

MADE IN ALASKA

MARICULTURE

To: Senate and House Finance Committee Members

RE: Opposition to PSP testing fees for shellfish

Dear Senate and House Finance Committees:

February 10, 2020

On behalf of the Alaska Mariculture Task Force (Task Force), I would like to express opposition for increased PSP testing fees for shellfish included in the ADEC's Operating Budget. The increased PSP testing fees would have a dampening effect the nascent industry at this early stage of its development, which is the opposite of the Task Force's goal which is to grow mariculture to a \$100 million industry in 20 years.

In 2016, Task Force was established by administrative order (AO) 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](#) (attached is a [brief summary](#) of the full Plan). The Task Force was re-authorized in 2018 by [AO No. 297](#) in order to work towards 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.

PSP (paralytic shellfish poison) testing is federal requirement before shellfish can be sold commercially. This public health service assures the public safety for all who consume shellfish. Additionally, at the current size of the mariculture industry, the proposed increases in fees are not financially feasible and nor realistic.

Respectfully, the Task Force urges the Legislature:

- 1) to continue funding the ADEC lab PSP testing costs for now;
- 2) to conduct a rate study which evaluates fixed costs versus variable costs, as well as excess capacity of the ADEC lab to perform additional tests without increases to the fixed costs;
- 3) to work with industry towards an acceptable and tiered fee structure once the ADEC lab has met its excess capacity.

Thank you for your consideration.

Sincerely,



Julie Decker, Chair, Alaska Mariculture Task Force

Cc: Alaska Mariculture Task Force