



July 10, 2023

Updated estimated funds: May 23, 2024

Updated inconsistency in crew/captain criteria: May 19, 2025

Final Spend Plan for funds appropriated to address the 2020 Gulf of Alaska Pacific cod fishery disaster determination. NOAA fisheries allocated \$17,772,540 for the 2020 Gulf of Alaska (GOA) Pacific cod fishery disaster on May 6, 2022. This plan informs the federal grant application submitted by Pacific States Marine Fisheries Commission (PSMFC) to NOAA Fisheries and is subject to change based on approval of the final grant.

Process to develop the spend plan:

ADF&G provided an initial draft spend plan for public comment in May 2023 and received 9 written comments on the initial plan (Appendix 1). ADF&G posted a second draft in June 2023 and received 3 additional written comments (Appendix 2). ADF&G revised the plan based on all public comments before finalizing this spend plan.

ADF&G did not make any revisions to the second draft spend plan.

ADF&G is not proposing to require participation in a directed GOA Pacific cod fishery in 2020 to be eligible for a direct payment in the pot gear sector, as suggested in public comment. All directed federal fisheries in the GOA for Pacific cod were closed in 2020. State-managed Pacific cod fisheries were open in 2020 and Pacific cod could be retained in other federal groundfish fisheries up to the maximum retainable amounts. However, because directed federal fisheries were closed, ADF&G decided not to change the spend plan to require vessels that do not or cannot participate in state water fisheries to have done so in 2020.

Guiding principles for disaster fund distribution. Disbursement of funds is intended to: 1) assist fishery participants harmed by the 2020 Pacific cod disaster; and 2) improve fishery information used to assess and forecast future fishery performance and to develop management approaches that avoid and/or mitigate the impacts of future fishery disasters that cannot be prevented.

Categories and allocations reflect public comment.

Category	Allocation	Estimated funds ^a
Research	9%	\$1,590,000
Communities	4%	\$709,000
Harvesters	54%	\$9,590,000
Processors	33%	\$5,840,000
Program support	<0.2%	\$34,750
Total	100%	\$17,763,950

^a Additional funds will be allocated to Pacific States Marine Fisheries Commission (PSMFC) to administer the federal grant.

Research – 9% (~\$1.59 million): Research funds will be available through an open and competitive bid process administered by PSMFC. Entities that are authorized to receive federal grant funds are eligible to submit proposals for research projects based on the themes outlined below. Allowable expenses for selected research projects are qualified for reimbursement by PSMFC up to the amount awarded through the competitive bid process.

The 2020 Pacific cod fishery disaster resulted from warmer than average ocean conditions, among other factors, beyond the control of fishery managers that reduced biomass and access to the fishery. ADF&G intends for research funds to support projects intended to improve available fishery information and help prevent and/or mitigate future fishery disasters. The following themes informed research projects that were selected for funding under the 2018 GOA Pacific cod fishery disaster and may be relevant for research related to the 2020 fishery disaster:

- 1) Better understanding the effects of warming temperatures on Pacific cod ecology and population dynamics, with a focus on parameters to improve the stock assessment (e.g., mortality, growth, maturity).
- 2) Expanded early life history studies (spawning, larval, age-0) to focus on spatial-temporal variation in stock reproductive output, survival processes, and how these vary with changes in climate.
- 3) Resolving stock spatial structure, migration patterns, and connectivity based on new genetics/genomics approaches. Research may cover a wide range of methods, including understanding early life history, tagging, acoustic telemetry, modelling, genetics, surveys, and maturity.

Communities – 4% (~\$709,000): ADF&G is recommending direct payments to municipalities and boroughs that rely on revenue generated from GOA Pacific cod landings and other economic activities related to the Pacific cod fishery. These local government entities were negatively impacted by the fishery disaster because fishery revenues comprise a significant portion of local operating budgets and are used to support education, public works, ports and harbors, and other services. The state's Fishery Business tax rate is 3% for shore-based landings and is shared 50/50 with the state and municipalities/boroughs where the landings occur. If landings occur in the bounds of a municipality and borough, landing tax revenues are shared 50/50 between each entity.

Communities must meet all criteria to be eligible:

1. Fish ticket port of landing data must show that GOA Pacific cod were landed in the community in 2020 or in three of five years from 2015 to 2019.
2. Total landings of GOA Pacific cod in the community must have been greater than 10,000 pounds in three of six years, 2015 to 2020 as shown on fish tickets.
3. Total 2020 GOA Pacific cod landings in the community must have been less than the 2015 to 2019 average.

