



Fact Sheet: Aquatic Farm Leasing

In 1988, the Alaska Legislature adopted Alaska Statute (AS) 38.05.083, and associated statutes AS 38.05.855 – 38.05.856, to offer leases for aquatic farms or hatchery operations at sites that had been developed or to establish sites within districts that had been identified for aquatic farming. In 1997, AS 38.05.855 and 38.05.856 were repealed. The current statute, AS 38.05.083, was rewritten in 1997, and was amended in 2012 to add sealed bids as another method to offer aquatic farm lease.

What is an aquatic farmsite lease?

It is an authorization issued by the Department of Natural Resources (DNR) that allows a lessee to develop the state's tideland, submerged land or shoreland that is not within a state park for an aquatic farm which propagates, farms or cultivates shellfish or an aquatic plant that is offered for sale, or to develop a hatchery for the artificial propagation of stock.

How do I apply?

You must file an Aquatic Farm Leasing Program application with DNR during the application period that is scheduled at least every other year from January 1 through April 30 (11 AAC 63.020) and pay the appropriate application fee (11 AAC 05.230(d)(3)).

The state's aquatic farming program is jointly administered by DNR, the Alaska Department of Fish & Game (ADF&G) and the Alaska Department of Environmental Conservation (ADEC). The application submitted to DNR is a multi-agency application used by all three agencies to determine your proposal's feasibility. However, you may need to contact and or submit applications to other state or federal agencies including the United States Army Corps of Engineers (USACE), National Marine Fisheries Service (NMFS), and the United States Coast Guard (USCG).

What authorizations do I need to operate a farm?

In addition to the lease from DNR, you must obtain an operations permit and/or a Title 16 permit from ADF&G and a water quality certificate from ADEC. You may also need to contact or obtain a permit from the USACE, NMFS, USCG or permission from an adjacent upland owner if you propose to use uplands in your operation.

How do I find out about the filing period?

The standard filing period is from January 1 to April 30 of each year. Check the DNR, Division of Mining, Land, and Water, Aquatic Farm Leasing Program website for any changes.

What costs are associated with a lease?

The annual fee for the lease will be based on a fair market value appraisal or the current fee schedule for aquatic farms if the farmsite meets the criteria described in the fee schedule. The first year's annual fee must be paid before the lease is issued.

The aquatic farm lease may also authorize associated facilities for housing personnel or storing equipment at the farmsite or on uplands that would incur additional fees. The fee schedule describes the per acre fee for these uses.

Applicants who do not want to use the fee schedule, may pay to have an appraisal done in accordance with appraisal instructions issued by DNR. In certain circumstances you may be required to pay for a survey. The survey is done in accordance with survey instructions issued by DNR.

The amount of the required security bond is determined by such factors as projected site cleanup and restoration after termination of the lease. Per regulation, the minimum bond amount is \$2,500. The bond is subject to periodic review, and adjustment due to changes such as site development, new information, or other factors.

Applicants should be aware that other state agencies have their own fees in addition to the DNR requirement. Applicants should refer to Part I of the application (Application Process Guidelines and Contacts) for further information on agency fees.

Can I get an association bond if I have more than one lease?

If three or more lessees post an association bond to cover all their leases, the minimum security bond amount is 50 percent of the amount individually calculated for each lease. You may participate in an association bond if you have more than one lease provided you form an association with two other lessees.

Can I apply for more than one site?

You may apply for multiple leases. However, as allowed by statute, the DNR Commissioner may limit the number of sites for which leases may be issued in an area.

How long will it take to process my application?

Due to the complexity of the aquatic farmsite application, the specific application filing period, the multi-agency application whose review must be coordinated by ADNR, ADF&G and ADEC, it may take considerable time after the application is received to process an application. For this reason, it is recommended that an application be submitted well in advance of the anticipated start date of an aquatic farm operation.

Is finfish farming allowed?

No. Finfish farming is not allowed in the state. For further information, contact ADF&G.

Is funding available?

No funding is available through DNR. However, applicants are encouraged to explore any funding possibilities.

Do I need an aquatic farmsite lease from DNR to collect wild shellfish or sea plants for commercial purposes?

No. However, you should contact ADF&G before collecting wild shellfish or sea plants for commercial or personal purposes about authorizations that may be required.

Where can I get more information?

To obtain information or an application, search the State of Alaska website at alaska.gov for the DNR Aquatic Farm Leasing Program or contact:

Department of Natural Resources
Division of Mining, Land, and Water
Aquatic Farm Leasing Program
550 West 7th Avenue, Suite 900C
Anchorage, AK 99501-3577
Phone: (907) 269-8543 or (907) 269-8503
TTY - 771 for Alaska Relay or 1-800-770-8973
dnr.aquaticfarming@alaska.gov

For information on authorizations required by ADEC for aquatic farming, please contact:

Department of Environmental Conservation
Food Safety & Sanitation Program
555 Cordova Street
Anchorage, AK 99501-2617
Phone: (907) 269-7636 or (907) 269-7638

For information on authorizations required by ADF&G for aquatic farming, please contact:

Department of Fish and Game
Division of Commercial Fisheries
Aquatic Farming Program
1255 W. 8th Street
Juneau, AK 99811-5526
Phone: (907) 465-4724