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**Testimony of Patrick Keliher, Commissioner
Maine Department of Marine Resources**

**Before the Joint Standing Committee on Appropriations and Financial Affairs
and
The Joint Standing Committee on Marine Resources**

"An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2022 and June 30, 2023."

Senator Breen, Representative Pierce, and members of the Joint Standing Committee on Appropriations and Financial Affairs, Senator Miramant, Representative McCreight, and members of the Joint Standing Committee on Marine Resources, I am Patrick Keliher, Commissioner of the Department of Marine Resources. I am here today to present testimony in support of Governor Mills' biennial budget, LD 221, specifically those items related to the Maine Department of Marine Resources (DMR).

DMR is established to conserve and develop marine and estuarine resources, conduct and sponsor scientific research, promote and develop the Maine coastal fishing industries, advise and cooperate with local, state, and federal officials concerning activities in coastal waters, and to implement, administer, and enforce the laws and regulations necessary for these purposes.

There are more than 70 marine, estuarine, and diadromous species that are harvested commercially, caught recreationally, or raised by aquaculture. In 2019, lobster represented the highest value fishery, followed by elvers, soft shell clams, oysters, worms, urchins, menhaden, Atlantic herring, tuna and scallops. In 2019, the landed value of both the wild caught and aquaculture industries exceeded \$673 million. If a conservative economic multiplier is used to calculate the overall value of our fisheries, they are worth well over \$1.8 billion in value to Maine's coastal economy. To put the importance of Maine's fishing industry into broader perspective, Maine commercial fishermen made approximately 410,000 commercial fishing trips in 2019, which is almost twice as many commercial fishing trips as the next highest state of Virginia 206,000. Maine represents 30% of commercial fishing trips on the entire East Coast.

While there are many bright spots to celebrate regarding our marine fisheries, there are also many concerns that we need to start to address. The Gulf of Maine is the

second fastest warming body of water on the planet. This changing ocean environment is one of the biggest challenges we face with every fishery we manage. My goal is to focus on priority research needs that will allow for proactive response to changing resource health, rather than to simply maintain an agency that only monitors stock increases or declines. This budget is one part of a multi-faceted approach to help position the Department to better understand and address what management changes may be needed now, and in the future.

DMR is proposing initiatives comprised of a net increase of \$1,368,604 in General Fund, net increase of \$820,073 in Federal, and a net decrease of \$101,484 in Other Special Revenue. This budget addresses some of the agency's highest priority needs.

The budget requests can be summarized into five categories:

- 1. Aquaculture.** The Aquaculture Program supports and regulates a growing industry farming marine species, on land and within the coastal waters of Maine. Aquaculture is an important contributor to Maine's marine resource economy, contributing over \$88M in direct revenue in 2019. There is significant growth in this sector and an increasing demand for new leases. DMR has invested heavily in this program but the department cannot continue to support the cost. DMR is proposing that five existing positions be funded by the General Fund. In addition, we are requesting two new positions to also be funded by General Fund; a Resource Management Coordinator and a part-time paralegal. These new positions would help to grow the program's capacity and meet the growing sector's needs. Ultimately, this is an investment in the economic development opportunity that aquaculture provides for our marine economy.
- 2. Bureau of Sea Run Fisheries and Habitat.** DMR is proposing to re-establish the Sea Run Fisheries and Habitat Bureau within the Department. This group is currently a Division within the Bureau of Marine Science. Sea-run fisheries management, restoration, and monitoring requires biological, ecological, engineering, policy and legal expertise that warrant higher-level capacity and management. Managers within this Division have taken on greater responsibility in a policy role, including providing advice and support to the Governor's office, the Commissioner's office, and participating in interstate, regional and international bodies. The Sea Run Fisheries group provides high priority management and scientific expertise that overlaps with but is often very

distinct from marine recreational and commercial fisheries monitoring that is the focus of the Bureau of Marine Sciences.

- 3. Continued Financial Order Positions.** DMR is proposing to continue four financial order positions.

The first position is a Marine Resource Scientist II, who coordinates the “Salmon for Maine’s Rivers” program.

The second position is a Biologist II who serves as the lead coordinator for DMR on the Bay of Fundy Connectivity Project.

The third position is a Marine Resource Scientist I who coordinates gear modifications to reduce the risk of entanglement for endangered North Atlantic right whales.

The fourth and final position is a Public Service Manager I for the Bureau of Marine Patrol’s Special Services Division, and is a Commissioned Officer with the rank of Captain.

- 4. Central Service Rate Increases.** The Department of Marine Resources has been notified of rate increases from the Office of Information Technology, the Natural Resources Service Center, and the Attorney General’s Office. The Department intends to self-fund these increases. The department has a decrease in General Fund for our Bangor facility as we just relinquished that space for cost savings.
- 5. Department Position Reorganizations.** DMR has a number of position reorganizations, some of which were approved prior to the early end of the session in the previous Legislature. I will highlight these positions as I go through the budget initiatives.

The 5 areas are repeated throughout the budget programs with additional detail.

BUREAU OF MARINE SCIENCE 0027

The first Budget Program presented in the committee document is labeled “Bureau of Marine Science 0027” (**page A-395**). The baseline budget presented shows this Budget Program is comprised of General Fund, Federal and Other Special Revenue. The Bureau of Marine Science (BMS) engages in scientific research, monitoring, and assessment to manage and restore marine and estuarine resources;

restores habitat within rivers; collects commercial landings and recreational harvest data; and participates in the development of management plans for state, interstate, and federal fisheries. The BMS operates the Maine State Aquarium and educational programs to educate Maine school children and the public about marine resources. The sources of Other Special Revenue are dedicated fees assessed on commercial fishing licenses, the sale of lobster license plates, Gas Tax, Aquarium entrance fees, the Maine Living Lighthouse Program, donations, private contributions and non-federal grant awards.

The first initiative in this budget program is on **page A-395**. This first initiative reallocates the cost of one Marine Resource Specialist III position from 70% Other Special Revenue Funds and 30% Federal Expenditures Fund to 56% Other Special Revenue Funds and 44% Federal Expenditures Fund and adjusts related All Other costs within the same program. This transfer will align the cost of the position to better reflect the work being performed.

The next four initiatives are on **page A-396**. These initiatives reallocate the cost of positions within the same program. The first initiative reallocates the cost of one Marine Resource Specialist II position from 100% Other Special Revenue Funds to 65% Federal Expenditures Fund and 35% Other Special Revenue Funds and adjusts related All Other costs within the same program. This transfer will align the cost of the position to better reflect the work being performed.

The next reallocates one Marine Resource Specialist II position from 75% Other Special Revenue Funds and 25% General Fund to 50% Other Special Revenue Funds, 25% Federal Expenditures Fund, and 25% General Fund and adjusts related All Other costs. This transfer will align the cost of the position to better reflect the work being performed.

The next initiative reallocates one Marine Resource Technician position from 50% Federal Expenditures Fund and 50% Other Special Revenue Funds to 100% Federal Expenditures Fund and adjusts related All Other costs. This transfer will align the cost of the position to better reflect the work being performed.

The fourth initiative reallocates on Marine Resource Scientist IV position from 100% General Fund to 42% General Fund and 58% Other Special Revenue Funds and reallocates one Marine Resource Scientist II position from 100% Other Special Revenue Funds to 72% General Fund and 28% Other Special Revenue Funds and adjusts All Other costs. This transfer will align the cost of the position to better reflect the work being performed.

The next initiative is on **page A-397**. This initiative provides funding for the approved reclassification of one Marine Resource Specialist II position to a Marine Resource Scientist I position. This is a management-initiated reorganization approved by the Bureau of Human Resources.

The next initiative is also on **page A-397**. This initiative continues one Marine Resource Scientist I position and provides funding for related All Other costs. This position serves as the lead coordinator for projects totaling over \$1 million in grant funds to identify, document, and test experimental lobster fishing gear modifications to reduce the risk of entanglement for endangered North Atlantic right whales. This position is fully funded by federal funds.

The next initiative is also on **page A-397**. This initiative reduces General Fund appropriation by \$30,000 in FY22 and \$30,000 in FY23 in All Other for the reduction in the Department's Bangor office rent, as the agency recently relinquished this office space for cost savings.

The next initiative is also on **page A-397**. This initiative provides funding for the approved reclassification of one Marine Resource Technician position to a Marine Resource Specialist II position. This is an employee-initiated reclass approved by the Bureau of Human Resources.

The next initiative is on **page A-398**. This initiative transfers 19 positions and related All Other from the Bureau of Marine Science program to the Bureau of Sea Run Fisheries and Habitat program. The Department is proposing to re-establish the Sea Run Fisheries and Habitat Bureau. This group is currently a Division within the Bureau of Marine Science. Sea-run fisheries management, restoration, and monitoring requires biological, ecological, engineering, policy and legal expertise that warrants higher-level capacity and management. Managers within this Division have taken on greater responsibility in a policy role, including providing advice and support to the Governor's office, the Commissioner's office, and participating in interstate, regional and international bodies. The Sea Run Fisheries group provides high priority management and scientific expertise that overlaps with but is often very distinct from marine recreational and commercial fisheries monitoring that is the focus of the Bureau of Marine Sciences. This initiative can also be found on **page A-407**.

The next initiative is also on **page A-398**. This initiative provides funding for the approved reclassifications of four Marine Resource Scientist II positions to Marine Resource Scientist III positions, two Marine Resource Specialist II positions to Marine Resource Scientist I positions, one Marine Resource Scientist III position to

a Marine Resource Scientist IV position, one Marine Resource Scientist I position to a Marine Resource Scientist II position, and two Conservation Aides positions to Marine Resource Specialist II positions. This initiative can also be found on page A-403. These are employee-initiated reorganizations approved by the Bureau of Human Resources.

The next initiative is also on **page A-398**. This initiative provides funding for the approved reclassifications of one Marine Resource Scientist III position to a Marine Resource Scientist IV, 3 Marine Resource Scientist I positions to Marine Resource Scientist II positions, and one Conversation Aide position to a Marine Resource Specialist I position. These are employee-initiated reorganizations approved by the Bureau of Human Resources.

The next initiative is on **page A-399**. This initiative provides funding for the approved reclassification of one Marine Resource Specialist I position to a Marine Resource Specialist II position, one Marine Resource Specialist II position to a Marine Resource Scientist I position, one Inventory and Property Specialist position to a Management Analyst II position, one Office Associate II position to an Accounting Associate II position, and one Accounting Associate II position to a Management Analyst I position. This initiative can also be found on page A-400 and A-404. These are employee-initiated reorganizations approved by the Bureau of Human Resources.

The next initiative is also on **page A-399**. This initiative transfers and reallocates the cost of one Marine Resource Scientist II position from 75% Federal Expenditures Fund and 25% General Fund in the Bureau of Marine Science to 100% General Fund in the Bureau of Policy and Management program. This transfer will align the cost of the position to better reflect the work being performed. This initiative can also be found on page A-401.

BUREAU OF POLICY AND MANAGEMENT 0258

The next Budget Program presented in the committee document is labeled “Bureau of Policy and Management” (**page A-400**). The baseline budget presented shows this Budget Program is comprised of General Fund, Federal and Other Special Revenue. The Bureau of Policy and Management performs the administrative functions of the DMR and advises government agencies with regard to development or activity in coastal waters. The sources of Other Special Revenue are dedicated fees assessed on commercial fishing licenses, Gas Tax, private contributions and non-federal grant awards.

The first initiative in this budget program is on **page A-400**. This initiative provides funding for the increased costs in Central Services. These costs include the Department of Administrative and Financial Services, Natural Resources Service Center and Maine IT, and the Attorney General's office.

The next initiative is also on **page A-400**. This initiative provides funding for the approved reclassification of one Public Service Coordinator II position to a Public Service Manager II position. This is a management-initiated reorganization approved by the Bureau of Human Resources.

