



## **Consolidated Appropriations Act of 2021 Relief for Fisheries Participants Final Spend Plan *October 30, 2021***

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On March 29, 2021, the U.S. Secretary of Commerce announced allocations of fisheries assistance funding to all coastal states and territories through the Consolidated Appropriations Act of 2021. Alaska was allocated \$40 million of the \$255 million available for the program. After deduction of assessments and administrative fees, \$39,315,305 will be distributed to fishery participants. These deductions are: National Oceanic and Atmospheric Administration (NOAA) assessment on federal grants (\$439,600), Pacific States Marine Fisheries Commission (PSMFC) administrative fees (\$181,145), and Alaska Department of Fish and Game (ADF&G) administrative fees (\$63,950). The following spend plan provides eligibility criteria for participants in each of the eligible sectors, which are seafood processing, commercial harvesting, sport charter, and subsistence. The spending plan allocates 100% of available funds as direct payments to fishery participants in eligible sectors. While all sectors have been negatively impacted by the COVID-19 pandemic, available funds will only cover a portion of the losses incurred by affected fishery participants.

The spend plan is consistent with the Consolidated Appropriations Act of 2021, Section 12005 of the CARES Act, and guidance provided to ADF&G by NOAA Fisheries. In addition, ADF&G considered input from affected fishery participants. The spend plan must be approved by NOAA Fisheries before eligible fishery participants can submit applications for review and payment. The Pacific States Marine Fisheries Commission will develop application materials consistent with this spend plan and then solicit, review, and approve applications prior to disbursing funds.

The spend plan allocates funds to each sector based on the revenue allocation methodology used by NOAA Fisheries to allocate funds to Alaska, with some modifications. NOAA Fisheries allocated funds to Alaska using available revenue information for the sport charter sector (5.5%), the commercial harvesting sector (35.2%), and the seafood processing sector, which includes processors, dealers, wholesalers, and distributors (59.3%). NOAA Fisheries also considered negative impacts to subsistence fisheries during the allocation process.

The NOAA Fisheries allocation percentages were based on past revenues and not on the estimated scale of loss for each sector due to COVID-19. Therefore, ADF&G adjusted the revenue percentage allocations used by NOAA Fisheries to provide funding to the subsistence (6%) sector. In addition, ADF&G increased the sport charter allocation (27%) to help mitigate losses to that sector resulting from travel restrictions and health mandates which reduced demand for sport charter services. Between January 1<sup>st</sup> and December 31<sup>st</sup> of 2020, the Department of Fish and Game had a 48% loss

in sport fishing license revenue compared to 2019, nearly \$9 million in losses. This dramatic reduction in license sales is only one indication of impacts to the charter sector. The commercial harvesting (35%) and seafood processing (32%) sector allocations help mitigate loss to those sectors resulting from changes in demand and markets for commercial seafood products from Alaska.

Fisheries participants across the State of Alaska have all felt the impacts of COVID-19, whether it be reduced wholesale prices and reduction in demand due to economic shut down or sharp declines in tourism due to travel restrictions. The goal of this spend plan is to broadly distribute stimulus payments to those eligible individuals and businesses across the state during this time of need while balancing rapidity, equitability, and workload with limited resources.

## Payment Calculations

There is a total of \$39,315,305 available for direct payments to fisheries participants. Share payment systems for the commercial harvesting, sport charter, and subsistence sectors will require all applications to be received in order to count the total number of shares within each sector and calculate payments accordingly. Please see specific examples within each of the following sections. Share values will be calculated as follows.

$$\text{Total Allocation} \div \text{Total Number of Shares} = \text{Base Share Value (1 share)}$$

Applicants will be required to provide their absolute loss in 2020 which includes any relief payments they may have received in 2020 that will not be paid back (see More Than Whole Requirement section for examples of relief that must be counted). Once share values are calculated, applications will be reviewed to ensure applicants will not be made more than whole by the Consolidated Appropriations Act of 2021 payments. If an applicant will be made more than whole, the payment will be reduced accordingly. Excess funds will be distributed between remaining eligible applicants using the established share system for the sector. If excess funds still exist after all applicants have been made whole, they will be shifted to the subsistence sector.

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## Applications

The application period will be open for at least 60 days. Applications will be made available on the PSMFC website and must be submitted directly to PSMFC by the due date specified on the application. Applications received or post marked after the published due date will not be reviewed or considered. As stated throughout this spend plan, self-certification will be sufficient to claim losses, revenue averages etc. However, applicants should maintain copies of all documents/records supporting eligibility until October 31<sup>st</sup>, 2026. Active duty military deployed between 2015 and 2020 will be asked to provide official documentation of deployment orders with dates to be eligible for assistance.

