

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

### **Florida Spend Plan for Fisheries Assistance**

#### **Florida Fish and Wildlife Conservation Commission, Division of Marine Fisheries Management**

## **1. Introduction-**

The Coronavirus Aid, Relief, and Economic Security (CARES) Act signed into law by President Trump on March 27, 2020 authorized the Secretary of Commerce to provide \$300 million of economic assistance to Tribal, subsistence, commercial, and charter fishery participants due to the COVID-19 pandemic. These eligible fishery participants include commercial fishermen, charter businesses, qualified aquaculture operations, subsistence/cultural/ceremonial users, processors, and other fishery-related businesses who have incurred economic losses greater than 35% as compared to the prior 5-year average revenue, or any negative impacts to subsistence, cultural, or ceremonial fisheries. Entities that have been in business less than five (5) years are still eligible for funding. Both FWC and NOAA do 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. Additionally, bait and tackle operators will not be included as FWC considers these business in the same manner as previously described entities farther down the supply chain.

Florida was notified of an allocation of \$23,447,814, after removing applicable administrative fees for NOAA Fisheries and the Atlantic States Marine Fisheries Commission (ASMFC). Funds for Atlantic coastal states will be awarded to the ASMFC who will provide subawards to the Atlantic coastal states once NOAA Fisheries has approved the state’s spending plan. This document comprises Florida’s spending plan. The methodology in the following detailed spend plan, once reviewed and approved by NOAA, may be used for any future funds appropriated by Congress for the same purpose.

ASMFC will be writing checks to qualified applicants with information provided by the Florida Fish and Wildlife Conservation Commission (FWC). Applications will be mailed out to commercial fishers, marine aquaculturists, seafood wholesale dealers and processors (both of which fall under the same Florida state-license type), and charter businesses based on information found in Florida license databases. Therefore, it is imperative that license holders update their addresses kept on file with FWC or the Florida Department of Agriculture and Consumer Services (FDACS) if needed. The FWC website contains information on how to update licensees’ contact information. Current license holders have received electronic correspondence, requesting they ensure their mailing information is correct.

More than \$12 billion is generated by Florida’s saltwater fishing industry. According to the Fisheries Economics of the United States (2016) commercial harvesters provided value added economic impacts of \$437 million, while seafood wholesale dealers, distributors and processors had a value added economic impact of nearly \$73 million of domestic product, and the charter fishing industry provided \$370 million of value added economic impact. This vibrant Florida fishing industry has suffered significant losses in revenue due to the COVID-19 pandemic. Preliminary results from a survey conducted by the University of Florida indicates that

commercial fishers experienced a 57% decrease in revenue compared to the previous year; while seafood wholesale dealers experienced a 68% loss; charter fishing business experienced an 88% loss. According to FDACS, the annual value of marine aquaculture production, including shellfish and live rock leases and support facilities averaged approximately \$13.1 million from 2016-2019. Preliminary results from a COVID-19 impact survey conducted by the University of Florida/Florida Sea Grant ([www.flseagrant.org/news/2020/04/uf-surveys-to-identify-impact-of-pandemic-on-floridas-agriculture-and-marine-industries/](http://www.flseagrant.org/news/2020/04/uf-surveys-to-identify-impact-of-pandemic-on-floridas-agriculture-and-marine-industries/)), indicates a \$121 million loss overall for livestock and aquaculture commodity groups, and a 75% loss in sales revenue for shellfish aquaculture from March to mid-May 2020.

The goal of this federal assistance package submitted by FWC is to provide financial relief to commercial fishermen, seafood wholesale dealers, charter fishing businesses, and marine aquaculture businesses. The funding for this program is limited and will not negate the entirety of losses incurred by the fishing industry, nor individuals due to the pandemic. However, it is our hope that this assistance will mitigate some of the losses. This assistance will be accomplished through direct payments. In order to maximize the assistance that will be provided, Florida will not be charging any administrative fees for this program. ASMFC will be charging 0.1 % of the award to write checks to Florida recipients.

#### **How was draft spend plan created-**

This draft spend plan was created from information from a variety of sources. Section 12005 of the CARES Act (Appendix 1) specifies certain criteria, including eligibility and identification of fishery participants and eligibility criteria of an economic loss greater than 35% as compared to the prior 5-year period. FWC has also been in contact with other states' marine fisheries agencies involved with the development of their spend plans to inform the Florida plan. Other Florida state agencies are involved with direct payments to stakeholders in various industries. FWC has had discussions with these agencies to further inform this spend plan. While FWC will be leading this program for commercial fishers, seafood wholesale dealers, and charter fishing businesses, FDACS will be responsible for conducting outreach (e.g. notifying aquaculturists about the program by email and/or phone using contact information associated with their license) and providing applicant data for marine aquaculture businesses. However, FDACS will not be responsible for providing payment-related data to ASMFC; this will be done solely by FWC.

#### **Stakeholder Input-**

Florida requested input from potentially affected stakeholders, as well as leaders of various fishing and marine aquaculture groups. In July 2020, a proposal draft was emailed to these parties. Additionally, the draft was placed on FWC's CARES Act Relief Funding website, along with instructions on how stakeholders could submit their comments to FWC. Public comments received are included as Appendix 2. Once approved by NOAA Fisheries, the spend plan and the application will be communicated in a similar manner.

