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House of Representatives, April 13, 2017

An Act To Improve the Aquaculture Leasing and Licensing Laws

Submitted by the Department of Marine Resources pursuant to Joint Rule 204. Reference to the Committee on Marine Resources suggested and ordered printed.

R(+ B. Hunt

ROBERT B. HUNT Clerk

Presented by Representative DEVIN of Newcastle.

1	Be it enacted by the People of the State of Maine as follows:
2 3	Sec. 1. 12 MRSA §6052, sub-§3, as amended by PL 2003, c. 660, Pt. A, §2, is further amended to read:
4 5 6 7 8 9	3. Marketing. Except for aquaculture, serve Serve as the primary state agency providing promotional and marketing assistance to the commercial fishing industries, including assisting in marketing seafood, stimulating of consumer interest in and consumption of seafood, increasing the sales of seafood domestically and abroad, supporting and expanding existing markets and developing new markets for traditional and underutilized species;
10 11	Sec. 2. 12 MRSA §6072, sub-§2, ¶A, as enacted by PL 1977, c. 661, §5, is amended to read:
12	A. A lease shall may not exceed a term of 10 20 years;
13 14	Sec. 3. 12 MRSA §6072, sub-§8, as amended by PL 2011, c. 93, §1, is further amended to read:
15 16	8. Preference. If more than one person applies to lease an area, preference must be given as follows:
17 18 19	A. First, to the person who holds a lease for the area or a portion of the area under section 6072-A and who submitted an application for a lease under this section for the area or a portion of the area before the lease under section 6072-A expired;
20 21 22	<u>A-1.</u> Second, to the person who holds a license for the area or a portion of the area under section 6072-C and who submitted an application for a lease under this section for the area or a portion of the area before the license under section 6072-C expired;
23	B. Second <u>Third</u> , to the department;
24 25	C. Third <u>Fourth</u> , to the riparian owner of the intertidal zone in which the leased area is located;
26 27	D. Fourth Fifth, to a person who fishes commercially and who has traditionally fished in or near the proposed lease area; and
28	E. Fifth Sixth, to the riparian owner within 100 feet of leased coastal waters.
29	Sec. 4. 12 MRSA §6072, sub-§12-C is enacted to read:
30 31 32	12-C. Expansion of lease. A person who holds a lease under this section may apply to the commissioner to expand the contiguous area of the lease by up to 10% once during the duration of the term of the lease pursuant to this subsection.
33 34	A. The lease holder shall submit an application written on forms supplied by the commissioner:
35 36	(1) Describing the location of the proposed lease expansion area by coordinates or metes and bounds;

1 2 3	(2) Characterizing the physical and ecological impact of the lease expansion on existing uses of the site and any adverse effects on existing uses of the area, as defined by rules adopted by the commissioner;
4 5	(3) Including the written permission of every riparian owner whose land to the low-water mark will be used;
6 7 8 9 10	(4) Including a map of the lease area and its proposed expansion, and its adjoining waters and shorelands, with the names and addresses of the known riparian owners as listed in the municipal tax records and a statement from each of those riparian owners that the owner has no objection to the proposed lease expansion;
11 12 13 14	(5) Including an environmental evaluation of the site upon which the decision to seek an expansion of the lease was made. The evaluation must include, but is not limited to, bottom characteristics, resident flora and fauna and hydrography of the site if appropriate for the proposed lease; and
15 16 17 18	(6) Including a nonrefundable application fee of at least \$100, but not more than \$2,000, the amount to be set by the commissioner depending on the proposed acreage, type of aquaculture proposed and complexity of the expansion application.
19 20 21 22 23 24 25 26 27	B. The commissioner shall review the application. When the commissioner has determined that the application for the lease expansion is complete, the commissioner shall provide notice to the municipal officers of the municipality or municipalities in which or adjacent to which the lease expansion is proposed. The commissioner shall publish a summary of the application in a newspaper of general circulation in the municipality in which the lease expansion is proposed. A person may provide, within 30 days of receipt of notice that the application is complete or within 30 days of publication of a lease expansion summary, comments to the commissioner on the proposed lease expansion.
28 29 30	C. The commissioner may conduct an assessment of the proposed lease expansion area to determine possible effects of the lease on commercially and ecologically significant flora and fauna.
31 32 33 34	D. If the commissioner receives any comments within 30 days of receipt of notice that the application is complete or within 30 days of publication of the lease expansion summary pursuant to paragraph B objecting to the lease expansion, the commissioner shall deny the request for the lease expansion.
35 36 37 38 39 40 41	E. If the commissioner does not receive any comments within 30 days of receipt of notice that the application is complete or within 30 days of publication of the lease expansion summary pursuant to paragraph B objecting to the lease expansion, and if the commissioner determines that the lease expansion will not unreasonably interfere with significant wildlife habitat and marine habitat or with the ability of the lease site and surrounding marine and upland areas to support existing ecologically significant flora and fauna, the commissioner may approve the request for the lease expansion.
42 43	Sec. 5. 12 MRSA §6072, sub-§13, ¶B, as amended by PL 2009, c. 229, §3, is further amended to read:

