

2018 Legislative Priorities

Aquaculture is the fastest-growing food-production system globally, and shellfish aquaculture is the largest and fastest-growing marine aquaculture sector in the U.S. Over 1,500 shellfish farms on the East Coast provide thousands of jobs in rural coastal communities, harvesting over \$160 million worth of sustainable, nutritious shellfish. Oyster production on the East Coast has doubled in the past five years and is poised to double again. Expanding production will create more jobs, improve public health and provide tangible environmental benefits. But shellfish farmers face a variety of challenging issues.

Merchant Marine Act Exemption for Aquaculture Workers

The 1920 Merchant Marine Act contains a little-known provision to insure seamen who are injured while working on U.S. vessels. Unfortunately, the Act's definition of "seamen" captures aquaculture workers who are working in state waters, exposing employers to expensive premiums and unlimited liability. Logically, aquaculture farmers should be covered under state workers' compensation programs.

• Cosign the Shellfish Aquaculture Improvement Act HR-5061 to exempt aquaculture workers from the Merchant Marine Act when they are eligible for state workers' compensation.

USDA – Farm Bill

Shellfish farmers need access to affordable crop insurance.

Shellfish farmers are exposed to a high risk of catastrophic losses from storm damage, diseases and other hazards. To ensure continued growth, the industry requires a workable, affordable crop-insurance program similar to those available to land farmers. Current insurance products are inadequate.

• Direct the USDA RMA to fix the Whole Farm Revenue Program so that it works for cultured shellfish under the Farm Bill. Bill language is being drafted.

Selective breeding is a proven, effective means of improving disease resistance and production.

• Appropriate funds to USDA ARS to support the selective breeding of shellfish.

FDA Inaction Stymies Trade with the European Union

Since 2009 a trade dispute between FDA shellfish regulators and their EU counterparts has blocked our access to lucrative European markets. The FDA maintains that EU shellfish sanitation standards do not provide adequate public health protection, barring EU exporters from selling to U.S. markets. In an effort to restore the resumption of trade, industry asked the FDA to allow imports from pristine growing areas in Europe. Inspectors audited appropriate facilities in their counterpart's nation states, and in the fall of 2015 a deal was reached to allow the resumption of limited reciprocal trade, pending an announcement in the Federal Register that was slated for the summer of 2016. It appears that nothing has happened to move us closer to a resolution since the agreement was announced two years ago.

• Direct the FDA to expedite restoration of a reciprocal trade agreement with the EU.

Protected Resources Issues – NOAA

Concerns about potential interactions with whales, turtles, sturgeon and winter flounder are threatening to close farms and are blocking the establishment of new farms.

Precautionary rules are blocking the development new offshore mussel farms and certain oyster farms despite a lack of scientific evidence of entanglement from shellfish culture lines. The Winter Flounder Essential Fish Habitat description could eliminate millions of dollars of oyster production in New England.

• We would welcome a letter to NOAA directing the Protected Resources Division to utilize science-based risk analysis as well as economic impacts when drafting protected resources consultations.

Critical Research Funding – USDA, NOAA & FDA

Federal shellfish aquaculture research is funded through a patchwork of USDA and NOAA programs that have suffered deep cuts in recent years. Shellfish farmers (mostly small in scale) are unable to self-fund critical research **in** shellfish disease and food safety. NOAA Fisheries spends less than 1% of its annual budget on aquaculture research, even though 91% of the seafood consumed in the U.S. is imported and half of that is farmed.

- Support funding for NOAA's Aquaculture Program (9.3M), Sea Grant (62.7M), the Sea Grant Marine Aquaculture program (9.4M) and NOAA's Shellfish Initiative (unfunded).
- Support NOAA's Ocean Acidification IOOS research at the FY18 \$22M level.
- Support funding for critical USDA aquaculture research efforts through NIFA and the Regional Aquaculture Centers.

Clean Water is Critical for Shellfish – EPA

Excess nutrients can lead to algal blooms, low-oxygen conditions and fish kills. Agricultural runoff of nitrogen is the leading cause of degraded rivers and coastal waters. Shellfish improve water quality and remove many tons of nitrogen from sensitive coastal waters annually. Unfortunately, the CWA and EPA regulations do not currently allow for "in-stream treatment," which would allow nutrient-credit trading and provide further market-based incentives to expand and integrate shellfish aquaculture with other sustainable development.

• We would welcome a letter asking the EPA to direct states to include shellfish aquaculture in their nutrient-credit trading programs.

National Aquaculture Legislation –Commerce Committee

Currently, no federal agency has the authority to grant permits or leases for aquaculture operations in the Exclusive Economic Zone. Offshore aquaculture has tremendous potential to help us increase domestic seafood production and reduce our vast seafood trade deficit while creating jobs and economic development. U.S. research has developed the techniques that are being used by other countries to grow fish offshore, but we lack the means to grant permits to firms that are waiting to invest in aquaculture.

• Support the Marine Aquaculture Act being drafted in the Commerce Committee.