

# CARES Act Relief For-hire Workgroup

## Workgroup

- Mike Armstrong, DMF
- Nichola Meserve, DMF
- Mike Pierdinock, F/V Perseverance – New Bedford – Charter \*
- Willy Hatch, F/V Machacha – Falmouth – Charter
- Don Cianciolo, F/V Laura-Jay – Sandwich – Charter
- Tim Brady, F/V Mary Elizabeth – Plymouth – Party
- Joe Huckemeyer, Helen H Fleet – Hyannis – Party \*
- Chris Charos, Captain’s Fishing Parties – Newburyport – Party

\* Also a member of larger industry advisory panel

## Goal

- Advise larger advisory panel and DMF on sector-specific spending plan.

## Logistics

- Meeting via Zoom.
- Meeting will be recorded.
- Please mute when you aren’t talking.
- Use “raise hand” feature.



# Head Boat Relief Program Recap

- \$416,000 in total funding
- Tier head boat pool by:
  - Vessel size: ≤40', 41' to ≤65', 66'+
  - Activity: Inactive (<10 trips/ineligible), Limited (10 – 40 trips), Active (41+ trips)
- Bin shares: Active scaled from 0.25 to 1; Limited is ¼ of Active (“Example 4”)
- Applicant can appeal pre-assigned bin, submitting additional docs (i.e., vessel registration, logbooks).
- Payments made per eligible permitted vessel (i.e., no cap for multi-vessel owners).
- All appeals to be settled before any payments made; still aiming for end of month.

## Bin Count (as assigned by DMF per available data)

	Inactive	Limited	Active
<b>Small</b>	5	4	2
<b>Medium</b>	5	7	11
<b>Large</b>	4	3	4

## Bin Shares

	Inactive	Limited	Active
<b>Small</b>	0	0.0625	0.25
<b>Medium</b>	0	0.15625	0.625
<b>Large</b>	0	0.25	1

## Estimated Payout per Permit (no appeals)

	Inactive	Limited	Active
<b>Small</b>	\$0	\$1,930	\$7,722
<b>Medium</b>	\$0	\$4,826	\$19,304
<b>Large</b>	\$0	\$7,722	\$30,886

## Estimated Payout per Bin (no appeals)

	Inactive	Limited	Active
<b>Small</b>	\$0	\$7,722	\$15,443
<b>Medium</b>	\$0	\$33,782	\$212,343
<b>Large</b>	\$0	\$23,165	\$123,545

# For-Hire Sector: General Eligibility Proposal

1. Must hold a current (2020) for-hire permit as of **June 1**.
2. Must have held a 2019 for-hire permit.
3. Must meet a threshold of activity to be eligible; remaining pool to be tiered.
4. Must be 18 years of age or older.
5. Must not be in violation of several federal laws.
6. Must be a MA resident or not be receiving CARES Act Sec. 12005 for-hire fishing aid from another state.
7. Must have suffered 35% revenue loss during March–June compared to prior 5-year average.
8. Assistance from this and other CARES relief must not make the applicant more than whole.

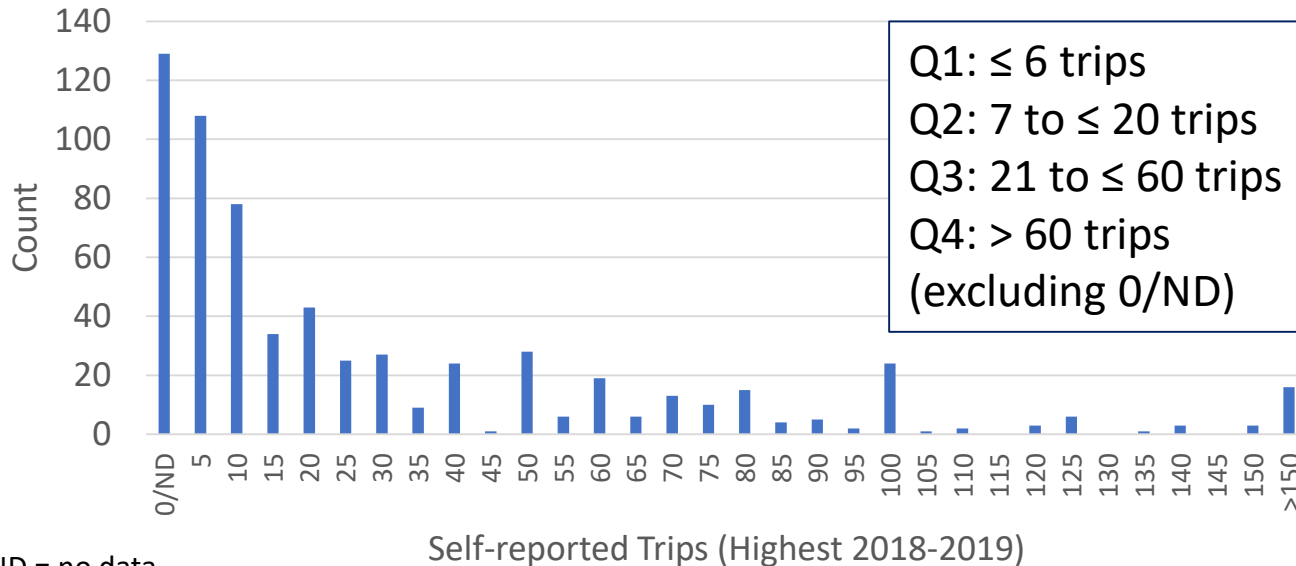
- 650 CB permits issued through May 31, 2020.
- Typically 800+ CB permits issued per year.
- From June 1-18, another 46 were issued.
- DMF data entry on mailed permit applications has experienced some delays; “issue date” in database reflects when entered, not when mailed by applicant or received at DMF.
- Understandable that some individuals may have delayed application this year due to uncertainties of fishing, health conditions, etc.
- Recommendation: stick with June 1 deadline plus 15-day grace period.