The next initiative is also on **page A-400**. This initiative provides funding for the approved reclassification of one Marine Resource Specialist I position to a Marine Resource Specialist II position, one Marine Resource Specialist II position to a Marine Resource Scientist I position, one Inventory and Property Specialist position to a Management Analyst II position, one Office Associate II position to an Accounting Associate II position, and one Accounting Associate II position to a Management Analyst I position. This initiative was previously discussed on page A-399 and is also on page A-404.

The next initiative is on **page A-401**. This initiative transfers one Resource Management Coordinator position from 100% Federal Expenditures Fund to 100% General Fund within the same program. The Aquaculture program supports and regulates a growing industry, farming marine species on land and within the coastal waters of Maine. Aquaculture is an important contributor to Maine's marine resource economy, contributing over \$88M in direct revenue in 2019. There is significant growth in this sector and an increasing demand for new leases. DMR has invested heavily in this program but the department cannot continue to support the cost.

The next initiative is also on **page A-401**. This initiative transfers and reallocates the cost of one Marine Resource Scientist II position from 75% Federal Expenditures Fund and 25% General Fund in the Bureau of Marine Science to 100% General Fund in the Bureau of Policy and Management program. This transfer will align the cost of the position to better reflect the work being performed. This initiative was previously discussed on page A-399.

The next initiative is also on **page A-401**. This initiative provides funding for the approved reorganization of one Marine Resource Scientist II position to a Marine Resource Scientist III position. This is a management-initiated reorganization approved by the Bureau of Human Resources.

The next initiative is also on **page A-401**. This initiative transfers one Marine Resource Scientist I position, one Marine Resource Scientist III position, and one Resource Management Coordinator position from 100% Other Special Revenue Funds to 100% General Fund within the same program. These positions are in the Aquaculture program, and as mentioned previously, DMR has invested heavily in this program but cannot continue to support the cost.

The next initiative is also on **page A-401**. This initiative establishes one Resource Management Coordinator and one part-time Paralegal position to support the Aquaculture programs and provides funding for related All Other. These positions would help address the need for additional capacity in the Aquaculture program. As noted previously, there is significant growth in this sector and an increasing demand for new leases. These new positions would help to meet the growing sector's needs and support the economic opportunity that aquaculture represents for our marine economy.

BUREAU OF PUBLIC HEALTH Z154

The next Budget Program presented in the committee document is labeled "Bureau of Public Health Z154" (**page A-403**). The baseline budget presented shows this Budget Program is comprised of General Fund, Federal and Other Special Revenue. This program is responsible for the management of bivalve shellfish resources in order to protect public health in accordance with the National Shellfish Sanitation Program Model Ordinance (NSSP MO). The bureau engages in four primary functions: growing area classification, marine biotoxin monitoring, dealer inspection and municipal management. The safety of shellfish growing areas is monitored and maintained through routine water testing and shoreline survey work. The marine biotoxin monitoring program ensures that shellfish harvesting areas are closed when harmful algal blooms occur affecting the safety of the shellfish. The dealer inspection program certifies and inspects every shellfish dealer in Maine to ensure that they are complying with the model ordinance guidelines to protect public health. The municipal management program works with towns to develop and maintain shellfish ordinances that control and enhance local shellfish resources. The sources of Other Special Revenue are from fees on shellfish licenses and wholesale seafood licenses.

The first initiative in this budget program is on **page A-403**. This initiative provides funding for the approved reclassifications of four Marine Resource Scientist II positions to Marine Resource Scientist III positions, two Marine Resource Specialist II positions to Marine Resource Scientist I positions, one Marine Resource Scientist III position to a Marine Resource Scientist IV position, one Marine Resource

Scientist I position to a Marine Resource Scientist II position, and two Conservation Aides positions to Marine Resource Specialist II positions, as previously discussed on page A-398.

The next initiative is also on **page A-403**. This initiative provides funding for the approved reclassifications of one Marine Resource Scientist III position to a Marine Resource Scientist IV, three Marine Resource Scientist I positions to Marine Resource Scientist II positions, and one Conversation Aide position to a Marine Resource Specialist I position, as previously discussed on page A-398.

The next initiative is on **page A-404**. This initiative provides funding for the approved reclassification of one Marine Resource Specialist I position to a Marine Resource Specialist II position, one Marine Resource Specialist II position to a Marine Resource Scientist I position, one Inventory and Property Specialist position to a Management Analyst II position, one Office Associate II position to an Accounting Associate II position, and one Accounting Associate II position to a Management Analyst I position, as previously discussed on pages A-399 and A-400.

BUREAU OF MARINE PATROL 0029

The next Budget Program presented in the committee document is labeled “Bureau of Marine Patrol 0029” (page **A-405**). The baseline budget presented shows this Budget Program is comprised of General Fund, Federal and Other Special Revenue. The Bureau of Marine Patrol's (BMP), primary responsibility is enforcing the State's marine commercial, aquaculture and recreational fishing laws and regulations. The Bureau provides public safety and law enforcement services to mainland and coastal island residents, search and rescue and emergency maritime transport, as well as partnering with the Maine Emergency Management Agency on homeland security and emergency preparedness. The Bureau also enforces federal mandates, enforces recreational boating laws, and provides education, safety information and training. The Bureau works with the Department of Environmental Protection to provide personnel and equipment for hazardous material spills. The sources of Other Special Revenue are dedicated fees assessed on commercial fishing licenses, lobster trap tags and a percentage of boat registration fees.

The first initiative in this budget program is on **page A-405**. This initiative continues one Public Service Manager I position and provides funding for related All Other costs. The Bureau of Marine Patrol's Special Services Division is supervised by a Commissioned Officer with the rank of Captain. The Captain supervises two marine mechanics, an airplane pilot, and all specialty teams including firearms, underwater

recovery, whale disentanglement, honor guard, hovercraft, critical incident stress management, and maritime security. In addition to those critical functions, the Captain manages the maintenance, repair, and replacement for a multi-million dollar fleet of vehicles and watercraft.

PROPOSED BUREAU OF SEA RUN FISHERIES AND HABITAT Z295

The next Budget Program presented in the committee document is labeled “Bureau of Sea Run Fisheries and Habitat Z295” (page **A-407**). The baseline budget presented shows this as a new budget program. This group is currently a Division within the Bureau of Marine Science. Sea-run fisheries management, restoration, and monitoring requires biological, ecological, engineering, policy and legal expertise that warrant higher-level capacity and management. Managers within this Division have taken on greater responsibility in a policy role, including providing advice and support to the Governor’s office, the Commissioner’s office, and participating in interstate, regional and international bodies. The Sea-Run Fisheries group provides high priority management and scientific expertise that overlaps with but is often very distinct from marine recreational and commercial fisheries monitoring that is the focus of the Bureau of Marine Sciences.

The first initiative in this budget program is on **page A-407**. This initiative continues one Marine Resource Scientist II position and provides funding for related All other costs. This position serves as the coordinator for the “Salmon for Maine’s Rivers.” The “Salmon for Maine’s Rivers” program is funded by over \$1M in grant funding. The program provides significant benefits to the State by leveraging unique partnerships to restore Atlantic salmon and monitor other species of cultural and economic value in the State. This position is funded through a grant from the National Oceanic and Atmospheric Administration (NOAA) and the U.S. Fish and Wildlife Service. Additional funds are provided through a cooperative agreement that DMR has with NOAA to address protected resources.

The next initiative is also on **page A-407**. This initiative continues one Biologist II position and provides funding for related All Other. This position serves as the lead coordinator for the Department’s Bay of Fundy Connectivity Project a \$30 million project that will provide increased fisheries resources and significant construction jobs to Washington county. This position is also federally funded by the U.S. Department of Agriculture’s Natural Resource Conservation Service and leverages significant additional funding for the enhancement of State resources.

The next initiative is also on **page A-407**. This initiative transfers 19 positions and related All Other from the Bureau of Marine Science program to the Bureau of Sea

Run Fisheries and Habitat program. This initiative was previously discussed on page A-398.

LANGUAGE "PART JJJ"

This part establishes the Bureau of Sea Run Fisheries and Habitat program within the Department of Marine Resources.

Conclusion

This concludes the testimony of the Department of Marine Resources. I would be happy to answer any questions you have.

**Testimony of Patrick Keliher, Commissioner
On Behalf of The Maine Lobster Marketing Collaborative**

**Before the Joint Standing Committee on Appropriations and Financial Affairs and
The Joint Standing Committee on Marine Resources**

"An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2021, June 30, 2022 and June 30, 2023."

Senator Breen, Representative Pierce, and members of the Joint Standing Committee on Appropriations and Financial Affairs, Senator Miramant, Representative McCreight, and members of the Joint Standing Committee on Marine Resources, I am Patrick Keliher, Commissioner of the Department of Marine Resources. I am here today to present testimony on behalf of the Maine Lobster Marketing Collaborative in support of the items in the Governor Mill's FY22/23 Biennial Budget, LD 221.

The Maine Lobster Marketing Collaborative (MLMC), founded in 2013, is funded by Maine Lobster harvesters, dealers and processors to grow demand, both for whole live lobster and a variety of value-added products. The MLMC supports that objective by promoting the core values of the Maine Lobster industry, which are sustainability and traceability that's deeply rooted in tradition. Maine Lobster achieved the Marine Stewardship Council (MSC) certification in 2013, allowing Maine Lobster to certify its long-standing sustainable practices.

Lobster Promotion Fund 0701

The only initiative in this budget program is on **page A-393**. This initiative provides funding to align allocations with projected available resources. Funding for the Lobster Promotion Fund is from annual surcharges assessed on licenses issued by the Maine Department of Marine Resources. This initiative provides \$2,686,000 in FY22 and \$2,686,000 in FY23 of Other Special Revenue, All Other.

This concludes the testimony of the Maine Lobster Marketing Collaborative may I answer any questions you have?



March 4, 2021

The Honorable Catherine E. Breen, Senate Chair
The Honorable Teresa Pierce, House Chair
Joint Standing Committee on Appropriations and Financial Affairs
State Office Building, Room 228
Augusta, ME 04333

The Honorable Dave Miramant, Senate Chair
The Honorable Jay McCreight, House Chair
Joint Standing Committee on Marine Resources
Cross Office Building, Room 206
Augusta, Maine 04333

Senator Breen, Senator Miramant, Representative Pierce, Representative McCreight
Honorable Members of the Joint Standing Committee on Appropriations and Financial Affairs and Honorable
Members of the Joint Standing Committee on Marine Resources

My name is Bill Keleher and I am CEO of Kennebec River Biosciences located in Richmond Maine. I stand before you today to testify in strong support of the proposed budget for the Department of Marine Resources.

Kennebec Biosciences is an internationally recognized aquatic animal health and biosciences company founded and located in Richmond, Maine USA. Since 1996, the company has provided comprehensive laboratory services and custom vaccines to the aquaculture sector, government agencies, and research institutions across the globe. Our dedicated professional staff, now at 13, works with a diverse set of clients to address their aquatic animal health needs with the goal of providing value to their operations. While much of our revenue comes from outside the state of Maine, we would not be the company we are today without a vibrant aquaculture sector right here in Maine. As you can imagine, we are excited about the future and are poised for significant growth as aquaculture continues to grow within Maine and the US.

Over the last twenty years the Maine aquaculture sector has grown slowly and steadily. That growth is directly controlled by the state's ability to accept and process lease applications. Without leases, new farms cannot be started and by extension I cannot sell my products and services to Maine aquaculture businesses. The current backlog of over 35 lease applications is directly impacting my company's ability to grow and create new jobs. I am not alone in this problem, there are many other companies in Maine that rely on the aquaculture sector to purchase their products and services as well. A recent survey conducted by the Maine Aquaculture Association of its members indicated that they purchased goods and services from over 400 different companies. Growth in the aquaculture sector directly creates economic activity across the state and throughout the seafood value chain, something I can attest to personally.