Disaster funds will be distributed pro rata to eligible communities based on each community's proportion of the total loss of all eligible communities. If landings occurred in a community represented by both a municipality and borough, the funds will be split 50/50. Landings of 2020 GOA Pacific cod occurred in the following communities represented by ten municipalities and three boroughs: 1) Kodiak

and the Kodiak Island Borough, 2) City of Whittier, 3) City of Seward, City of Homer, and Kenai Peninsula Borough, 5) City of Cordova, 6) City of Unalaska/Dutch Harbor 7) City and Borough of Juneau, and 8) City of Sand Point, City of Akutan, City of King Cove, and the Aleutians East Borough.

Harvesters – 54% (~\$9.59 million): Direct payments will be made to vessel owners, or jig permit holders, and vessel crew who meet all eligibility criteria. The five-year (2015-2019) average exvessel value of the GOA Pacific cod fishery for catcher vessels (CVs) and wholesale value for catcher processors (CPs) was \$36.2 million dollars and the value of the 2020 fishery was \$4.1 million dollars, for a total estimated loss due to the disaster of \$32.1 million dollars. Funds allocated to the harvester sector are intended to mitigate this loss by providing funds to bring the harvester sector up to 30% of the sector's recent historical value.

Vessel crew will be eligible for 10% of the harvester funds. The remaining 90% of harvester funds will be allocated among six fishery harvester sectors based on gear and operation type: pot CVs, jig vessels, longline CVs, longline CPs, trawl CVs, and trawl CPs. The split between vessel crew and permit holders (jig sector)/ vessel owners (pot, longline, and trawl sectors) and the eligibility criteria and payment distribution methods were informed by the 2018 fishery disaster spend plan and public comments on the 2020 fishery disaster spend plan.

Vessel captains and crew (10% of harvester pool): Each eligible vessel crew member will receive one share from the crew pool, while vessel captains will receive two shares. Equal share amounts will be determined based on the total number of eligible applications received for captain and crew payment. The price of one share will be determined by dividing the total allocation (10% of harvester pool) by the total number of shares. The intent is to identify those captains and crew who either participated during the 2020 season or had participated in the GOA Pacific cod fishery as a captain or vessel crew prior to the 2020 fishery disaster in at least two of the four preceding years (2016-2019) and were unable to participate in 2020 because the directed federal fishery was closed.

Vessel captains and crew must meet all criteria to be eligible for payment:

1. Vessel captain or crew member must have worked for a permit holder (jig sector) or vessel (pot, longline, and trawl sectors) that is eligible to receive funds for the 2020 Pacific cod fishery disaster. This information will be verified based on vessel crew contract, vessel crew settlement, or an affidavit from the permit holder (jig sector) or vessel owner (pot, longline, and trawl sectors).
2. Vessel crew member must have had a 2020 commercial crew license or 2020 CFEC permit for any fishery. If the permit holder (jig sector) or vessel (pot, longline, and trawl sectors) qualified for the 2020 Pacific cod fishery disaster based on prior years' participation, the vessel crew member must have had a commercial crew license or CFEC permit for any fishery in ~~three of five~~ two of four years from ~~2015~~ 2016 to 2019. This information will be verified using the ADF&G Licensing database and the CFEC permit database.
3. To be eligible for an additional captain share, an individual must have been the CFEC permit holder, as identified on the ADF&G fish ticket, for a Pacific cod landing on a qualified vessel in 2020 or in ~~three of five~~ two of four years from ~~2015~~ 2016 to 2019.
4. Vessel captain or crew member must not be eligible for fishery disaster funds under another category of this distribution plan.

Harvester Sectors (90% of harvester pool): Eligibility criteria and fund distribution are informed by data from the NOAA Fisheries Catch Accounting Database and ADF&G fish tickets and from the 2018 GOA Pacific cod disaster spend plan in addition to public comments.

Permit-based direct payments will be made to the individual named on the CFEC commercial fishing permit for the jig sector. Vessel-based direct payments will be made to the person or entity named as the vessel owner on the 2020 CFEC commercial vessel license for all other sectors.

