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(Original Signature of Member)

118TH CONGRESS
2D SESSION

H. R. _____

To direct the Secretary of Agriculture and the Secretary of Commerce to incentivize domestic seafood processing capacity, to strengthen local seafood supply chains, to prohibit any Federal agency from funding or regulating commercial finfish aquaculture operations in the Exclusive Economic Zone in the absence of specific congressional authority, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mrs. PELTOLA introduced the following bill; which was referred to the Committee on _____

A BILL

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1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Domestic Seafood Pro-
3 duction Act”.

4 **SEC. 2. DOMESTIC SEAFOOD PRODUCTION.**

5 (a) DEFINITIONS.—In this section:

6 (1) ELIGIBLE COMMUNITY.—The term “eligible
7 community” means a population census tract—

8 (A) without processing;

9 (B) that is historically economically de-
10 pendent on the coast or ocean; or

11 (C) that—

12 (i) has a poverty rate equal to or
13 greater than 20 percent; or

14 (ii)(I) if the population census tract is
15 not located within a metropolitan area, has
16 a median family income of equal to or less
17 than 80 percent of the median family in-
18 come for the State within which the popu-
19 lation census tract is located; or

20 (II) if the population census tract is
21 located within a metropolitan area, has a
22 median family income of equal to or less
23 than 80 percent of the greater of—

24 (aa) the median family income of
25 the State within which the population
26 census tract is located; and

1 (bb) the median family income of
2 the metropolitan area within which
3 the population census tract is located.

4 (2) EXCLUSIVE ECONOMIC ZONE.—The term
5 “exclusive economic zone” has the meaning given
6 the term in section 3 of the Magnuson-Stevens Fish-
7 ery Conservation and Management Act (16 U.S.C.
8 1802).

9 (3) MARICULTURE.—The term “mariculture”
10 means shellfish and aquatic plants grown under con-
11 trolled conditions.

12 (4) OFFSHORE AQUACULTURE.—The term “off-
13 shore aquaculture” means any activity related to the
14 propagation, rearing, or attempted propagation or
15 rearing, of finfish in the exclusive economic zone.

16 (5) SEAFOOD.—The term “seafood” means
17 wild-caught finfish and shellfish.

18 (6) SECRETARY.—The term “Secretary” means
19 the Secretary of Agriculture.

20 (7) STATE.—The term “State” means each of
21 the several States, the District of Columbia, and
22 each territory and possession of the United States.

23 (b) ACTION PLAN AND SELECTION OF COMMU-
24 NITIES.—

1 (1) IN GENERAL.—Not later than 180 days
2 after the date of enactment of this Act, the Sec-
3 retary, in consultation with the Secretary of Com-
4 merce, shall develop an action plan to facilitate in-
5 creased domestic processing of United States-caught
6 seafood and mariculture.

7 (2) INCLUSIONS.—The action plan developed
8 under paragraph (1) shall include—

9 (A) an identification of communities in
10 which—

11 (i) commercial fishing is an economic
12 driver; and

13 (ii) there exists a need, and voiced
14 community support, for the creation of new
15 (or rehabilitation of existing) seafood proc-
16 essing infrastructure, including cold stor-
17 age, to allow those communities—

18 (I) to effectively process the
19 catch of the communities locally; and

20 (II) to provide for the local and
21 domestic market;

22 (B) an identification of communities with
23 existing or developing mariculture operations in
24 which processing infrastructure is not sufficient
25 to meet the needs of the mariculture operations;

1 (C) a consideration of the diversity of com-
2 munities, including geographic diversity;

3 (D) an assessment of the number of com-
4 munities described in subparagraphs (A)
5 through (C) that qualify as eligible commu-
6 nities; and

7 (E) an analysis of the seafood supply chain
8 for seafood consumed domestically, including a
9 carbon footprint.

10 (3) SELECTION OF ELIGIBLE COMMUNITIES.—

11 The action plan developed under paragraph (1) shall
12 include an allocation of a specific amount of funds
13 for community development projects in eligible com-
14 munities, without limitation as to geography or loca-
15 tion, that would be eligible for the grants and coop-
16 erative agreements under subsection (c).

