

The Honorable Wilbur Ross Secretary U.S. Department of Commerce 1401 Constitution Avenue NW Washington, DC 20230

December 3, 2020

Dear Secretary Ross,

Southeast Conference is the federally designated Economic Development District in Southeast Alaska. We are responding to the Executive Order (EO) "Promoting American Seafood Competitiveness and Economic Growth" issued by the White House on May 7th, 2020. As Aquaculture Opportunity Areas are identified under this order, please consider Alaska on behalf of the promising and potentially robust aquaculture and seafood industries.

There is significant opportunity for growth in Alaska's mariculture and seafood industries. When including the vast number of islands, inlets, and bays, Alaska has more miles of coastlines than any other state— a staggering 47,300 miles. Annual mariculture production in Alaska is approximately \$1 million, and there are about 70 farms in Alaska based on 2018 numbers. Further, we have already seen tremendous growth in the mariculture industry in Alaska to date. In 2017 there was 18,000 pounds of seaweed sold, 89,000 pounds in 2018, and 112,000 pounds in 2019. 2020 expects to see between 200,000 and 300,000 pounds of seaweed sold. Further, there has been a 400% increase in annual new farm applications to the Department of Natural Resources. In 2014, Alaska Fisheries Development Foundation (AFDF) received a grant from the National Oceanic and Atmospheric Administration (NOAA) for AFDF's Alaska Mariculture Initiative, with the goal to accelerate the growth to a \$1 billion dollar industry in 30 years. Subsequently, Governor Walker established the Alaska Mariculture Task Force in 2016. Designating Alaska as an Aquaculture Opportunity Area would further advance the mission of this group.

Alaska is uniquely capable of developing a robust and thriving mariculture market to complement, rather than replace, our existing seafood infrastructure. There are many benefits that Alaskans would realize from a thriving mariculture industry. Economic benefits would aid in diversifying our economy, as well as providing jobs and commerce in coastal communities. Especially in the wake of a post-COVID-19 era as the tourism industry gains footing, a viable sect of the economy to bolster jobs would be a welcome sight in Alaska. Further, Alaska's coastal environments would benefit greatly from strong mariculture farms. They improve local ecosystems in many ways, including carbon sequestration, countering ocean acidification, and habitat improvement. There are cultural benefits as well, and this is particularly unique to Alaska. Aquaculture is compatible with the traditions, cultures, and skills of the Tribal and rural communities present in Alaska, which will further the cultural tourism opportunities as well as the community's ties to the land. This will also expand and complement the existing renewable seafood industry, which is Alaska's largest private sector employer.

Since 2004, Alaska mariculture product inventory has mostly consisted of Pacific oysters, blue mussels, littleneck clams, geoducks, and a small number of purple-hinged rock scallops. Kelp



inventory has begun to grow since 2016 and has been a highlight ever since. It presents opportunities for biofuels, food products, and other avenues for innovation. This diverse range of species and products proves the viability of Alaska as an Aquaculture Opportunity Area.

Smaller farms in Alaska have struggled in the past to maintain the economies of scale necessary to pay for and support the infrastructure required. But, with the addition of more participants, particularly those of medium to larger-size, this will help support efficiencies to benefit the smaller-scale farms as well. A similar example of how this could be implemented is through the salmon industry. Small, medium, and large-scale participants have developed synergies in order to harvest and develop new products and sell hundreds of millions of pounds of Alaska salmon every year. Designating Alaska as an Aquaculture Opportunity Area would aid this goal.

Alaska may have a smaller population than the other applying areas, but the potential positive impact of a designated AOA for Alaska is much higher than other areas. Tourism is a major sector of the economy here. Between May and September 2019, Alaska had 2.26 million visitors, all hoping to enjoy fresh, authentic, Alaska-grown seafood. This industry's growth would be welcomed by residents and visitors alike.

Southeast Conference formally requests that Alaska be designated as an Aquaculture Opportunity Area. Alaska is uniquely capable of developing a thriving aquaculture industry. The environmental planning and spatial analysis that goes into the AOA designation process is one that would aid farmers greatly here as well.

Thank you for your attention to this important topic. If you would like to discuss this matter further, please do not hesitate to contact us.

Sincerely,

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Robert Venables Executive Director