Applicants who applied for Section 12005 funds must apply for Consolidated Appropriations Act funds using the same tax entity. Example: Jane Doe applied for Section 12005 funds as an individual person however, she owns an LLC. If Ms. Doe wants to apply for Consolidated Appropriations Act funds, she must apply as an individual person and cannot apply as the LLC.

Timeline:

- November 15, 2021 to January 15, 2022 – application period open
- January 15, 2022 to April 15, 2022 – applications reviewed
- April 15, 2022 to July 15, 2022 – application errors addressed
- August 1, 2022 – funds dispersed

**This timeline is an estimate and is subject to change.**

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### Reconsideration

The PSMFC will notify applicants who have not met the eligibility requirements, have not provided adequate documentation, or have any clerical errors in their application. These applicants will have four weeks from the date of contact to correct any deficiencies and resubmit for review. Applicants should ensure they have provided adequate and correct contact information should PSMFC need to contact you. The second decision on an application will be considered final.

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### Contacts

State/US Territory	POC	Agency	Phone	Email
Alaska		PSMFC	(888)517-7262	<b>AKCares@psmfc.org</b>
		AK Dept. Fish and Game (ADF&G)		<b>dfg.com.caresact@alaska.gov</b>
Washington		PSMFC	(866) 990-2738	<b>WACares@psmfc.org</b>
		WA Dept. Fish and Wildlife (WDFW)		<b>CAREScfisheries@dfw.wa.gov</b>
Oregon		PSMFC	(877) 695-3457	<b>ORCares@psmfc.org</b>
		OR Dept. Fish and Wildlife (ODFW)		<b>ODFW.CARESAct@odfw.oregon.gov</b>
California		PSMFC	(866) 990-2735	<b>CACares@psmfc.org</b>
		CA Dept. Fish and Wildlife (CDFW)		<b>CAREScfisheriesInfo@wildlife.ca.gov</b>
Hawaii	David Sakoda	Hawaii Dept. Land and Natural Resources (DLNR)	(808) 587-0104	<b>David.Sakoda@hawaii.gov</b>
		PSMFC	(888) 595-1538	<b>HICares@psmfc.org</b>

# Commercial Harvesting Sector

Allocation: \$13,760,357

## Eligibility Requirements

- Applicants must be at least 18 years old to apply per federal requirements.
- Applicants must self-certify that they are not de-barred from receiving federal funds and are not on the federal government “do not pay list”.
- Applicants must be a participant in a marine or anadromous fishery.
- Fishery participants who are eligible for Consolidated Appropriations Act of 2021 and Section 12005 CARES Act funding may also apply for federal assistance under other federal COVID-19 relief programs, they should not apply to other federal programs for assistance to address the same impacts resulting from COVID-19. For example, fishery participants could seek assistance to cover lost revenues from multiple programs, but if one program covers all lost revenue, they should not apply to another program to cover those same losses.
- Commercial harvesting sector applicants must hold one or more of the following,
  - 2020 Commercial Fisheries Entry Commission (CFEC) Commercial Vessel License, or
    - California non-resident vessel permit, or
    - Oregon non-resident commercial fishing vessel license for vessel-based harvesters
      - Support vessels are not eligible for a share.
  - 2020 CFEC Commercial Fishing Permit or,
    - Washington non-resident commercial license that authorizes fishing for or delivery of food fish or shellfish in Washington, or
    - California non-resident commercial fishing license, or
    - Oregon non-resident commercial fishing license for non-vessel harvesters
      - Permits for fisheries that did not open in 2020 for reasons unrelated to COVID-19 will not be eligible for a share.
      - Permits revoked at any time during 2020 will not be eligible for a share.
      - **Metlakatla tribal fishery permits will not be eligible for shares.**
  - 2020 NOAA Fisheries License Limitation Permit
  - 2020 NOAA Fisheries Halibut/Sablefish Individual Fishing Quota Permit

- 2019/2020 or 2020/2021 NOAA Fisheries Bering Sea and Aleutian Island Crab Rationalization Individual Fishing Quota Permit
- Emergency transfers of CFEC permits in 2020 are eligible and will be split accordingly between the transferor and transferee or transferees
  - Only the transferee is eligible for a share if the federal or CFEC permit was permanently transferred in 2020

## **Residency Requirements**

### ***Caution on Residency Violations***

In reviewing Round 1 applications, PSMFC identified individuals listed as holding resident licenses in more than one state or holding a resident license of one state while applying from an address in a different state. Holding an Alaskan resident license or permit improperly or when also holding a resident license or permit from another state may constitute a violation, e.g., Permanent Fund Dividend fraud, and may violate the laws of other states as well.