The proposed budget makes a small investment to help DMR ensure that any growth that occurs in the states aquaculture sector is responsible and sustainable. That small investment will directly allow farms to be started, markets for Kennebec Biosciences' products and services to expand, more Mainers to be employed and additional revenues to flow into state coffers.

Please help us continue to build the aquaculture sector and give DMR the resources they need. I thank you for your attention and patience and would be glad to answer any questions you may have.

Sincerely,

CEO/President



Testimony before the

Joint Standing Committee on Appropriations and Financial Affairs

By Kaitlyn Bernard, Natural Resources Policy Advisor

March 4, 2021

Re: Biennial Budget Proposal for the Department of Marine Resources

Senator Breen, Representative Pierce, members of the Joint Standing Committee on Appropriations and Financial Affairs, and members of the Joint Standing Committee on Marine Resources, my name is Kaitlyn Bernard and I am the Natural Resources Policy Advisor for The Nature Conservancy in Maine. I appreciate this opportunity to testify **in support of the biennial budget proposal for the Department of Marine Resources**

The Nature Conservancy is a nonprofit conservation organization dedicated to conserving the lands and waters on which all life depends. We have been working in Maine for more than 60 years protecting land, restoring rivers and streams, rebuilding groundfish populations in the Gulf of Maine and developing innovative solutions to address climate change.

As part of our strategic plan, TNC is working to conserve and restore critical marine species and habitat so the Gulf of Maine can thrive in the face of climate change and provide the goods and services necessary to support long-term sustainable use by Maine's coastal communities. We work closely with the Department of Marine Resources on a variety of levels to ensure our fisheries and the communities that rely on them are sustained.

TNC focuses primarily on leveraging transformational science and management. We support ongoing research and data to best inform our partners and their management strategies. Maine's Department of Marine Resources needs robust funding to carry out their mission and continue to work collaboratively with the many stakeholders engaged in the Gulf of Maine.

We strongly support the establishment of the Bureau of Sea Run Fisheries and Habitat program in the Department of Marine resources. Shifting this existing division into its own separate bureau will serve to elevate the work of this important program. Maine waters support 12 native species of sea-run fish and our state is one of the last places along the East Coast where sea-run fish migration can still be restored on a large scale. The Nature Conservancy is working with partners, including the Department of Marine Resources, to promote policies and regulations that

encourage habitat protection and access for fish and wildlife. There is substantial work to be done to support these fish species and the communities that rely on them. Establishing the Bureau of Sea Run Fisheries and Habitat will improve the Department's ability to efficiently carry out this work.

This biennial budget is a strong step toward building and maintaining capacity at an essential state agency that supports Maine's economy, coastal communities and the Gulf of Maine ecosystem. We thank Governor Mills, Commissioner Keliher and the Department for putting forward this proposal, and we strongly urge the Committee's support.



March 4, 2021

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Senator Breen, Senator Miramant, Representative Pierce, Representative McCreight
Honorable Members of the Joint Standing Committee on Appropriations and Financial Affairs and Honorable Members of the Joint Standing Committee on Marine Resources

My name is Briana Warner and I am the CEO of Ocean Approved, Inc. (dba Atlantic Sea Farms) and a member of the Department of Marine resources Aquaculture Advisory Council. I stand before you today to testify in strong support of the proposed budget for the Department of Marine Resources. Our company was founded in 2009 as the first commercial seaweed farm in the United States – right here in Maine. After taking the helm in 2018 after a founder transition, our company shifted our focus to working with fishermen in their slow season to farm kelp as a supplemental income source. We now work with 16 partner farms throughout the state – from Portland to Eastport – almost all of whom are fishermen.

These Maine fishermen now grow more than 85% of the line-grown seaweed grown in the United States as estimated by Sea Grant and are the absolute leaders in this new industry in the United States. All of these farms are on small, four acre leases and are owned by the fishermen themselves. We then take this kelp and turn it into value added products to build a market and drive demand for Maine-grown kelp – and thereby amplify our positive economic and environmental impact on the coast. We are building a seaweed industry in Maine that is owned by our fishing community – by people and families already making their living on the water but whom are seeing increasing volatility in their own industry due to climate change, increased regulations from external forces, and politics that effect the price and accessibility of lobster.

Over the last twenty years the Maine aquaculture sector has grown slowly and steadily. That growth is directly controlled by the states ability to accept and process lease applications. As we continue to grow demand for climate-friendly, nutritious, line-grown seaweed from Maine, our ability to continue to increase our positive impact on the coast and get more fishermen involved in the process is increasingly limited – this, especially, at a time when the lobster industry is increasingly under threat. Without the ability to get leases, we cannot increase fishermen’s opportunities to diversify their incomes – and this is a tremendous problem. We currently have more than 20 fishermen looking to work with us to grow kelp – and we are telling them that their it could be 2-3 years before their lease gets approved. Currently there are over 35 lease applications pending before the DMR. At current staffing levels it will take DMR at least two to three years to work through these applications.

As a member of the aquaculture advisory council, I have seen first hand how much the staff at the DMR works to fix this backlog with limited resources. They work hard and diligently, but a small handful of people can only do so much and there aren’t enough hours in the day for them to move through these leases. But it is essential that aquaculture not be stifled by staffing and funding issues at the DMR. Aquaculture is more than just a new industry – it is an opportunity for our coast to continue to have working waterfront areas thrive, for communities that work on the water to continue to do so, and for fishermen along the coast to diversify and protect their families from external forces that make the lobster industry volatile. Maine needs this industry to thrive.

The proposed budget makes a small investment to help DMR ensure that any growth that occurs in the states aquaculture sector is responsible and sustainable. That small investment will directly allow farms to be started, new products like ours to be created, more Mainers employed and additional revenues to flow into the state.

Maine has a long tradition of producing high quality, healthy seafood. Maine seafood is an iconic part of the Maine brand and Maine aquaculture products have earned their place as part of that brand. Please help us continue to build that brand and give DMR the investment they need to help us grow the aquaculture sector. I thank you for your attention and patience and would be glad to answer any questions you may have.

Sincerely,

Briana Warner
Chief Executive Officer



MAINE AQUACULTURE ASSOCIATION

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March 4, 2021

The Honorable Catherine E. Breen, Senate Chair
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Senator Breen, Senator Miramant, Representative Pierce, Representative McCreight
Honorable Members of the Joint Standing Committee on Appropriations and Financial Affairs and Honorable Members of the Joint Standing Committee on Marine Resources

My name is Sebastian Belle and I am the Executive Director of the Maine Aquaculture Association (MAA). I stand before you today to testify in strong support of the proposed budget for the Department of Marine Resources. The MAA represents Maine's aquatic farmers and the many infrastructure companies that provide goods and services to our producers. Our farmers annually produce over 100 million dollars in farm gate revenue and directly employ roughly 700 Maine citizens year-round. We purchase goods and services from over 400 Maine businesses and our total economic impact is roughly 150 million dollars annually.

The Department of Marine Resources and the Joint Standing Committee on Marine Resources both work hard to protect, manage, and shepard the valuable resources that form the foundation of this economic engine. In order to operate our farmers lease roughly 1700 acres of public waters annually. We acquire permission to use those few acres by going through a rigorous, transparent and adjudicatory process that has been developed by the state over a forty-five-year period. The leasing process includes three public meetings, including a formal public hearing and a review by state and federal authorities to ensure the lease will comply with a series of technical criteria designed to protect the public trust, the environment and to ensure there are no other significant uses of the area. Once a lease is granted the farmer must comply with a series of specific lease conditions and a strict set of state and federal environmental regulations. The Maine aquaculture leasing system is seen as the gold standard and many other states and even countries have modeled their aquaculture management programs on Maines system.

Over the last twenty years the Maine aquaculture sector has grown slowly and steadily. That growth is largely dictated by the states ability to accept and process lease applications. Without leases a farm cannot be started. Without leases our products cannot be grown, we cannot employ people we cannot buy the many goods and services we need to operate and we cannot pay state fees, rents and taxes. Without leases we cannot invest in the state and our local communities. Currently there are over 35 lease applications pending before the DMR. Collectively those applications represent at least 10 million dollars in investment waiting to be activated and many more millions of dollars in revenue waiting to be generated. At current staffing levels it will take DMR at least two to three years to work through this application backlog. Commissioner Keliher and his staff work tirelessly to professionally manage the states aquaculture sector. They do so with very limited resources and the proposed budget makes a small investment to help them ensure that any growth that occurs in the states aquaculture sector is responsible and sustainable. That small investment will directly allow farms to be started, Mainers employed and additional revenues to flow into the state.

Maine has a long tradition of producing high quality, healthy seafood. Maine seafood is an iconic part of the Maine brand and Maine aquaculture products have earned their place as part of that brand. Please help us continue to build that brand and give DMR the investment they need to help us grow the aquaculture sector. I thank you for your attention and patience and would be glad to answer any questions you may have.

Sincerely,

A handwritten signature in black ink, appearing to read 'S. Belle', written in a cursive style.

Sebastian M. Belle
Executive Director

STATE OF MAINE
130TH LEGISLATURE

LEGISLATIVE NOTICES

JOINT STANDING COMMITTEE ON APPROPRIATIONS AND FINANCIAL AFFAIRS

Sen. Cathy Breen, Senate Chair

Rep. Teresa Pierce, House Chair

PUBLIC HEARING: Thursday, March 4, 2021, 1:00 PM, State House, Room 228

(L.D. 221) Bill "An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2021, June 30, 2022 and June 30, 2023" (HP0156) (Presented by Representative PIERCE, T. of Falmouth)

CONTACT PERSON: Mandy Shorey
100 State House Station
Augusta, ME 04333-0100
287-1635

Please Note: Committees will not be receiving testimony at the State House complex at this time and will be conducting all meetings electronically. To provide oral testimony, sign up no later than 30 minutes prior to the posted start time of the meeting at <https://www.mainelegislature.org/testimony/>; registrations received after that time will be accepted at the discretion of the committee chairs. Committee meetings may be heard at www.mainelegislature.org or viewed at www.youtube.com/mainestatelegislature.

Persons with special needs wishing to participate in a Legislative hearing who require accommodations should notify the Legislative Information Office as soon as possible: 207-287-1692, FAX 207-287-1580, lio@legislature.maine.gov.

Webinars



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Topic

3/4/2021 1pm & 3pm AFA Biennial Budget-MAR/IFW

Time

Mar 4, 2021 01:00 PM Eastern Time (US and Canada)

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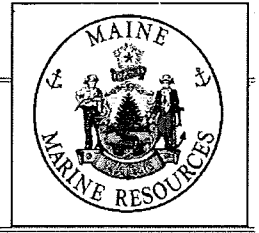
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DEPARTMENT OF MARINE RESOURCES



21 State House Station
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Phone: (207) 624-6553
Fax: (207) 624-6024

DATE: 3/12/2021
TO: APPROPRIATIONS AND FINANCIAL AFFAIRS AND MARINE RESOURCES COMMITTEES
FROM: PATRICK C. KELIHER, COMMISSIONER
RE: DEPARTMENT OF MARINE RESOURCES – BIENNIAL BUDGET HEARING FOLLOW UP

Upon Committees request in preparation for next week's work session for the Departments Biennial Budget, attached is the department's organizational charts and the changes that we have proposed to elevate the Division of Sea Run Fisheries and Habitat to the Bureau level, and to show the approved reclassifications by the Bureau of Human Resources.

