



The Commonwealth of Massachusetts

Division of Marine Fisheries

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Round 2 CARES Relief Advisory Panel Meeting

May 25, 2021

Attendees

Advisory Panel: Edward Barrett, Beth Casoni, Scott Soares, Bill Doyle, Dan Orchard, Michael Pierdinock, and Joe Huckemeyer

DMF Staff: Dan McKiernan, Melanie Griffin, Nichola Meserve, Kelly Whitmore, Jared Silva, Kevin Creighton, Stephanie Cunningham, Erich Druskat, Julia Kaplan, Jeff Kennedy, Maggie Nazarenus, Christian Petitpas, Thomas Shields, Story Reed, and Anna Webb.

Background

The Commonwealth of Massachusetts has been allocated an additional \$23.3M in fisheries assistance funding for seafood processors, commercial harvesters, aquaculturists, and for-hire fishing operators negatively impacted by the COVID-19 pandemic in 2020. A total of \$255M in funding was provided by the Consolidated Appropriations Act of 2021 in support of activities previously authorized under Sec. 12005 of the Coronavirus, Aid, Relief, and Economic Securities Act ("CARES Act"), for which the states' allocations were determined by the US Commerce Department. For this "Round 2" funding, the Massachusetts Division of Marine Fisheries (DMF) will again utilize input from its industry advisory panel and sector working groups to finalize a spending plan. Complete details, including working group presentations and meeting summaries, are being provided as they become available at:

<https://www.mass.gov/service-details/mass-cares-act-fisheries-relief>

Meeting Summary

DMF first reviewed the Round 1 Commercial Fishing CARES Act program with the Advisory Panel and the outcomes of the Advisory Panel decisions made during the initial stages of the program. DMF discussed the dates and outcomes of each working group meeting (this includes all four sectors: seafood processors, commercial fishing, aquaculturists, and for-hire) and noted that the summaries of each meeting can be found on the CARES Relief webpage.

DMF Staff broke down the allocations for each of the four sectors. For Round 2, each sector will receive 75% of their Round 1 allocation. Additionally, DMF proposed to hold 10% of Massachusetts' total allocation (approximately \$2.4 million) as set-aside funds to be distributed to the sector(s) that show the greatest need in Round 2. To gauge 2020 losses, DMF will gather data from each applicant on their 2015-2019 average revenue and their 2020 revenue (includes traditional revenue and other COVID-

related aid). The set-aside funds will be distributed to sectors based on greatest average percentage loss. For this to be done, DMF will run the application periods for all sectors simultaneously and only release Round 2 payments once the distribution of the set-aside funds has been set. The advisory panel had no objections to this approach.

DMF plans to merge Round 1 revenue loss data to pre-qualify applicants that met the revenue loss threshold data for Round 1. For Round 2, those that did not qualify or did not apply under Round 1 can use either the original timeframe or a second one for each sector, as determined with working group input. DMF then showed the proposed additional timeframes to determine a 35% loss for each sector: Seafood Processor (March 10 to May 31); Commercial Fishing (March 10 to May 31); Aquaculture (March 15 to October 31); For-Hire (March 1 to December 31). Advisory Panel members wanted to ensure that the maximum amount of people would be included within the proposed timeframes. Staff from the DMF Statistics Team discussed different scenarios and how the timeframes were reached.

DMF then discussed the general eligibility criteria for each of the four sectors and what has changed from the first round of CARES relief. With the exception of the commercial sector, advisory panel members approved of the eligibility criteria and were pleased that DMF modified the timeframes so as many people as possible would be eligible for relief. For the for-hire fishing sector, DMF proposed qualifying applicants' activity level based on their most active year from 2017 to 2019. In Round 1, DMF only used 2018 and 2019, but including 2017 would better align with other sectors and allow for the possible of inclusion of more for-hire businesses. For-hire representatives on the advisory panel were accepting of this approach and will confirm with other working group members.

The "more than whole" requirement from the federal government is still required for Round 2: 2020 revenue under a permit plus any COVID-19 related relief cannot be greater than an applicant's traditional annual revenue. DMF will be requiring applicants to use a formula ($MAX = AVG - (R+C+U+G+Ot)$) to determine if they would be made "more than whole" from other forms of relief they may have received. By completing this formula, it can be determined how much CARES relief a fisherman could receive without making them "more than whole". If an applicant's assigned payment of Round 2 CARES relief would make an applicant "more than whole", DMF would instead pay the applicant their MAX value.

DMF discussed plans to host workshops at the beginning of August to help applicants complete their applications and answer any questions applicants may have. DMF outlined a draft schedule that includes when DMF aims to distribute applications and when deadlines for applications would be. DMF is hoping for approval on the spending plan from NOAA Fisheries by July 1, 2021. As DMF is expected to disburse all funds by September 30, 2021, DMF plans on a six-week application period and a two-week appeals review period.

There was some concern amongst the commercial industry representatives on the Advisory Panel regarding reaching a consensus with how the current program is structured. Some were concerned over

the lack of applicants in the commercial sector for the first round of relief and requested more time to discuss with industry members before reaching a consensus.

Next Steps

Advisory Panel members will discuss the outlined CARES program with industry members and communicate with DMF by June 1, 2021.