

North Carolina CARES Act II Fisheries Relief Program

Frequently Asked Questions

1. Who is eligible to receive funds?

This program is open to commercial fishermen (including shellfish license holders) and marine aquaculture operations, seafood processors and dealers, and for-hire fishing operators. Applicants must demonstrate sustained reduction in revenue greater than thirty-five percent (35%) due directly to COVID-19 during the period between March 1 and December 31, 2020, as compared to the average revenue for that same period of March 1 – December 31 for the five preceding years of 2015-2019. Applicants must be a resident of the State of North Carolina and 18 years or older in order to be eligible. Bait and tackle shop owners, gear and vessel suppliers, employees, crew members, and those who are assigned any individual fishing licenses, are not eligible to apply for relief.

2. What if I belong to more than one stakeholder group?

In order to assist as many stakeholders as possible, you will only be allowed to apply for relief as a single stakeholder within any one category regardless of whether you qualify under the other two categories. The exception to this rule is if you hold licenses as both an individual and under a business or LLC, you may then be able to apply for multiple categories... one application for each participant ID you hold.

3. What if I have not been in business for five years?

Those in business for less than five years must have held a license during some year prior to 2020 but after 2015 to provide a baseline to determine loss.

4. When will my application be mailed?

Applications were placed in the mail for delivery to potential applicants on August 16, 2021.

5. What if I fall into one of the three stakeholder categories but did not receive an application in the mail?

The application can be found online at [NC DEQ: Economic Relief Programs](#) under CARES Act II. If you are unable to download or print the application, you can request one from covid19relief@ncdenr.gov or call NCDMF staff in Morehead City, NC at (252) 503-3091 or 1-800-682-2632 (toll-free in N.C. only).

6. What does it mean if my letter says I “may be prequalified”?

If the cover letter you received states that you “may be prequalified”, then NCDMF trip ticket data indicate you show greater than 35% revenue loss based on the estimated value of your trip tickets. You have the choice of using the NCDMF trip ticket data or providing your own revenue values with supporting revenue documentation. If you do not provide supporting revenue documentation, NCDMF

trip ticket values will be used. Note that NCDMF trip ticket revenue values are estimates based on statewide average prices and may not reflect your actual revenue.

7. What does it mean if my letter says I “may not be qualified”?

If the letter you received states that you “may not be qualified”, then NCDMF trip ticket data indicate you do not show greater than 35% revenue loss based on the estimated value of your trip tickets. This does not disqualify you from applying. NCDMF trip ticket revenue values are estimates based on statewide average prices and may not reflect your actual revenue, so you can still apply with your own revenue values and supporting revenue documentation. If you do not provide supporting revenue documentation, you will likely be denied.

8. What forms of supporting revenue documentation are accepted?

Accepted supporting revenue documentation includes but is not limited to: personal trip tickets with actual prices; receipts and invoices; accounting software reports (e.g., QuickBooks); calendars with for-hire trip dates and prices; bank statements for business accounts; profit & loss statements.

9. How do I calculate my percentage reduction in revenue?

National Oceanic and Atmospheric Administration (“NOAA”) Fisheries guidance requires you to demonstrate a sustained reduction in revenue greater than thirty-five percent (35%) due directly to COVID-19 during the period between March 1 and December 31, 2020, as compared to your average revenue for that same period of March 1 – December 31 for the five preceding years of 2015-2019. Instructions and an example of how to calculate this reduction are included on Page 2 of the Program Self-Certification and Assurances (Affidavit) included in the application package.

10. When does my application have to be submitted?

Your application and supporting documentation must be delivered in person to the NCDMF Headquarters Office located in Morehead City or postmarked by 5 pm on October 1, 2021. Applications and supporting documentation cannot be submitted to other NCDMF offices. Applications and supporting documentation that are submitted after 5 pm on October 1, 2021 will not be considered. If you are delivering in person and the lobby is closed, you can use the trip ticket drop box by the front door or call the number on the front door upon your arrival.

11. How will I know the status of my application?

After claims have been reviewed and verified and before funds are issued to any eligible stakeholder within the category (at the end of 90-day review and verification time period), NCDMF will notify you of your status for eligibility. Approved applicants will receive an approval letter. For denied applicants, a maximum of two phone calls will be made by NCDMF to inform you of the denial and appeals process. If NCDMF cannot get in contact with you via two telephone calls, NCDMF will send you a certified letter notifying you of the denial and appeals process.