17 (4) STAKEHOLDER ENGAGEMENT.—In devel-
18 oping the action plan under paragraph (1), the Sec-
19 retary, in consultation with the Secretary of Com-
20 merce, shall provide a meaningful stakeholder en-
21 gagement process that—

22 (A) prioritizes outreach and engagement
23 through methods that effectively reach residents
24 of eligible communities described in subpara-
25 graphs (A) through (D) of paragraph (2); and

1 (B) provides an opportunity for public
2 comment regarding a draft of the action plan,
3 and incorporation of any comments received by
4 the date that is 60 days after the end of the
5 public comment period.

6 (5) TRIBAL CONSULTATION.—In developing the
7 action plan under paragraph (1), the Secretary shall
8 consult with federally recognized Indian Tribes and
9 Alaska Native Corporations and take into consider-
10 ation each Community Development Quota program
11 established by or pursuant to section 305(i) of the
12 Magnuson-Stevens Fishery Conservation and Man-
13 agement Act (16 U.S.C. 1855(i)), as applicable.

14 (c) GRANTS AND COOPERATIVE AGREEMENTS TO
15 SUPPORT LOCAL SEAFOOD PROCESSING.—

16 (1) IN GENERAL.—Using funds made available
17 under subsection (f), the Secretary shall, for the pe-
18 riod of fiscal years 2025 and 2026, make competi-
19 tive grants or enter into cooperative agreements—

20 (A) to support pilot projects—

21 (i) for new seafood or mariculture
22 processing infrastructure in eligible com-
23 munities selected under subsection (b)(3);
24 or

1 (ii) for the rehabilitation, repair, or
2 retrofitting of existing seafood or
3 mariculture processing infrastructure in
4 such eligible communities;

5 (B) to host onsite local training, education,
6 outreach, and technical assistance initiatives for
7 working waterfront populations in such eligible
8 communities; or

9 (C) to provide preference for community
10 members from such eligible communities in the
11 startup of pilot seafood or mariculture proc-
12 essing facilities exclusively designed for serving
13 domestic and local markets, which shall in-
14 clude—

15 (i) entrepreneurship and business
16 training;

17 (ii) financial and risk management
18 training; and

19 (iii) food safety and recordkeeping.

20 (2) ELIGIBILITY.—To be eligible to receive a
21 grant or enter into a cooperative agreement under
22 paragraph (1), the recipient of the grant or partici-
23 pant in the cooperative agreement shall be—

1 (A) a collaborative State, Tribal, local, or
2 regionally based network or partnership of pub-
3 lic or private entities; or

4 (B) an individual seafood or mariculture
5 processing company or cooperative.

6 (3) PRIORITIES.—In making grants or entering
7 into cooperative agreements under paragraph (1),
8 the Secretary shall give priority to—

9 (A) projects that commit—

10 (i) to sell a substantial quantity of
11 seafood domestically, as determined by the
12 Secretary;

13 (ii) to meaningful local-hire practices,
14 as determined by the Secretary;

15 (iii) to avoiding additional overbur-
16 dening of eligible communities, such as by
17 minimizing additional vehicular traffic; and

18 (iv) to supporting innovative transpor-
19 tation networks to minimize adverse im-
20 pacts on adjacent communities;

21 (B) projects that—

22 (i) collocate with, or supply, commu-
23 nity fish markets or community-based sea-
24 food distributors, such as local farmers'
25 markets;

1 (ii)(I) would retrofit or update exist-
2 ing infrastructure; and

3 (II) are zoned for mixed use, such as
4 a processing plant with an adjacent com-
5 munity fish market; or

6 (iii) include Department of Agri-
7 culture and processor partnerships with
8 schools or organizations that address food
9 security and hunger, including food banks,
10 and establish programs to freeze fish to be
11 routed to communities in need; and

12 (C) community-based businesses and orga-
13 nizations with expertise in working with eligible
14 communities.

