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The Honorable Denise Tepler, Senate Chair
The Honorable Allison Hepler, House Chair
Joint Standing Committee on Marine Resources
State House, Room 202
Augusta, ME. 04333

Senator Tepler, Representative Hepler, Honorable members of the Joint Committee on Marine Resources:

My name is Sebastian Belle and I am the Executive Director of the Maine Aquaculture Association (MAA). The MAA is the oldest state aquaculture association in the country. We are a volunteer membership association whose board of directors is selected to represent the diversity of the aquaculture sector in terms of species, production method and company size. Irrespective of company size each company has one vote. We represent Maine's aquatic farmers that raise finfish, shellfish and sea vegetables. Our farmers annually produce over 100 million dollars in farm gate revenue and directly employ roughly 700 Maine citizens year-round. We purchase goods and services from over 400 Maine businesses and our total economic impact is roughly 150 million dollars annually.

I stand before you today to testify in strong support of LD 1596 "An Act to Support Maine's Sea Farmers". The intent of the bill is to reduce the administrative workload on the Department while protecting the public trust and environment and allowing farmers to innovate. The process that a lease applicant has to go through to be granted a lease is rigorous, lengthy and takes into consideration the interests of all other stakeholders, environmental protection and public trust responsibilities of the DMR and other state and federal agencies. Lease applicants must prove they meet an extensive series of criteria and have the technical and financial capacity to execute the lease and any conditions imposed by the state. By law aquaculturalists are only granted a lease if NO other marine resource user uses the same area, if their proposed operation does not harm surrounding aquatic and upland habitat, does not present a navigational hazard and does not impede the ingress or egress of riparian landowners. By law aquaculture is last in line behind all other uses. No other marine resource user must comply with similar requirements. LD 1596 does not change that in any way.

LD 1596 seeks to clarify the thresholds that would trigger the need for a lease amendment. Currently the process to get an amendment or go back and apply for a whole new lease can take multiple years and its outcome is increasingly uncertain. Although aquaculture has been in Maine for over one hundred years modern aquaculture methods are relatively new and still evolving. Every day our farmers find new ways to solve the challenges mother nature throws their way. Innovation is critical to the continued development of economically viable and ecologically sustainable farming methods. Historically the Department of Marine Resources (DMR) recognized that modifications to gear and operations were an inherent part of this dynamic sector and allowed

those innovations as long as they did not differ significantly and substantively from the original approved lease. Over the last couple of years, the DMR has significantly changed this policy and required much more detail on the new lease application forms. They did that without any consultation with the aquaculture sector. The effect of that change is that lease holders, for relatively small gear and/or operational changes have been forced to either apply for lease amendments or go back through the whole leasing process to apply for entirely new leases. Changes such as the addition of a four foot by eight foot shellfish seed grader, a slightly larger work float, the addition of a canvas sun shade or additional buoyancy buoys all within the dimension of an existing lease are triggering amendment requirements. None of these changes substantively change the original approved leases yet they are triggering a need for amendments. Lease holders are asked if the changes proposed will change the number of trips to the lease site? What lobsterman would be asked if they are going to make more trips to haul gear as a condition of their lobster permit? The increased detail on lease applications will inherently increase the likelihood that a change to gear or operations will trigger these requirements for an amendment. LD 1596 would not change the requirement to apply for a lease amendment if a different species than was originally approved is proposed for an existing lease.

MAA does have one concern about the amendment section of the bill. As it is currently drafted LD 1596 may have the unintended consequence of inhibiting the development of Integrated Multitrophic Aquaculture (IMTA) sites. These are operations that grow multiple species using different gear on the same site. IMTA methods are relatively new and are being developed to try to maximise productivity and reduce the potential for environmental impacts. MAA's understanding is that the bills sponsor is prepared to put forward an amendment that addresses that concern and we support that initiative.

LD 1596 also seeks to allow the use of contract divers to conduct site reviews and deliver the site assessments directly to the DMR. Over the last two years DMR and MAA have conducted a series of listening sessions up and down the coast. In both series aquaculturalists clearly indicated that the backlog of lease applications and the difficulty in getting lease amendments were some of the most serious challenges to the sector. The use of contract divers has been proposed to DMR multiple times over the last 8 years. Currently there is an inherent delay built into the existing lease review process between when the DMR conducts its site review and when the department issues its site report. That delay means that there is often a minimum one year delay between when an application is deemed complete and when the site report is issued, and the department can begin the next step of the lease review process. Often the delay is longer than one year and means that farmers may miss multiple growing seasons before a decision on their lease application. The Departments explanation of this delay is that it takes three people to conduct a site review, two divers and a boat operator. That requirement for three staff to conduct the site review and the departments assertion that they were "short staffed" meant that they did not have staff available to write the reports right after the site review occurred. Thus the department had to wait until the field season was over before they could start writing site reports. By using contract divers the department would free up staff to analyze site assessments and write reports in a timely manner after the site visit was conducted.

Site assessments and environmental monitoring conducted by contractors and provided directly to a regulatory agency are routine in the case of the Department of Environmental Protection. Furthermore, for many years under the DMR's own environmental monitoring program the department routinely accepted field reports and sampling done using contract divers by a company called MER under the leadership of Chris Heinig. LD1596 does NOT mandate the use of contract

divers it merely directs the Department to allow them and accept the results of their site assessment.

The DMR has repeatedly indicated to the MAA that the reason for the lease backlog was lack of adequate staff and a burdensome administrative workload. MAA has repeatedly suggested process improvements and supported the departments budget requests in front of the administration and the legislatures appropriations committee. The department now has more aquaculture staff than it ever has had in its history. It is now time to improve the leasing system and reduce the administrative burden on the department so it can focus on it's primary responsibility protecting the public trust and environment while allowing the sustainable use of the states Marine Resources. I ask you to vote **Ought to Pass as Amended** on LD 1596.

Thank you for your attention, I would be glad to answer any questions you may have.

Sincerely,

A handwritten signature in dark ink, appearing to read 'S. Belle', written in a cursive style.

Sebastian M. Belle
Executive Director