TESTIMONY OF Deirdre Gilbert Department of Marine Resources

The Department of Marine Resources (DMR) is testifying
In Opposition to
LD 1722 An Act to Simplify the Regulation of Aquaculture Leases
Before the Committee on Marine Resources
Sponsored by Representative Reilly
Date of Hearing: April 24, 2025

Senator Tepler, Representative Hepler, and members of the Joint Standing Committee on Marine Resources, my name is Deirdre Gilbert, Director of State Marine Policy for DMR and I am testifying on behalf of the Department in opposition to LD 1722.

Under current law, aquaculture leases may be renewed upon application to the Department, subject to evaluation that the lease has complied with the lease agreement during the term of the lease, that the renewal of the lease is in the best interest of the State, that the lease will not cause the lease to be a tenant above the acreage limit, and that the lease is not being held for speculative purposes. The lease renewal process is an adjudicatory proceeding, requiring public notice, the opportunity to submit written comments, and a public hearing if requested by 10 or more persons. Finally, lease renewal applications are subject to a \$1500 fee.

LD 1722 proposes to replace the existing criteria, process, and fee for a renewal application with a new section of law that simply directs the commissioner to renew an aquaculture lease as soon as possible after receipt of the application. Leases may be granted for up to 20-year terms, although some leases are granted for shorter terms for the purpose of reviewing performance or other considerations at the time of renewal. As proposed, LD 1722 would mean that all leases are automatically renewed irrespective of performance, turning the current renewal process into a rubber stamp devoid of any review or public input.

Similarly, LD 1722 removes a newly created existing process for the conversion of a limited purpose (experimental) lease to a standard lease, and replaces it with a directive for the commissioner to convert the lease upon receipt of the application provided the lease is for the same area and operations. This eliminates the existing notice requirements and opportunity for public hearing, as well as evaluation of the proposed lease against the decision criteria.

Fundamentally, LD 1722 makes lease renewals and conversions a foregone conclusion, rather than a decision made in consideration of available evidence and public input. Under current law, provided a lease holder makes application for renewal of the lease in advance of the expiration of their lease term, they can continue to operate while the renewal application is processed. Like with lease amendments discussed in LD 1596, the Department is open to discussion regarding modifications to the renewal process that may improve efficiencies and create more certainty for the aquaculture industry, without sacrificing public process and opportunity for review.

Thank you for your consideration and I would be happy to answer any questions you may have.