

## Coronavirus Aid, Relief, and Economic Security (CARES) Act

### North Carolina Application/Spending Plan

1. Applicant Name (Sub-Award) – North Carolina Department of Environmental Quality, Division of Marine Fisheries

2. Introduction

The Coronavirus Aid, Relief, and Economic Security (CARES) Act authorized the U.S. Secretary of Commerce to provide \$300 million for economic assistance to affected fishery participants due to the coronavirus (COVID-19) pandemic. On May 7, 2020, the Secretary of Commerce announced the allocation of \$300 million to states, Tribes, and territories with coastal and marine fishery participants (NOAA Fisheries 2020). Funds for the Atlantic coastal states will be awarded to Atlantic States Marine Fisheries Commission (ASMFC) who will provide sub-awards to the Atlantic coastal states once the National Oceanic and Atmospheric Administration (NOAA) Fisheries approves each individual state's spending plan. North Carolina was notified of eligibility to receive \$5,416,773<sup>1</sup> once the state's spending plan is approved by NOAA Fisheries (ASMFC 2020 and Appendix 1). The methodology in the following detailed spending plan, once reviewed and approved by NOAA, may be used for any future funds appropriated by Congress for the same purpose.

Eligible fishery participants include fishery-related businesses who have incurred, as a direct or indirect result of the COVID-19 pandemic, economic revenue losses greater than 35 percent as compared to the prior 5-year average revenue (2015-2019). The only fishery-related businesses eligible to participate include North Carolina resident commercial fishermen, seafood dealers, seafood processors (includes those with plants physically located in North Carolina but have headquarters in another state), for-hire fishing businesses, and privately owned marine aquaculture businesses growing products in state or federal marine waters of the United States (i.e., shellfish leases, hatcheries, nurseries). All other fishery related business such as, but not limited to, bait and tackle, gear and vessel suppliers, crew members, employees who are assigned a Standard Commercial Fishing License, and tackle manufacturers are not eligible to participate.

The North Carolina fishing and seafood industries suffered from the effects of the COVID-19 pandemic. Orders for North Carolina and other states to close restaurants, major food distribution vendors, and other businesses dramatically reduced or eliminated operations in many of the seafood markets and other distribution centers, leading to sharp declines in demand across the supply chain. This reduction or elimination greatly affected commercial fishermen, aquaculture operations, and seafood processors and dealers. Value of the harvested product decreased, and some products were not able to be distributed to a market. Some product had to be destroyed due to the lack of storage

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<sup>1</sup>State allocation has been adjusted to account for administration fees as allowed under the CARES Act. NOAA Fisheries' administrative fees (~0.7%) and ASFMC's administrative fees of (0.1%) are significantly below the CARES Act maximum fee of 2%. These fees will be used to reimburse expenses for the allocation and distribution of the funding.

capacity. Seafood distribution is anchored on the ability to provide fresh product to markets, especially to the restaurant industry. The effects of some of these closures were felt immediately by seafood businesses. Some businesses have been able to find new markets, but the value of the product is still low compared to previous years which has caused financial hardships for these businesses.

The recreational for-hire (charter, headboat, and guideboat) marine fishing industry suffered tremendously from lost revenue. Stay-at-home orders and social distancing made the operation of these businesses difficult. Travel restrictions hindered the ability to book new trips and many pre-booked trips were canceled. The inability to maintain the “6-foot rule” combined with the reduced capacity on vessels significantly diminished the amount of active for-hire businesses. In addition, the public has not participated in for-hire fishing activities as much as previous years for various reasons; some operators or customers belong to the high-risk categories and were more susceptible to contracting the virus if exposed. Reduced revenue or job loss in the for-hire customer base also contributed to the decline in the for-hire fishing industry and has resulted in economic hardships.

The goal of the federal assistance package submitted by North Carolina Division of Marine Fisheries (NCDMF) is to provide financial relief to fishery-related stakeholder groups affected by the COVID-19 pandemic through direct payout. The eligible affected stakeholder categories are commercial fishermen, marine aquaculture operations, seafood processors and dealers, and for-hire fishing operations (Table 1). On May 22, 2020, NOAA Fisheries published the ratio of each stakeholder group’s contribution to funds allocated to North Carolina (NOAA Fisheries 2020; Appendix 2). This ratio was based on NOAA Fisheries’ assessment of readily available annual revenue information. For reference marine aquaculture and commercial fishing are combined as one sector because the amount of assistance is based on revenue and aquaculture revenue is embedded within the commercial landings revenue data (Appendix 3). These ratios will determine how the \$5,416,733 will be allocated for each stakeholder group after NCDMF administrative costs are removed from the total.

Table 1. Ratio of each affected stakeholder’s contribution to funds allocated to North Carolina.

<b>Affected Eligible Stakeholder Category</b>	<b>Ratio Contribution<sup>1</sup></b>	<b>Number of Licensed, Leased, or Permitted Participants or Businesses during March 1 to May 31, 2020<sup>2</sup></b>
Commercial Fishermen and Marine Aquaculture Operations <sup>4</sup>	64.2%	5,644 North Carolina License Holders <sup>3</sup> 230 North Carolina Shellfish Lease Holders <sup>4</sup> 90 North Carolina Aquaculture Operations Permit Holders <sup>5</sup>
Seafood Dealers and Processors	11.8%	653 Dealers  114 Processors <sup>6</sup>
For-Hire Fishing Operations	24.0%	824 licenses

<sup>1</sup>Ratio contribution provided from NOAA Fisheries (Appendix 2).

<sup>2</sup>Generated from NCDMF data. The timeframe and numbers listed are for March-May 2020.

<sup>3</sup>NOAA Fisheries’ calculations were based on homeport; A NC resident without a NC fishing license, but with a NC homeport listed on a federal permit or another state’s commercial fishing license, can qualify because NOAA Fisheries used the resident

homeport when determining the amount of funds to be allocated to each state to eliminate the need for an applicant to apply to multiple agencies.

<sup>4</sup>Includes shellfish leases, hatcheries, and nurseries.

<sup>5</sup>Only includes Aquaculture Operations Permit holders operating in marine waters.

<sup>6</sup>Provided by NC Department of Agriculture and includes primary and secondary receivers that sell seafood and include some who do value-added such a crab cake or dips; also includes those listed in the NC Seafood Directory.

### 3. Approach

NCDMF will administer federal CARES Act fishery relief funds to North Carolina’s affected eligible stakeholders as direct payments after a sub-award is awarded by ASMFC. ASMFC is developing a sub-award template that NCDMF will complete to initiate executing a contract. Once the NCDMF spending plan is approved and ASMFC submits the plan in the Grants Online portal, ASMFC will be able to provide a sub-award to NCDMF. At that point, ASMFC will be invoiced in the amount of \$161,287 for administrative costs. Once all applications for assistance are received, NCDMF will submit an additional invoice in the amount of \$5,255,486 for direct payments to North Carolina’s affected stakeholders. Applicants will be required to submit a Substitute W-9 to be registered in the North Carolina Accounting System in order to create an account to receive payment. NCDMF will collect this documentation from all applicants and will provide it to the NC Department of Environmental Quality (DEQ) Financial Services Division. The Financial Services Division will be responsible for working with the State Controller’s office to load applicants into the North Carolina Accounting System. After eligibility requirements and allocations have been determined by NCDMF, NCDMF will compile the amount of funds and applicant information and submit a password protected secure spreadsheet to the DEQ Financial Services Division who will disburse (i.e., cut and mail a check) the funds to the applicants through the state’s financial system. The designated funds per stakeholder category are based on the NOAA Fisheries ratio of contribution (NOAA Fisheries 2020; Appendix 2).

A total of \$5,416,773 in CARES Act funds has been designated to North Carolina. NCDMF Administrative fees totaling \$161,287 result in a final allotment of \$5,255,486 to provide direct assistance to stakeholders (Table 2). Direct assistance will be provided to North Carolina residents falling into one of the following three categories: 1) commercial fishermen and marine aquaculture operations 2) seafood processors and dealers, and 3) the for-hire fishing industry.

Table 2. Allocation of funds per affected stakeholder category based on stakeholder’s ratio of contribution.

<b>Affected Eligible Stakeholder Category</b>	<b>Ratio in Percent<sup>1</sup></b>	<b>Allocation of Funds</b>
Commercial Fishermen and Marine Aquaculture Operations	64.2%	\$3,374,022
Seafood Dealers and Processors	11.8%	\$620,147
For-Hire Fishing Operations	24.0%	\$1,261,317
<b>Total</b>	<b>100%</b>	<b>\$5,255,486</b>

<sup>1</sup>Ratio contribution provided from NOAA Fisheries 2020 (Appendix 2).

North Carolina has one federally recognized Tribe and several state-recognized Tribes (see Figure 1). In North Carolina, there are no fishery-specific allocations. NCDMF is unaware of any tribal subsistence or ceremonial fisheries that take place outside of the state’s current fishery management system in coastal fishing waters. North Carolina does have a Subsistence Coastal Recreational Fishing License (CRFL) waiver that is issued at no cost by the county Department of Social Services to any North Carolina resident who qualifies. The holder of the license can harvest marine and estuarine fish and must comply to recreational season, size, and creel limits. Issuance of this fishing waiver was not restricted or constrained by the COVID-19 pandemic or by any state regulation or executive order in response to the COVID-19 pandemic. All other eligible persons or entities, including tribal members can obtain licenses to participate in North Carolina’s fishing industries. Tribal businesses and tribal members that possess valid licenses and meet all other eligible criteria, including a greater than a 35% reduction in revenue compared to 2015-2019, are eligible to apply for economic assistance in any of the affected stakeholder categories they participated in as outlined in this plan. Just as the general population is instructed in this proposal, the tribal businesses and tribal members are limited to applying for assistance from one of the five groups within the three eligible stakeholder categories.