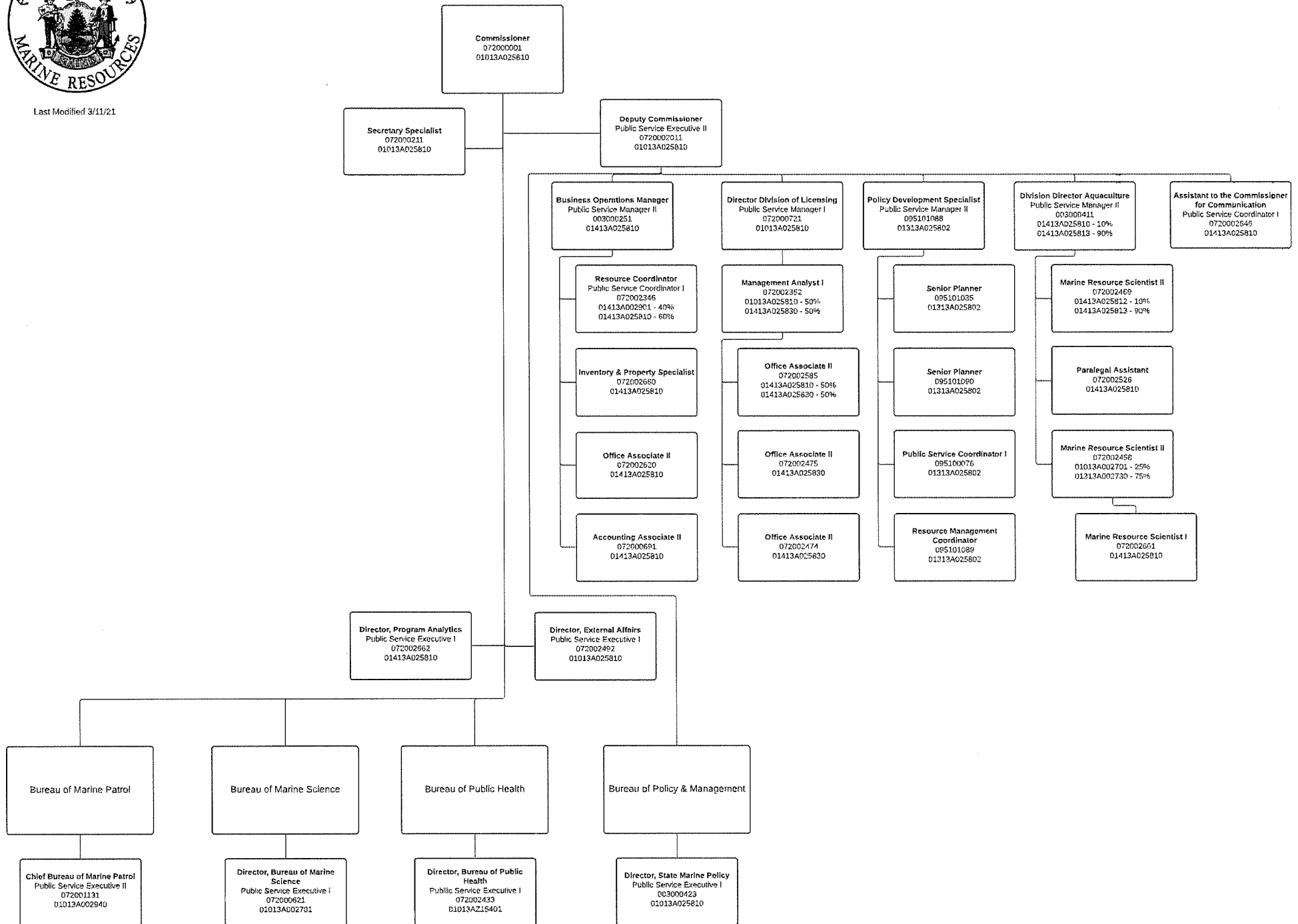
If you have any questions, please let us know.

Thank you.



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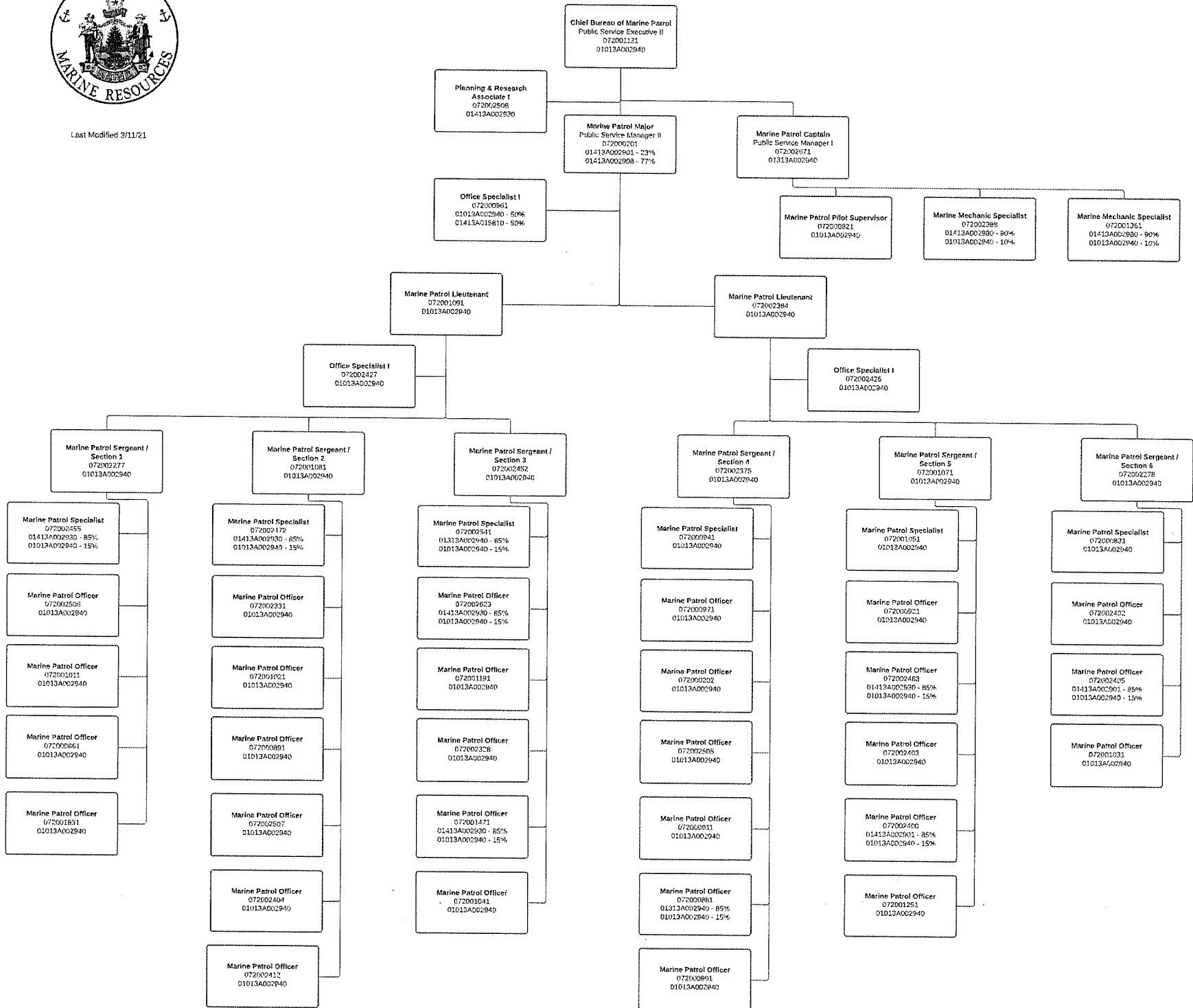
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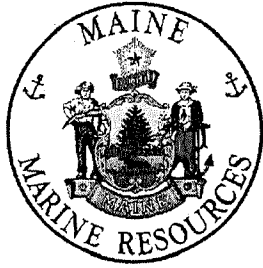




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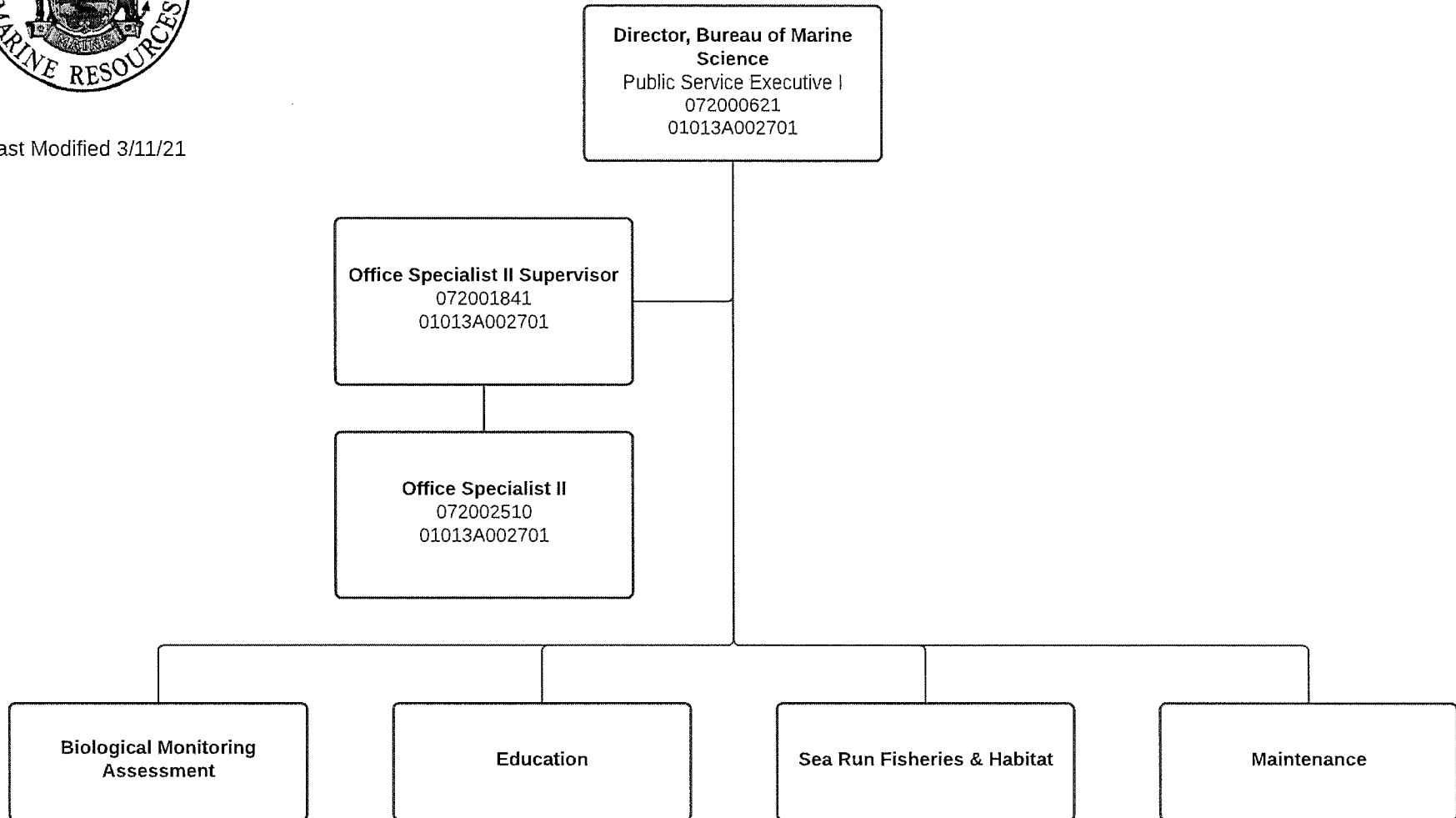
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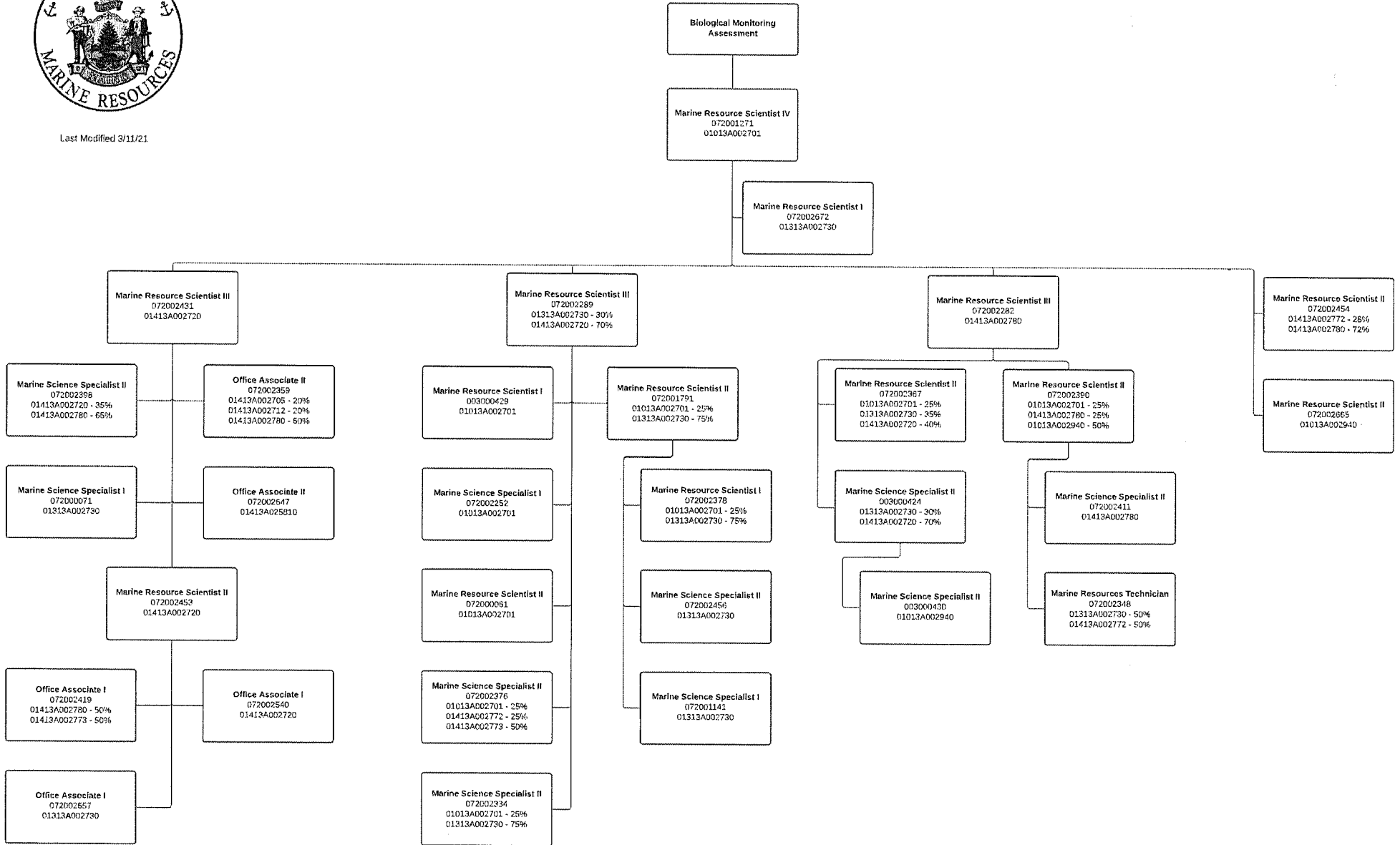
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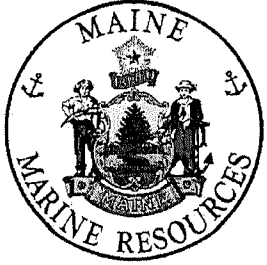




