



Revised June 24, 2020

Guidance for Fisheries Participants Regarding CARES Act Relief Funding

On May 7th the U.S. Secretary of Commerce announced allocations of Section 12005 CARES Act fisheries assistance funding to all costal states and territories. Alaska fishery participants will receive \$50 million of the \$300 million available for this assistance program. This money will be distributed through the Pacific States Marine Fisheries Commission (PSMFC) based on a spend plan developed by the Alaska Department of Fish and Game (ADF&G).

The ADF&G is working expeditiously to develop a spend plan to ensure fund distribution can occur quickly and within established federal timeframes.

To start on the development of the spend plan, ADF&G is evaluating the very broad guidance received from NOAA Fisheries. At this time, only the following information can be provided. If you are interested in staying informed, **please see information at the end of this document.**

Section 12005 of the CARES Act specifies:

ASSISTANCE TO FISHERY PARTICIPANTS

SEC. 12005. (a) IN GENERAL.—The Secretary of Commerce is authorized to provide assistance to Tribal, subsistence, commercial, and charter fishery participants affected by the novel coronavirus (COVID-19), which may include direct relief payments.

(b) FISHERY PARTICIPANTS.—For the purposes of this section, “fishery participants” 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; or*
- (2) any negative impacts to subsistence, cultural, or ceremonial fisheries.*

(c) ROLLING BASIS.—Funds may be awarded under this section on a rolling basis, and within a fishing season, to ensure rapid delivery of funds during the COVID-19 pandemic.

(d) APPROPRIATIONS.—In addition to funds that are otherwise made available to assist fishery participants under this Act, there are authorized to be appropriated, and there are appropriated, \$300,000,000, to remain available until September 30, 2021, to carry out this section, of which up to 2 percent may be used for administration and oversight activities.

(e) EMERGENCY REQUIREMENT.—The amount provided by this section is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

Frequently Asked Questions

Who is eligible?

- Commercial fishermen, charter businesses, aquaculture businesses, processors, subsistence fishery users, tribes and other fishery-related businesses affected by the coronavirus pandemic.
- All businesses must have incurred a 35% revenue loss compared to their past 5-year average.
- Fisheries must be marine-based or target anadromous fish.
- Subsistence fisheries must demonstrate some negative impact.
- Personal Use fisheries are not listed as eligible within the CARES Act language.

Which types of aquaculture operations are eligible for funding?

- Privately owned aquaculture businesses growing products in state or federal marine waters of the United States and the hatcheries that supply them are eligible for Sec. 12005 funding. This includes all molluscan shellfish and marine algae. Non-salmonid marine finfish grown in marine waters not covered by USDA are eligible for Sec. 12005 funding.

Where do I apply if I'm not an Alaska resident?

- All nonresident commercial fishermen and at-sea processors must apply to their home state.
- Nonresident charter businesses, processors and aquaculture businesses apply to Alaska.

Will a business be ineligible for this assistance if they've already received funding elsewhere?

- No – Receiving assistance from other CARES Act assistance programs will not make a fishery participant ineligible for the fisheries assistance funding. However, fisheries participants receiving CARES Act relief funding will need to certify that, should they receive any additional COVID-19 related Federal financial assistance and/or is able to collect traditional revenue, the sum of all funds will not exceed the participant's average revenue earned across the previous five years.
- These funds will be audited.

Will these funds be forgivable?

- Yes – Participants will **not** be required to pay back the funds in the future if they meet all requirements. However, if funds received and fishery income cumulatively equal more than your five-year average, some funds may need to be returned. This is a federal requirement.

How will funds be distributed?

- NOAA Fisheries will distribute Alaska's funds to the Pacific States Marine Fisheries Commission (PSMFC).
- The state will work with PSMFC to develop and submit a spending plan to NOAA Fisheries.
- NOAA Fisheries must approve the spending plan before any distributions can be made to eligible fishery participants.

Are direct payments allowed under the CARES Act?

- Yes, direct payments are expressly allowed.

I have been a fisheries participant for less than five years, am I still eligible?

- Yes, businesses that have been participating for fewer than the five years prior to 2020 are still eligible under the CARES Act.
- Method for calculating loss in this situation has yet to be determined.

How do I apply?

- At this time, an application process has not been finalized. The application will be released as soon as possible.

Will stakeholders have a role in drafting the spending plan?

- Yes – The state will work with representatives of eligible fishery sectors across the state to finalize the spending plan for submission to the PSMFC.

What criteria is being used in drafting the spending plan?

- The state will consider the eligibility criteria specified in Section 12005 of the CARES Act and in additional guidance from NOAA Fisheries. The state will provide additional information on eligibility criteria as soon as possible.

Is there a deadline for fund distribution?

- Yes – Section 12005 of the CARES Act specifies that all funds must be expended by September 30, 2021 but Congress would like to see all funds expended by September 2020.
- However, the state understands that many fisheries are currently underway, or have not yet been prosecuted, and is working with the PSMFC and NOAA Fisheries to ensure all fisheries are eligible and that applicants have adequate time to submit applications.

What methodology did NOAA Fisheries use to determine allocations to states and territories?

- NOAA Fisheries used readily available total annual revenue information from the commercial fishing, charter fishing, marine shellfish and finfish aquaculture, and seafood-related businesses of coastal states, tribes, and territories to proportionately allocate funding. NOAA Fisheries also took into consideration negative impacts to subsistence, cultural, and ceremonial fisheries during the allocation process.
- In addition to allocating the funds proportionately based on readily available total average annual revenue data, NOAA Fisheries established a minimum and maximum funding level that each state and territory will receive (\$1M and \$50M, respectively).
- For more details please see the NOAA Fisheries news release at <https://www.fisheries.noaa.gov/feature-story/commerce-secretary-announces-allocation-300-million-cares-act-funding>

Who do I contact with questions or concerns?

- The commissioner's office is receiving comments and questions.
 - **Kari Winkel, Office Manager**
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How do I stay informed of developments in the CARES Act process and opportunities to participate?

- Please visit: <https://public.govdelivery.com/accounts/AKDFG/subscriber/new> to sign up for regular updates.
 - Once you have submitted your email, look for the CARES Act topic in the Commissioner's Office drop down menu.
 - Check the box, or boxes, of which you wish to subscribe.