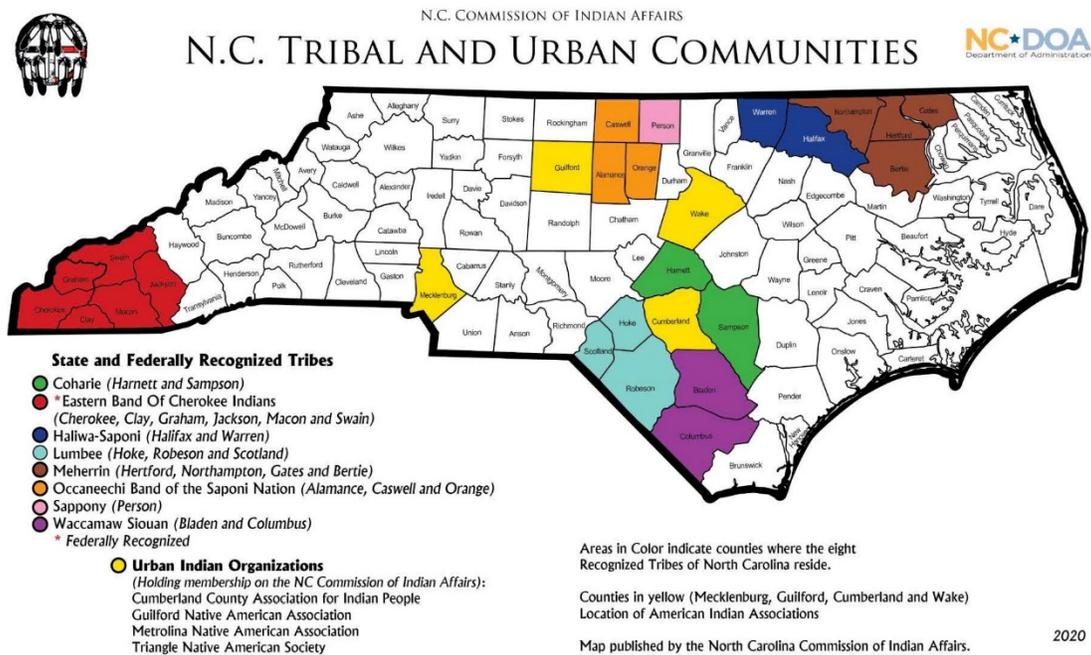


Figure 1. Map of North Carolina Tribal Communities (credit: NC Department of Administration).

### Stakeholder Input

Prior to this spending plan submission, NCDMF received stakeholder input on the plan in June 2020. Due to the current COVID-19 State of Emergency at both state and federal levels, NCDMF was unable to hold in-person public meetings but did seek public comment via internet online forms. The draft plan

outlining the federal requirements and the amount of funds available to North Carolina was posted on NCDMF's website. NCDMF received 16 comments (Appendix 4). Stakeholders supported direct payment.

Some commenters expressed concern about not having five years of activity to demonstrate the required greater than 35% average five-year revenue loss. Shellfish aquaculture stakeholders are concerned they may not meet the average five-year requirement because of being a new industry that requires significant financial investment such as purchasing seed and time for the product to grow to a marketable size. The issue of being new to an industry within the past five years has also been a discussion during updates with ASMFC who has discussed this concern with NOAA Fisheries. NOAA Fisheries has indicated that states will be provided flexibility to determine if some business operations should still be considered. In addition, some commenters stated that large businesses should not be eligible or that splitting funds to provide a larger portion to smaller businesses should be considered. Shellfish aquaculture stakeholders are concerned about being categorized with the commercial fishermen sector and that they should be compensated for investment of gear, seed, and other expenses. These comments were considered during development of the spending plan.

## **Process**

Once approved by NOAA Fisheries and a sub-award is established between ASMFC and NCDMF, implementation of the spending plan will be initiated (see *Milestone Schedule* section for timeline). NCDMF will develop and mail a cover letter, application, self-certifying affidavit, and Substitute W-9 to all North Carolina eligible license holders (i.e., licensed commercial fishermen, licensed fish dealers, licensed for-hire individuals, and shellfish lease holders) as identified in the *Distribution of Funds* section of this plan. For eligible stakeholders who are not licensed by NCDMF (i.e., processors and residents who hold licenses/permits from other states), NCDMF will issue news releases and work with trade organizations, such as the North Carolina Fisheries Association and NC Coastal Conservation Association, to communicate how these stakeholders can apply.

The cover letter, application, self-certifying affidavit, and Substitute W-9 will be available on the NCDMF website for anyone to access and download, along with contact information that a prospective applicant can call or email concerning eligibility or any other CARES Act program questions. The application process will be a paper, mail-based system. The applicant completes the application that is either received through mail or downloaded from the NCDMF website and mails the application and all supporting documentation to NCDMF for processing. NCDMF explored online submission options but was unable to confirm that the NCDMF online infrastructure could adequately manage the personal identifying information (i.e., tax identification numbers, tax documents, and social security numbers) required for each applicant. Therefore, NCDMF has omitted an online option for this application process.

The application process will be open for 30 days (see *Milestone Schedule*). The process will require applicants to complete the application, affidavit, and provide supporting materials that document loss of revenue greater than 35% from March 1 – May 31, 2020 compared to the average of the previous five-year period, 2015-2019 (see *Distribution of Funds* for specific information for each eligible stakeholder category). During the application process applicants will affirm that the combination of financial assistance from Section 12005, other programs in the CARES Act (e.g., Payment Protection Program), and their traditional revenue stream will not exceed in 2020 an

individual's total average annual revenue from the previous five years, or a minimum of one year for those in business less than five years, thus making them "more than whole" as a result of this relief process.

Information received by NCDMF will be entered into a database that meets all confidentiality and security regulations. Information will include name, license number (if any), contact information, tax identification number, stakeholder category, amount of claim, and links or file name codes that house supporting documentation (supporting documentation may be uploaded and linked to the database or it may be housed in a separate file with a unique identification code).

NCDMF will review applications to determine the validity of the claim. In addition to the affidavit for self-certification, validation will include:

- Ensure the application is complete. This includes confirming all required information on the application is complete, the affidavit for self-certification and affirmation is complete and signed, the Substitute W-9 and tax information is received, and required supporting documentation is received.
- Verification that the applicant is 18 years or older and a resident of North Carolina through the NCDMF license database. NCDMF will be able to validate through current information housed in the license database. Additional documents are not needed for age and residency because this information was already collected and verified at the time of license or lease issuance. If additional data are needed to verify residency for those who may not be in the database, a copy of a North Carolina issued driver's license or state identity card issued by the NC Department of Motor Vehicles and valid North Carolina business papers (incorporation, limited liability, etc.) filed with the NC Secretary of State will be required. NCDMF has online access to verify information with the Secretary of State. Processors with plants in North Carolina but headquartered in another state are eligible and will be required to send information on the physical location of the plant located in North Carolina. NCDMF field staff will verify the location is in North Carolina.
- Verify the applicant held the license, permit, or lease listed on the application and that the license, permit, or lease was active, not expired, and was not suspended or revoked during March-May 2020 and the last five years, 2015-2019, except for those who were in business less than five years; a one-year minimum is still required. NCDMF will validate this information against NCDMF's license and lease databases. For applicants who claim eligibility but did not hold a North Carolina issued license, but held a federal permit or license issued from another state, NCDMF will require the applicant to submit a copy of all the licenses and permits held during 2020 and the prior five years as verification. NCDMF will contact the appropriate NOAA Fisheries agency or state for additional verification (yes or no – no additional data sharing) that the applicant did hold the claimed license or permit.
- For the majority of claims (commercial fishermen, aquaculture, fish dealers), NCDMF will be able to generate reports from the trip ticket landings database and/or the shellfish lease production database to determine loss of harvest (landings and production) and if the data supports a greater than 35% loss of revenue. The information will be used to verify applicant's activity (same activity, increase in activity, or loss of activity). For revenue, NCDMF ex-vessel value (price paid to fishermen) will be used and 2019 data will serve as a proxy for 2020. This amount of revenue may not be the same as what an applicant claims but will be used to determine if activity supports the claim of lost revenue is valid. The process of validation may take up to 90 days after the close of the application deadline (see *Milestone Schedule*).

- For claims that NCDMF data cannot verify through in-house databases, such as the for-hire industry, seafood processors, and resident commercial fishermen who are not licensed and do not land in North Carolina, the applicant will provide additional supporting documentation with their self-certifying affidavit as outlined for each stakeholder category in the *Distribution of Funds* section. NCDMF, to the best of our ability, will verify documentation that is submitted. The intent is that the documentation will be supported on the tax forms of revenue submitted by the applicant.

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 all applicants on their status for eligibility. The intent is to resolve potential discrepancies or claim disputes (i.e., appealing the NCDMF determination) from applicants before any funds are issued so that all checks can be issued at the same time, thus exhausting all funds per the stakeholder category. NCDMF will call every applicant to let them know whether they have been approved or denied. For denials, a maximum of two phone calls will be made by NCDMF to the applicant to inform the applicant they were denied. If NCDMF cannot get in contact with the person via two telephone calls to inform the applicant of the denial and appeals process, NCDMF will send a certified letter to the applicant notifying them of denial and appeals process. NCDMF will maintain records of the date, method, and status of each contact attempt for consistency and quality control. If the denied applicant wants to appeal, they must file a letter stating their appeal of the DMF decision and must include any additional documentation as outlined in the *Distribution of Funds* section to supplement for any missing or inadequate information within two weeks of receiving the phone call or within two weeks of signing for the certified letter. The letter and documentation must be either emailed, postmarked, or put in the Drop-box outside of the NCDMF Headquarters office by the end of the two-week deadline. If NCDMF cannot make contact with the applicant with the two telephone call attempts and the applicant does not respond to the certified letter two weeks after the certified letter was mailed, even if not signed, then the applicant will be permanently denied and not allowed to appeal the NCDMF decision.

NCDMF will review all appeals and make the final determination on eligibility within 90 days of receiving the appeal. NCDMF will notify all applicants, who filed an appeal with the results of the final disposition of the appeal. Notification of the final disposition of the appeal will be a phone call followed-up by a letter. NCDMF's appeal determination will be final, and no other appeals can be made by applicants. After all appeals are settled, NCDMF will determine the amount of funds for each eligible applicant. 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 the category. As outlined in the previous *Approach* section, funds will be distributed by the state of North Carolina.

### **Distribution of Funds**

The scope of this project will cover only North Carolina residents who are 18 years or older. Eligible fishery participants include fishery-related businesses who have incurred, as a direct or indirect result of the COVID-19 pandemic, economic revenue losses greater than 35 percent as compared to the prior five-year average revenue (2015-2019) as stated in the CARES Act. Applicants that have not been in business during the entire 2015-2019 five-year period but have been in operation for a minimum of one

year before or up to March 1, 2020 and can demonstrate a greater than 35% revenue loss for shorter average time period, will be eligible to apply. Applicants will be allowed to apply for funds under one of the following categories only and cannot apply for multiple categories. The minimum value of relief distributed to each validated application will be \$50 even if the claim is determined to be less than \$50. No eligible applicant will be compensated more than 100% of the five-year average (2015-2019) or average of the years used for determine greater than 35% revenue loss for those who were not in business during the entire five-year time period, but were in business at least one year prior to March 1, 2020.

