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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 1722 "An Act to Simplify the Regulation of Aquaculture Leases". 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 1722 does not change that in any way.

What LD 1722 does try to do is simplify the administrative procedures the DMR must go through to execute two specific actions, the renewal of a lease and the conversion of an "experimental" lease to a standard lease. DMR currently has a backlog of applications with 47 Standard and 44 Experimental lease applications pending. In some cases, those applications are up to 5 years old. Currently Maine has 24 active experimental leases. All experimental leases are nonrenewable and only 4 years in duration. If one assumes that all experimentals want to convert to standard leases, then within the next 4 years DMR will have to process 68 conversions. In addition, DMR currently has 16 lease renewals pending and approximately 54 active standard leases that will need renewing in the next 10 years. This means that the administrative actions of conversion and renewal are about to become a major time drain on department resources. LD 1722 seeks to

simplify those procedures without compromising the lease review and approval process in any way.

Leases are a legal contract between a lease holder and the citizens of the State of Maine enacted through the Department of Marine Resources. Aquaculturalists must also comply with other contracts and conditions imposed on them by other state and federal permitting and environmental protection agencies. Those contracts come with specific conditions and requirements that the lease holder must comply with. Members of the public and municipal officials can lodge a complaint against a lease holder at any time. The commissioner can launch an investigation into whether a leaseholder has violated the conditions of their lease contract at any time. All leases are revocable at any time.

Both standard and experimental leases go through a rigorous adjudicatory process of review, and public input. Both standard and experimental leases must comply with the same criteria and can have specific conditions imposed on them before they are granted. If the conditions of the lease contract have not been violated and the lease holder is not proposing any changes that either violate the original criteria and conditions or substantively change the operation, lease renewals and conversions should be routine administrative procedures. LD 1722 seeks to achieve that goal while relieving the administrative burden on the department.

In the last 10 years MAA has gone before the legislature appropriations committee repeatedly to successfully argue for increased resources for the DMR. The DMR aquaculture division has more staff than it ever has had in the history of the department. MAA has met repeatedly with the prior commissioner and departmental staff to suggest process improvements. Lease applicants are still waiting inordinate amounts of time before they get a decision on their application. The MAA has a long tradition of working with the Department of Marine Resources to help ensure that the policies and rules they enact are practical, effective and fair. We look forward to continuing that tradition and ask you to vote Ought To Pass on LD 1722. 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', with a stylized, flowing script.

Sebastian M. Belle
Executive Director