

NATIONAL  
**Aquaculture**  
ASSOCIATION

April 20, 2007

U.S. Senate  
Energy and Natural Resources Chair, Jeff Bingaman  
SH 703  
Washington, DC 20510

U.S. House of Representatives  
Natural Resources Chair, Nick J. Rahall II.  
2307 RHOB  
Washington, DC 20515

Dear Senator Bingaman and Congressman Rahall:

The National Aquaculture Association (NAA) appreciates the continuing efforts of the Congress to enhance the nation's food security and food safety interests by your consideration of the National Offshore Aquaculture Act of 2007.

The NAA is the largest farmed fish trade association in the United States. We represent producers of farmed finfish and shellfish, as well as aquaculture equipment suppliers. The producers we represent husband a variety of cold, cool and warm water species farmed in fresh and salt waters of the United States. Farmed species raised are produced for human food consumption, recreation, bait and for ornamental purposes.

Passage of the proposed legislation is critical to the development of marine aquaculture in U. S. federal waters. Our national experience with marine aquaculture in near shore waters has demonstrated that significant marine finfish aquaculture expansion must occur in the offshore aquaculture zone in order to minimize user conflicts and enhance environmental management capabilities.

Offshore aquaculture production capacity is developing rapidly around the globe but not in the United States. In some instances, the rapid expansion of marine aquaculture occurs with the advanced U.S. technologies that ensure production of high quality food and proper management of environmental impacts. As an importer of eighty percent of our seafood, the majority of that farmed seafood, the U.S. market drives foreign expansion that is supported with U.S. technology.

Our heavy reliance on foreign sources also means that trade disputes, foreign food shortages or political turmoil could jeopardize continuing future supplies. The preferred alternative to such reliance in terms of better oversight of food quality, environmental quality, food security and impacts to our balance of trade deficit is to foster development of a domestic marine aquaculture industry. This alternative would also allow our

domestic industry to capture the benefit of the millions of federal tax dollars spent to support research and development of advanced aquaculture technologies in fish propagation and production system designs.

The proposed legislation allows for the rational development of aquaculture in federal waters, assurance of proper application of existing environmental standards and authority to develop other requirements without unnecessary duplication. Notwithstanding protests of potential adverse environmental impacts from fish farms, the reality is that good water quality is the goal of every aquaculturist, as this equates to good survival, good growth, and superior quality products for the consumer, as well as economic returns to the operator. The proposed National Offshore Aquaculture Act will ensure that proper environmental monitoring and oversight of the marine farms occurs, and that the advantageous environmental characteristics that attract businesses to prospective sites in the first place are maintained.

Relative to the area encompassed by the U.S. exclusive economic zone, the likely footprint of federal waters used by aquaculture will be virtually microscopic, while the benefit to the nation could be substantial. All users of the federal marine waters have an equal right to access such waters in compliance with federal law. Cooperation rather than preclusion should be the benchmark for developing a system for siting aquaculture facilities, and while efforts to pre-designate potential sites are welcomed, there should also be flexibility to allow facility proponents to propose sites based on their own evaluations.

The NAA would be pleased to provide additional comments as the draft legislation is given further consideration and revisions may arise. In the meantime, we offer the following focused comments recently raised by members of our Offshore Aquaculture Committee.

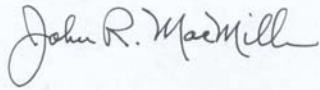
- The proposed support for research and development efforts is a valuable element of continuing programs to maintain the U.S. lead in technology. While no funding levels are set, this is a key requirement that could fund developments which will allow industry to move deliberately into the offshore areas.
- The proposed legislation should be amended to allow use of a vessel (ship) as an offshore production platform. As NOAA representatives have pointed out in public presentations, there are several offshore facility designs being developed around the world that adapt a ship for use as a production facility. The U.S. would be best served by legislation that did not preclude useful concepts, and did not limit or prescribe approvable facility designs as only fixed structures or the seabed. The current definition of approvable facilities does not include a boat or other description of a vessel (See, Section 3(g)). Use of an actual production vessel (or ship) offers several advantages with respect to effluent handling technologies, stock control and minimization of escapements, and the ability to move as needed to avoid unexpected adverse events such as adverse weather,

nearby oil spills or other water quality impacts. The draft legislation should be amended to include ships or vessels in the definition of an offshore aquaculture facility.

- The draft legislation continues to discuss the need to evaluate economic impacts arising from approval of aquaculture facilities. If such provisions are retained, then they should be clearly specified as requiring an evaluation limited to consideration of direct impacts arising from siting of the proposed facility (e.g. potential shipping lane conflicts, loss of substrate resources). Potential market impacts related to competition with capture fisheries should not be an evaluation requirement for siting aquaculture facilities. Such analyses would be wholly speculative, and in their most likely application will simply be used by those who generally oppose aquaculture production policies as political leverage. It would be extremely difficult to interest private industry and capital markets to pursue U.S. offshore aquaculture farms if they must face the burdens of the U.S. regulatory program, the daily challenges of offshore production, and also must be accountable to ensure that their production creates no free market competition for other suppliers to U.S. seafood consumers.

Thank you again for this opportunity to provide our comments. Please contact us if you require any additional information.

Very truly yours,

A handwritten signature in cursive script that reads "John R. MacMillan". The signature is written in black ink on a light blue rectangular background.

John R. MacMillan, Ph.D.  
President