#### *Commercial Fishermen and Marine Aquaculture Operations- \$3,374,022*

NCDMF had 5,644 licensed resident fishermen during March-May 2020<sup>2</sup>. This included Standard Commercial Fishing License, Retired Standard Commercial Fishing License, and Shellfish License holders. A single participant may hold several licenses. A North Carolina resident without a North Carolina fishing license, but with a North Carolina homeport listed on a federal permit or another state's commercial fishing license, may qualify for this program because NOAA Fisheries considered the resident homeport when determining the amount of funds to be allocated to each state. Resident homeport was considered to eliminate the need for an applicant to apply to multiple state agencies. It is unknown how many resident fishermen list North Carolina as their homeport on a federal fishing permit or on another state's commercial fishing license, but do not possess a North Carolina commercial fishing license. It is assumed this number is very small, although some of the fisheries these fishermen participate in may be of high value, such as the sea scallop or summer flounder fisheries. These fishermen will be eligible but will be required to submit a copy of all the licenses and permits issued by NOAA Fisheries or other states held during March – May 2020 and the prior five years as verification.

North Carolina had 230 shellfish lease holders who grow oysters and clams, including hatcheries and nurseries and 90 permitted aquaculture operations in marine waters during March-May 2020<sup>2</sup>. These shellfish leases comprise North Carolina's marine aquaculture industry located in marine waters. When sit-in restaurants, major fresh markets, and other businesses were ordered to close, demand in North Carolina's shellfish market plummeted. Some marine aquaculture operations had already harvested product that could not be sold, while others were unable to move product to traditional markets, resulting in no harvest or sales of product at much lower margins than usual.

Shellfish are one of the more valuable products sold in North Carolina. To sell product harvested from leases, the product must be sold by a North Carolina licensed fisherman through a North Carolina licensed fish dealer. The transaction is recorded on a trip ticket along with all other harvested seafood landed in North Carolina; trip tickets can be verified. Some hatcheries are not required to sell through a dealer; thus, no trip tickets are required for these transactions. These businesses will be required to provide additional documentation, included below, on loss of revenue during this time period.

An application, including an affidavit for self-certification (see draft example in Appendix 5), will be developed, allowing all North Carolina resident fishermen and marine aquaculture operations that claim a greater than 35% reduction in revenue due to COVID-19 to apply for potential financial assistance. Crew members, employees and those who are assigned a Standard Commercial Fishing License are not

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<sup>2</sup> The timeframe and numbers listed are for March-May 2020.

eligible to apply for assistance. Applicants must provide documentation of a sustained revenue loss of greater than 35% due to COVID-19 from March 1, 2020 through May 31, 2020 compared to an average of the same time period from 2015 to 2019.

The application process will be open for 30 days. The process will require applicants to provide supporting materials that document loss of revenue for March 1 – May 31, 2020 and documents for comparison of the previous five-year period, 2015-2019. Documentation required with the application and self-certification affidavit includes:

- Proof of state (North Carolina and/or other state) commercial fishing licenses or permits.
- If no state commercial fishing licenses or permits, must provide proof of federal permits held.
- Shellfish lease holders must submit lease numbers.
- Tax documents such as W-2, 1099, 1040 tax return, including Schedule C, or other state and federally recognized tax documentation showing profit/loss from business.
- Sales records such as, but not limited to, receipts, book-keeping ledgers (paper or electronic), trip tickets and shellfish production reports. All North Carolina licensed fishermen and lease holders will be verified through the NCDMF trip ticket database or the lease production database, respectively; applicants will be notified that trip tickets and shellfish lease production reports already on file with NCDMF will be used to satisfy this documentation requirement.
- Other supporting documentation such as payment records, notarized statements from buyers, shellfish lease production reports, federal vessel trip reports or others will be accepted if the documentation substantiates the applicants claim of lost revenue.

The affidavit will require additional legal acknowledgements and self-certifications with penalties outlined for false information. Applicants will be notified that assistance will be subject to state and federal tax requirements and that state and federal auditors are expected to audit records of those who receive funds. In addition, applicants will be informed that NCDMF's determination of eligibility and the amount of funds to be disbursed to the eligible applicant will be final.

The North Carolina Trip Ticket Program (NCTTP) is mandated through North Carolina law and requires all licensed fishermen selling their fish to go through a North Carolina licensed fish dealer. The fish dealer completes a trip ticket for each trip. These trip tickets are submitted to NCDMF monthly. Data collected on trip tickets include species landed by market grade and condition (e.g., whole, gutted, carcass), gear type used, waterbody where the commercial fishing occurred, license information for the fish dealer, commercial fishermen information, commercial fishing vessel, the state and landing date of the trip, crew size, and the quantity landed for each species. Shellfish lease holders are required to meet annual production requirements in order to maintain a lease from the state. In addition to recording transactions on trip tickets, these production data are reported to the Shellfish Lease Program. Data from the North Carolina license, permit, and shellfish lease databases and NCTTP or reports from the Shellfish Lease Program, will be used to validate any claimed losses from licensed fishermen and shellfish lease holders as described in the *Process* section.

Received applications, self-certifying affidavit, and supporting documentation will be reviewed and verified by NCDMF as described in the *Process* section. NCDMF will deem applicants as eligible or not eligible, including confirmation that the applicant met the greater than 35% commercial fishing revenue reduction during March 1, 2020 through May 31, 2020.

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 all applicants on their status for eligibility. The intent is to resolve potential discrepancies or claim disputes (i.e., appealing the NCDMF determination) from applicants before any funds are issued so that all checks can be issued at the same time, thus exhausting all funds per the stakeholder category. NCDMF will call every applicant to let them know whether they have been approved or denied. For denials, a maximum of two phone calls will be made by NCDMF to the applicant to inform the applicant they were denied. If NCDMF cannot get in contact with the person via two telephone calls to inform the applicant of the denial and appeals process, NCDMF will send a certified letter to the applicant notifying them of denial and appeals process. NCDMF will maintain records of the date, method, and status of each contact attempt for consistency and quality control. If the denied applicant wants to appeal, they must file a letter stating their appeal of the DMF decision and must include any additional documentation as outlined in the *Distribution of Funds* section to supplement for any missing or inadequate information within two weeks of receiving the phone call or within two weeks of signing for the certified letter. The letter and documentation must be either emailed, postmarked, or put in the Drop-box outside of the NCDMF Headquarters office by the end of the two-week deadline. If NCDMF cannot make contact with the applicant with the two telephone call attempts and the applicant does not respond to the certified letter two weeks after the certified letter was mailed, even if not signed, then the applicant will be permanently denied and not allowed to appeal the NCDMF decision.

NCDMF will review all appeals and make the final determination on eligibility within 90 days of receiving the appeal. NCDMF will notify all applicants, who filed an appeal with the results of the final disposition of the appeal. Notification of the final disposition of the appeal will be a phone call followed-up by a letter. NCDMF's appeal determination will be final, and no other appeals can be made by applicants. After all appeals are settled, NCDMF will determine the amount of funds for each eligible applicant. 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 the category.

#### *Seafood Dealers and Processors - \$620,147*

NCDMF had 653 licensed fish dealers during March-May 2020<sup>3</sup>. The number of processors and wholesalers/distributors in North Carolina is difficult to verify because not all are required to be licensed. According to the NC Seafood Directory (processors are not required to register), there are an estimated 38 seafood processors and 98 wholesalers and distributors in North Carolina, but most of these businesses overlap (NCDA&CS 2020). The NC Department of Agriculture also estimates 114 primary and secondary receivers that sell seafood and include some who do value-added seafood such as crab cakes or dips (this number includes the estimated 38 processors listed in the NC Seafood Directory).

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<sup>3</sup> The timeframe and numbers listed are for March-May 2020. NCDMF Fish Dealer Licenses are synonymous with seafood dealers.

Many of the seafood processors, wholesalers, and distributors own a North Carolina Fish Dealer License, even though it is not required, so all of these operations will be included with the licensed seafood dealers during the distribution of financial assistance.

Seafood dealers who buy their product from other licensed seafood dealers are not required to be licensed by NCDMF and are not required to complete trip tickets. Processors, wholesalers, and distributors who purchase from licensed fish dealers are critical infrastructure to the seafood supply chain. They provide outlets to larger markets, provide value-added processing, and provide employment to local residents, as well as an important tax base at the local, state, and national levels. These businesses also incurred job losses and lost revenue due to COVID-19. Providing assistance will allow these businesses to reinvest in their operations and help employees offset economic losses.

An application, including an affidavit for self-certification (see draft example in Appendix 5), will be developed, allowing all North Carolina resident seafood dealers and processors claiming greater than a 35% reduction in revenue due to COVID-19 to apply for potential assistance. Employees are not eligible to apply for assistance. Applicants must provide documentation of a greater than 35% loss in revenue due to COVID-19 from March 1, 2020 through May 31, 2020 compared to an average of the same time period from 2015 to 2019.

The application process will be open for 30 days. The process will require applicants to provide supporting materials that document loss of revenue for March 1 – May 31, 2020 and documents for comparison of the previous five-year period, 2015-2019. Documentation required with the application and self-certification affidavit includes:

- Proof of NCDMF issued Fish Dealer licenses.
- For processors, including business with headquarters located outside of North Carolina, that have physical locations within North Carolina that do not have a NCDMF Fish Dealer License, any other business permits or licenses issued by local and municipal government agencies that may have been issued to the applicant that shows the physical location of the processor in North Carolina.
- For processors, including business with headquarters located outside of North Carolina, that have physical locations within North Carolina that do not have a NCDMF Fish Dealer License, any corporation, limited liability, registered 'doing business as' or other legal documentation demonstrating the type of business of a plant physically located in North Carolina, if applicable.
- Tax documents such as W-2, 1099, 1040 tax return, including Schedule C, or other state and federally recognized tax documentation showing profit/loss from business.
- Sales records such as, but not limited to, receipts, book-keeping ledgers (paper or electronic), or trip tickets.
- Other supporting documentation such as payment records, payroll files, notarized statements from buyers, or others will be accepted if the documentation substantiates the applicants claim of lost revenue.

