

Paul J. Diodati Director

March 6, 2015

Commonwealth of Massachusetts

Division of Marine Fisheries 251 Causeway Street, Suite 400 Boston, Massachusetts 02114 (617)626-1520 fax (617)626-1509



Charles D. Baker Governor Karyn E. Polito Lieutenant Governor Matthew A. Beaton Secretary George N. Peterson, Jr. Commissioner Mary-Lee King Deputy Commissioner

RE: Notice to State Waters Groundfish Endorsement (GE) Permit Holders of Lower Tier Qualifying Criteria

Dear Permit Holder:

On February 6, 2015, the Massachusetts Division on Marine Fisheries (DMF) sent you an informational mailing notifying you of Phase 2 of the Groundfish Disaster Economic Assistance Program qualification criteria for commercial and for-hire permit holders and an appeals period. Based on a review of appeals received by the February 20, 2015 deadline, DMF is implementing an additional lower tier qualification for state waters Groundfish Endorsement (GE) permit holders. This decision is consistent with providing aid to those active federal and state commercial groundfishermen impacted by the recent fishery declines and consequent disaster declaration.

MA DMF has expanded the criteria for state GE permit holders to include a lower flat rate payment to permit holders that landed at least 3,000-lbs. of groundfish¹ but less than 5,000-lbs. of groundfish in any one year from FY2010 to FY2013.

In order to ensure that the limited funds allocated to the Commonwealth are distributed to the greatest number of eligible fishermen, crew and communities affected by the groundfish disaster, DMF has created a Phase 2 Cap on payments to a "single entity" that received funds under Phase 1. A "single entity" means the existence of a common ownership interest, as determined by DMF, in two or more eligible permits that warrants attributing such permits to a single "owner," notwithstanding that the permits may be held in the name of separate corporations or other legal owners. In making such a determination, DMF will consider all relevant information including, but is not limited to:

- the name of the holder of permits issued by the National Marine Fisheries Service (NMFS) and/or DMF associated with the eligible Moratorium Right Identification (MRI) landings history data;
- the existence of a common ownership interest in two or more entities based on a review of the articles of incorporation and/or other corporation documents on file with the Commonwealth of Massachusetts's Corporation Database;

¹ Groundfish for qualification purposes means the following thirteen species: cod, haddock, yellowtail flounder, pollock, plaice, witch flounder, white hake, windowpane flounder, Atlantic halibut, winter flounder, redfish, Atlantic wolffish, and ocean pout.

- the identity of the sector member on the associated sector operations plan for the eligible MRI;
- the identity of the vendor on the state contract that received Phase 1 funds by DMF; and
- whether two or more legal owners seeking assistance are members of the same family household.

The Phase 2 Cap provides that where a "single entity" received funds under Phase 1, any additional non-Phase 1 qualifying vessels would have any eligible payments under Phase 2 reduced by fifty percent (50%). Furthermore, vessel eligibilities qualified in Phase 1 could not qualify for additional Phase 2 funds. The Phase 2 Cap, including the criteria used to determine a "single entity," was approved by NOAA Fisheries on February 5, 2015.

Given your landings history, you are eligible to receive a lower flat rate payment. DMF has determined that your vessel and permit **is not associated with a single entity** that received payment(s) in Phase 1 of this program. If you believe there was a technical error in the landings data or single entity association, you may appeal to MA DMF in writing (c/o Samantha Andrews, 251 Causeway St., Suite 400, Boston, MA 02114; or by dated email at <u>Samantha.n.andrews@state.ma.us</u>). Appeals must be postmarked no later than March 20, 2015.

Following conclusion of all technical appeals regarding the lower tier eligibility criteria for state GE permit holders, DMF will notify you in writing of your final qualified payment amount. In order to receive payment, you must be a current state vendor. DMF will provide necessary documents to become a state vendor or update your existing information upon notification of final payment amounts.

Should you have any additional questions about Phase 2 of the Groundfish Disaster Economic Assistance Program, please contact Samantha Andrews, DMF Program Coordinator, at (617) 626-1564 or by email, <u>Samantha.n.andrews@state.ma.us</u>.

Sincerely,

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Melanie Griffin Fishery Policy Analyst