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March 3, 2021

Representative Andi Story
State Capitol Room 13
Juneau AK, 99801

RE: Support for HB 115 – Aquatic Farming and Hatchery Site Leases

Dear Representative Story,

The Alaska Shellfish Growers Association (ASGA) 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.

Alaska shellfish growers have successfully worked to develop their industry with sales doubling in the last 5 years. The industry is still in its nascent stages with around \$1.5m in aquatic farm sales, but it has tremendous potential to develop Alaska's economic diversification and coastal resiliency. And yet, industry growth is being hampered by permitting bottlenecks that could be alleviated through this legislation.

DNR currently processes lease renewals every 10 years using the same requirements as a new lease, **even if** the farm has been a responsible steward of state water resources, has successfully met the DNR Commercial Use Requirements, and is not proposing major changes to the lease.

Additionally, aquatic farm leases are significantly shorter than land leases making business planning, and funding efforts challenging. Given that some species require 3-7 years to reach maturity, and given the significant infrastructure costs required to startup a mariculture operation, a 10-year lease with a renewal process similar to a new lease, does not give an operation needed time to become viable.



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This bill would accomplish several positive changes: 1) reduce the workload for ADNR staff; and 2) prioritize ADNR staff time on new farm lease applications, which will help grow the industry; and 3) give more certainty for existing farmers who have invested in site infrastructure during the first 10-year lease.

Additionally, allowing farms to conduct tours, as proposed, can add a needed income stream AND educate the public on the positive role that aquatic farms provide. The time lag in lease renewals, **AND reassignments when a farm is sold and the new owner needs to continue operations**, has been significant – so an annual tracking and reporting of this, as proposed, could be very helpful.

Thank you for sponsoring this important legislation.

Sincerely,

A handwritten signature in black ink, appearing to read "Eric Wyatt".

Eric Wyatt, President
Alaska Shellfish Growers Association

Cc: Greg Smith, Office of Representative Andi Story