B. For procedures to issue, transfer, review, assign, expand or revoke leases;

Sec. 6. 12 MRSA §6072-C, as amended by PL 2013, c. 509, §§6 to 8, is further
 amended to read:

4 §6072-C. Limited-purpose aquaculture license

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1. License required. A person may not engage in the activities authorized under this section without a current limited-purpose aquaculture license or a lease issued under this Part authorizing the activities.

8 **2.** Licensed activities. The holder of a limited-purpose aquaculture license may 9 place marine organisms on the ocean bottom without gear or utilize approved aquaculture 10 gear in a site in the coastal waters of the State to engage in certain aquaculture activities that meet the criteria established in this subsection 2-A and in rules adopted by the 11 12 commissioner. The license also authorizes unlicensed individuals to assist the license 13 holder in the licensed activities with the written permission of the license holder. The 14 commissioner, or qualified professional department staff designated in writing by the 15 commissioner, may issue a limited purpose aquaculture license for certain aquaculture activities if: 16

- 17 A. The proposed activity generates no discharge into coastal waters;
- B. The applicant proposes to utilize aquaculture gear and markings approved by the
 commissioner in rules adopted pursuant to subsection 8;
- 20 C. The gear, excluding mooring equipment, does not cover more than 400 square
 21 feet of area and the gear does not present an unreasonable impediment to safe
 22 navigation;
- D. The proposed activity does not unreasonably interfere with the ingress and egress
 of riparian owners;
- E. The proposed activity does not unreasonably interfere with fishing or other uses of
 the area, taking into consideration the number and density of aquaculture leases and
 licensed aquaculture activities in that area;
- F. The applicant holds no more than 3 other limited-purpose aquaculture licenses
 issued under this section; and
- 30 G. The consent of the riparian owner is obtained if the proposed activity is located
 31 above the mean low-water mark.
- 32 2-A. Criteria. The commissioner, or qualified professional department staff
 33 designated in writing by the commissioner, may issue a limited-purpose aquaculture
 34 license for certain aquaculture activities if:
- 35 <u>A. The proposed activity generates no discharge into coastal waters;</u>
- B. The applicant proposes to use aquaculture gear and markings approved by the
 commissioner in rules adopted pursuant to subsection 8;

1 2 3	C. The gear, excluding mooring equipment, does not cover more than 400 square feet of area and the gear does not present an unreasonable impediment to safe navigation;
4 5	D. The proposed activity does not unreasonably interfere with the ingress and egress of riparian owners;
6 7 8	E. The proposed activity does not unreasonably interfere with fishing or other uses of the area, taking into consideration the number and density of aquaculture leases and licensed aquaculture activities in that area;
9	F. The proposed location, species and activity do not present a risk to public health;
10 11	G. The applicant holds no more than 3 other limited-purpose aquaculture licenses issued under this section; and
12 13	H. The consent of the riparian owner is obtained if the proposed activity is located above the mean low-water mark.
14 15 16	3. Eligibility. A limited-purpose aquaculture license may be issued only to an individual or to a municipal shellfish management committee established pursuant to section 6671 <u>that has met any requirements established under subsection 3-A</u> .
17 18 19 20 21 22 23	3-A. Educational courses. Prior to the issuance or renewal of a limited-purpose aquaculture license, the commissioner may require the applicant to complete any educational courses the commissioner determines appropriate. Educational courses may be provided by the department or by any public or private sector association or organization authorized by the commissioner. For any course provided by the department, the commissioner shall set an enrollment fee sufficient to recover all costs incurred by the department in providing the course.
24 25	4. License limitations. The issuance of a limited-purpose aquaculture license does not constitute the issuance of a lease of an area in, on or under the coastal waters.
26 27 28 29 30	4-A. Preference. If a person applies to lease an area that is the subject of a limited- purpose aquaculture license, the department shall notify the holder of the limited-purpose aquaculture license. If the holder of the limited-purpose aquaculture license documents to the department that holder wants to lease the area, preference must be given as follows:
31 32	A. First, to the person who holds the limited-purpose aquaculture license in the area and who submitted an application for a lease under section 6072 for the area; and
33 34	B. Second, to the person who applied to lease the area, but does not hold a limited- purpose aquaculture license in the area.
35	5. Application. The application for a limited-purpose aquaculture license must:
36	A. Be written on forms supplied by the commissioner;
37	B. Identify the species to be cultivated;
38 39	B-1. Identify whether the applicant is growing the organisms for commercial or personal use;