15 (4) EVALUATION CRITERIA.—In making grants
16 or entering into cooperative agreements under para-
17 graph (1), the Secretary shall evaluate, with respect
18 to applications for the grants or cooperative agree-
19 ments—

20 (A) relevancy;

21 (B) technical merit;

22 (C) achievability, expertise, and track
23 record; and

24 (D) equity and environmental justice im-
25 pacts.

1 (5) REQUIREMENTS.—A grant or cooperative
2 agreement under paragraph (1) shall be for an
3 amount and term determined appropriate by the
4 Secretary.

5 (6) INTERAGENCY FUNDING.—Any Federal
6 agency may participate in any grant or cooperative
7 agreement under paragraph (1) by contributing
8 funds, if the contributing agency determines that the
9 objectives of the grant or cooperative agreement will
10 advance the authorized programs of the contributing
11 agency.

12 (7) LIMITATION ON INDIRECT COSTS.—A recipi-
13 ent of a grant or a party to a cooperative agreement
14 under paragraph (1) may not use more than 10 per-
15 cent of the funds received for the indirect costs of
16 carrying out the grant or cooperative agreement.

17 (d) EVALUATION OF ACTION PLAN, GRANTS, AND
18 COOPERATIVE AGREEMENTS.—Not later than 1 year after
19 the date of enactment of this Act, the Secretary, in con-
20 sultation with the Secretary of Commerce, shall submit to
21 Congress a report evaluating the effectiveness of the ac-
22 tion plan developed under subsection (b) and the grants
23 and cooperative agreements made or entered into under
24 subsection (c), including—

1 (1) an assessment of social and economic bene-
2 fits resulting from projects carried out using those
3 grants and cooperative agreements; and

4 (2) recommendations—

5 (A) to improve the effectiveness of the ac-
6 tion plan and the grants and cooperative agree-
7 ments; and

8 (B) to expand projects carried out using
9 the grants and cooperative agreements to addi-
10 tional communities.

11 (e) PROHIBITION ON OFFSHORE AQUACULTURE.—

12 (1) IN GENERAL.—Beginning on the date of the
13 enactment of this Act—

14 (A) notwithstanding any other provision of
15 law, the head of a Federal agency may not per-
16 mit, authorize, or otherwise facilitate offshore
17 aquaculture; and

18 (B) the Administrator of the National Oce-
19 anic and Atmospheric Administration may not
20 award to any person a grant or other financial
21 assistance for the purpose of carrying out or
22 otherwise facilitating offshore aquaculture, ex-
23 cept in accordance with a law authorizing such
24 action that is enacted after the date of the en-
25 actment of this Act.

1 (2) EXECUTIVE ORDER 13921.—Section 6 of Ex-
2 ecutive Order 13921 (85 Fed. Reg. 28471; relating
3 to promoting American seafood competitiveness and
4 economic growth) shall have no force or effect.

5 (f) FUNDING.—

6 (1) AUTHORIZATION OF APPROPRIATIONS.—

7 There is authorized to be appropriated to carry out
8 this section \$45,000,000 for each of fiscal years
9 2025 and 2026.

10 (2) RESERVATION OF FUNDS.—Of the amounts
11 made available under paragraph (1)—

12 (A) \$200,000 shall be used to carry out
13 subsection (b) during fiscal year 2025, to be di-
14 vided equally between the Secretary and the
15 Secretary of Commerce;

16 (B) \$200,000 shall be used to carry out
17 subsection (d) during fiscal year 2026; and

18 (C) the remaining amounts shall be used,
19 subject to paragraphs (3) and (4)—

20 (i) to carry out subsection (e); or

21 (ii) for expenses relating to the ad-
22 ministration of this section.

23 (3) ADMINISTRATIVE EXPENSES.—Not more
24 than 5 percent of the amounts made available to
25 carry out this section for a fiscal year may be used

1 for expenses relating to the administration of this
2 section.