## 2. Florida Spending Plan

### Eligibility-

Eligible fishery participants include Florida state-licensed commercial fisheries, seafood wholesale dealers and processors, and charter fishing businesses, who are homeported in Florida, and who can document a revenue loss greater than 35% for the period of January through May of 2020 compared to the average of the same period in the previous five (5) years. For the purposes of this program, FWC defines the term homeport as being a resident of the state of Florida. Therefore, eligible fishery participants will be those with a Florida state fishery-related license and residency within Florida. Eligible marine aquaculture participants include Florida Aquaculture Certificate of Registration holders who produce bivalve shellfish and live rock on state submerged land leases or operate upland, bivalve shellfish and live rock support facilities who can document a revenue loss greater than 35% for the period of January through May of 2020 compared to the average of the same period in the previous five (5) years. All Federally-licensed Florida fishery participants, for all sectors of concern, must also possess a state-issued license. Therefore, only state-issued licensing information will be utilized for applicant eligibility.

Fishery and marine aquaculture participants must attest to having documentation/records (e.g. Federal tax returns) to support the losses recorded on this form, and that were used as the basis of eligibility. Further, the eligible fishery or marine aquaculture participant agrees to maintain these records for a period of no less than three (3) years after the close of the primary grant award to the Atlantic States Marine Fisheries Commission and that these records will be provided to state or Federal auditors if requested. Entities in business for less than five (5) years, but in business for at least two (2) years will be qualified. The number of potential applicants is listed below in the Table 1.

*Table 1 Number of potential applicants from each sector.*

<b>Commercial Fisher</b>	<b>Seafood Wholesale Dealer</b>	<b>Charter Fishing Business</b>	<b>Marine Aquaculture Business</b>
6,952	1,447	6,194	430

### Process-

Applications will be sent out to all Florida state-licensed commercial fishers, seafood wholesale dealers and processors, charter fishing businesses, and eligible marine aquaculture businesses whom had an active license in 2020, and at least one (1) year, and up to five (5) years, prior. This ensures the applicant had active licenses both before and after the start of the COVID-19 pandemic. The application period will be approximately 45 days with a published due date. Applications postmarked or received electronically after the published due date will not be reviewed or considered. For commercial fishers, applications will be pre-populated with Florida landings data from January through May for the past five (5) years: 2015 - 2019. These data originate from the FWC Trip Ticket database. Commercial fishers will be required to provide their Florida fishing-related revenue for 2020. Additional space will be provided on the

application for the commercial fisher to add out-of-state fishing revenue. Fishery participants from all other sectors (wholesale dealers and processors, charters, and aquaculturists) will be asked to fill out fishery-related revenue generation for January through May for 2020, as well as any previous years, going as far back as 2015, that the applicant had an active license. Applicants will also have to provide proof of residency within the state of Florida. A list of acceptable proofs of residency are: Florida Driver License or ID Card, Florida Military Orders, Current Florida voter registration information card, Declaration of domicile, and Florida homestead exemption. This list of acceptable proofs of residency will be provided in the application packet.

All applicants will be asked to self-certify to the accuracy of the data and information they provide, and that they have incurred greater than 35% loss based on their previous 5-year average for the same period. Additionally, the applicant will attest that if they are made more than whole from a combination of relief funding and traditional fishery revenue, they will be required to repay any surplus funds. Furthermore, the self-certification ensures the applicant has and will maintain records to support this loss to be provided at a later date if needed for audit purposes. The application will contain legal acknowledgements and penalties for false information.

If a participant receives income from multiple included sectors, the sum total of income from these sectors will be considered when qualifying for the greater than 35% threshold. Applicants who meet the greater than 35% loss threshold will be considered qualified to receive funds. Funds will be dispersed on a prorated basis based upon individual's losses. Therefore, a larger loss will equate to a larger relief payment. Individual payments will be adjusted, if needed, to ensure an applicant is not made more than whole.

After all payments have been calculated, a spreadsheet with payee's name, address, phone number (if applicable), email (if applicable), Social Security number or Federal Employer Identification Number (FEID) and amount to be paid will be sent to ASMFC to process payments. Except for the Social Security number, the rest of the information will be made publicly available.

Approximately 5% of funds allocated to payments will be held back for potential disputes with submitted applications. In prior relief programs, circumstances have occurred where an applicant provided proof that their application was submitted prior to the deadline. Due to extenuating circumstances, the application was received well after the application deadline. Once all qualified applicants have been processed, any remaining funds from this 5% held back budget will be returned to NOAA.

#### **Self-Certification-**

Applicants will be able to self-certify their losses. A self-certification statement (attached as part of the application) will be signed by the applicants, attesting to the accuracy of the revenue-related data they provide, and that they have incurred greater than 35% loss based on their previous 5-year average for the same period. Both the application and self-certification will have a matching *applicant ID*.



## **5. Geographic Location-**

The geographical location of this project is the entire state of Florida.

## **6. Budget Summary-**

The entire budget for this project (\$23,447,814) will go to direct payouts. FWC will use existing staff to manage and administer the grant. FDACS staff will provide collaborative support as needed for the marine aquaculture component of this grant.

## **7. Appendices-**

Appendix 1 - <https://www.congress.gov/bill/116th-congress/house-bill/748/text#HC4F210DB624646229F52A76F089A39A2>

Appendix 2 - Comments from stakeholders about spending plan.

Appendix 3 - Sample application