

Overview

In the face of increasingly complex policy challenges and federal funding gaps, states and localities are left to act without reliable funding or sustained federal support. This sense of uncertainty, compounded by increased pressures from <u>climate change</u>, <u>rapid coastal development and gentrification on waterfronts</u>, and <u>shifting global markets</u> introduces many challenges for states. Yet, investing in the Blue Economy at the state or regional level provides the opportunity for states to drive sustainable economic development while preserving critical marine and coastal ecosystems.



What is the Blue Economy?

At its core, the <u>Blue Economy</u> refers to the "<u>business sectors</u> that rely on the sustainable use of ocean resources for economic health, improved livelihoods, jobs or ecosystem health." It encompasses a wide range of economic activities that depend on the ocean and coastal resources, including traditional sectors such as commercial fishing and maritime transport, as well as emerging industries like offshore wind, aquaculture, and marine biotechnology. What distinguishes the Blue Economy is its emphasis on <u>sustainability</u> — supporting economic growth while protecting the long-term health of ocean and coastal ecosystems.

Working waterfronts are a vital part of this equation. These are the physical spaces that support water-dependent industries — ports, shipyards, seafood processing, ferry terminals, and public and private access points. They are not only essential for the functioning of Blue Economy sectors but also face increasing threats from coastal development, environmental degradation, and rising property values.

State Policy Options

Recognizing both the economic potential and the challenges ahead, a growing number of states are taking proactive steps to <u>promote</u> and <u>protect</u> their Blue Economies. These efforts include statewide ocean and coastal strategies, funding for resilient infrastructure, support for workforce development, and incentives for sustainable innovation.

Currently, only two states have defined the Blue Economy in statute: <u>Maine</u> and <u>Florida</u>. Maine is focused on protecting access to the <u>working waterfront</u>, <u>expanding aquaculture</u>, and researching floating <u>offshore wind</u> in the Gulf of Maine, while <u>Florida</u> is focused on coastal tourism, coastal resilience, and outdoor recreation.

- Maine S.P. 523 (Enacted 2023): Convenes a Blue Economy Task Force within the Department of Economic and Community
 Development to identify sectors within the State's Blue Economy that have a specific economic development plan, identify current
 and future opportunities for the sectors, and recommend a state-level strategy or action plan to grow the Blue Economy.
- Florida CS/HB 1285 (Enacted 2024): Establishes the Office of Ocean Economy within the State University System. The Office is focused on research and development, technological innovation, emerging industries, workforce training, and education to stimulate the ocean economy. The Office will also collaborate with relevant industries to identify economic challenges that may be solved through ocean economy innovations, as well as develop a pipeline for ocean economy strategies to be created, developed, and financed.



Regional Partnership Models

In addition to legislation, **regional partnerships** can serve as a strategic governance tool for states to align goals, pool resources, and implement innovative policy solutions for protecting working waterfronts, promoting climate and coastal infrastructure resilience, and developing innovative new ways to invest in our nation's growing Blue Economy.

States may leverage existing regional partnerships to collaboratively develop roadmaps and pool resources to invest in blue economy industries and protect large swaths of working waterfronts.

- New England states already collaborate through entities like the <u>Northeast Regional Ocean Council (NROC)</u> and the <u>Northeast Sea Grant Consortium</u>, which support integrated ocean planning, aquaculture best practices, and data sharing.
- The <u>Gulf of America Alliance</u>, which is a state-led regional partnership that brings together all five Gulf states alongside federal agencies, universities, and nonprofits, facilitates coordination on issues like coastal resilience, water quality, habitat restoration, fisheries management, and tourism promotion, ensuring that scientific data and policy approaches are aligned across jurisdictions.

Regional Policy Recommendations

- Establish regional **Blue Economy Compacts** to coordinate climate adaptation, aquaculture standards, permitting processes, and investment into offshore wind, working waterfront protection, and port infrastructure investment among coastal communities. This can help ensure consistent permitting and shared emergency response resources across regions.
- Develop Blue Economy Banks or Working Waterfront Resilience Funds where states pool resources to invest in blue economy
 industries and to protect working waterfronts. These monies will help states ensure existing working waterfront infrastructures are
 resilient in the face of increasingly powerful storms, along with creating pools of investment for building out or developing new
 working waterfronts.

Learn More

To learn more, visit NCEL's <u>Blue Economy webpage</u> or contact NCEL Ocean Program Manager, Alissa Weinman at <u>alissa@ncelenviro.org</u>.