Applicants to this spend plan that PSMFC identifies as suspect in terms of residency status will be referred for enforcement or the appropriate administrative processes in each applicable state. If the appropriate authorities determine that the applicant held a resident license or permit improperly, the applicant will be deemed ineligible under this spend plan. If the violation is not confirmed until after payments from the spend plan are distributed, audit or prosecution may seek return of any payment received under the Alaska and/or other state spend plans.

### **Individual persons**

All individuals must meet all sector eligibility requirements outlined in this plan and may not apply for assistance in any other state or territory for the same losses.

- Must be an Alaskan resident meeting at least one of the following criteria:
  - Eligible to receive an Alaska Permanent Fund Dividend in 2021 for calendar year 2020. Please visit <https://myinfo.pfd.dor.alaska.gov/> to search for your application;
  - Possessed or eligible to receive a 2020 Alaska resident sport fishing license from the Department of Fish and Game. Please visit <https://www.adfg.alaska.gov/index.cfm?adfg=license.residency> for a full definition of resident and the department's residency guidelines;
  - Identified as a resident in 2020 by the Commercial Fisheries Entry Commission. Please visit <https://www.cfec.state.ak.us/> for questions regarding CFEC fishery permits and vessel licensing; or
- A resident of a state that did not receive Section 12005 CARES Act and Consolidated Appropriations Act of 2021 allocations.

- Eligible 2015-2019 revenues earned by eligible Alaskan licenses/permits must be greater than or equal to eligible revenues earned in any other state.

## **Business entities**

All business entities must meet all sector eligibility requirements outlined in this plan and may not apply for assistance in any other state or territory for the same losses.

All partnerships and corporations applying on behalf of the business entity must have an active business license or corporate entity ID number issued by the Alaska Department of Commerce, Community, and Economic Development. Those who do not have either must apply as individual persons in accordance with the above residency requirements.

- Sole proprietor or single-member LLC
  - Must meet the residency requirements for individual persons listed above, no business license is required.
  - Must provide the Social Security Number of the sole proprietor. Single-member LLCs taxes are passed through to the individual whose registered the business.
- Partnerships including LLC-P
  - Must have had an active business license issued by the Alaska Department of Commerce, Community, and Economic Development in 2020.
  - Must have earned eligible 2015-2019 revenue from eligible Alaskan licenses/permits.
  - Must provide their Employer Identification Number (EIN).
- Corporate Entities (S-corporations, C-corporations, LLC-S, and LLC-C)
  - Must have a corporate entity ID number issued by the Alaska Department of Commerce, Community, and Economic Development.
  - Domestic Alaskan entities may apply to Alaska if any eligible 2015-2019 revenues were earned from delivery of raw, or other first offload of at sea processed, fish and shellfish into Alaska.
  - Foreign entities may apply to Alaska if eligible 2015-2019 revenues earned from delivery of raw, or other first offload of at sea processed, fish and shellfish into Alaska are greater than or equal to revenues earned in any other state.
  - Must provide their Employer Identification Number (EIN).

“Domestic” means a business formed inside Alaska and not registered as a domestic entity in another state.

“Foreign” means a business entity that does business in Alaska but was formed outside of Alaska.

**Rationale:** NOAA Fisheries used a fisheries revenue-based approach to proportionately allocate the \$255 million in Consolidated Appropriations Act, 2021, funding to eligible states and territories. The agency used total annual revenue information from the commercial harvesting, sport charter, aquaculture, and seafood processing sectors from the eligible states and territories. NOAA Fisheries also used a residency adjustment for vessel-based commercial harvesting businesses. Average annual landings revenue data in the commercial harvesting sector was adjusted to attribute landings to each vessel owner's state of residence to better reflect where fishing income accrues. For Alaska, the adjustments were made by determining the proportion of landings in Alaska fisheries attributed to vessel owners residing in another state and attributing that portion of the revenue to the respective states of residence. The adjustment was also applied to at-sea catcher processor vessels that operate in Alaska, all the revenue for those vessels was attributed to the state of residence. Although ADF&G initially proposed residency requirements consistent with NOAA Fisheries' approach, ADF&G revised residency requirements in response to public comments and NOAA Fisheries guidance.

