

CARES Act Assistance to Fisheries Participants

Charter Sector Check-in
June 18, 2020



WELCOME – THANKS FOR JOINING US!

ZOOM WEBINAR/ CALL LOGISTICS

- You can turn your camera on and mute or unmute yourself through the control panel at the bottom of your screen.
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Agenda

- Background
- NOAA Guidance
- Initial ideas on WA Approach
- Feedback / Q&A

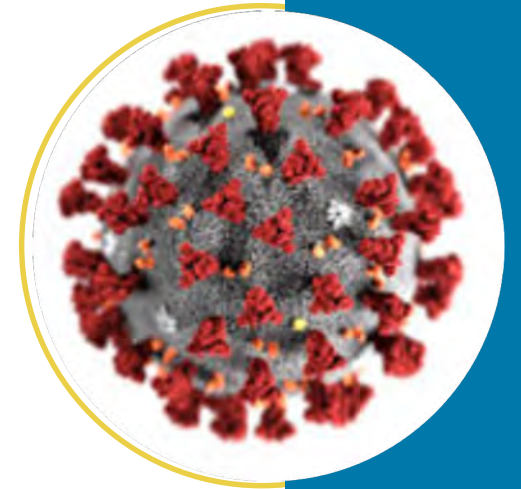




BACKGROUND ON CARES ACT

CARES Act Assistance

- In response to COVID-19 impacts to the commercial fishing and seafood industry, U.S. Congress appropriated \$300 million
- WA and AK got the highest portion of funding
- \$50 M designated for Washington commercial fishers, shellfish growers, charter fishery participants, and processors
- Allocations are based on baseline annual averages, i.e. "normal conditions"





NOAA GUIDANCE

NOAA GUIDANCE

- Eligible sectors – shellfish, commercial fishers, processors, charters
- Eligible businesses must be able to prove they incurred an annual loss of 35% compared to the last 5 year average
- Businesses should apply in state where they operate, except fishers and at-sea processors who must apply in homeport state
- While NOAA made assumptions around revenue losses to come up with state allocations, they've provided flexibility to the states to determine eligibility
- WA has flexibility to design the spend plan based on unique revenue impacts here in WA



KEY TAKEAWAYS

- Guidance allows states the flexibility to tailor spend plans to their unique situations
- With the number of sectors included, we will likely not have funding to meet the full need here in WA
- Eligibility based on the 35% threshold Congress provided
- CARES + 2020 revenues must be equal to or lower than 5yr average or reimbursement potential
- NOAA and PSMFC will have admin, WA will not
- Individual applicants will be required to sign affidavit and will be subject to audit by The Office of the Inspector General



Survey of trip expenditures
(charter fees and tips only)

Ex-vessel \$ from N.
Pacific and local
commercial fisheries,
plus aquaculture

Input-output model
estimates. Ex-vessel
revenues are the main
inputs that vary year-to-
year (economic
"multipliers" are
updated less frequently)

\$50 M is the max they
would give to any state
(16.7% of the total). We
likely would have had a
higher percentage if not
capped.

Percentage of Total Annual Revenue (All Sectors)

Entity	For-Hire Fishing	Commercial Fishing and Aquaculture	Seafood Sector	Tribal Commercial Fishing, Aquaculture & For Hire	Allocation
Alaska	5.5%	35.2%	59.3%		\$50,000,000
Washington	0.6%	67.8%	31.6%		\$50,000,000
Massachusetts	1.5%	47.3%	51.2%		\$28,004,176
Florida	27.0%	30.7%	42.3%		\$23,636,600
Maine	0.4%	81.5%	18.1%		\$20,308,513
California	18.6%	30.6%	50.8%		\$18,350,586
Oregon	2.1%	45.6%	52.3%		\$15,982,827