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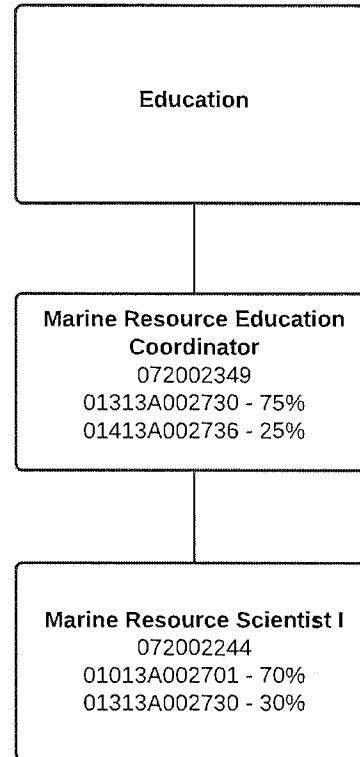
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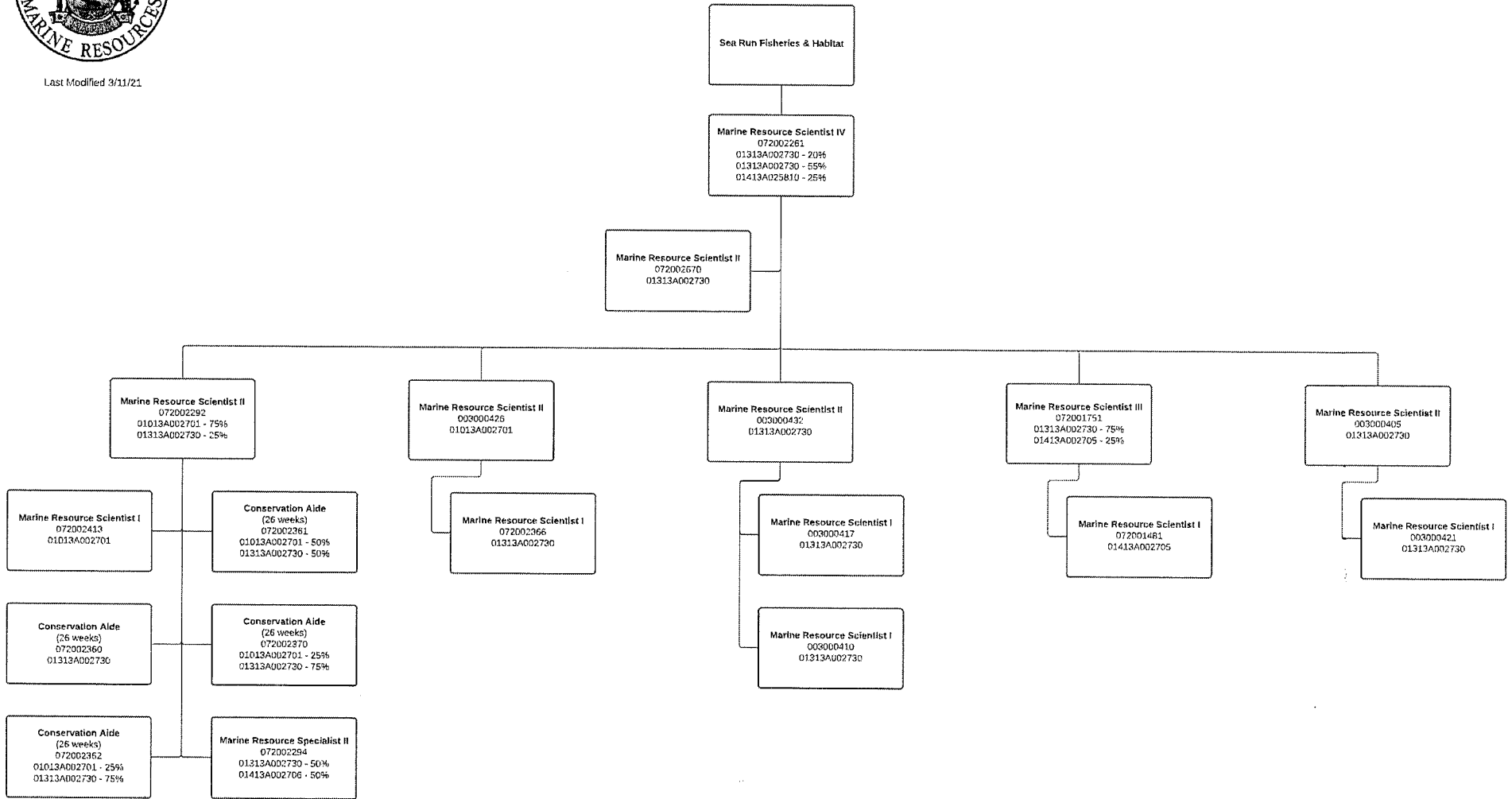
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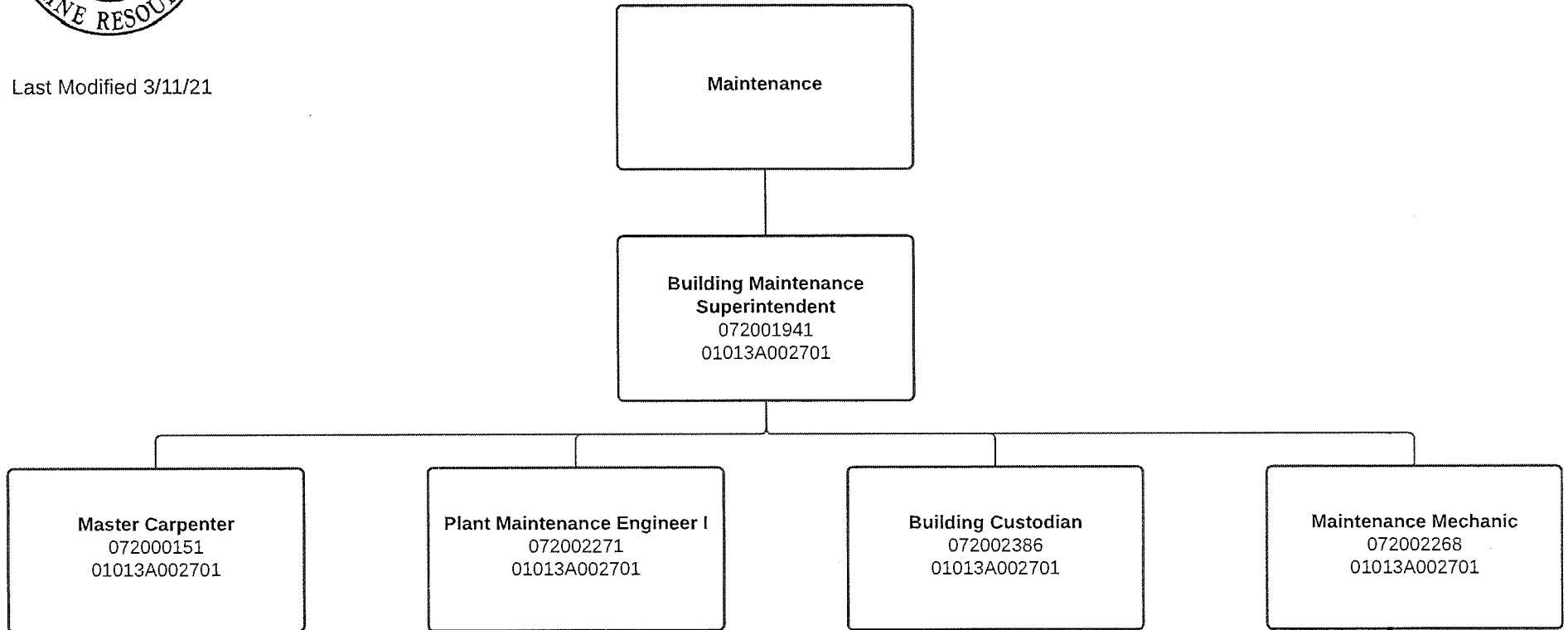
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**Department of Marine Resources
Bureau of Marine Science**