## Percent Revenue Loss Requirement

- Applicants must certify that they incurred a greater than 35% loss in fishery participation gross revenue for the complete time period from March 1, 2020<sup>1</sup> to December 31, 2020, as a direct or indirect result of COVID-19. The revenue loss will be calculated by comparing March 1, 2020, to December 31, 2020 gross revenue to average gross revenue **for the same period** over the past five years (2015-2019).
- Applicants that did not participate in an eligible fishery sector for all preceding five years **are eligible to apply** if they participated in 2018 and 2019. These applicants must use an average gross revenue for the same time period, March 1 – December 31 for years available.
- Calculate average gross revenue for preceding years using gross revenue from all permits/licenses held during the time period, regardless of whether a permit/license was held for the entire time period. **Do not include crew member revenue in gross revenue calculation.**
- Applicants who experienced a federally designated fishery disaster during 2015-2019, and the disaster year(s) make the difference between meeting the 35% threshold and not, then the applicant may substitute the next earliest non-disaster year(s) into the five-year average calculation. The burden is on applicants to demonstrate that including disaster years in their 2015-2019 gross revenue average would keep them from exceeding the 35% loss threshold.
- Applicants must have been a fishery participant in 2018 and 2019. Applicants who experienced a federally designated fishery disaster during one or both of these years and have no previous fishery participation must use fishery participation from 2018 and 2019 to calculate revenue loss for 2020.

**How to calculate average gross revenue:** sum of all **eligible year's** annual gross revenues for fishery participation ÷ number of years.

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<sup>1</sup> Except for commercial dive fisheries, see Special Consideration on pg. 9 for details.

**Example:**

Year March 1 – Dec 31	2015	2016	2017	2018	2019
Annual Gross Revenue	\$40,000	\$25,000	\$60,000	\$70,000	\$55,000

**2015-2019 Total annual gross revenue = \$250,000** **2015-2019 Total annual gross revenue**  
**÷ 5 (years) = \$50,000 (5yr average annual gross revenue)**

**How to calculate % loss:**

5yr Average Annual Gross Revenue = \$50,000

2020 Annual Gross Revenue = \$32,000

**Step 1:** 50,000 – 32,000 = 18,000

**Step 2:** 18,000 ÷ 50,000 = (.36)

**Step 3:** (.36) x 100 = **36.0 % Loss**

- **Do not include** COVID-19 pandemic-related assistance through grant, loan funding, or unemployment to calculate economic revenue loss for 2020.
- **Do include** revenue from purchases of seafood product by the USDA or other federal entities to calculate economic revenue loss for 2020.
- Economic revenue losses must be “incurred,” therefore income and/or loss projections **will not** be accepted.
- Applicants must **attest** to having documentation/records to support the losses stated on the application and used as the basis for eligibility. All funds are subject to federal audit; therefore, documentation/records must be maintained until September 30<sup>th</sup>, 2025, and made available **upon request** by Pacific States Marine Fisheries Commission, NOAA Fisheries, or the Department of Commerce Office of the Inspector General.

### **Cannot be Made More Than Whole Requirement**

Applicants must attest that the sum of funds received under the Consolidated Appropriations Act of 2021, CARES Act Section 12005, traditional revenue in 2020, and any COVID-19 pandemic-related aid will not exceed average annual revenue earned across the previous 5 years. **If it is found that an applicant will be made more than whole by the Consolidated Appropriations Act payment, the payment amount will be adjusted accordingly to ensure the applicant will not be made more than whole.**

**Example:** 5yr Average Annual Gross Revenue = \$50,000

**Step 1:** 2020 Annual Gross Revenue (\$32,000) + Unemployment Benefits (\$5,000) = \$37,000

**Step 2:** Average \$50,000 – Sum \$37,000 = 13,000 **UNDER** Average, Eligible.

- **Do include** payments received in 2020 for unemployment benefits for fishing related activities and COVID-19 pandemic-related aid such as grants, Section 12005 CARES Act payments and loans that will not be repaid.
- **Do not include** payments received in 2020 for the Seafood Tariff Relief Program, USDA Loans, federal fishery disaster payments received in 2020, or COVID-19 pandemic-related loans that will be repaid such as an Economic Injury Disaster Loan.

**Special consideration for all sectors:** fisheries participants who are active duty military and were deployed for a period of time between 2015 and 2020 may be eligible for assistance. Determinations will be made on a case by case basis. Applicants will be required to submit military orders of deployment with dates with application.

## Payment Calculation

Eligible applicants shall receive one share per fishery permit/license, see Table 1 below. Emergency transfers of CFEC permits in 2020 are eligible for a share and will be split accordingly between the transferor and transferee or transferees. However, only the transferee is eligible for a share if the federal or CFEC permit was permanently transferred in 2020. In the event of a permit being emergency transferred more than once in 2020, the share will be split accordingly (split into thirds or fourths etc.). Once all applications have been received, the total number of shares will be counted to determine the value of a single share and payments for applicants will be calculated accordingly.

**Special consideration for dive fisheries:** commercial dive fisheries that were impacted by COVID-19 prior to March 1, 2020 may use January 1, 2020 – December 31, 2020 to calculate loss and 5-year average.

