Representative Andi Story Alaska State Legislature State Capitol Room 13 Juneau, AK 99801 <u>Rep.Andi.Story@akleg.gov</u>

Re: Support for HB 116 – aquatic farm renewals

Dear Representative Story,

April 15, 2019

The Alaska Fisheries Development Foundation (AFDF) would like to express support for HB 116 - an Act relating to the renewal or extension of site leases for aquatic farming and aquatic plant and shellfish hatchery operations.

AFDF's membership is comprised of seafood harvesters, seafood processors, and support sector businesses. Founded in 1978, AFDF's mission is to identify opportunities common to the Alaska seafood industry and develop efficient, sustainable outcomes that provide benefits to the economy, environment and communities.

One of AFDF's recent areas of work is spearheading the *Alaska Mariculture Initiative*, which is meant to accelerate the development of mariculture in Alaska with the vision to grow a \$1 billion industry in 30 years. Many organizations across the state have endorsed this initiative (i.e. Alaska Chamber, Alaska Shellfish Growers Association, Southeast Conference, Southwest Alaska Municipal Conference, United Fishermen of Alaska, and others).

As a direct result of this initiative, the *Alaska Mariculture Task Force* was established in 2016. The Task Force completed a statewide comprehensive plan in 2018 called the <u>Alaska Mariculture Development Plan</u> with the goal of growing a \$100 million industry in 20 years.

A positive result of the Task Force and its work has been an increased interest by the private sector in aquatic farming in Alaska. In 2017 and 2018, ADNR saw approximately 400% increase in the number of new aquatic farm lease applications submitted, in comparison with 2016 levels. This has led to a backlog of applications and a longer processing time (increased from approximately 12 months to 24 months) as ADNR works through them. After 10 years, existing leases must additionally go through a renewal process that is very similar in rigor and processing time to the ARE Fisheries Development Foundation. Inc.

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Alaska Fisheries Development Foundation P.O. Box 2223, Wrangell, AK 99929 - Ph: 907-276-7315 www.afdf.org original application process. Consequently, this adds additional wait time for new applications to be processed

HB 116 is important step toward efficiently developing a mariculture industry in Alaska. HB 116 will allow for one renewal of an aquatic farm site through a simpler internal process which does not require public comment, if the lease is in good standing / compliance. However, the second renewal would still be required to go through the extended process similar to a new application. This will accomplish several positive changes: 1) reduce the work load for ADNR staff which has recently increased due to increased interest and applications submitted; and 2) prioritize ADNR staff time on new farm lease applications, which will help grow the industry; and 3) give more certainty for farmers who have invested in site infrastructure during the first 10-year lease.

During the last meeting of the Mariculture Task Force, ADNR staff and the Task Force discussed conceptual language similar to this bill and both bodies agreed it would be a positive step toward alleviating the backlog of aquatic farm lease applications.

If you have any questions, I am happy to answer them. Thank you for your consideration and support of this bill.

Sincerely,

Cc: Greg Smith, Office of Representative Andi Story Matt Gruening, Office of Rep. Louise Stutes, Fisheries Committee Aide

Attached: Alaska Mariculture Development Plan - In Brief