The affidavit will require additional legal acknowledgements and self-certifications with penalties outlined for false information. Applicants will be notified that assistance will be subject to state and federal tax requirements and that state and federal auditors are expected to audit records of those who receive funds. In addition, applicants will be informed that NCDMF's determination of eligibility and amount of funds to be disbursed to the eligible applicant will be final.

Data from the North Carolina license and permit database will be used to validate that the applicant held a valid NCDMF Fish Dealer License for all or part of the period from March 1 through May 31, 2020 and during all or part of the previous five years. The *Commercial Fishermen and Marine Aquaculture Operations* section describes how fishermen and dealers provide landings data on trip tickets. Seafood dealers complete a trip ticket for each transaction with a licensed fisherman and these data are housed within the NCTTP database. Data from the NCTTP database, as described in the *Process* section, will be used to validate any claimed losses from licensed seafood dealers.

Data from the North Carolina license and permit database and NCTTP database, as described above under *Process* and *Commercial Fishermen and Marine Aquaculture Operations* sections, will be used to validate if the applicant held a NCDMF Fish Dealer License and to verify any claimed losses. NCDMF will determine if the applicant is a valid processor by reviewing the required supporting documents, as listed above, that were submitted with the application showing the location and type of business being conducted in North Carolina. NCDMF will also verify the applicant is a seafood processor through the NC Seafood Directory or other NC Department of Agriculture data by determining the type of processing activities listed for the business in the directory (i.e., seafood processing), although not all processors may be listed. Additional verification will be provided by personal knowledge of NCDMF's Marine Patrol and Shellfish Sanitation and Recreational Water Quality Section's Inspection Program who often inspect processors. If there is supporting documentation provided that supports the applicant's claim of identifying as a processor and no known knowledge of the business as a seafood processor exists, then NCDMF may conduct an unannounced field inspection. The applicant's submitted application, self-certifying affidavit, and supplied required documentation demonstrating a greater than 35% revenue loss, will be reviewed by NCDMF. NCDMF does not have records on activity from processors, so NCDMF will have to rely on the business documentation and the self-certifying affidavit submitted by the applicant to prove a loss greater than 35%. NCDMF will deem applicants as eligible or not eligible, including confirmation that the applicant met the greater than 35% commercial fishing revenue reduction during March 1, 2020 through May 31, 2020.

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 all applicants on their status for eligibility. The intent is to resolve potential discrepancies or claim disputes (i.e., appealing the NCDMF determination) from applicants before any funds are issued so that all checks can be issued at the same time, thus exhausting all funds per the stakeholder category. NCDMF will call every applicant to let them know whether they have been approved or denied. For denials, a maximum of two phone calls will be made by NCDMF to the applicant to inform the applicant they were denied. If NCDMF cannot get in contact with the person via two telephone calls to inform the applicant of the denial and appeals process, NCDMF will send a certified letter to the applicant notifying them of denial and appeals process. NCDMF will maintain records of the date, method, and status of each contact attempt for consistency and quality control. If the denied applicant wants to appeal, they must file a letter stating their appeal of the DMF decision and must include any additional documentation as outlined in the *Distribution of Funds* section to supplement for any missing or inadequate information within two weeks of receiving the phone call or within two weeks of signing for the certified letter. The letter and documentation must be either emailed, postmarked, or put in the Drop-box outside of the NCDMF Headquarters office by the end of the two-week deadline. If NCDMF cannot make contact with

the applicant with the two telephone call attempts and the applicant does not respond to the certified letter two weeks after the certified letter was mailed, even if not signed, then the applicant will be permanently denied and not allowed to appeal the NCDMF decision.

NCDMF will review all appeals and make the final determination on eligibility within 90 days of receiving the appeal. NCDMF will notify all applicants, who filed an appeal with the results of the final disposition of the appeal. Notification of the final disposition of the appeal will be a phone call followed-up by a letter. NCDMF's appeal determination will be final, and no other appeals can be made by applicants. After all appeals are settled, NCDMF will determine the amount of funds for each eligible applicant. Funds will be allocated based on the proportion (percentage) of eligible claimed fishing loss revenue in relation to all eligible seafood dealers and processors who qualify within the category.

*For-Hire Operations - \$1,261,317*

North Carolina had 824 for-hire licenses issued during March-May 2020<sup>2</sup>. There are a range of license options available to fishermen in order to be considered a for-hire operation. Some purchase a Blanket or Non-Blanket For-Hire Vessel License. A U.S. Coast Guard (USCG) operator's license is not required, although all operators of a for-hire vessel must be properly licensed by the USCG. The Blanket For-Hire Vessel License covers the licensing of all recreational anglers aboard the vessel when fishing in coastal waters. The Non-Blanket For-Hire Vessel License does not cover the licensing requirements of recreational anglers, so each angler 16 years or older must hold their own valid NC Coastal Recreational Fishing License (CRFL). Both licenses are available for 6 or fewer passengers or more than 6 passengers.

Alternatively, individuals can purchase a Blanket For-Hire Captain's License. This license allows individuals licensed by the USCG to carry passengers on any vessel licensed in North Carolina as a for-hire vessel. This license can also be used in conjunction with a Commercial Fishing Vessel Registration (CFVR) holding a for-hire endorsement. Only individuals holding a USCG license to carry passengers are eligible to apply. This license also covers the recreational fishing license requirements for all anglers aboard the vessel in coastal waters.

NCDMF does not have a census-level data collection program (i.e., logbook or vessel reports) for these licensed stakeholders. The most up-to-date estimates of for-hire fees can be found through a NOAA study which profiles the Southeast for-hire industry collectively (Souza and Liese 2019). Additionally, validation of trip characteristics from applications can be conducted with estimates from the annual NCDMF For-Hire Telephone Survey. According to these data, the five years prior to the COVID-19 pandemic demonstrated that over half of all for-hire trips occur offshore, while over one-third occur inshore (Table 3).

Table 3. Annual distribution of for-hire fishing trips by geographic mode using estimates from the annual NCDMF For-Hire Telephone Survey.

Trip Type	2015	2016	2017	2018	2019	5-Year Average
Inland Trips	31%	31%	34%	35%	43%	35%
State Ocean Trips (<=3 miles from shore)	66%	66%	63%	62%	54%	62%

Trip Type	2015	2016	2017	2018	2019	5-Year Average
Offshore Ocean Trips (>3 miles from shore)	4%	3%	3%	3%	3%	3%

An application, including an affidavit for self-certification (see draft example in Appendix 5), will be developed, allowing all North Carolina residents with a North Carolina issued For-Hire License that claim a greater than 35% reduction in revenue due to COVID-19 to apply for potential assistance. Crew members and employees are not eligible to apply for assistance. Applicants must provide documentation of a sustained a greater than 35% loss in revenue due to COVID-19 from March 1, 2020 through May 31, 2020 compared to an average of the same time period from 2015 to 2019.

The application process will be open for 30 days. The process will require applicants to provide supporting materials that document loss of revenue for March 1 – May 31, 2020 and documents for comparison of the previous five-year period, 2015-2019. Documentation required with the application and self-certification affidavit includes:

- Proof of NCDMF issued For-Hire Licenses.
- Tax documents such as W-2, 1099, 1040 tax return, including Schedule C, or other state and federally recognized tax documentation showing profit/loss from business.
- Sales records such as, but not limited to, receipts, book keeping ledgers (paper or electronic), booking services and cancelations (calendar, online systems, etc.), or federal for-hire logbooks.
- Other supporting documentation such as, payment records, or others will be accepted if the documentation substantiates the applicants claim of lost revenue.

The affidavit will require additional legal acknowledgements and self-certifications with penalties outlined for false information. Applicants will be notified that assistance will be subject to state and federal tax requirements and that state and federal auditors are expected to audit records of those who receive funds. In addition, applicants will be informed that NCDMF’s determination of eligibility and amount of funds to be disbursed to the eligible applicant will be final.

Data from the North Carolina license and permit database will be used to validate that the applicant held a valid NCDMF For-Hire License (i.e., Blanket For-Hire Vessel License, Blanket For-Hire Captain’s License, or Non-Blanket For-Hire Vessel License) for all or part of the period from March 1 through May 31, 2020 and during all or part of the previous five years. The applicant’s submitted application, self-certifying affidavit, and supplied required documentation demonstrating a greater than 35% revenue loss, will be reviewed by NCDMF. NCDMF does not have records on activity from for-hire operators, so NCDMF will have to rely on the business documentation and the self-certifying affidavit submitted by the applicant to prove a loss greater than 35%. NCDMF will deem applicants as eligible or not eligible, including confirmation that the applicant met the greater than 35% commercial fishing revenue reduction during March 1, 2020 through May 31, 2020.

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 all applicants on their status for eligibility. The intent is to resolve potential discrepancies or claim disputes

(i.e., appealing the NCDMF determination) from applicants before any funds are issued so that all checks can be issued at the same time, thus exhausting all funds per the stakeholder category. NCDMF will call every applicant to let them know whether they have been approved or denied. For denials, a maximum of two phone calls will be made by NCDMF to the applicant to inform the applicant they were denied. If NCDMF cannot get in contact with the person via two telephone calls to inform the applicant of the denial and appeals process, NCDMF will send a certified letter to the applicant notifying them of denial and appeals process. NCDMF will maintain records of the date, method, and status of each contact attempt for consistency and quality control. If the denied applicant wants to appeal, they must file a letter stating their appeal of the DMF decision and must include any additional documentation as outlined in the *Distribution of Funds* section to supplement for any missing or inadequate information within two weeks of receiving the phone call or within two weeks of signing for the certified letter. The letter and documentation must be either emailed, postmarked, or put in the Drop-box outside of the NCDMF Headquarters office by the end of the two-week deadline. If NCDMF cannot make contact with the applicant with the two telephone call attempts and the applicant does not respond to the certified letter two weeks after the certified letter was mailed, even if not signed, then the applicant will be permanently denied and not allowed to appeal the NCDMF decision.

NCDMF will review all appeals and make the final determination on eligibility within 90 days of receiving the appeal. NCDMF will notify all applicants, who filed an appeal with the results of the final disposition of the appeal. Notification of the final disposition of the appeal will be a phone call followed-up by a letter. NCDMF's appeal determination will be final, and no other appeals can be made by applicants. After all appeals are settled, NCDMF will determine the amount of funds for each eligible applicant. Funds will be allocated based on the proportion (percentage) of eligible claimed fishing loss revenue in relation to all for-hire operators who qualify within the category.