<b>Table 1 – Commercial Harvesting Shares System</b>	
<b>Permit Type</b>	<b>Number of Shares</b>
CFEC Fishery Permit	1
CFEC Vessel License	1
NOAA Fisheries Permit	1
Comparable Permit from Other Eligible Fishery	1

**Example:** Allocation Total – \$13,760,357  
 CFEC Permits – 18,926  
 CFEC Vessel Permits – 731  
 NOAA Fisheries Permits – 5,301  
 $\$13,760,357 \div 24,958 = \$551$  (base share value, 1 share)

Mr. Smith has met all eligibility requirements and holds three 2020 CFEC commercial fishery permits and one 2020 CFEC vessel permit. In 2020 Mr. Smith completed an emergency transfer for one of his permits to Ms. Doe. Ms. Doe has one 2020 fishing permit in addition to the one she received by transfer from Mr. Smith. Therefore, Mr. Smith gets 3.5 shares for a payment of \$1,928. Ms. Doe gets 1.5 shares for a payment of \$826. This estimate assumes that every permit and CFEC license will be eligible for a share and that every permit holder in the State of Alaska will meet the greater than 35% revenue loss threshold.

# **Seafood Processing Sector**

Allocation: \$12,580,898

## **Eligibility Requirements**

- Applicants must be at least 18 years old to apply per federal requirements.
- Applicants must self-certify that they are not de-barred from receiving federal funds and are not on the federal government “do not pay list”.
- Applicants must be a participant in a marine or anadromous fishery in waters of Alaska.
- Tribal members may only apply to the State of Alaska for fisheries participation impacts not included in an application to NOAA Fisheries.
- Fishery participants who are eligible for Consolidated Appropriations Act of 2021 and Section 12005 CARES Act funding may also apply for federal assistance under other federal COVID-19 relief programs, they should not apply to other federal programs for assistance to address the same impacts resulting from COVID-19. For example, fishery participants could seek assistance to cover lost revenues from multiple programs, but if one program covers all lost revenue, they should not apply to another program to cover those same losses.
- Seafood processing businesses must submit a separate application for each eligible facility.
- Must be a business processing seafood for human consumption that holds a 2020 seafood processing permit issued by the Alaska Department of Environmental Conservation (DEC).
  - Examples, including but not limited to: PL-1 & 2 Shore-Based Facility Processing permits, DM-L Direct Market Vessel, PV-1 & 2 Processing Vessel, and DV Geoduck Dive Vessel
  - Permits revoked at any time during 2020 will not be eligible
- Must have a minimum average wholesale and/or direct sales revenue of \$30,000 from March 1 through December 31 from 2015-2019.
  - Seafood processing vessels meeting the minimum average revenue requirement shall apply in the seafood processing sector.
    - Those who do not meet the minimum revenue requirement shall apply in the commercial harvesting sector.
    - DEC Permit not required for commercial harvesting sector applications.
    - Those applying in the commercial harvesting sector must have a 2020 CFEC commercial vessel license.

- Businesses may include revenue generated from processing subsistence, personal use and/or sport caught seafood in addition to direct sales revenue from processing commercially caught seafood.
- Tender vessels that are not owned by a processing business, meet the minimum average annual revenue requirement and have a DEC permit shall apply in the seafood processing sector. Those who do not meet the minimum revenue requirement and/or do not have a DEC permit shall apply in the commercial harvesting sector. Those applying in the commercial harvesting sector must have a 2020 CFEC commercial vessel license.

### Percent Revenue Loss Requirement

- Applicants must certify that they incurred a greater than 35% loss in fishery participation revenue for the complete time period from March 1, 2020 to December 31, 2020 as a direct or indirect result of COVID-19. The revenue loss will be calculated by comparing March 1, 2020 to December 31, 2020 gross revenue to average gross revenue **for the same period** over the past five years (2015-2019).
- Applicants that did not participate in an eligible fishery sector for all preceding five years **are eligible to apply** if they participated in 2018 and 2019. These applicants must use an average gross revenue for the same time period, March 1 – December 31 for years available.
- Applicants must have been a fishery participant in 2018 and 2019. Applicants who experienced a federally designated fishery disaster during one or both of these years and have no previous fishery participation must use fishery participation from 2018 and 2019 to calculate revenue loss for 2020.