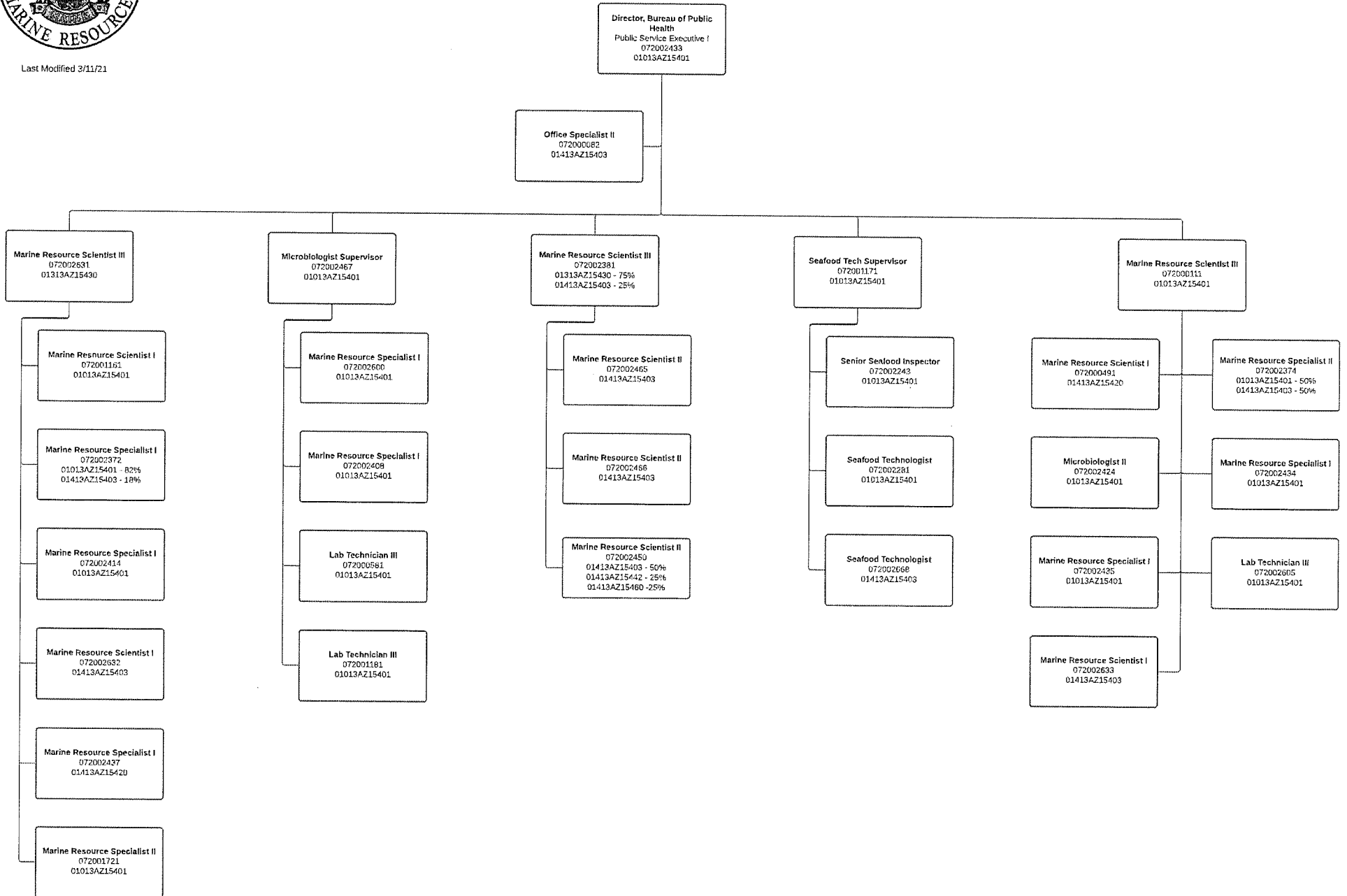
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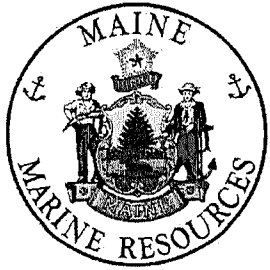




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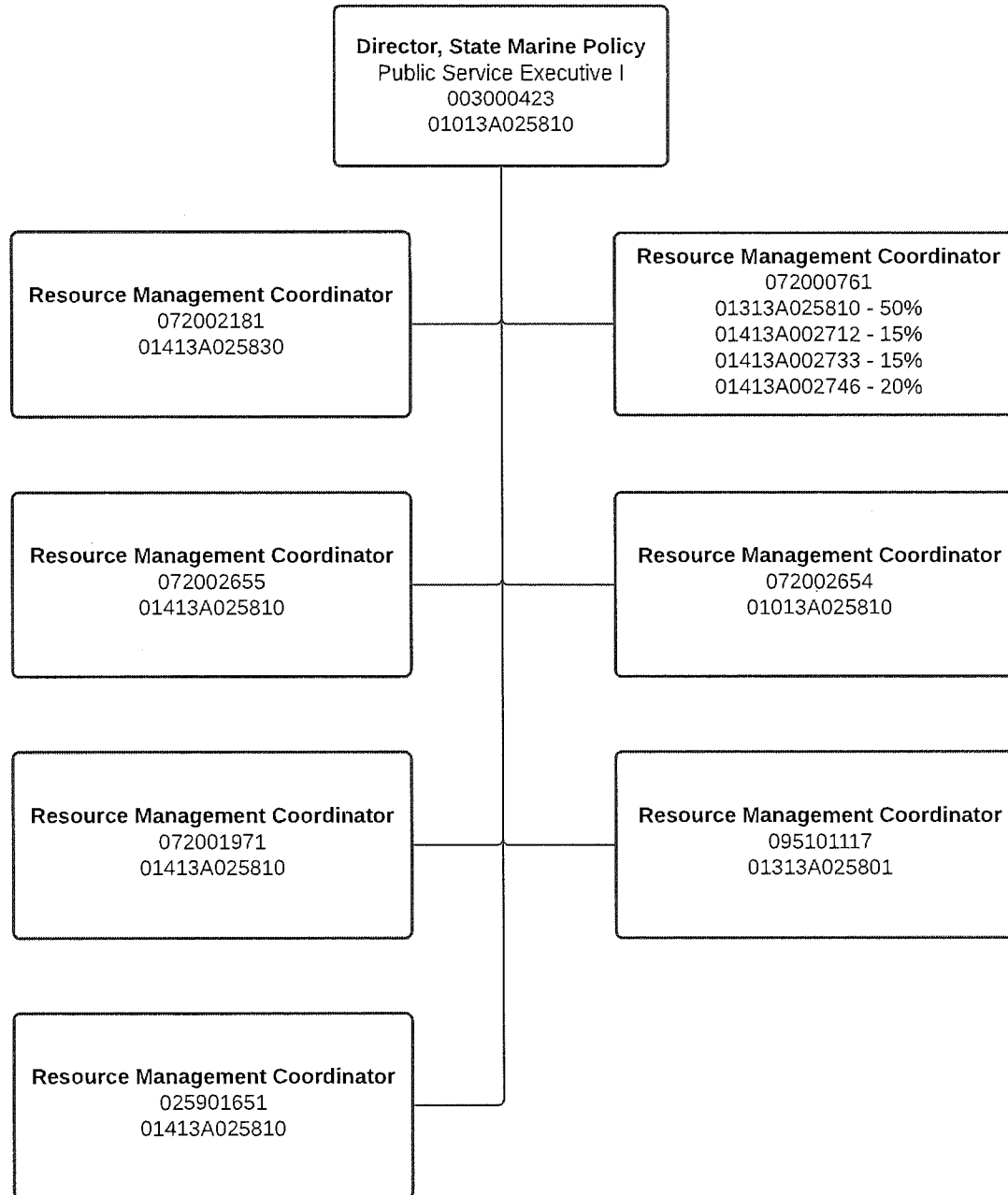
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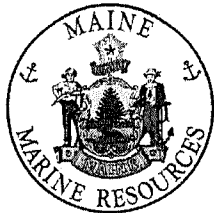