#### 4. Expected Benefits

The direct payments will provide financial relief to the fishing sectors in North Carolina that have been affected by COVID-19. This assistance will provide each recipient funds to assist with considerable revenue loss of greater than 35% from March 1, 2020 and May 31, 2020 compared to the previous five-year average.

#### 5. Milestone Schedule

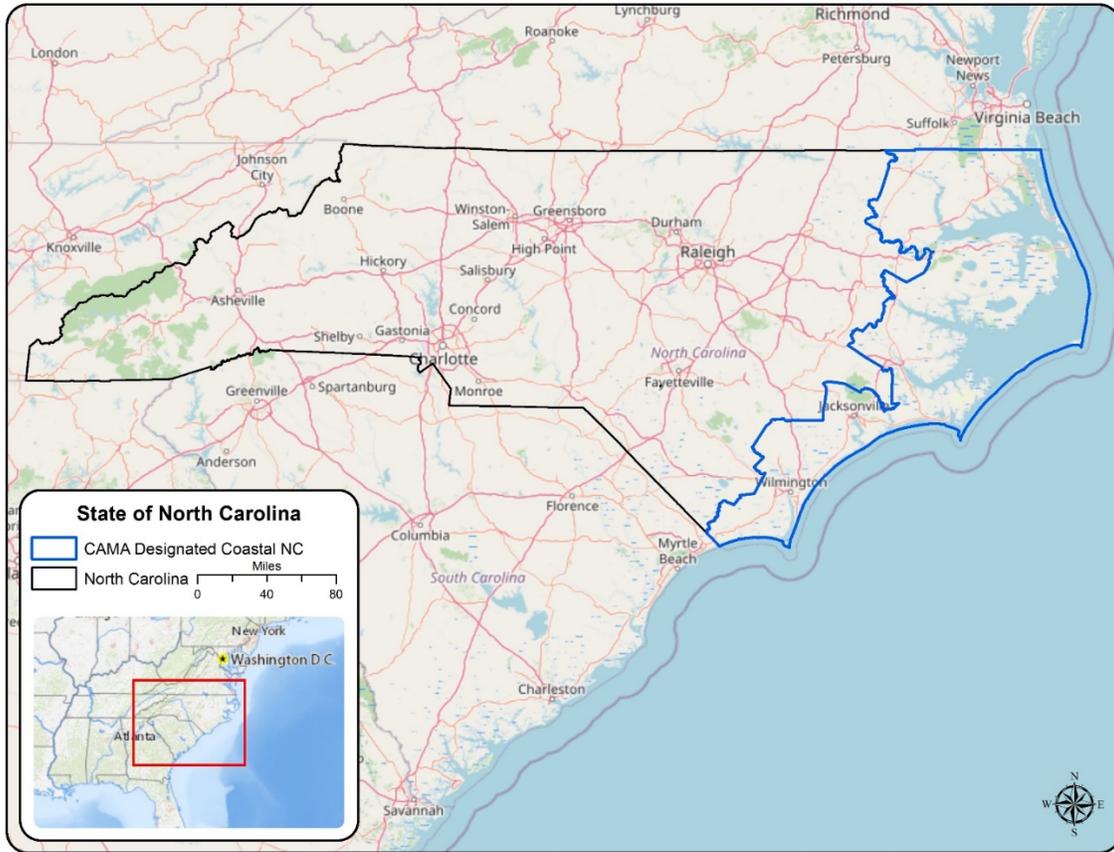
The milestone schedule starts when NCDMF is notified of the sub-award from ASFMC. NCDMF intends to complete the entire program within one year of being notified that the plan is approved and the sub-award has been granted to NCDMF from ASFMC.

Timeline and Tasks	Hire Staff and Purchase Supplies	Develop Letters, Application, Outreach, Mail Applications	Application Process Open	Process and Validate Applications Notification Eligibility	Appeals	Resolve Appeals and Make Final Decision	Issue Checks	Finalize and Develop Report
60 Days	X	X						
30 Days			X					
90 Days				X				
2-Weeks					X			
90 Days						X		
2-Weeks							X	
60 Days								X

\* Tax information (e.g. 1099 forms) will be issued to anyone who receives economic assistance and CARES Act Spending Plan will need to pay for those costs. If all economic assistance is issued in the 2020 calendar year, tax information will be issued during the first quarter of 2021 and final reports can be finalized in 2021. If any economic assistance is issued in the 2021 calendar year, the tax information will be issued during the first quarter of 2022 and reports cannot be finalized until 2022.

#### 6. Geographic Location

The location and scope of this project will cover all of the North Carolina residents who are eligible participants in the marine fishing industries, as outlined in this proposal. The project will be administered from the NCDMF Headquarters Office in Morehead City, NC.



7. Cost Summary (Budget)

North Carolina = \$5,416,773 (NOAA Fisheries and ASMFC administrative fees of ~0.7% and 0.1%, respectively, have already been removed).

Description	Budget (\$)
Temporary Salaries for Two Personnel	101,287
Purchases Services	35,000
Supplies	15,000
Equipment	10,000
<b>SUBTOTAL NCDMF ADMINISTRATIVE COSTS</b>	<b>161,287</b>
Direct Payments	
Commercial Fishermen/Aquaculture Ops	3,374,022
Seafood Dealers/Processors	620,147
For-Hire Fishing Operations	1,261,317
<b>SUBTOTAL DIRECT PAYMENTS</b>	<b>5,255,486</b>
<b>TOTAL</b>	<b>5,416,773</b>

Temporary Salaries - NCDMF will hire two temporary employees for one year to carry out the duties of this program. One position will be an administrative assistant position at ~\$15/hour to assist by

providing telephone and email support, preparing application packages, mailing and receiving packages, and other general office support functions for the program. The other temporary position will be more specialized at ~\$25/hour to assist with data analysis, verifying information provided by applicants, and managing disputes. Some flexibility is expected in how the wages will be assigned to allow for hiring the skillset needed to carry out the requirements of this project.

Purchased Services – Purchased services will cover postage for direct payments and 1099 forms issued to eligible stakeholders in this spending plan. While exact costs remain dependent upon the number of approved applicants, an estimate was developed based on postage costs accrued during the 2019 North Carolina Hurricane Florence Commercial Fishery Assistance Program. Purchased services will also cover postage fees acquired from the application packages submitted by applicants using the postage-paid envelopes and any certified mail sent to notify denied applicants of the appeal process. Travel costs may be needed to cover mail-outs, which will utilize a state-owned vehicle and the requirements of NC Department of Administration Motor Fleet Management.

Supplies – Supply costs will fall under general office supplies. These supplies, to include pens, paper, envelopes, etc., and will be used in direct support of this project to facilitate mailing of applications, direct payments, and mail-outs of 1099 forms to stakeholders. Initial supplies will be purchased to support temporary staff.

Equipment – Equipment costs are requested to cover the costs of temporary staff informational technology and infrastructure needs. To comply with CDC guidelines and State requirements for the COVID-19 work environment, and to provide prompt financial relief to stakeholders, temporary staff may need to be supplied with teleworking equipment to include, but not limited to, laptops, printers, scanners and communication equipment.

NCDMF will also provide in-kind support to this project. In-kind support will be provided by NCTTP staff (i.e., processing clerks, biologists, biologist supervisor, technicians), Administrative and Maintenance Services staff (business and budget officers), North Carolina Department of Environmental Quality (NCDEQ) Financial Services Division and North Carolina Department of Information Technology staff. Oversight of the project will be provided by the NCDMF Director and Deputy Director along with the NCDEQ Secretary's Office, Office of General Counsel, and the NCDEQ Auditor.

## 8. Appendices

Appendix 1: Letter from NOAA Fisheries to ASMFC on process

Appendix 2: Ratios of contribution by affected stakeholders

Appendix 3: Additional details on the allocation of the \$300 million to the states including the data sources. This document was provided from NOAA Fisheries to the Delaware Congressional delegation. ASMFC provided this document to states on June 15, 2020.

Appendix 4: Stakeholder comments

Appendix 5: Draft affidavit for self-certification. This draft will be modified to add North Carolina's requirements to these required by NOAA Fisheries. These additional requirements are currently under development.

## 9. References

Atlantic States Marine Fisheries Commission (ASMFC). 2020. CARES Act Fishery Disaster Resources. Retrieved from:  
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<https://www.fisheries.noaa.gov/feature-story/commerce-secretary-announces-allocation-300-million-cares-act-funding>. Accessed on May 26, 2020.

North Carolina Department of Administration. 2020. Retrieved from:  
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<http://www.ncagr.gov/markets/seafood/seafooddirect/directory.asp>. Accessed on April 14, 2020.

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Savolainen, M., Kazmierczak, R., and R. Caffey. 2015. Resiliency of the Coastal Recreational For-Hire Fishing Industry to Natural Disasters. *Estuaries and Coasts* 38: S114-S123.

Souza, P. M., Jr. and C. Liese. 2019. Economics of the Federal For-Hire Fleet in the Southeast - 2017. NOAA Technical Memorandum NMFS-SEFSC-740. 42 p.



UNITED STATES DEPARTMENT OF COMMERCE  
National Oceanic and Atmospheric Administration  
NATIONAL MARINE FISHERIES SERVICE  
Silver Spring, MD 20910

Mr. Robert Beal  
1050 N. Highland Street  
Suite 200 A-N  
Arlington, VA 22201

Dear Mr. Beal,

Sec. 12005 of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) authorizes the Secretary of Commerce (Secretary) to provide \$300 million in appropriated funds to assist fishery participants affected by the novel coronavirus (COVID-19). (See below for complete text). Given the definition of "fishery participant" identified in Sec. 12005 of the CARES Act, the National Marine Fisheries Service (NOAA Fisheries) used readily available total annual revenue information from the commercial fishing, charter fishing, aquaculture, and processor sectors of coastal states, Tribes, and territories to allocate Sec. 12005 funding. NOAA Fisheries also took into consideration negative impacts to subsistence, cultural, and ceremonial fisheries during the allocation process.