**How to calculate average gross revenue:** sum of all **eligible year's** annual gross revenues for fishery participation ÷ number of years

**Example:**

Year March 1 – Dec 31	2015	2016	2017	2018	2019
Annual Gross Revenue	\$40,000	\$25,000	\$60,000	\$70,000	\$55,000

$$\begin{aligned} \text{2015-2019 Total annual gross revenue} &= \$250,000 \\ \text{2015-2019 Total annual gross revenue} &\div 5 \text{ (years)} = \$50,000 \text{ (5yr average annual gross revenue)} \end{aligned}$$

**How to calculate % loss:**

5yr Average Annual Gross Revenue = \$50,000

2020 Annual Gross Revenue = \$32,000

**Step 1:**  $50,000 - 32,000 = 18,000$

**Step 2:**  $18,000 \div 50,000 = (.36)$

**Step 3:**  $(.36) \times 100 = 36.0\% \text{ Loss}$

- **Do not include** COVID-19 pandemic-related assistance through grant, loan funding, or unemployment to calculate economic revenue loss for 2020.
- **Do include** revenue from purchases of seafood product by the USDA or other federal entities to calculate economic revenue loss for 2020.
- Economic revenue losses must be “incurred,” therefore income and/or loss projections **will not** be accepted.
- Applicants must **attest** to having documentation/records to support the losses stated on the application and used as the basis for eligibility. All funds are subject to federal audit; therefore, documentation/records must be maintained until September 30<sup>th</sup>, 2025, and made available **upon request** by Pacific States Marine Fisheries Commission, NOAA Fisheries, or the Department of Commerce Office of the Inspector General.

### **Cannot be Made More Than Whole Requirement**

Applicants must attest that the sum of funds received under the Consolidated Appropriations Act of 2021, CARES Act Section 12005, traditional revenue in 2020, and any COVID-19 pandemic-related aid will not exceed average annual revenue earned across the previous 5 years. **If it is found that an applicant will be made more than whole by the Consolidated Appropriations Act payment, the payment amount will be adjusted accordingly to ensure the applicant will not be made more than whole.**

**Example:** 5yr Average Annual Gross Revenue = \$50,000

**Step 1:** 2020 Annual Gross Revenue (\$32,000) + Unemployment Benefits (\$5,000) = \$37,000

**Step 2:** Average \$50,000 – Sum \$37,000 = 13,000 **UNDER** Average, Eligible.

- **Do include** payments received in 2020 for unemployment benefits for fishing related activities and COVID-19 pandemic-related aid such as grants, Section 12005 CARES Act payments and loans that will not be repaid.
- **Do not include** payments received in 2020 for the Seafood Tariff Relief Program, USDA Loans, federal fishery disaster payments received in 2020, or COVID-19 pandemic-related loans that will be repaid such as an Economic Injury Disaster Loan.

## Payment Calculation

Eligible applicants will be placed into seven tiers based on the self-certified average processing revenue provided, see Table 2 below. Once all applications have been received, total number of shares will be determined, and payments calculated accordingly. Payment amounts will be the same for all qualifying applicants within each tier.

<b>Table 2 – Seafood Processing Sector Tiering System</b>		
<b>Number of Shares</b>	<b>Tier Minimum</b>	<b>Tier Maximum</b>
0	\$0	\$30,000
1	>\$30,000	\$75,000
2	>\$75,000	\$500,000
3	>\$500,000	\$2,000,000
4	>\$2,000,000	\$7,000,000
5	>\$7,000,000	\$20,000,000
6	>\$20,000,000	\$50,000,000
7	>\$50,000,000	∞

**Estimate:**                      Total Allocation – \$12,580,898    Total Shares – 1,150  
    \$12,580,898 ÷ 1,150 = \$10,939 (base share value, 1 share)

In this scenario, all 50 applicants in tier 1 will receive one share worth \$10,939. All applicants in tier 2 will receive two shares for a total of \$21,878 each. This is repeated accordingly for each tier. This estimate uses available income data to assign applicants to tiers and assumes that every licensed processor will meet the greater than 35% revenue loss threshold.

<b>Table 2a – Estimated Tier Payments</b>		
<b>Number of Shares</b>	<b>Number of Applicants</b>	<b>Payment Per Applicant</b>
1	66	\$13,729
2	59	\$27,459
3	28	\$41,188
4	30	\$54,918
5	59	\$68,647
6	44	\$82,377
7	29	\$96,106

## **Sport Fishing Charter Sector**

Allocation: \$10,615,132

### **Eligibility Requirements**

- Applicants must be at least 18 years old to apply per federal requirements.
- Applicants must self-certify that they are not de-barred from receiving federal funds and are not on the federal government “do not pay list”.
- Applicants must be a participant in a marine or anadromous fishery in waters of Alaska.
- Must be registered with the ADF&G as a guide, an operator, or as a combined guide/operator for 2020.
  - Revoked sport fishing licenses or registrations will be ineligible for a share
- Tribal members may only apply to the state of Alaska for fisheries participation impacts not included in an application to NOAA Fisheries.
- Fishery participants who are eligible for Consolidated Appropriations Act of 2021 and Section 12005 CARES Act funding may also apply for federal assistance under other federal COVID-19 relief programs, they should not apply to other federal programs for assistance to address the same impacts resulting from COVID-19. For example, fishery participants could seek assistance to cover lost revenues from multiple programs, but if one program covers all lost revenue, they should not apply to another program to cover those same losses.