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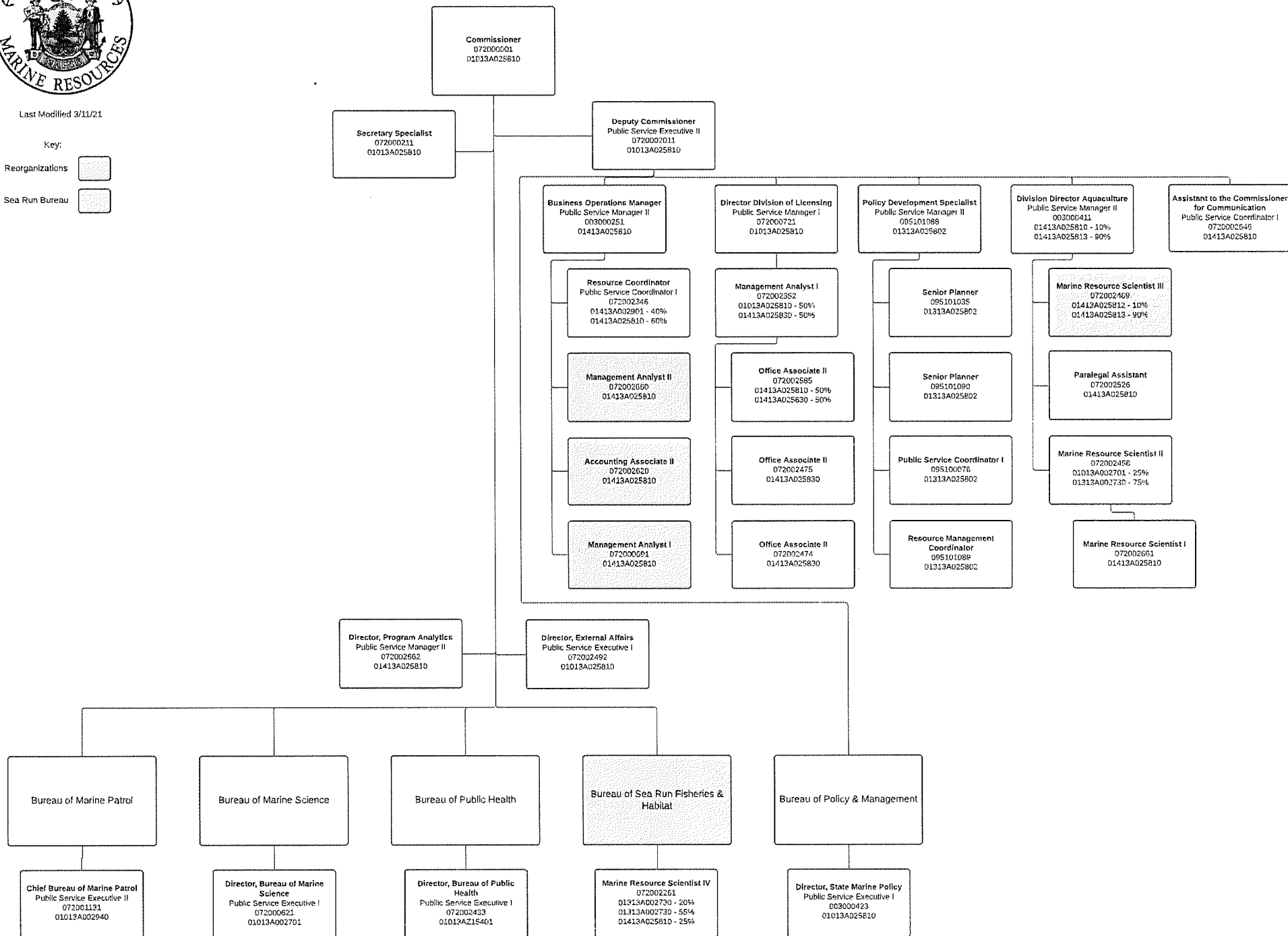
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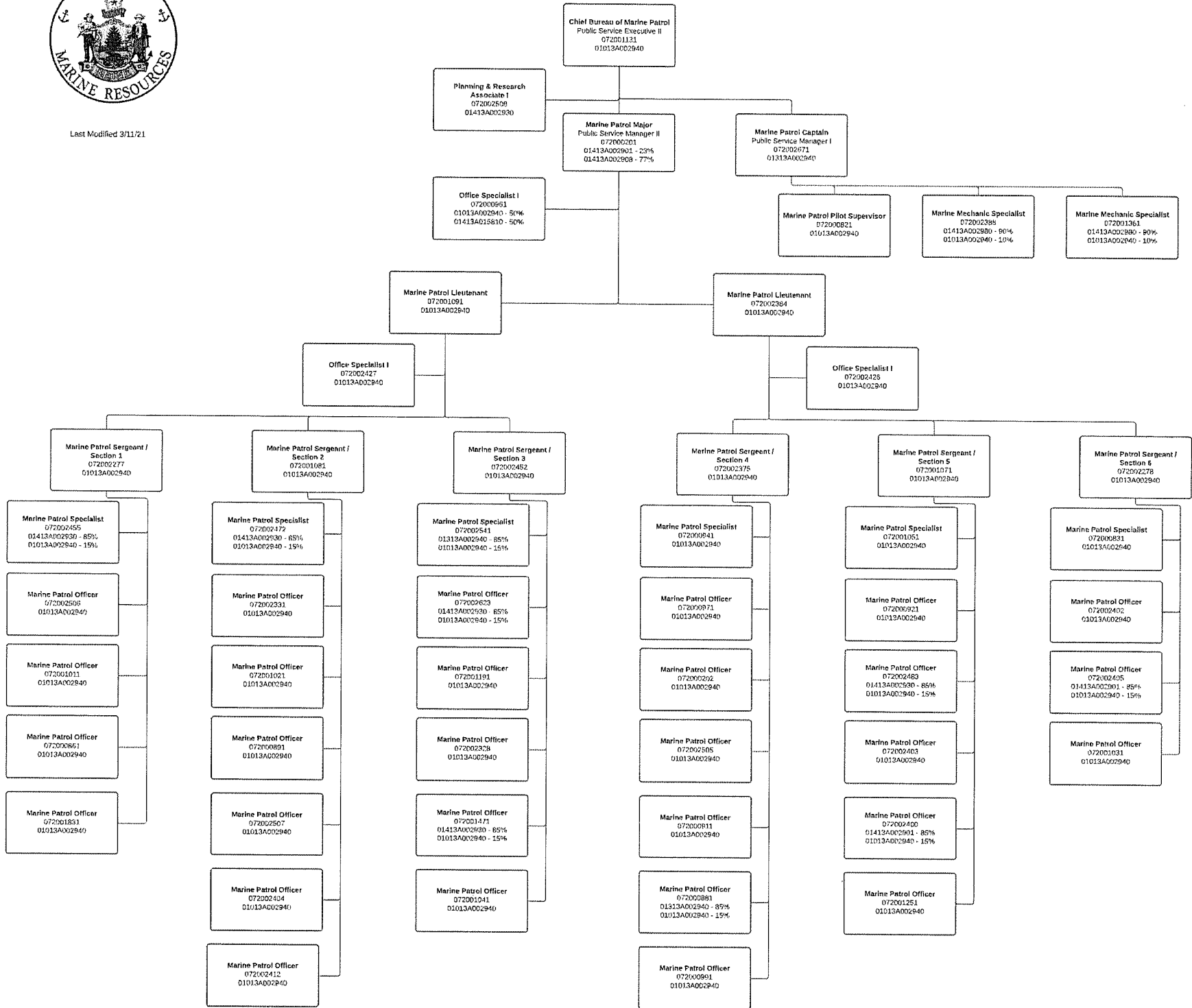
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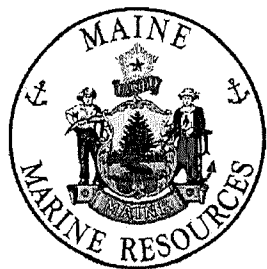




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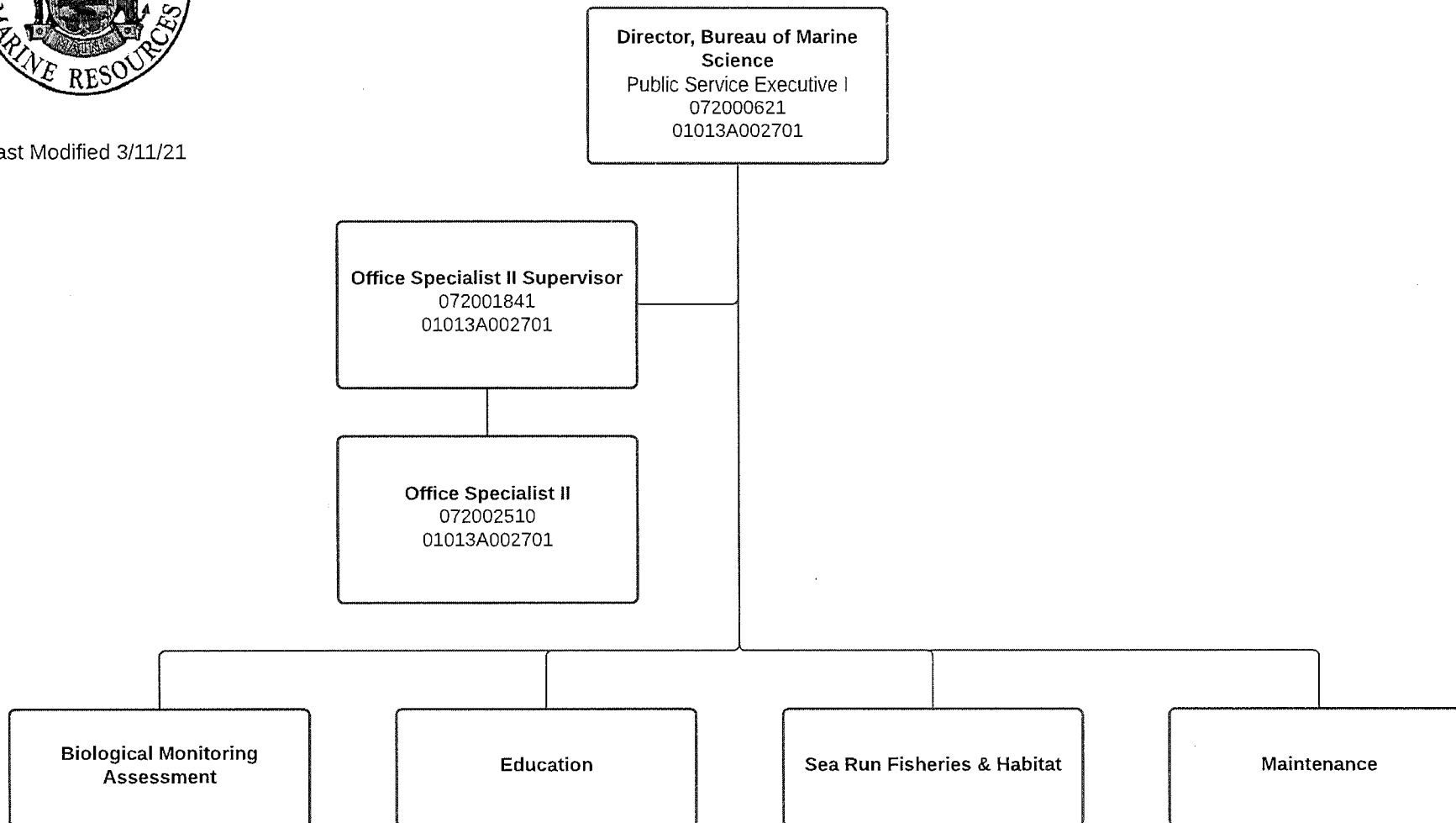
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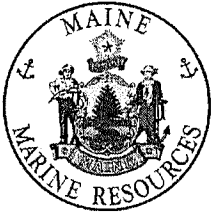




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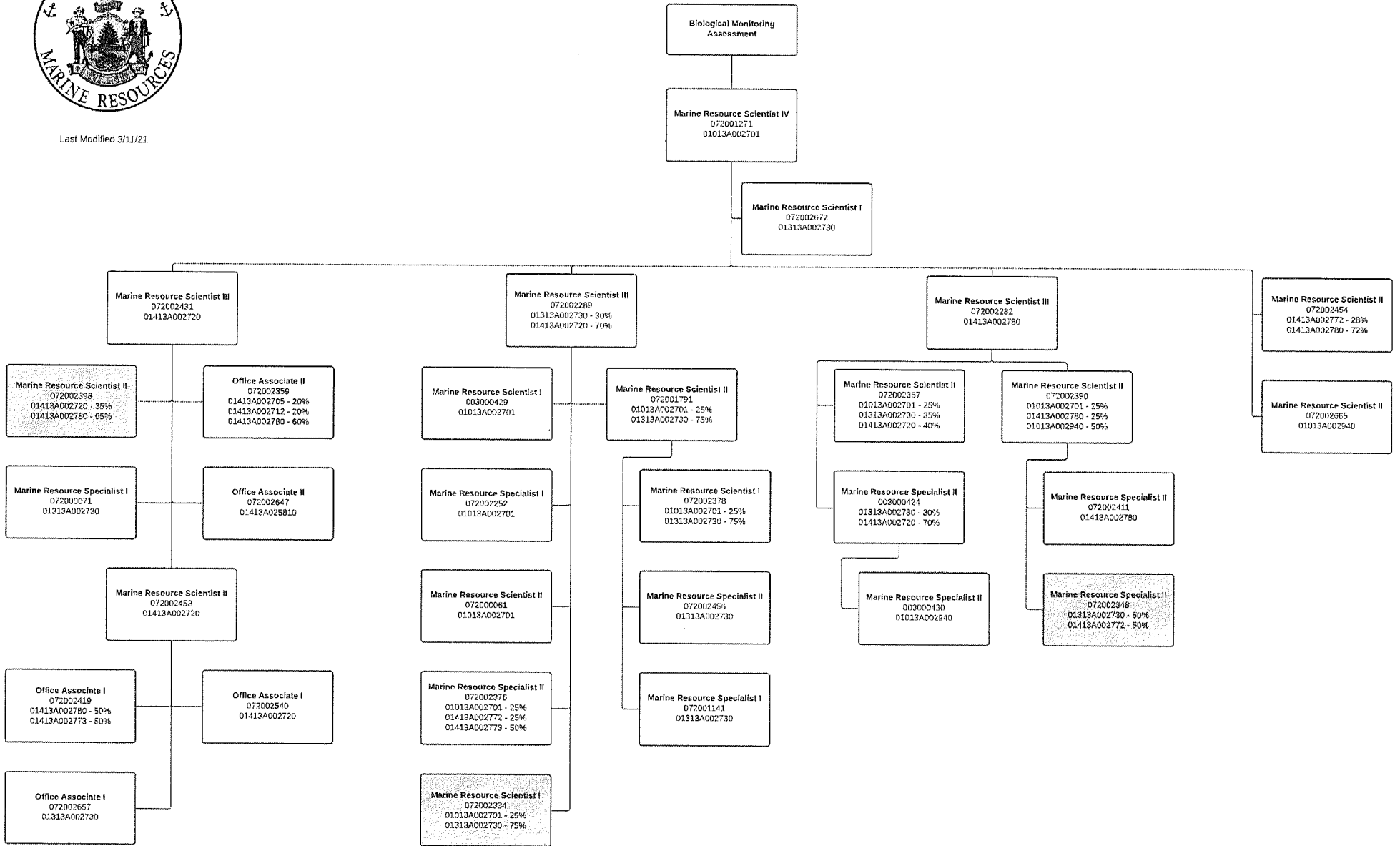
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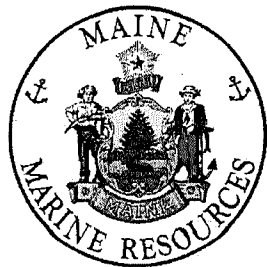