12. How soon will I receive my money?

Checks will be written and mailed as soon as all applications have been processed, reviewed, and appeals have been settled. All checks for each individual stakeholder category will be issued at the same time. Depending on volume, one or two stakeholder groups may be issued checks before another.

13. What if I do not meet the 35% qualification?

You will not be eligible to receive assistance funds. If you feel the NCDMF ruling for your case is inaccurate, you may file an appeal within two weeks of receiving your denial from NCDMF.

14. How do I file an appeal?

If you want to appeal the denial of your application, you must send notification by letter or email stating your appeal of the NCDMF decision and must include any additional documentation to supplement for any missing or inadequate information within two weeks of receiving the notification of denial. The letter and documentation must be postmarked or put in the drop-box outside of the NCDMF Headquarters office within two weeks (14 days) from when you received the notification. NCDMF will review your appeal and make the final determination on eligibility within 30 days of finalizing all applications. Applicants will be contacted and notified of the appeal decision in the same way they were during the application process. NCDMF's appeal determination will be final, and no other appeals can be made.

15. What does it mean to be made "more than whole" in annual revenue?

Applicants are not allowed to be made more than whole through funds received by this program. You can be made "more than whole" if your combined financial assistance received from CARES Act II, CARES Act 1, other programs in the CARES Act (e.g. Payment Protection Plan and Coronavirus Food Assistance Program 2), and your traditional revenue earnings in 2020 exceeds your total average annual revenue from the previous five years, or a minimum of one year if you have been in business for less than five years. You may not be allowed to retain any fisheries relief monies that advance your annual (January to December) 2020 earnings beyond their previous annual (January to December) five-year average.

16. What if I do not have copies of my landings or shellfish production records?

If you are a commercial fisherman, seafood dealer, or shellfish lease holder and you do not have your own records of your landings or your shellfish production, you can agree to use NCDMF's records on file. NCDMF will be able to generate reports from the trip ticket landings database and/or the shellfish lease production database. For revenue, NCDMF ex-vessel value (price paid to fishermen by the dealer) will be used, so if you are applying for one of these categories, you must provide your own records.

17. If I live in one state but have operations in another, in which state should I apply?

Commercial Fisherman and Shellfish Lease Holders - If you are a resident of a state that received Section 12005 CARES Act funds, you are required to apply in your state of residence regardless of where your commercial operations are located. If you live in a state that did not receive Section 12005 funds, but you have a homeport in a state that did, you may apply in that state.

Seafood Processors – If you are headquartered in another state but have plants located in North Carolina, an application can be filed for the plant located in North Carolina. You will be required to send information on the physical location of the plant in North Carolina along with other documentation demonstrating the types of seafood processing operations at the North Carolina facility. That state's

field staff will verify its location. Relief will only be considered for the specific plant, not the entire company.

For-Hire Operations- If your for-hire operation is actually located in NC but you also charter trips in another state (e.g. your operation is in Brunswick County and you make charter trips off of South Carolina), then you will apply in North Carolina. You will not be eligible for another state's program because your business is not actually physically located in that state. However, if you have two business locations, (i.e. one located in NC and one in SC), then each location would need to apply to its respective state.

18. How will funds be allocated?

Funds will be allocated based on the proportion (percentage) of eligible claimed fishing loss revenue in relation to all eligible commercial fishermen and marine aquaculture operators who qualify within each category. The minimum value of relief distributed to each validated application will be \$50 even if the claim is determined to be less than \$50.

19. Will these funds be taxed?

Yes. Tax information (e.g. 1099 forms) will be issued to anyone who receives relief money from this program. If all relief money is issued in the 2021 calendar year, tax information will be issued during the first quarter of 2022. If any relief money is issued in the 2022 calendar year, the tax information will be issued during the first quarter of 2023.

20. Who do I contact if I have questions?

You may send an email to covid19relief@ncdenr.gov or call NCDMF staff in Morehead City, NC at (252) 503-3091 or 1-800-682-2632 (toll-free in N.C. only).