chair, House Fisheries Committee: Rep.Louise.Stutes@akleg.gov

Reid Harris, Staff, House Fisheries Committee: Reid.Harris@akleg.gov