Allocations to each of the six harvester sectors are based on the proportion of each sector's loss resulting from the 2020 fishery disaster. ADF&G used wholesale value rather than exvessel value to compare relative loss across all harvester sectors because the harvester sector includes both CVs and CPs. The loss to each sector was determined by comparing the 5-year average adjusted wholesale value (2015 to 2019) to the 2020 wholesale value as shown in the following table:

Sector	Average wholesale value (2015-2019)	2020 wholesale value	Loss	Proportion of total loss	Estimated allocation
Pot CV	\$39,024,975	\$5,447,086	\$33,577,889	59.5%	\$5,704,087
Jig CV and CP	\$1,981,009	\$1,503,745	\$477,264	0.8%	\$81,076
Longline CV	\$4,613,140	\$141,650	\$4,471,490	7.9%	\$759,600
Trawl CV	\$17,367,670	\$6,257,884	\$11,109,786	19.7%	\$1,887,289
Longline CP	\$5,983,492	\$0	\$5,983,492	10.6%	\$1,016,453
Trawl CP	\$1,158,133	\$325,208	\$832,925	1.5%	\$141,494
Total	\$70,128,419	\$13,675,572	\$56,452,847	100.0%	\$9,590,000

Pot catcher vessels (59.5% of harvester funds, ~\$5.7 million): **Vessel-based** distribution.

Pot catcher vessel owners must meet all criteria to be eligible for payment:

1. Vessel must have been used to harvest GOA Pacific cod with pot gear in 2020 or in any three of five years from 2015 to 2019 using pot gear. Combination vessels that used both pot and trawl gear during the period 2015 to 2019 can include years when the vessel was used to harvest GOA Pacific cod with either pot or trawl gear if more than 50% of their total harvest from 2015 to 2020 occurred using pot gear.
2. Average GOA Pacific cod landings from 2015 to 2020 must be equal to or greater than 70,000 pounds using pot gear.

Payment distribution for pot vessels is based on four tiers as shown in the table below. The payment tiers are based on average annual pounds of retained Pacific cod harvested by the vessel using pot gear in the best three of six years, 2015 to 2020. If a vessel had less than three years of participation, the average includes only years when harvest occurred. Twenty-five percent of the pot CV allocation will be apportioned to each tier and each vessel owner in the same tier will receive an equal payment.

Tier level	Average landings (best 3 of 6 years)	Allocation	Est. number of eligible vessels
1	> 1,500,000 pounds	25%	9
2	900,000 – 1,499,999 pounds	25%	15
3	600,000 – 899,999 pounds	25%	22
4	< 599,999 pounds	25%	48

Jig vessels (0.8% of harvester funds, ~\$81,000): **Permit-based** distribution.

Jig fishery permit holders must meet all criteria to be eligible for payment:

1. Permit holder must have landed GOA Pacific cod in 2020 or in at least three of five years from 2015 to 2019 on a M05B, M05G, M26B, or M26G CFEC permit card.
2. Total GOA Pacific cod landings from 2015 to 2020 must be equal to or greater than 750 pounds.

Distribution for jig permit holders: eligible jig permit holders will receive an **equal share** of the jig allocation. An estimated 81 jig permit holders would qualify for disaster funds based on the eligibility criteria.

Longline catcher vessels (7.9% of harvester funds, ~\$759,000): **Vessel-based** distribution.

Longline catcher vessel owners must meet all criteria to be eligible for payment:

1. Vessel must have retained GOA Pacific cod with longline gear in 2020 or in any three of five years from 2015 to 2019.
2. Average GOA Pacific cod landings from 2015 to 2020 must be equal to or greater than 20,000 pounds.

Payment distribution for longline catcher vessels is based on three tiers as shown in the table below. The payment tiers are based on average annual pounds of retained GOA Pacific cod harvested by each eligible vessel in the best three of six years from 2015 to 2020. If a vessel had less than three years of participation, the average includes only years when harvest occurred. The allocation from the longline CV pool apportioned to each tier is based on the proportion of total harvest by the vessels in each tier. Each vessel owner in the same tier will receive an equal payment.

Tier level	Average landings (best 3 of 6 years)	Allocation	Est. number of eligible vessels
1	> 250,000 pounds	29%	7
2	150,000 - 249,999 pounds	41%	15
3	< 149,999 pounds	30%	25

Trawl catcher vessels (19.7% of harvester funds, ~\$1.89 million) **Vessel-based** distribution.

Trawl catcher vessel owners must meet all criteria to be eligible for payment:

1. Vessel must have retained GOA Pacific cod in a trawl fishery in 2020 or in any three of five years from 2015 to 2019.
2. Average GOA Pacific cod landings from 2015 to 2020 must be equal to or greater than 70,000 pounds.

