

## **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 fishery participants include Tribes, fishing communities, aquaculture businesses not otherwise eligible for assistance under part 1416 of title 7 of the Code of Federal Regulations, or other fishery related businesses who have incurred economic losses greater than 35% as compared to the prior 5-year average revenue. Entities that have been in business less than 5 years are still eligible for funding. Further guidance from the National Oceanic and Atmospheric Administration (NOAA) indicates that they do not consider businesses farther down the supply chain (e.g., vessel repair businesses, restaurants, or seafood retailers) for the purposes of this funding.

Florida was notified of an allocation of \$23,471,286, including 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 a draft of Florida's spending plan.

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, wholesale dealers, 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.

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-](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 the federal assistance package to be 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 touch 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. We have 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 and providing data for direct payouts to marine aquaculture businesses.

#### **Stakeholder Input-**

Florida is requesting input from potentially affected stakeholders through email to all license holders and eligible Aquaculture Certificate of Registration holders to direct them to an FWC website with a draft spend plan. Additionally, leaders of various fishing and marine aquaculture groups were notified and contacted by telephone about input for the plan. Written comments on this proposal will be 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 licensed commercial fisheries, seafood wholesale dealers, 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 5 years. 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. **Fishery and marine aquaculture participants must attest 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 or marine aquaculture participant agrees to**

**maintain these records for a period of no less than 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 years, but in business for at least two years will be qualified. The number of potential applicants is listed below in the Table.

<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 licensed commercial fishers, seafood wholesale dealers, charter fishing businesses, and eligible marine aquaculture businesses. The application period will be 30 days. It is not anticipated that there will be multiple application periods. Pre-populated information about the past five years of revenue generated from January through May of each of the previous five years for commercial fishers will be included. Fishery participants from other sectors will be asked to fill this information out. All sectors will be asked to fill out revenue generation for the January through May for the 2020 season and an average for the past five years for the same time period. All applicants will be asked to certify that they have incurred at least a 35% loss and that they have and will maintain the records to support this lost to be provided at a later date if needed. If a participant receives income from multiple included sectors, the sum total of income from these sectors will be considered when qualifying for the 35% threshold. These losses will be placed in four bins (see Figure below); up to \$10,000, \$10,001 to \$50,000, \$50,001-\$100,000, and greater than \$100,000 loss. Due to a limited amount of funding, the bins are being created so that mitigation of revenue loss can be distributed over a wide range of losses. Individuals within a bin will be paid the same (W, X, Y, Z), except that we will use revenue loss to ensure that individuals are not made more than whole. Differential payments (W, X, Y, Z) between bins will be determined after all applications are received.

**Losses**

Bin 1	Bin 2	Bin 3	Bin 4
<\$10,000	\$10,000-\$50,000	\$50,001-\$100,000	>\$100,000
Payment=W	Payment=X	Payment=Y	Payment=Z

After all payments have been calculated, a spreadsheet with payee’s name, address, phone number (if applicable), email (if applicable), social security number or FEID number and amount to be paid will be sent to ASMFC to make payments. Except for the social security number, the rest of the information will be publicly available.

**Self-Certification-**

Applicants will be able to self-certify their losses. A self-certification statement (attached) will be signed by the applicants.

### Monitoring Plan-

A plan to monitor veracity of information provided by applicants will be developed after all applications have been received. This plan will include sampling submissions and requesting documentation of loss.

### 3. Expected Benefits

The direct payments will provide relief to the commercial fishing, seafood wholesale dealers, charter fishers, and marine aquaculture sectors in Florida that have been financially affected in Florida by COVID-19. This assistance will provide funds to assist with revenue loss of at least 35% during January 1, 2020 through May 31 as compared to the same time period in the last five years.

### 4. Schedule

The Florida Fish and Wildlife Conservation Commission will begin the project upon approval by NOAA and is expected to complete the project within 8 months.

	Send Plan to NOAA for Approval	NOAA Approves Plan	FWC Sends Applications Out	Applications Received	Validate Applications	Coordinate with ASMFC to Send Checks	Prepare Final Report
July 2020							
August	X	X					
September			X				
October				X	X		
November					X		
December						X	
January 2021						X	
February							X
March							X
April							
May							
June							
July							
August							
September							

### 5. Geographic Location

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

### 6. Budget Summary

The entire budget for this project (\$23,447,815) 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 (will be updated when spend plan is finalized)

Appendix 3-Sample application

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