- 1 C. Describe the proposed source of organisms to be grown in the approved 2 aquaculture gear; 3 Describe the location of the approved aquaculture gear deployment by D. 4 coordinates or metes and bounds: 5 D-1. Identify the shellfish growing area that is subject to the proposed license and its classification; 6 7 E. Include a clear set of plans that includes at a minimum: 8 (1) A location plan with an overhead plan view showing the aquaculture gear deployed at the proposed location. The area occupied by the gear must be drawn 9 10 to scale on the plan. The location plan must include a north arrow, ebb and flood 11 directions, any federal or local channels and anchorages, any nearby structures and property lines for all riparian owners within 300 feet; and 12 13 (2) Two gear drawings, one with an overhead plan view and one with a cross-14 sectional elevation view of the approved aquaculture gear proposed to be used. The gear drawings must be clearly dimensioned and include, at a minimum, mean 15 high-water and mean low-water marks and the dimensions, profiles and materials 16 used in the construction, deployment and securing of the approved aquaculture 17 18 gear; 19 F. Include documentation that riparian landowners within 300 feet of the proposed 20 activity have been notified of the license application and proposed activity; and 21 G. Include documentation that the municipal harbor master or appropriate municipal 22 officers have been notified of the license application and proposed activity. 23 **6.** Fee. The application fee for a resident limited-purpose aquaculture license is \$50 24 and \$300 for a nonresident limited-purpose aquaculture license. The application fee is nonrefundable. All fees collected under this subsection must be deposited in the 25 Aquaculture Research Fund established in section 6081. 26 27 7. Prohibition; molesting gear. A person other than a marine patrol officer, the licensed owner of the gear or the licensed owner's assistant, with written permission from 28 29 the licensed owner, may not utilize, raise, lift, transfer, possess or in any manner molest 30 any approved aquaculture gear that is deployed under a current limited-purpose aquaculture license. 31 32 7-A. Prohibition; taking product. A person other than a marine patrol officer or the license holder, or the license holder's assistant with written permission from the 33 34 license holder, may not take any marine organism grown by the license holder under the license in the area designated on the license and marked in accordance with applicable 35
 - rules.

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8. Rules. The commissioner shall adopt rules to implement this section, including,
but not limited to, rules establishing the type of gear that is approved aquaculture gear for
the purposes of a limited-purpose aquaculture license, minimum standards for
maintaining gear, methods of gear identification and license application and review

procedures. Rules adopted under this section are routine technical rules pursuant to Title
 5, chapter 375, subchapter <u>II-A 2-A</u>.

9. Violation; restitution. A person who violates this section commits a civil
violation for which a fine of not less than \$100 for each violation may be adjudged. If a
person violates subsection 7 by cutting any lines or marker buoys or intentionally
damaging approved aquaculture gear, the court shall also:

- A. Order that person to pay to the owner of the approved aquaculture gear that was
 cut or damaged an amount equal to twice the replacement value of the gear that was
 damaged or lost as a result of the cutting or damaging action; and
- 10B. Direct that person to provide the commissioner, upon making full payment as11ordered by the court, proof of that payment.

12 **10. Reporting requirement; confidentiality.** A holder of a limited-purpose 13 aquaculture license shall annually submit to the department a seeding and harvesting 14 report for the past year and a seeding and harvesting plan for the coming year. 15 Information provided in seeding and harvesting reports submitted by a license holder 16 under this subsection is considered confidential information reported to the commissioner 17 pursuant to section 6173.

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SUMMARY

19 This bill amends the aquaculture leasing and licensing laws. It removes the 20 prohibition on the provision by the Department of Marine Resources of promotional and marketing assistance to the aquaculture industry. It extends the potential term of an 21 22 aquaculture lease from 10 to 20 years. It changes the order of preference for lease 23 applications to include in the 2nd position an individual who currently holds a limitedpurpose aquaculture license for the area. It provides a process by which a holder of a 24 25 standard lease could seek an expansion of the lease area by up to 10% once during the duration of the lease without having to apply for a new lease. It places the licensed 26 27 activities and criteria for limited-purpose aquaculture licenses in separate statutory provisions. It requires a limited-purpose aquaculture license holder to specify if the 28 29 license is for commercial or personal use and to identify the growing area and current 30 classification of the area. It adds consideration of any risk to public health to the criteria used in determining whether to grant a limited-purpose aquaculture license. It adds to the 31 32 eligibility criteria for a limited-purpose aquaculture license the completion of any 33 educational courses that may be required by the Commissioner of Marine Resources.