**BACKGROUND AND PROCESS:**

NOAA Fisheries has determined that the Atlantic States Marine Fisheries Commission will be a recipient of \$118,983,017 for the purpose of assisting fishery participants affected by COVID-19 in the Atlantic States. NOAA Fisheries will provide you with these funds, after we receive, review, and approve a grant application. Your grant application must reflect the appropriate use of funds and considerations as outlined here, in the allocation table (see attachment) and consistent with the requirements of the CARES Act. Your award will include a special award condition that will require you to develop a detailed spend plan for sub-awards with the states for NOAA Fisheries review before you may disburse funds to sub-awardees for the purpose of providing assistance to fisheries participants. Funds may be expended for administrative processes of the grantee, as well as to sub-awardees for the purpose of economic analyses that may be necessary for a detailed spend plan.

Section 12005 of the CARES Act defines "fishery participants" to include Tribes, persons, fishing communities, aquaculture businesses not otherwise eligible for assistance under part 1416 of title 7 of the Code of Federal Regulations for losses related to COVID-19, processors, or other fishery-related businesses, who have incurred, as a direct or indirect result of the coronavirus pandemic:

- (1) economic revenue losses greater than 35 percent as compared to the prior 5-year average revenue (2015-2019); or
- (2) any negative impacts to subsistence, cultural, or ceremonial fisheries.

**REQUIRED CONTENTS**

In addition to the requirements outlined in the GrantsOnline application portal, your application for this award must:

- Describe how you will identify and determine fishery participants eligible for funding. For the purposes of carrying out the provisions in Section 12005 of the CARES Act, "fishery-related businesses" are limited to commercial fishing businesses, charter/for-hire fishing businesses, qualified aquaculture operations, processors, and dealers.
  - NOAA does not consider businesses farther down the supply chain (e.g., vessel repair



businesses, restaurants, or seafood retailers) “fishery-related businesses” for the purposes of this funding. While NOAA Fisheries generally does not expect bait and tackle operations and gear and vessel suppliers to be eligible for Section 12005 funding, individual states, Tribes, and territories will have the discretion to determine how they will identify eligible fishery participants, consistent with the requirements of the CARES Act, in their spend plans.

- Qualified aquaculture operations include privately owned aquaculture businesses growing products in state or federal marine waters of the United States and the hatcheries that supply them. This includes all molluscan shellfish and marine algae. Non-salmonid marine finfish grown in marine waters not covered by USDA are also included.
  - All eligible participants must, consistent with the requirement under Section 12005 of the CARES Act, have incurred economic revenue losses greater than 35 percent as compared to the applicable prior five year average revenue (2015-2019) or negative impacts to subsistence, cultural, or ceremonial fisheries.
  - Entities that have been in business less than five years are still eligible for assistance. If needed, NOAA Fisheries can provide revenue loss estimates and five year average revenue estimates in each state. Participants can only be eligible for assistance from their state/territory of residence.
- Describe the main categories for funding by state as applicable (e.g., direct payments, fishery-related infrastructure, fishery-related education) that address direct and indirect COVID-19 impacts to commercial fishermen, charter businesses, qualified aquaculture operations, subsistence/cultural/ceremonial users, processors, and dealers.
  - Direct payments are expressly allowed by the CARES Act. However, applications must address direct payments as follows:
    - Direct payments may not be directed to minors.
    - Funds cannot be used to compensate state, local, or tribal governments for lost municipal or government tax revenue.
    - Funds must be used to address fishery-related direct or indirect losses or subsistence/cultural/ceremonial impacts.

Your application should also, if applicable, identify funds available from other Federal programs for disaster relief and describe the process you use to coordinate across Federal assistance programs from multiple agencies. While eligible fishery participants under this award may apply for other Federal assistance programs under the CARES Act or other Federal programs, they should not apply to other Federal programs for assistance to address the same impacts resulting from COVID-19. Funds provided by NOAA under this award shall not be used for activities for which the recipient has received Federal or other funds. DOC will not pay for costs that are funded by other sources (*Department of Commerce, Standard Terms and Conditions, Other Federal Awards with Similar Programmatic Activities, Section A.03*).

As soon as possible, please have a member of your staff contact Daniel Namur from the Fisheries Financial Assistance Division to begin the grant application process via the grants.gov website. You may contact him at 301-742-7475 or Dan.Namur@NOAA.gov.

We look forward to working with you to expedite the distribution of this much needed assistance to the affected fishing industry and affiliated constituents.

Sincerely,

Paul N. Doremus  
Deputy Assistant Administrator for Operations at NOAA Fisheries

Note from NCDMF: NOAA Fisheries allocations listed in this letter have the NOAA Fisheries administrative fee of (~0.7%) removed but the ASFMC administrative fee has not been calculated nor removed from allocations listed in this table.

Attachment:

Allocation for States

Massachusetts	\$27,808,315
Florida	\$23,471,286
Maine	\$20,166,476
New Jersey	\$11,258,500
New York	\$6,703,065
North Carolina	\$5,422,195
Virginia	\$4,488,859
Maryland	\$4,096,267
Pennsylvania	\$3,344,529
Rhode Island	\$3,271,194
New Hampshire	\$2,713,381
Georgia	\$1,908,391
Connecticut	\$1,822,587
South Carolina	\$1,514,966
Delaware	\$993,006
Total	\$118,983,017

Appendix 2

**Sec. 12005 Allocation: Sector-Based Revenues**

NOAA Fisheries is providing this data for informational purposes only. Please note that states, Tribes, and territories are not obligated to utilize this data when developing their spend plans for their allocated Sec. 12005 funds. Specifically, allocated funds are not required to be distributed based on the proportions outlined below, as the number of eligible fishery participants across sectors may vary based on the CARES Act requirement that fishery participants must have incurred a 35% economic revenue loss or negative impacts to subsistence, cultural, or ceremonial fisheries in order to be eligible for Sec. 12005 funds.

Entity	Percentage of Total Annual Revenue (All Sectors)				Allocation
	For-Hire Fishing	Commercial Fishing and Aquaculture	Seafood Sector	Tribal Commercial Fishing, Aquaculture & For Hire	
Alaska	5.5%	35.2%	59.3%		\$50,000,000
Washington	0.6%	67.8%	31.6%		\$50,000,000
Massachusetts	1.5%	47.3%	51.2%		\$28,004,176
Florida	27.0%	30.7%	42.3%		\$23,636,600
Maine	0.4%	81.5%	18.1%		\$20,308,513
California	18.6%	30.6%	50.8%		\$18,350,586
Oregon	2.1%	45.6%	52.3%		\$15,982,827
Louisiana	11.4%	74.2%	14.4%		\$14,785,244
New Jersey	6.0%	64.2%	29.8%		\$11,337,797
Texas	10.6%	64.3%	25.1%		\$9,237,949
New York	11.6%	31.4%	57.1%		\$6,750,276
North Carolina	24.0%	64.2%	11.8%		\$5,460,385
Federally Recognized Tribes on the West Coast				100.0%	\$5,097,501
Virginia	4.9%	52.8%	42.3%		\$4,520,475
Hawaii	13.8%	69.4%	16.8%		\$4,337,445
Maryland	13.0%	42.2%	44.8%		\$4,125,118
Pennsylvania	0.0%	0.0%	100.0%		\$3,368,086
Alabama	25.9%	46.3%	27.7%		\$3,299,821
Rhode Island	3.5%	68.0%	28.5%		\$3,294,234
New Hampshire	4.3%	40.1%	55.6%		\$2,732,492
American Samoa	0.0%	8.0%	92.0%		\$2,553,194
Georgia	4.8%	23.5%	71.8%		\$1,921,832
Connecticut	6.4%	41.9%	51.7%		\$1,835,424
Mississippi	16.2%	51.9%	31.9%		\$1,534,388
South Carolina	46.4%	45.2%	8.4%		\$1,525,636
Delaware	9.1%	50.3%	40.6%		\$1,000,000
Puerto Rico	20.8%	42.1%	37.2%		\$1,000,000
United States Virgin Islands	27.8%	38.4%	33.9%		\$1,000,000
Federally Recognized Tribes in Alaska*				100.0%	\$1,000,000
Guam	0.0%	53.1%	46.9%		\$1,000,000
Commonwealth of the Northern Mariana Islands	0.0%	53.1%	46.9%		\$1,000,000

\*Encompasses the only Federally-recognized Tribe in the state with a Tribally managed commercial fishery

To allocate the Sec. 12005 funds, NOAA Fisheries used readily available multi-year averages to estimate the total average annual revenues from commercial fishing operations, aquaculture firms, the seafood supply chain (processors, dealers, wholesalers and distributors) and charter fishing businesses from each coastal state, Tribe, and territory. Additional details regarding the sources of revenue data are included below:

- 1) *Commercial fishing revenues*: For most states, five year average commercial fishing revenues from 2014-2018 were based on data obtained from NOAA Fisheries' Office of Science and Technology's [commercial landings database](#). For U.S. territories, five year average commercial fishing revenues from 2014-2018 were obtained from the [Fisheries of the United States](#) report.
- 2) *Aquaculture revenues*: Most aquaculture revenue data was embedded within the [commercial landings revenue data](#) used to calculate five year average commercial fishing revenues. Updated [USDA Census of Aquaculture data](#) was used to account for aquaculture sales not accounted for within commercial fishing landings data (e.g., oysters, mussels, clams from select states). Multi-year averages were not available for aquaculture sales derived from the USDA Census of Aquaculture data.
- 3) *Seafood Sector Revenues*: The commercial fishing landings revenue and aquaculture sales (defined as described above) were used to calculate direct value-added estimates for the seafood sector (i.e., processors, dealers, and wholesalers/distributors) using NOAA Fisheries' [Commercial Fishing & Seafood Industry Economic Impact Model](#), while Alaska and West Coast direct value added estimates were calculated from regional models. In layman's terms, direct value added is essentially sales revenue less the cost of seafood inputs. This metric essentially ensures that revenue was not double counted in both the commercial and seafood sectors and that expenditures that flow out of the country from imported seafood products were not included in any revenue estimates.
- 4) *For-hire fishing revenues*: For most states, average for-hire fishing revenues from 2015-2019 were based on angler payments to for-hire operations for fishing trips. Data on angler payments were based on NOAA Fisheries' [Angler Expenditures Surveys](#) and data on directed for-hire fishing trips were derived from NOAA Fisheries' [Marine Recreational Information Program](#). For Hawaii, Alaska and the Caribbean territories, NOAA Fisheries used charter vessel cost earnings surveys.

Additional notes: All sales and value added data was converted into 2019 dollars. Several additional adjustments were made to the data described above in order to accommodate the unique needs of allocating Sec. 12005 funds. For example:

- *Homeporting Adjustment*: Average annual landings revenue data from Alaska, New England, and Mid-Atlantic states were adjusted to attribute landings in those regions to a vessel owner's state of residence to better reflect where fishing income accrues. These adjustments were made by determining the proportion of landings in a particular state attributed to vessel owners residing in another state and distributing revenue accordingly. A similar adjustment was also applied to at-sea processors on the West Coast.

