The Joint Standing Committee on Housing and Economic Development Testimony of Michael Conathan, Upwell Collaborative

In Support of LD 1023

LD 1023, Resolve, to Reestablish and Continue the Work of the Maine Blue Economy Task Force

March 27, 2025

Senator Curry, Representative Gere, and esteemed members of the Joint Standing Committee on Housing and Economic Development.

My name is Michael Conathan. I live in South Portland, Maine and I am the Managing Director of Upwell Collaborative. For nearly two decades I have worked in the ocean policy and blue economy space, beginning my career as an aide to U.S. Senator Olympia Snowe. In August 2024 three of my colleagues and I were selected to coordinate the work of the Blue Economy Task Force that this legislature established in its last session. I am honored to be here today to testify in support of LD 1023.

Maine's Blue Economy Task Force was composed of approximately 35 individuals representing the business community and investors, commercial fishermen and aquaculture producers, ship and boat-builders, research institutions, and coastal economic development. As its enabling legislation mandated, its work was further informed by the views of more than 100 other individuals who participated in formal consultations as required in the authorizing legislation.

Internationally and across the U.S., the term "blue economy" has emerged over the past few decades to mean <u>responsible</u> economic activity in, on, and around the

ocean. It balances economic development with environmental protection and community engagement so current and future generations can thrive. Science, technology, and innovation are also central tenets of the blue economy.

In other coastal states and countries, including many directly competing with Maine – like Rhode Island, Massachusetts, Washington, Alaska, and California, as well as the Canadian maritime provinces and throughout northern Europe, targeted policy and fiscal support from a state or provincial level has enabled access to federal and private sector funds, something Maine has, to date, been unable to match.

The Task Force defined what the blue economy means for Maine specifically, as Senator Duson mentioned in her opening remarks. And this definition explains how much potential our state has to compete to attract new businesses and help our legacy industries adapt to our changing future. All while maintaining and supporting our individual coastal community priorities and our cherished way of life.

Maine's key blue economy strengths include:

- a strategic location and valuable deepwater ports.
- a skilled workforce and numerous research and innovation hubs.
- a strong maritime heritage and a global reputation for producing healthy,
 delicious food from the ocean. AND
- And an ingrained ethic of sustainability.

These strengths position Maine to be a global blue economy leader, but we are not currently realizing our full potential. The Blue Economy Task Force has provided

recommendations to begin closing the gap by, in part, accelerating public policy support, but more work is needed to dive deeper into its five key recommendations.

My colleagues testifying after me will elaborate further on those recommendations and how we envision this legislation supporting efforts to further develop this opportunity and ensure that when it comes to building a brighter future for our ocean and our state, **Maine doesn't miss the boat**.

Many thanks to Senator Duson and her cosponsors for supporting this bill. I am happy to answer any questions, and request that all committee members vote to support this legislation.

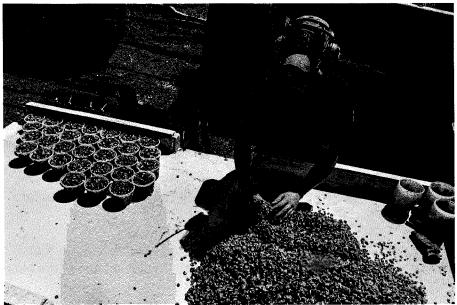
The Task Force's five key recommendations were to:

- Establish a Maine Center for the Blue Economy: A public-private hub to drive innovation, secure funding, and attract talent
- Prioritize State Investment in Blue Economy R&D: Create a dedicated fund to accelerate research for marine industries
- Streamline Regulatory Processes: Create a state blue economy ombudsman and reduce permitting delays to accelerate industry growth
- Expand Workforce Training and Education Programs: Strengthen talent pipelines for blue economy jobs
- Strengthen Working Waterfronts and Coastal Infrastructure: Invest in sustainable coastal development

Maine has an ocean of potential

BDN by Michael Conathan - March 27, 2025

Bangor Daily News



Aquaculture apprentice Kat Lipp sorts thousands of thumbnail-sized, baby oysters at Mere Point Oyster Co. in Brunswick on July 1, 2024. The apprentice program provides a practical education, as well as a paycheck, to apprentices interested in aquaculture careers. Credit: Troy R. Bennett / BDN

The ocean is a tough place to do business. It's wet, corrosive, cold, and generally inhospitable to most human activity. Weather, currents, and waves are all unpredictable and toss heavy, expensive equipment around like bathtub toys. Critters and plants much better adapted to life in these conditions are constantly getting in the way, latching onto sensitive instruments, and generally gumming up the works. And to top it all off, no one can own the ocean, so the laws and regulations that govern its use are especially squishy and uncertain.

Despite all these obstacles, Maine has an exceptional track record of supporting families, communities, and industries from the ocean's bounty. Along more than 3,500 miles of shoreline from Lubec to Matinicus to Kittery, countless generations have built a life in, on, and around the water, typically with an underlying recognition that maintaining healthy natural resources is the best way to ensure a prosperous future.

All this points to Maine as an ideal place to be a national leader in growing what has come to be known as the blue economy — those businesses and industries that rely on or contribute to healthy oceans and coasts. However, there's one small problem: other states are already way ahead of us in promoting this kind of economic development.

Recognizing this gap, last year the Maine Legislature established a <u>Blue Economy Task Force</u> to deliver an initial report on how the state can best capitalize on the opportunities emerging in this sector. Industries such as marine biotechnology, offshore renewable energy, and maritime and shipping modernization, and ocean data have grown dramatically in other parts of the country and

the world. Meanwhile, innovation in legacy ocean industries like commercial and recreational fishing, aquaculture, ship and boatbuilding, and recreation and tourism, also represents a massive opportunity for our coastal communities to prosper. This despite battling headwinds from the extreme weather events, rising sea levels, and increasing water temperature that come with climate change, and the soaring cost of living and waterfront property values.

The task force was composed of over 30 leaders from businesses, research labs, universities, and nonprofit organizations around the state. Folks like lobster dealers, boatbuilders, oyster farmers, scientists, financiers, conservationists, and community leaders met regularly over a six-month period. Their work brought clarity and definition to what the blue economy means in Maine, and where our state has unique opportunities to grow and prosper.

They reviewed relevant reports and roadmaps such as the <u>SEAMaine report</u>, the <u>Aquaculture roadmap</u>, and the <u>Maine Won't Wait</u> climate reports to take lessons learned from existing work. They listened to experts "from away" to learn where other states and countries are finding success. They visited businesses and laboratories engaged in relevant work. And they heard from over 100 additional businesses, entrepreneurs, researchers, investors, and communities in issue-specific consultation sessions.

In assessing Maine's strengths in this field as well as our weaknesses, they <u>created a report</u> that identifies how Maine can cement its reputation as a national leader in particular sectors of the blue economy.

To do this, the task force made four recommendations to the Legislature. First, create a center for the blue economy to identify opportunities and coordinate activities. Second, actively promote blue economy opportunities within existing state offices and programs. Third, leverage our existing assets such as universities, independent research institutions, and community groups and strengthen existing networks. And fourth, continue to develop the work of the task force to dive deeper into the data, pinpoint the areas where Maine can excel, and establish metrics so we can track progress over time.

By focusing on the things Mainers know and our natural advantages, we can make Maine a leader in developing future industries in the communities we are proud to call home. While the ocean may be a tough place to do business, our track record of success proves we're tough enough to make the ocean work for us.

Michael Conathan is the managing director of <u>Upwell Collaborative</u> and was one of the consultants supporting the work of the Blue Economy Task Force. He lives in South Portland.