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MADE IN ALASKA

# MARICULTURE

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To: Kimberly Stryker, ADEC, [Kimberly.stryker@alaska.gov](mailto:Kimberly.stryker@alaska.gov)

**RE: Opposition to ADEC fee increases for lab testing for PSP and shellfish growing water**

Dear Ms. Stryker:

April 17, 2020

The Alaska Mariculture Task Force (Task Force) would like to express opposition to ADEC fee increases for lab testing for paralytic shellfish poison (PSP) and shellfish growing water, as proposed in a notice to change regulations 18 AAC 34.905. The proposed increases are dramatic (from \$0 to \$312 for PSP and from \$17 to \$51 for fecal coliform). If implemented, these fees will hamper competition by Alaska companies, and will dampen investment in the nascent industry, which is the opposite of the Task Force's goal to grow mariculture to a \$100 million industry in 20 years.

In 2016, the Task Force was established by administrative order 280 with the directive to provide recommendations to develop a viable and sustainable mariculture industry. In 2018, the Task Force completed a statewide comprehensive plan - the [Alaska Mariculture Development Plan](#) (also see this [brief summary](#)). The Task Force was reauthorized in 2018 by [AO No. 297](#) to continue implementation of the Plan. Upon his election, Governor Dunleavy kept the Task Force in place because he shares the vision of what mariculture could mean to the state: jobs and opportunities.

The Dunleavy Administration has worked collaboratively with industry to reduce regulatory burdens and invested in hired additional staff at ADNR in FY20 & FY21 to get through the backlog of new lease applications, all in an effort to grow the mariculture industry. These efforts are at odds with the proposed increases to ADEC lab fees.

PSP testing and a functioning Shellfish Authority are federal requirements for shellfish to be sold commercially. This public health service assures that commercially available shellfish is safe for consumption. Additionally, at the current size of the mariculture industry, the proposed fees are not financially feasible nor realistic. The rate increases will be devastating to existing industry and restrict future expansion.

Additionally, the COVID-19 pandemic has had a dramatically negative impact to both oyster growers and geoduck harvesters, due to closed restaurants around the world which is the primary sales point for these products. Now is NOT the time to dramatically increase government fees and further push these small businesses towards insolvency.

Respectfully, the Task Force urges ADEC to continue the current fee collections for PSP and shellfish growing water and conduct a rate study which evaluates fixed costs versus variable

costs, costs and viability of cooperating with other state labs, and the capacity of the ADEC lab to perform additional tests without increases to fixed costs.

(Note: The agency representatives on the Task Force recused themselves from budget actions.)

Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script, appearing to read "Julie Decker".

Julie Decker, Chair, Alaska Mariculture Task Force

Cc: Alaska Development Team, MTF