- *Ceremonial, Subsistence, Cultural Fisheries Multiplier*: A multiplier was also applied to available multi-year averages of Tribal and territorial commercial and for-hire fishing revenues to account for subsistence, cultural, and ceremonial fisheries.

Proportional Allocation Formula: NOAA Fisheries proportionally allocated Sec. 12005 based on the total average annual revenues from coastal states, Tribes, and territories. The general formula used is included below. However, NOAA Fisheries also applied a minimum and maximum funding level (\$1M and \$50M, respectively).

$$300,000,000 \times \frac{\text{State/Territory/ Tribes Total Average Annual Revenue (all sectors)}}{\text{Total Average Annual Revenue across all States/Territories/ Tribes}}$$

Appendix 4

Roy Cooper  
*Governor*

Michael S. Regan  
*Secretary*



Steve Murphey  
*Director*

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Release: Immediate  
Date: June 5, 2020

Contact: [Patricia Smith](#)  
Phone: 252-342-0642

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**Division of Marine Fisheries seeks comments on draft spending plan for federal CARES Act relief**

**MOREHEAD CITY** – The N.C. Division of Marine Fisheries is seeking input from the public on a draft spending plan for \$5.4 million in federal CARES Act fisheries assistance. The spending plan must be approved by NOAA Fisheries for the state to receive the funding.

The draft spending plan proposes an approach for disbursement of the funding through direct payments to eligible commercial fishermen, charter businesses, seafood dealers and processors, and qualified aquaculture operations who can document a greater than 35% revenue loss compared to the previous five-year average due to COVID-19.

The draft spending plan and other information pertaining to the draft can be found online on the [CARES Act Fishery Assistance Information Page](#).

The public may submit written comments on the plan through an online form that can be accessed through the [CARES Act Fishery Assistance Information Page](#) or may submit comments by mail to:

Draft CARES Act Fisheries Assistance Spending Plan Comments  
P.O. Box 769  
Morehead City, N.C. 28557

Comments should be posted online or postmarked by 5 p.m. June 19, 2020. The division will not accept comments submitted by email.

The CARES Act authorized the U.S. Secretary of Commerce to provide \$300 million for economic assistance to affected fishery participants due to COVID-19. On May 7, 2020, the U.S. Secretary of Commerce announced state allocations of this funding.

While the full impact of COVID-19 on North Carolina's fishing industry is not yet known, the number of fishing industry participants that may be eligible for assistance, will likely exceed the \$5.4 million provided.

The money will be disbursed through the Atlantic States Marine Fisheries Commission to the state once the spending plan is developed and approved by NOAA Fisheries.

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1601 Mail Service Center, Raleigh, NC 27699-1601

Roy Cooper  
*Governor*  
Michael S. Regan  
*Secretary*



Steve Murphey  
*Director*

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Release: Immediate  
Date: June 12, 2020

Contact: [Patricia Smith](#)  
Phone: 252-342-0642

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**REMINDER: Division of Marine Fisheries seeks comments  
on draft spending plan for federal CARES Act relief;**

**MOREHEAD CITY** – The N.C. Division of Marine Fisheries is seeking input from the public on a draft spending plan for \$5.4 million in federal CARES Act fisheries assistance. The spending plan must be approved by NOAA Fisheries for the state to receive the funding.

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1601 Mail Service Center, Raleigh, NC 27699-1601

**Public Comment on Draft CARES Act Spending Plan\_June 19, 2020\_FINAL**

# ▼	<a href="#">Submitted</a>	<a href="#">Name:</a>	<a href="#">City:</a>	<a href="#">State</a>	<a href="#">Please comment on documentation of eligibility.</a>	<a href="#">Please comment on the allocation of the funding.</a>	<a href="#">Please provide any other comments on the spending plan.</a>
<a href="#">16</a>	06/18/2020 - 7:10pm	Stuart Creighton	Oriental	North Carolina	<p>If you are going to base it on a five year average, then anyone applying for the funds should have to produce either 5 years worth of trip tickets on the commercial side or appropriate income statements from charter captains, pier owners, etc...</p> <p>If a commercial operation does not have 5 years worth of trip tickets, then they can't qualify for the relief funds. Large commercial operations SHOULD NOT BE ELIGIBLE for these funds at all. They have continued to run trawls and nets continuously throughout the pandemic, with little to no signs of reduced effort.</p>	Allocate a percentage of the claimed loss.	<p>I am thrilled to see that the for-hire sector has been included in the plans for this disbursement of funds. However, they certainly deserve a much larger share than what is currently planned. The commercial fleet and fish house dealers currently stand to receive ~65% of the monies, which is far too great of a share!!</p> <p>The SMALL operators are the ones that have been most affected and deserve a much higher share. Charter captains, pier owners, small aquaculture operations, etc..., in all honesty, deserve ALL of these funds. Large dealerships, trawler operations, and other mega corporations (like Cooke Brothers) should be excluded from consideration. Let's make sure we get this one right and take care of the SMALL BUSINESSES FIRST.</p>
<a href="#">15</a>	06/18/2020 - 4:45pm	Bruce Lee	Hubert	North Carolina	<p>First and foremost, no monies should be distributed to any business without proof of financial losses. Proof should include EBITA based documentation for the COVID affected months versus the previous year using the same time frame. If there is anything less than a 30% reduction in a given businesses revenue then no disbursement should be allowed. Disbursements should most certainly be tipped in the favor of small businesses and not the three or four large fishhouses. I would suggest 80% of the available funds should go to small businesses and a 20% of available funds for the large fishhouses. Preferential treatment should be given to bait and tackle stores, charter fishermen, marinas, marine repair, etc. Some fisheries related businesses never stopped running their operations and others were literally closed down. Again, financial disclosures MUST to be a prerequisite for payment and the bulk of the monies should be allocated to small businesses and NOT the big fishhouses. No funds should be allowed for any lobbying or fisheries organizations of any kind.</p>	Allocate a percentage of the claimed loss.	

# ▼	<u>Submitted</u>	<u>Name:</u>	<u>City:</u>	<u>State</u>	<u>Please comment on documentation of eligibility.</u>	<u>Please comment on the allocation of the funding.</u>	<u>Please provide any other comments on the spending plan.</u>
14	06/18/2020 - 10:00am	Keith Walls	Sneads Ferry	North Carolina	<p>The N.C. shellfish aquaculture industry is a fledgling industry and looking at revenue loss over a five year period is not the most appropriate way to evaluate impact. Most farmers in the state have only been in business for a few years, but have made significant capital investments in gear, seed, vessels, labor, and other expenses to get their operations up and running. Shellfish aquaculture requires a significant up front investment before any meaningful revenues are realized. We are NOT commercial fishermen and should not be lumped in with commercial fishing aide. The state has spent the last several years promoting our industry, which has lead many folks to join the industry, but most of these new farmers have only been in business for a short time and are still just getting going. A better way to evaluate impact is in my comment below.</p> <p>Thank you,</p> <p>Keith Walls Marine Scientist and Owner Falling Tide Oyster Co.</p>	Other. Please explain in the next comment box.	<p>I agree with the president of the shellfish growers association that the aide should be distributed based on the amount of seed that was planted versus using trip tickets and sales. This is a unique situation for NC shellfish farmers because we had our sales plummet to practically nothing. As a fledgling industry, a lot of farmers have made substantial capital investments to get into the industry and/or to expand their operations, and we are continuing to try to operate without any revenue coming in to pay for these investments and operating expenses. The amount of seed planted is a good metric because it illustrates the commitment and the level of effort that is being put forth for a particular operation. If one farmer plants 100k oysters and a second farmer plants 10k oysters, it is clear that the former has a larger operation and more expenses. The amount of gear needed, labor, and cost of seed etc. go up significantly the more you plant, and should help reflect the amount of assistance that is needed. Shellfish farming IS NOT commercial fishing, and we should be treated differently. We are a unique and fledgling industry in NC and we should be treated as such. The state has spent the last 5+ years promoting and advocating for aquaculture, leading to many individuals getting into the industry and investing significant amounts of money to start their farming operations. During times of crisis like the one we are currently experiencing, we as farmers expect the state to stand by us and provide us with the support we need to keep our industry moving in a positive direction.</p> <p>Thank you,</p> <p>Keith Walls Marine Scientist and Owner Falling Tide Oyster Co.</p>

#	Submitted	Name:	City:	State	Please comment on documentation of eligibility.	Please comment on the allocation of the funding.	Please provide any other comments on the spending plan.
<a href="#">13</a>	06/18/2020 - 9:47am	Matthew Schwab	WILMINGTON	North Carolina	Receipts showing purchase of animals. P&L for period in question.	Allocate a percentage of the claimed loss.	
<a href="#">12</a>	06/18/2020 - 8:52am	Chris Matteo	Trent Woods, NC	North Carolina	This shouldn't be difficult for shellfish farmers. Sales nationally dropped 95-100%	Other. Please explain in the next comment box.	<p>Marine Aquaculture Operations need to be their own Affected Stakeholder Category. Treating those who farm our waters like fisherman doesn't make common or mathematical sense. The vast majority of shellfish growers are new to the industry. They have planted crops but have not had substantial sales due to the impacts of hurricanes Florence, Michael, and Dorian. Basing economic relief on trip tickets or historical sales misses the mark completely.</p> <p>Marine Aquaculture Operations should be their own category and the relief should be based on the seed amount that growers have planted. This would then allow new growers to access relief funds.</p> <p>I have fought hard to get shellfish growers completely out of the NOAA relief program and into the USDA's CFAP program, which is designed for farmers and more appropriately addresses our needs.</p> <p>The total amount of relief funds allocated to North Carolina fisherman is shockingly low. In the wake of Hurricane Florence, DMF had \$11mm to distribute. Fisherman were affected for about a month back then (except shellfish growers, who lost two years worth of crops). Now, COVID-19 has impacted us more severely and DMF has ~\$5mm to distribute? I don't know anyone who is expecting any meaningful support from this tiny pool of relief money.</p> <p>We appreciate the work you do and stand ready to assist in any way we can.</p>

