

## Updated COVID-19 Information -PPP and Cares Act Updates

The Gulf of Mexico Reef Fish Shareholders' Alliance continues to fight to get commercial fishermen and fishing businesses the assistance they need as a result of COVID-19. Here's a brief update on some of these assistance opportunities. As always, feel free to check in with our <u>COVID-19 Resources webpage</u> for the latest information on resources available for the industry.

Thanks,

Eric



## **Paycheck Protection Program Changes**

On July 4, the President signed extension to the Paycheck Protection Program (PPP). You now have until August 8, 2020 to apply for PPP loans. If you have already applied and been approved for a PPP loan you cannot amend your current application nor can you apply a second time. Additionally, fishing boat

owners can count their 1099 crew members' pay as eligible payroll costs for the purposes of their PPP loan application.

The <u>Seafood Harvesters of America</u> has put together a one-pager about the PPP extension and update which can be found <u>here</u>, and so has the <u>Fishing</u> <u>Communities Coalition</u> which can be found <u>here</u>.

We recommend you contact your local lender for more details about your specific business and application.



## **CARES Act Funding**

The states are at different points regarding sending their spend plans to the Regional Fishery Commissions. Louisiana, Texas, Mississippi, and Alabama will be submitting plans to the <u>Gulf States Marine Fisheries Commission</u> (GSMFC), while Florida will be submitting theirs to <u>Atlantic States Marine Fisheries</u> <u>Commission</u> (ASMFC). The process for CARES Act funding as it has been explained to us is as follows:

- 1. States submit spend plans to the Commissions.
- 2. Commissions forward plans to NOAA.
- 3. NOAA approves spend plans.
- 4. States execute spend plans and send lists of eligible fishermen to Commissions.
- 5. Commissions send funds directly to fishermen.

Each state is executing their spend plan differently and operating on different timelines.

**Louisiana:** Louisiana Department of Wildlife and Fisheries submitted their spend plan to the GSMFC on July 7 and published a white paper detailing eligibility criteria for the CARES Act funds and the current details of the spending plan. This white paper can be found <u>here</u>.

- Eligibility
  - Must possess a 2020 LDWF license or permit.
  - Must have reported seafood sales/trip tickets in 2018 or 2019.

- Must be able to document 35% loss to prior 5 year average.
- LDWF is prioritizing full time fishery participants in the commercial or charter sectors.
- Process
  - LDWF identified over 12,000 potential applicants.
  - Applications will be web-based only and the application period will be open for six weeks (application open date will depend on timing of NOAA approving spend plan).
  - There will be a two-phased payment process that includes an initial payment to accepted applicant. The second phase payment amount will depend on how much funding remains after phase one.

**Florida:** Florida Fish and Wildlife Conservation Commission publicized their spend plan this week and it can be found <u>here</u>. They are actively seeking input and feedback on this plan. If you live and fish in Florida, we strongly encourage you to take the time to read this plan and submit your comments to <u>CaresAct2020@MyFWC.com</u>.

- Eligibility
  - Must be a licensed commercial fisherman, seafood wholesale dealer, or charter fishing business homeported in Florida.
  - Must be able to document at least a 35% loss from January through May 2020 compared to the average of the previous five years.
- Process
  - FWC identified approximately 7,000 commercial fishermen and 1,500 seafood wholesale dealers as eligible.
  - FWC will send applications to all licensed commercial fishermen, seafood wholesale dealers, and charter fishing businesses.
  - There will likely be only one application period that will be open for 30 days.
  - Applicants will be asked to certify they've incurred a 35% loss and must be able to provide records documenting such loss.
  - If you fall into multiple sectors, the sum total of income will be considered for documenting 35% loss.
  - There will be four bins of losses and the payment will depend on which bin you fall into (<\$10,000 loss, \$10,000-\$50,000 loss, \$50,000-\$100,000 loss, and >\$100,000 loss).
  - FWC will submit a list of eligible participants (which will be publicly available) to ASMFC to make payments.

**Mississippi:** The Mississippi Department of Marine Resources is currently closed due to the Mississippi legislature failing to pass a budget for the department. Therefore, we do not know the current status of the Mississippi spend plan nor are we sure when the department will likely reopen. The Mississippi legislature will need to pass a budget, but there is currently a COVID-19 outbreak among the state's <u>lawmakers</u>.

**Alabama:** Alabama has submitted their spend plan to GSMFC, and will likely be doing a direct pay out to any licensed holder in the commercial fishing, for-hire, or seafood processing industries. All applicants must be able to document 35% loss. How that loss is documented will likely need to be coordinated and discussed with

the point of contact for applications at Alabama Department of Conservation and Natural Resources.

**Texas:** There is no information publicly available at this time from Texas Parks and Wildlife Department. If you live and fish in Texas, we encourage you to reach out to <u>Lance Robinson</u> (512-398-4649) and ask the following questions:

- What is the status of Texas's spend plan?
- Will there be opportunity for the industry to comment on the spend plan?
  - If yes, when and how will we know?
    - o If not, why not?
      - Encourage TPW to develop an open, public and transparent process to seek industry input so that the funds will be utilized in a way that best helps fishermen and fishing businesses.

## Contact:

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The Shareholders' Alliance is the largest organization of commercial snapper and grouper fishermen in the Gulf of Mexico. We work hard to ensure that our fisheries are sustainably managed so our fishing businesses can thrive and our fishing communities can exist for future generations. We are the harvesters that provide much of the American public with a reliable source of domestically caught wild Gulf seafood, and we do this through a philosophy that sustainable seafood and profitable fishing businesses depend on healthy fish populations.

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