Payment distribution for trawl catcher vessels is based on three tiers as shown in the table below. The payment tiers are based on average annual pounds of retained GOA Pacific cod harvested by each eligible vessel in the best three of six years from 2015 to 2020. If a vessel had less than three years of participation, the average includes only years when harvest occurred. The allocation from the trawl CV pool apportioned to each tier is based on the proportion of total harvest by the vessels in each tier. Each vessel owner in the same tier will receive an equal payment.

Tier level	Average landings (best 3 of 6 years)	Allocation (from the trawl CV pool)	Est. number of eligible vessels
1	> 1,000,000 pounds	51%	13
2	400,000 – 999,999 pounds	38%	20
3	< 399,999 pounds	11%	14

Longline catcher processors (10.6% of harvester funds, ~\$1.02 million) **Vessel-based** distribution; if a company owns more than one vessel, the payments will be aggregated at the company level.

Longline catcher processor vessel owners must meet the following eligibility criterion to receive a payment:

- Vessel must have retained GOA Pacific cod in a longline fishery in any three of six years from 2015 to 2020.

Eligible owners of a longline catcher processor will receive an **equal share** of the longline catcher processor allocation. An estimated five vessels would qualify for disaster funds based on the eligibility criterion.

Trawl catcher processors (1.5% of harvester funds, ~\$141,000): **Vessel-based** distribution.

Trawl catcher processor vessel owners must meet the following eligibility criterion to receive a payment:

- Vessel must have retained 100,000 pounds of GOA Pacific cod in any three of six years from 2015 to 2020.

Eligible owners of a trawl catcher processor will receive an **equal share** of the trawl catcher processor allocation. Four trawl catcher processing vessels are estimated to qualify for disaster funds based on the eligibility criteria.

Processors – 33% (~\$5.84 million): Direct payments will be made to processing companies and tender vessel owners meeting all eligibility criteria. The five-year, 2015 to 2019, average wholesale value of the GOA Pacific cod fishery for processors was \$104.1 million dollars and the wholesale value of the

2020 fishery was \$52.7 million dollars, for a total estimated loss due to the disaster of \$51.4 million dollars. The funds allocated to the processor sector are intended to mitigate this loss by providing funds to bring the processor sector up 11% of its recent average wholesale value.

Similar to the 2018 GOA Pacific cod fishery disaster spend plan, this final spend plan includes tender vessels by subdividing the processor allocation into two pools: one for tender vessels (2%) and one for processing companies (98%). These allocations match what was used in the 2018 fishery disaster spend plan and are again used for the 2020 fishery disaster spend plan.

Tender vessels (2% of processor pool):

Tender vessel owners must meet all eligibility criteria to receive a payment:

1. Vessel must have operated as a tender in a directed GOA Pacific cod fishery in 2020 or in any three of five years, 2015 to 2019.
2. Tender vessel must be able to demonstrate a revenue loss as a result of the disaster by comparing the average pounds of GOA Pacific cod tendered from 2015 to 2019 to the total pounds of GOA Pacific cod tendered in 2020.

Tender vessel owners meeting the eligibility criteria will receive an **equal payment** of the tender vessel allocation.

Processing companies (98% of processor pool): Processing permit holders that are required by 5 AAC 39.30 and 50 CFR 679 to complete and submit the Commercial Operator's Annual Report (COAR) are included in this category. The allocation to eligible GOA Pacific cod processing companies is based on the average value of GOA Pacific cod processed at facilities owned by each processing company from 2015 to 2019 using COAR buying data. COAR buying data are based on the final exvessel value paid to harvesters for landings of Pacific cod. Processing companies will be identified based on their nine-digit federal tax identification number which may include more than one processing permit owned by the same company. Companies with more than one identification number will be consolidated based on company name and address.

Processing companies must meet all eligibility criteria to receive a payment:

1. Must currently own a facility that processed GOA Pacific cod in 2020 or in any three of five years, 2015 to 2019.
2. Processing company must have a total exvessel value of \$10,000 or greater for GOA Pacific cod in any three of six years, 2015 to 2020.
3. The COAR data must show that the processing company had a demonstrated exvessel value loss for GOA Pacific cod in 2020 as compared to the company's average exvessel value of GOA Pacific cod from 2015 to 2019, excluding years with no value.

Disaster payments to processing companies will be **pro rata** to their demonstrated loss.

Program Support <0.02% (\$34,750): ADF&G will allocate funds for staff working on fishery disaster plan development and implementation in coordination with Pacific States Marine Fisheries Commission.