#	Submitted	Name:	City:	State	Please comment on documentation of eligibility.	Please comment on the allocation of the funding.	Please provide any other comments on the spending plan.
							Chris Matteo Acting President North Carolina Shellfish Growers Association
<a href="#">11</a>	06/17/2020 - 2:31pm	greg sorrell	GRIMESLAND	North Carolina	Each sector would need to provide five years of certified tax returns. If they failed to report taxes or under reported to avoid taxes they would not be eligible. If they were not profitable in these five years they are participating in a hobby not a business. Income should be based off this five year average,	Allocate a percentage of claimed loss based on the proportion of income derived from fishing.	Care should be taken on claimed income versus what was reported for taxes as well as what income was actually derived from one of the activities that are approved.
<a href="#">10</a>	06/17/2020 - 1:15pm	Gary Dubiel	Oriental	North Carolina	I am a for hire fishing guide based on the Neuse River fishing from Oriental and New Bern. I, like many other for hire guides who make 100% of there anual salary off of fishing, was greatly effected by the inability to run charters in March, April and May. I have currently lost over 30 charters and still continue to have cancellations. I can show what I have on the books for charters this year and can also compare them to what I have done in the past. I will say the anual charters do vary. I would be happy to provide the names and dates of those who cancelled or rescheduled trips,	Distribute equal payments to all eligible participants.	
<a href="#">9</a>	06/17/2020 - 12:11pm	Allen Jernigan	Holly Ridge	North Carolina	Charter businesses are hurt the worst this go round. Use the survey's.	Distribute equal payments to all eligible participants. Other. Please explain in the next comment box.	This needs to go to small businesses not people like Brent Fulcher. Charter businesses and fishing guides have been impacted the most this time around.
<a href="#">8</a>	06/16/2020 - 6:22pm	david smith	carolina beach	North Carolina	each fisherman may or may not had any loss. different ones do different types of fishing. if a loss happened let them show why. my loss was because could not get motor parts and when I did the demand for bat was not there. had to sell for 60% OF WHAT I WOULD NORMALY HAVE GOTTEN. WHAT EVER CAUSED THE LOSS LET EVERY ONE SHOW PROFF.	Allocate a percentage of the claimed loss. Distribute equal payments to all eligible participants. Allocate a percentage of	

#	Submitted	Name:	City:	State	Please comment on documentation of eligibility.	Please comment on the allocation of the funding.	Please provide any other comments on the spending plan.
						claimed loss based on the proportion of income derived from fishing.	
<a href="#">7</a>	06/16/2020 - 9:39am	Isaiah Smith	Cedar Island	North Carolina	The draft states that the COVID19 loss of income will be " compared to an average of the same time period from 2015 to 2019". If an individual or entity that falls into the three categories (Commercial Fishermen and Marine Aquaculture Operations, Seafood Dealers and Processors, For-Hire Fishing Operations) and was not active during any of the years (2015-2019) with regards to the above categories, how will NCDEQ address this issue to maintain fairness for all affected groups that suffered loss regardless of time in the various industries?		
<a href="#">6</a>	06/15/2020 - 3:27pm	Alison Willis	Harkers Island	North Carolina	We were greatly impacted by the effects of Covid-19 during our spring peeler/soft crab season. The closures not only in North Carolina, but in the northern states (i.e New York) severely limited our live soft crab markets. We normally make a large portion of our revenue from live soft crab sales/shipments to Fulton Market in New York City. Our average revenues for soft crabs are estimated at \$70/dozen in recent years. We were unable to shed crabs due to the closures and lack on live market sales. We feel we should be eligible for some of the funds allocated to NOAA through the CARES Act to re-cop those lost revenues.	Allocate a percentage of the claimed loss.	
<a href="#">5</a>	06/15/2020 - 2:29pm	David Sneed	Raleigh	North Carolina	Preference should be given to the for-hire guides that missed out on hurricane relief assistance and sustainable commercial operations like oyster aquaculture operators. The money should truly help small business owners and not go to the large corporations like the \$12 million Hurricane Florence funds where 90% of the money went to 10% of the commercial fishermen.	Other. Please explain in the next comment box.	The amount of money available will not be life changing for anyone in the industry if it is divided equally among all eligible entities. There should be a income threshold for applicants demonstrating at least 50% of their total income comes from a fishing operation. Income tax returns should be required to confirm eligibility.

#	<u>Submitted</u>	<u>Name:</u>	<u>City:</u>	<u>State</u>	<u>Please comment on documentation of eligibility.</u>	<u>Please comment on the allocation of the funding.</u>	<u>Please provide any other comments on the spending plan.</u>
<a href="#">4</a>	06/15/2020 - 8:26am	Bob Dillard	Oriental, NC	North Carolina		Allocate a percentage of the claimed loss.	Funds should also be distributed to retailers who specialize in recreational fishing equipment, bait and other fishing related services. This should not include large retailers such as Wal Mart whose fishing-related sales are a very small percentage of the total store sales.
<a href="#">3</a>	06/12/2020 - 7:56pm	Walter McNamee III	Hubert	North Carolina	Trip tickets should be all that is required by the Commercial Fisherman. Marine Fisheries has them on file.	Distribute equal payments to all eligible participants.	Do not forget about the deck hands and those with assigned licenses. They have suffered like everybody else during a disaster but have never been eligible for any kind of assistance. I have had an assigned license and even though I met all the other criteria to get relief from Hurricane Florence, I was denied since I did not own the license.
<a href="#">2</a>	06/12/2020 - 10:35am	Christopher Elkins	Gloucester	North Carolina	These funds should be distributed ONLY to full time commercial fishermen, charter businesses, seafood dealers and processors, and qualified aquaculture operations that can document their catches.	Other. Please explain in the next comment box.	NC has a long and sorted history of subsidizing the commercial fishing industry for various reasons. The dwindling stocks mean that business models that were once profitable are no longer viable-we have too many commercial fishermen for the resource. On the other hand NC has ignored charter businesses, qualified aquaculture operations and fishing tackle dealers, all which have greatly suffered, clearly more than the commercial sector. I submit that the latter three groups should receive ALL of the NC funding. The NC Commercial fishing fund has millions of dollars in the bank it can use to subsidize its fishermen.
<a href="#">1</a>	06/11/2020 - 2:43pm	George Leone	Newport	North Carolina	In the case of dealers they should have to submit the cost of goods sold, should also include any freight charges incurred, and then their final invoices to their customers. This shouldn't be a huge inconvenience. Commercial fisherman should submit their ex-vessel prices. For charter fishermen would have to provide evidence of bookings during the previous years. Aquaculturist should be able to provide evidence (invoices) of sales to end users during the period. I concur that direct funding is the best way to distribute the funds. Provided the documentation is presented.	Distribute equal payments to all eligible participants.	As long as the proper documentation is available i think that this is the only fair way to distribute the money. Why should a large shrimp boat who had a banner year in the ocean last spring get more than a gill netter if the shrimp are simply not available to catch?

Insert State Logo

Insert Commission Logo

## Eligible Fishery Participant COVID-19 Related Losses Self-Certification and Assurances

[Insert Eligible Fishery Participant Name] hereby requests federal assistance from the Department of Commerce, National Oceanic and Atmospheric Administration, National Marine Fisheries Service; through the Pacific States Marine Fisheries Commission.

As the Organization's Authorized Representative, I self-certify and attest that (initial each statement below):

- \_\_\_\_\_ This organization is a Fishery Participant that is an eligible recipient of assistance under the CARES Act (P.L. 116-136) Section 12005;
- \_\_\_\_\_ Direct payments will not be directed to minors;
- \_\_\_\_\_ Funds will not be used to compensate state, local, or tribal governments for lost municipal or government tax revenue;
- \_\_\_\_\_ Funds will be used to address fishery-related direct or indirect losses or subsistence/cultural/ceremonial impacts;
- \_\_\_\_\_ The Fishery Participant applying for assistance is: (initial only if all statements below are true)
  - not De-barred;
  - not on the government "do not pay list"
  - in good standing with the Federal and State Government

**Complete if you are applying for assistance due to incurred economic revenue losses 35% or greater:**

The organization's prior 5 year revenue average was \$ \_\_\_\_\_, as recorded between the years 20 \_\_\_\_\_ and 20 \_\_\_\_\_. This request is based on revenue losses between the dates of \_\_\_\_\_ and \_\_\_\_\_. As compared to the 5 year average, this equates to a revenue loss of \_\_\_\_\_%.

**Additional Information:**



[OFFICE ADDRESS]



[PHONE NUMBER]



[EMAIL]

**Complete if you are applying for assistance due to negative impacts to subsistence, cultural, or ceremonial fisheries:**

<p>Details regarding negative impacts:</p>
--

Should the fishery participant receive assistance to mitigate the effects of the novel coronavirus (COVID-19) as allowed under Section 12005 of the CARES Act, the sum of these funds combined with any additional COVID-19 related Federal financial assistance and/or any traditional will not exceed the average revenue earned across the previous 5 years.

Should the fishery participant receive assistance to mitigate the effects of the novel coronavirus (COVID-19) as allowed under Section 12005 of the CARES Act, other financial assistance received will not be used to support or fund any portion of the scope of work incorporated into this DOC CARES Act assistance. DOC will not pay for costs that are funded by other sources.

Five Year Averages must be calculated using 2015-2019. If an entity has not been in operation for 5 years, please use the comments section to provide clarification of the average used to calculate eligibility.

By signing this affidavit and applying for assistance as allowable under P.L. 116-136 the fishery participant attests to having documentation/records to support the losses recorded on this form, and that were used as the basis of eligibility. Further, the eligible fishery participant agrees to maintain these records for a period of no less than 3 years after the close of the primary grant award to [INSERT PRIMARY GRANTEE.] Records must be made available upon request from the primary grantee, state/territory, NOAA, or the Office of the Inspector General.

This form must accompany any application for economic assistance, as allowable under P.L. 116-136 section 12005. Applications and Affidavits must be submitted between [XX/XX/XXXX] and [XX/XX/XXX]. Incomplete applications will not be considered. Applications received outside of the specified application period will not be considered. Applications that cover periods of time outside of the eligibility period identified on the application documentation will not be considered.

The information provided on this document is correct to the best of my knowledge.

<b>Authorized Representative/Fisheries Participant Signature</b>	<b>Date</b>
--	-------------

<b>Last,</b>	<b>First</b>	<b>MI</b>
<b>Authorized Representative (Please Print)</b>		



[OFFICE ADDRESS]



[PHONE NUMBER]



[EMAIL]