

Dear Representative Jones,

Shellfish aquaculture is the largest segment of marine aquaculture in the US and is considered the fastest growing segment of agriculture in the US today. Unfortunately, North and South Carolina are missing out on this explosion of job growth because a few misguided and outdated regulations are blocking lease applications. We write to you today asking for assistance in clearing these regulatory hurdles so that Mid-Atlantic States can join the rest of the nation in producing delicious, nutritious sustainable local seafood.

On the East Coast there are over 1,200 small farms in rural coastal areas supporting thousands of jobs while producing over \$135M in sustainable, local seafood. Oyster production on the East Coast has doubled in just the past five years.

Despite all this good news, many states (including North and South Carolina) are not taking part in this great engine of green job growth. While Virginia produces \$45 million in clams and oysters annually, North and South Carolina combined struggle to produce even \$1M in cultured shellfish. Would-be growers in the Carolinas are challenged to obtain leases by a confusing and restrictive array of state and federal regulations that block shellfish farmers from getting established.

The primary rationale for leases being blocked lies in an arcane rule designed to protect eelgrass beds. Eelgrass is considered "essential fish habitat" because it provides ecosystem services such as nutrient removal, sediment stabilization and provision of habitat for many juvenile fish and crabs. In the Carolinas regulators won't let shellfish farmers lease grounds that supported eelgrass nine years ago, even if there is not a single blade evident there today.

The regulatory rationale for blocking shellfish culture ignores the fact that shellfish aquaculture provides similar ecosystem services to those provided by eelgrass. Filter feeding shellfish actively clean the water and remove excess nutrients while oysters and the gear used to grow them provides excellent habitat for juvenile marine species. Even if there was a significant negative impact on eelgrass from oyster culture the environmental impact on water quality and habitat value would be negligible.

The regulatory landscape is complicated, but the root of the problem lies in a policy that has been established by the Army Corps who claims authority over structures in navigable waters and regulates protected resources (such as eelgrass) through a consultation process with NOAA. While most states have reached a workable accommodation with the ACOE on eelgrass issues, each ACOE District provides their own interpretations of the guidance and in the Carolinas we have Districts that have adopted an unworkable zero tolerance policy for eelgrass disturbance.

In North Carolina the ACOE has delegated its regulatory authority over shellfish aquaculture to the state Dept. of Marine Fisheries. The state, following consultations with NOAA's Office of Protected Resources, has adopted a unique and overly restrictive policy of protecting beds that used to exist according to old maps, even though declining water clarity has led to drastic declines in eelgrass coverage. These beds will not return unless the water quality is restored, and shellfish are a necessary and vital part of that process.

We know that there is some latitude in interpreting the federal guidelines on protecting essential fish habitat because many states have developed thriving shellfish aquaculture industries in harmony with eelgrass. We are asking your office to step in and ask the state DMF and ACOE offices to examine other state and ACOE District policies on aquaculture leasing and develop a workable leasing and permitting process so that our states can join the rest of the nation in producing health, local shellfish for our restaurant and shellfish shops.

North Carolina is sitting on the cusp of this "Green Revolution" we are asking that you help us to get over this hurdle. As you can see, this won't bring any additional expense to North Carolina but this action will allow us to compete with other states (VA specifically) on a more level playing field. As it stands, NC imports about 75% of the oysters eaten in the state. The jobs that will be produced will be in some of the most economically depressed parts of the coast and as you are well aware, commercial fishermen are being regulated out of their industry at an increasing rate. This might offer them an alternative as well as the younger generation that realize they will not be able to support a family in the way their forefathers have in the past.

Thank you for your time on this important matter.

Sincerely,

Jay Styron
President,
North Carolina Shellfish Growers Association

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