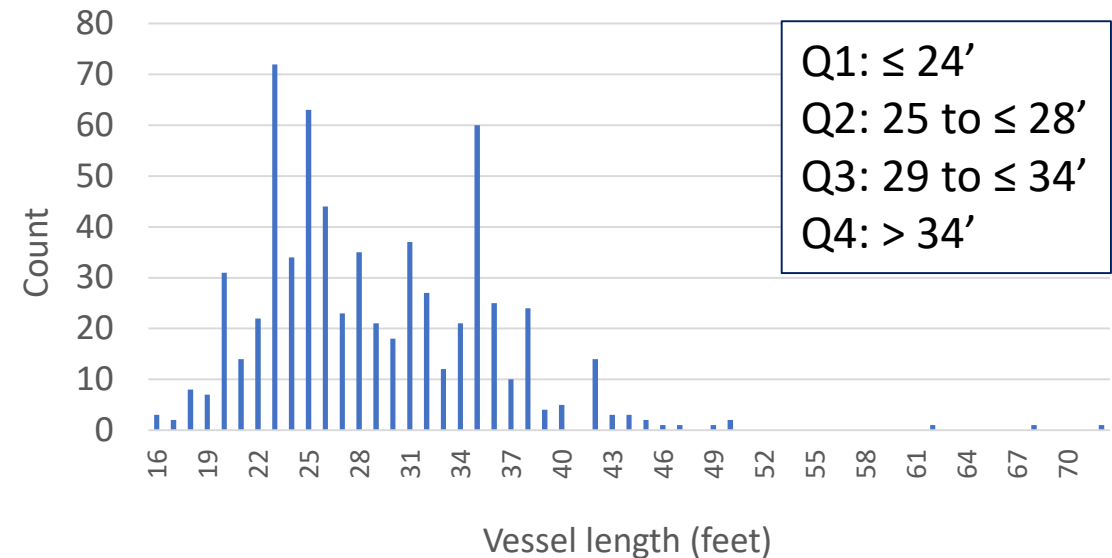
# Charter Boat: Tiering Proposal

- \$584,000 in total funding
- Use available data to pre-assign permits to bins (rather than requesting new data from all permit holders).
- Tier charter boat pool by: activity level and possibly size.
  - Self-reported activity level from VTRs and/or permitting questionnaire; highest value 2018-2019.
- Payments made per eligible permitted vessel (i.e., no cap for multi-vessel owners).

Charter Boat Activity Frequency Distribution



Charter Boat Length Frequency Distribution



ND = no data



# Charter Boat: Binning Examples

No Bins (minimum activity for eligibility)				
<u>Ineligible</u>	<u>Eligible</u>		<u>Ineligible</u>	<u>Eligible</u>
<40	40+	# Trips	<50	50+
457	188	# Participants	480	165
\$0	\$3,106	Payment	\$0	\$3,539

Activity Bins (trips)				
<u>Ineligible</u>	<u>Limited</u>	<u>Active</u>		
<20	20 to 39	40 +	# Trips	
361	96	188	# Participants	
0	0.3333333	1	Weighting	
\$0	\$885	\$2,655	Payment	

<u>Ineligible</u>	<u>Limited</u>	<u>Active</u>		
<30	30 to 49	50+	# Trips	
421	59	165	# participants	
0	0.3333333	1	Weighting	
\$0	\$1,054	\$3,162	Payment	

Length Bins (40+ trips)		
<26'	26+'	Vessel length
64	124	# Participants
0.5	1	Weighting factor
\$1,872	\$3,744	Per boat payment

Length and Activity Bins (2 length bins, 2 activity bins)				
	Ineligible	Limited	Full	
Length	<20	20 to 39	40+	# Trips
<26'	147	43	64	# Participants
26'+	214	53	124	
<26'	0	0.16666665	0.5	Weighting
26'+	0	0.3333333	1	
<26'	0	\$538	\$1,615	Payment
26'+	0	\$1,076	\$3,229	

*\*Per boat payment estimates are based on \$584,000 in funding, 2020 permits issued through June 18, and subject to change.*



# Charter Boat: Input Sought

- Structuring of activity minimum, activity tiering & vessel tiering.
- 15-day grace period for 2020 permit deadline.
- Appeals: what (if any) additional documentation required to appeal activity level?
- Require that a % of income be derived from for-hire fishing activity? Is this self-certified information only?
- Other issues?

