

NEW JERSEY SHELLFISHERIES COUNCIL

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ATLANTIC COAST SECTION

JOHN J. MAXWELL, Chairman
WALTER L. JOHNSON III, Vice Chairman
WALTER HUGHES, Councilman

DELAWARE BAY SECTION

WARREN HOLLINGER, Chairman
STEPHEN FLEETWOOD, Councilman
RICHARD MALINOWSKI, Councilman

September 12, 2017

Dear Leaseholder,

Beginning in January 2015, both the Atlantic Coast and Delaware Bay sections of the NJ Shellfisheries Council's reconvened their respective leasing committees. The committees, comprised of shellfish industry members, were charged with formulating revisions to the current rules, including the leasing of bottom for shellfish aquaculture on both coasts and the establishment of a comprehensive shellfish leasing policy for the Atlantic Coast. A shellfish leasing policy will also be developed for Delaware Bay over the coming year.

One of the primary issues that both sections wanted reviewed was the current lease fee structure. The Council has felt for some time that it would be better to be proactive on this matter rather than having new fees enacted without full Council input. After a lengthy process, the Councils, upon the unanimous recommendation of their respective leasing committees, reviewed and approved proposed amendments to all shellfish regulations which included changes to the application and renewal fee structure. The committees proposed the following fee updates: a \$250 lease application fee for new leases (non-ADZ) and a \$100 annual lessee renewal fee. The current per acre annual lease rental fee (\$0.50 (DB)/\$2 per acre or \$100 per linear feet (AC) will not be increased at this time.

The Councils felt that the fee increases were warranted to address lease allocation and utilization issues. The Atlantic Coast Council decided that it would not consider any new lease areas until the amendments to the shellfish regulations were fully adopted. Both committees' recommendations were put into a proposed rule amendment package that was put forward by the DEP on behalf of the Council and industry. Following some unforeseen delays with the adoption process, the Council, through the recommendation of its industry leasing committees, decided to implement the application and renewal fee temporarily, until the regulatory amendments were adopted. This action was taken pursuant to our statutory authority at *N.J.S.A. 50:1-27 "Fixing terms, rental and acreage," the Council, with approval of the Commissioner, shall fix the term for which leases may be granted, the rental to be paid, the maximum size of any single ground to be leased, and the total acreage which may be leased to any person or persons*".

On September 7, 2017, the Commissioner approved our policy directive to implement the application fee all new lease applications. The application fee is now set at \$250 for all new leases. The \$100 lessee renewal fee is also in place and will be due by each lessee (entity) at the time of renewal (i.e., the renewal fee will be applicable to each unique individual, joint partnership of individuals, or a corporation that holds a lease or leases and is in addition to your annual per acre fees). For example, if you hold a single lease in your own name and a single lease in partnership with another individual, that will account for two separate entities and will require payment of two renewal fees (each at \$100).

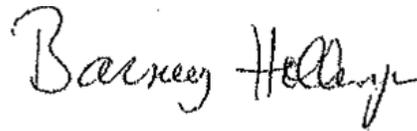
For leases on the Atlantic Coast, the lease moratorium will be lifted and applications will once again be accepted for existing lease areas once the Council rescinds its moratorium order (scheduled to occur at their next meeting in September). The time frame for opening any new area for leasing will be determined by the Council through the lease policy.

If you have any questions about these lease fee changes, please feel free to contact staff at the Nacote Creek Shellfish Office at (609) 748-2040 or the Delaware Bay Shellfish Office at (856) 785-0730.

Sincerely,



John J. Maxwell
Chairman, Atlantic Coast



Warren Hollinger
Chairman, Delaware Bay

- c. Members, NJ Shellfisheries Council (Del. Bay and Atl. Coast sections)
 - R. Boornazian, Asst. Commissioner, DEP
 - L. Herrighty, Director, NJDFW
 - Staff, Bur. of Shellfisheries