### **Residency Requirements**

#### ***Caution on Residency Violations***

In reviewing Round 1 applications, PSMFC identified individuals listed as holding resident licenses in more than one state or holding a resident license of one state while applying from an address in a different state. Holding an Alaskan resident license or permit improperly or when also holding a resident license or permit from another state may constitute a violation, e.g., Permanent Fund Dividend fraud, and may violate the laws of other states as well.

Applicants to this spend plan that PSMFC identifies as suspect in terms of residency status will be referred for enforcement or the appropriate administrative processes in each applicable state. If the appropriate authorities determine that the applicant held a resident license or permit improperly, the applicant will be deemed ineligible under this spend plan. If the violation is not confirmed until after payments from the spend plan are distributed, audit or prosecution may seek return of any payment received under the Alaska and/or other state spend plans.

All applicants must meet all sector eligibility requirements outlined in this plan and may not apply for assistance in any other state or territory for the same losses.

- Nonresidents may apply to Alaska’s spend plan if they meet all eligibility requirements.

### Percent Revenue Loss Requirement

- Applicants must certify that they incurred a greater than 35% loss in fishery participation revenue for the complete time period from March 1, 2020 to December 31, 2020 as a direct or indirect result of COVID-19. The revenue loss will be calculated by comparing March 1, 2020 to December 31, 2020 gross revenue to average gross revenue **for the same period** over the past five years (2015-2019).
- Applicants that did not participate in an eligible fishery sector for all preceding five years **are eligible to apply** if they participated in 2018 and 2019. These applicants must use an average gross revenue for the same time period, March 1 – December 31 for years available.

**How to calculate average gross revenue:** sum of all **eligible year’s** annual gross revenues for fishery participation ÷ number of years

**Example:**

Year March 1 – Dec 31	2015	2016	2017	2018	2019
Annual Gross Revenue	\$40,000	\$25,000	\$60,000	\$70,000	\$55,000

**2015-2019 Total annual gross revenue = \$250,000** **2015-2019 Total annual gross revenue ÷ 5 (years) = \$50,000** (5yr average annual gross revenue)

**How to calculate % loss:**

5yr Average Annual Gross Revenue = \$50,000

2020 Annual Gross Revenue = \$32,000

**Step 1:** 50,000 – 32,000 = 18,000

**Step 2:** 18,000 ÷ 50,000 = (.36)

**Step 3:** (.36) x 100 = **36.0 % Loss**

- **Do not include** COVID-19 pandemic-related assistance through grant, loan funding, or unemployment to calculate economic revenue loss for 2020.
- Economic revenue losses must be “incurred,” therefore income and/or loss projections **will not** be accepted.

- Applicants must **attest** to having documentation/records to support the losses stated on the application and used as the basis for eligibility. All funds are subject to federal audit; therefore, documentation/records must be maintained until September 30<sup>th</sup>, 2025, and made available **upon request** by Pacific States Marine Fisheries Commission, NOAA Fisheries, or the Department of Commerce Office of the Inspector General.

## Cannot be Made More Than Whole Requirement

Applicants must attest that the sum of funds received under the Consolidated Appropriations Act of 2021, CARES Act Section 12005, traditional revenue in 2020, and any COVID-19 pandemic-related aid will not exceed average annual revenue earned across the previous 5 years. **If it is found that an applicant will be made more than whole by the Consolidated Appropriations Act payment, the payment amount will be adjusted accordingly to ensure the applicant will not be made more than whole.**

**Example:** 5yr Average Annual Gross Revenue = \$50,000

**Step 1:** 2020 Annual Gross Revenue (\$32,000) + Unemployment Benefits (\$5,000) = \$37,000

**Step 2:** Average \$50,000 – Sum \$37,000 = 13,000 **UNDER** Average, Eligible.

- **Do include** payments received in 2020 for unemployment benefits for fishing related activities and COVID-19 pandemic-related aid such as grants, Section 12005 CARES Act payments and loans that will not be repaid.
- **Do not include** payments received in 2020 for the Seafood Tariff Relief Program, USDA Loans, federal fishery disaster payments received in 2020, or COVID-19 pandemic-related loans that will be repaid such as an Economic Injury Disaster Loan.