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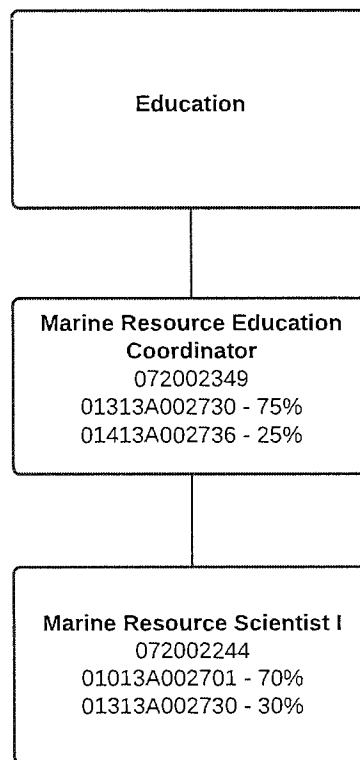
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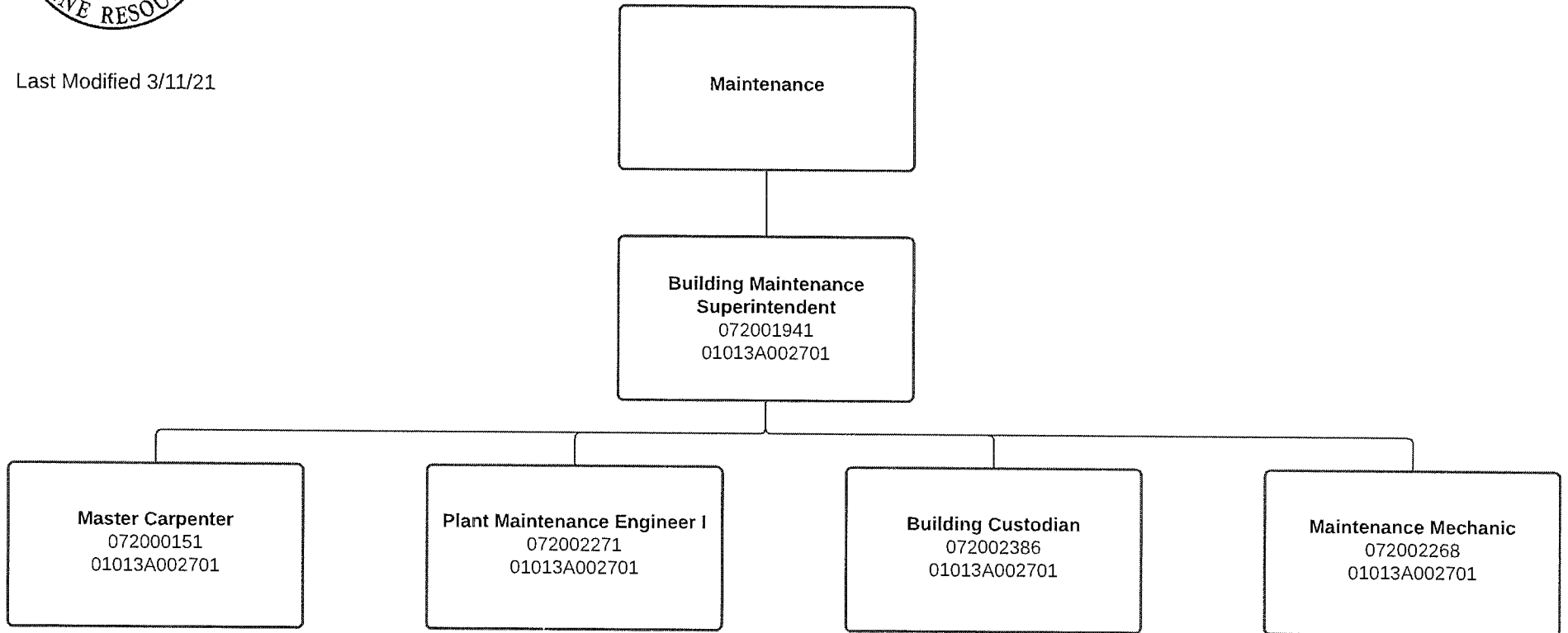
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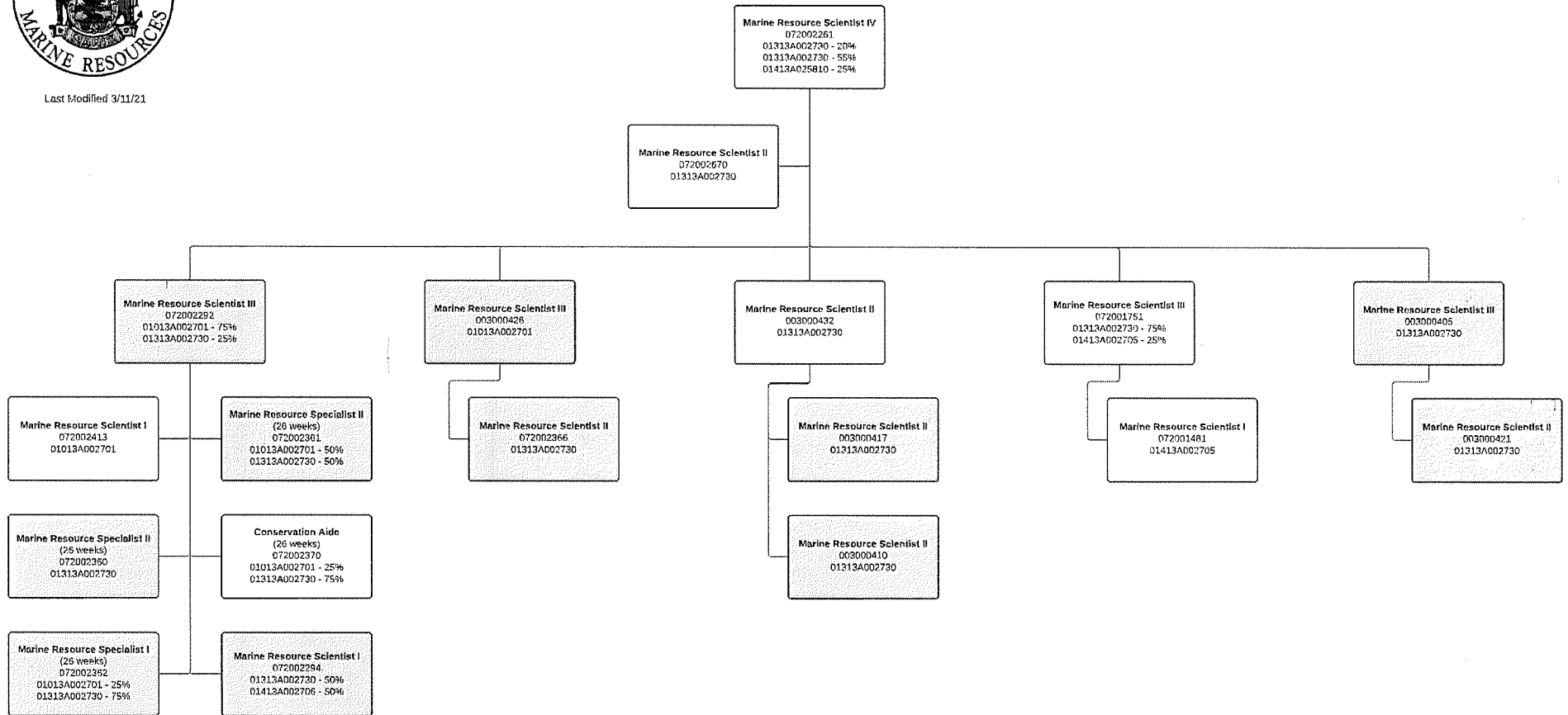
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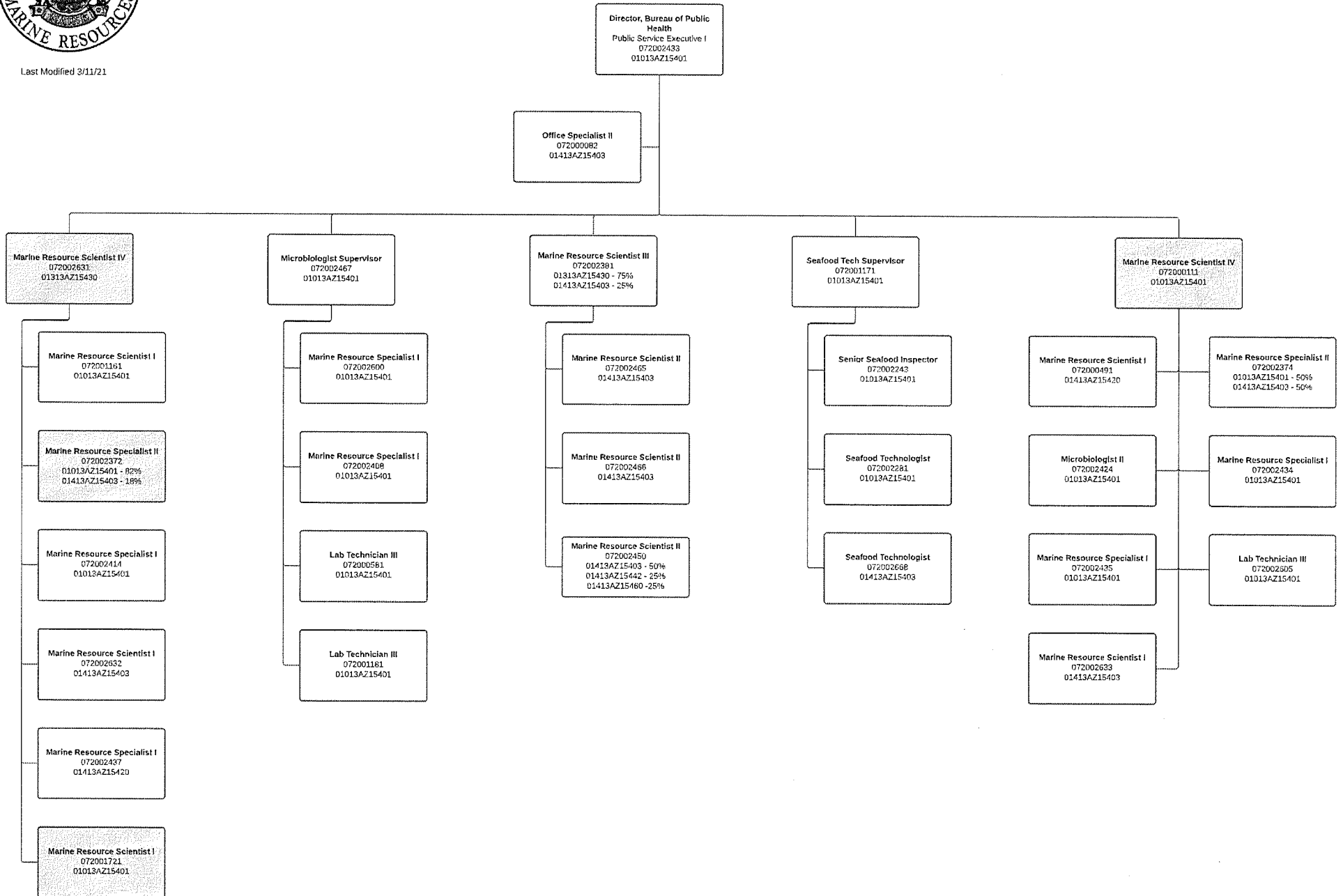
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