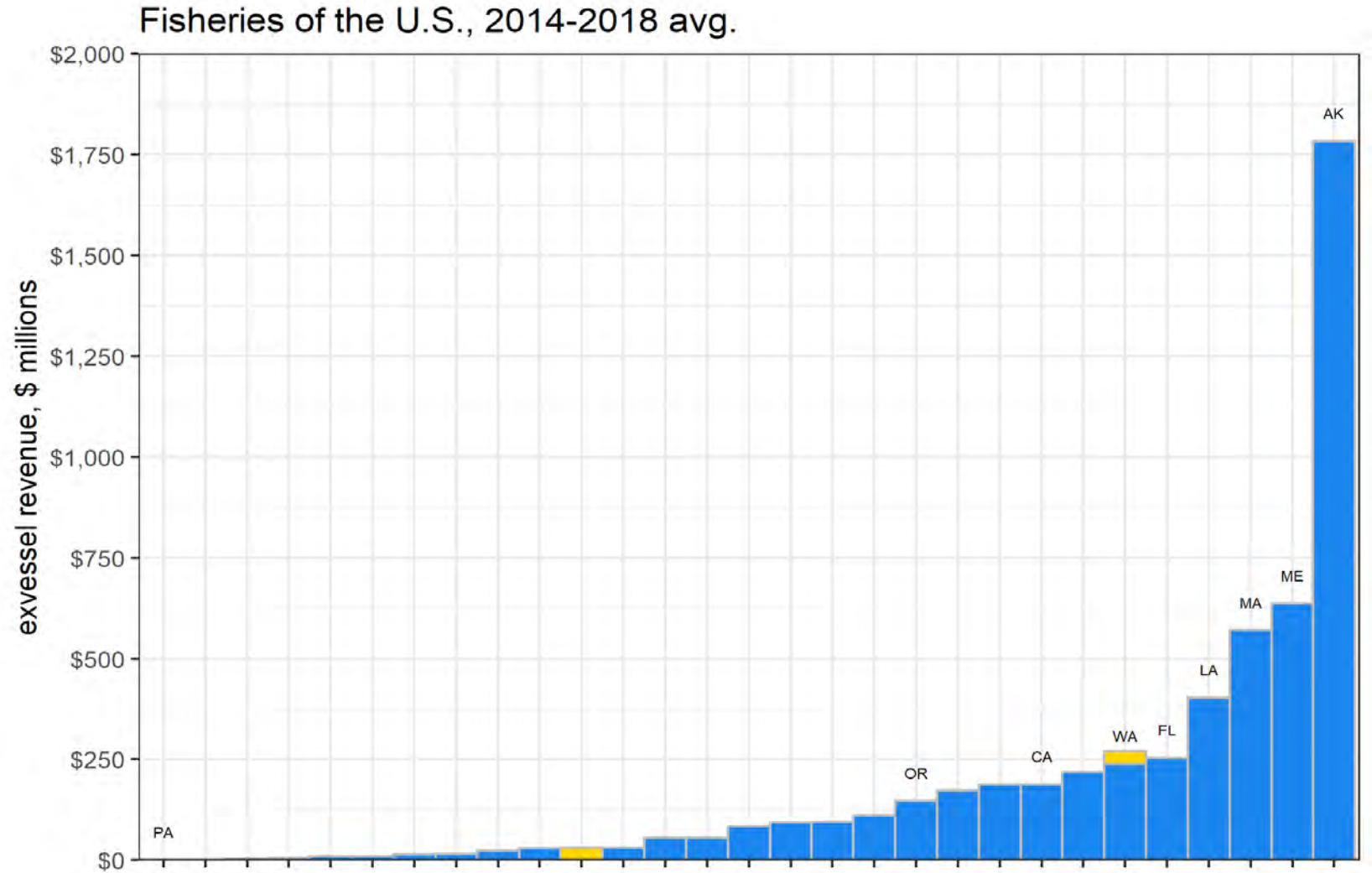
CHARTER SECTOR REVENUE ASSUMPTIONS

- Calculations based on NMFS surveys angler expenditures on a 3-5 year basis.
- Only included charter boat fees and tips to crew (no gas, food, etc.)
- Angler trips x trip expenditures = total revenue
- However, we don't collect expenditures in real time so businesses will need to provide that information



NATION-WIDE FISHERIES TRENDS

- Washington is sixth highest in terms of fisheries revenues
- So why did we receive the maximum allocation?
- AK fishers/at-sea processors homeporting in WA and shellfish industry



<https://foss.nmfs.noaa.gov/apexfoss/f?p=215%3A200%3A%3A%3A%3A%3A>





WASHINGTON'S APPROACH

KEY MILESTONES

WHEN	WHAT
March 27 th	CARES Act Assistance to Fisheries Participants signed into law
June 1 st	NOAA guidance received
Mid June	Sector discussions to gather feedback
June 30 th	Webinar for broader public
Mid July	Spend plans due to PSMFC and NOAA
September 2020	Possible beginning of CARES Act funds distribution
September 30, 2021	Deadline included in legislation for funds to be distributed



WASHINGTON'S VALUES

- Meet Congressional intent
- Distribute funds as quickly as possible to provide relief to severely impacted businesses
- Make sure approach is fair



INITIAL THOUGHTS ON APPROACH

- Determine losses and scale to available funds.
- Avoid allocations or eligibility by sector. There may be healthy sectors with impacted individuals and forecasting impacts sector by sector is challenging.
- Time frame: use January – June as range for incurred losses.
- Include sectors listed in the legislation – focus on fishers, growers and first purchase of fish.
- No WA admin or set aside for disputes.
- Coordination to provide consistency on application process with west coast states.
- State of operations for shore based business units



KEY INPUT NEEDED FROM CHARTER FLEET

- What do you think about the approach of scaling to available funds?
- How much time should we build in for filling out applications and returning them? (30 days? 60 days? More?)
- What should we do for people who have less than 5 years of history with which to calculate their average? Should they have a minimum number of years of history? Should we use a sector average as a proxy?
- How do we ensure money gets to most impacted and we don't end up with individuals getting made more than whole?



Q&A

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Questions?