**Special consideration for all sectors:** fisheries participants who are active duty military and were deployed for a period of time between 2015 and 2020 may be eligible for assistance. Determinations will be made on a case by case basis. Applicants will be required to submit military orders of deployment with dates with application.

## Payment Calculation

Eligible applicants holding a guide registration will receive one share of available funds. Eligible applicants holding an operator registration will receive one share of available funds. Applicants with a guide/operator combined registration will receive two shares, see Table 3 below. Once all applications have been received, shares will be determined and payments for applicants will be calculated accordingly.

**Special considerations:** salt water businesses shall receive one additional half share (0.5) per vessel registered with ADF&G in 2019. Fresh water businesses targeting anadromous fish similarly shall receive one additional half share (0.5) per employed guide in 2019. Businesses participating in both may only claim salt water vessels. If you are registered as a **combined guide/business you do not get an additional half share for yourself as an employee.**

<b>Table 3 – Sport Fishing Charter Share System</b>	
<b>Registration Type</b>	<b>Shares</b>
Guide	1
Business	1
Combined Guide/Business	2

**Estimate:** Total Allocation – \$10,615,132    Number of Shares – 5,790  
 $\$10,615,132 \div 5,790 = \$1,833$  (base share value, 1 share)

Ms. Smith is a fresh water guide with her own business but also employs three additional guides for targeting anadromous fish. In this scenario, Ms. Smith is eligible for 3.5 shares for a payment of \$6,415. This estimate assumes that all registered businesses and guides will have an Alaska issued business license and that they will all meet the greater than 35% revenue loss threshold.

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## Subsistence Sector

Allocation: \$2,358,918

### Eligibility Requirements

- Applicants must be at least 18 years old to apply per federal requirements.
- Applicants must self-certify that they are not de-barred from receiving federal funds and are not on the federal government “do not pay list”.
- **Members of federally recognized Tribes that already received 2021 Consolidated Appropriations Act funds directly for BIA through NOAA appropriated funds are ineligible.**
- Eligibility for subsistence sector will be determined by Alaskan household.
  - A household is defined as a person or persons having the same permanent residence.
  - All Alaskan households participating in subsistence fisheries may apply regardless of physical household address.
  - Only one application may be submitted per household.
- One or more members of the household must have participated in a marine and/or anadromous subsistence fishery in at least two of the previous four years (2016-2019).
  - Participation includes harvesting, sharing, and/or using subsistence fishery resources. Subsistence harvest does not require the use of a sport fishing license.
  - Subsistence fisheries are defined as fisheries on stocks for which the Alaska Board of Fisheries has found there are positive customary and traditional uses, in addition to federal subsistence fisheries that have no state equivalent.
  - Marine fisheries include all species, i.e., shellfish and halibut. All anadromous species are eligible, this is not restricted to salmon species.
- Eligible applicants must self-certify that their household has incurred a negative impact on their ability to access subsistence fishery resources in 2020 that was directly and/or indirectly related to COVID-19.

## Residency Requirements

### *Caution on Residency Violations*

In reviewing Round 1 applications, PSMFC identified individuals listed as holding resident licenses in more than one state or holding a resident license of one state while applying from an address in a different state. Holding an Alaskan resident license or permit improperly or when also holding a resident license or permit from another state may constitute a violation, e.g., Permanent Fund Dividend fraud, and may violate the laws of other states as well.

Applicants to this spend plan that PSMFC identifies as suspect in terms of residency status will be referred for enforcement or the appropriate administrative processes in each applicable state. If the appropriate authorities determine that the applicant held a resident license or permit improperly, the applicant will be deemed ineligible under this spend plan. If the violation is not confirmed until after payments from the spend plan are distributed, audit or prosecution may seek return of any payment received under the Alaska and/or other state spend plans.

All individuals must meet all sector eligibility requirements outlined in this plan and may not apply for assistance in any other state or territory for the same losses.

- All eligible household members must be an Alaskan resident meeting at least one of the following criteria:
  - Eligible to receive an Alaska Permanent Fund Dividend in 2021 for calendar year 2020. Please visit <https://myinfo.pfd.dor.alaska.gov/> to search for your applications.
  - Possessed or eligible to receive a 2020 Alaska resident sport fishing license from the Department of Fish and Game. Please visit <https://www.adfg.alaska.gov/index.cfm?adfg=license.residency> for a full definition of resident and the department's residency guidelines.
  - Registered as a resident during 2020 with the Commercial Fisheries Entry Commission. Please visit <https://www.cfec.state.ak.us/> for questions regarding CFEC fishery permits and vessel licensing.
  - Held a subsistence or personal use permit issued by the Alaska Department of Fish and Game in 2020. **Note:** personal use fishery permits are NOT eligible for relief under this spend plan. They may ONLY be used to prove residency.

