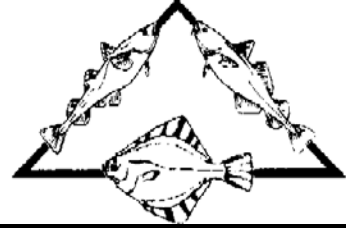


Alaska Groundfish Data Bank

P.O. Box 788 Kodiak AK 99615
Julie Bonney, Executive Director
Katy McGauley, Fisheries Biologist

(907) 486-3033
jbonney@gci.net
agdb@gci.net



October 23, 2020

To: ADFG Commissioner Vincent-Lang
dfg.com.caresact@alaska.gov

Re: Section 12005 CARES Act Relief for Fisheries Participants Draft Spend Plan

Thank you for your Oct 5, 2020 letter requesting input from stakeholders regarding distribution of the \$50M Section 12005 CARES Act Relief funds for Alaska Fishery participants. Alaska Groundfish Data Bank, Inc (AGDB) represents shorebased processors and trawl harvesting vessels that are heavily dependent on the federal Gulf of Alaska groundfish fisheries.

We are mostly requesting clarifications since, as is often the case, the devil is in the details and there appears to be some confusion.

General Eligibility requirements:

The draft plan states (page 2) that, “*Eligible applicants must certify that they incurred a greater than 35% economic revenue loss from March 1, 2020 to November 1, 2020 as direct or indirect result of COVID-19. The economic revenue loss will be calculated by comparing March 1, 2020 to November 1, 2020, gross revenue to average annual gross revenue for the same period over the past five years (2015-2019).*” We take that to mean that the gross fishery revenue from March 1 – Nov 1, 2020 must be compared to the average fishery gross revenue over the period March 1 – Nov 1 for years 2015-2019.

But elsewhere in the plan it states that to be eligible, you “*Must be able to document a greater than 35% loss when comparing March 1, 2020 – November 1, 2020 ex-vessel revenue to average annual ex-vessel revenue from 2015-2019 (or for years available)*”. This is contradictory because, as written, it means you should compare income for 2020 only from March 1 – Nov 1 to average yearly income from 2015-2019. Please clarify which comparison is being requested; according to the Act, “*(1) economic revenue losses greater than 35 percent as compared to the prior 5-year average revenue;*”

“*Applicants must self-certify that the sum of traditional revenue from fishery participation and any COVID-19 pandemic-related aid will not exceed average annual revenue from fishery participation from 2015-2019.*”

Please make clear whether any relief payments received from the USDA Seafood Trade Relief Program (STRP) should be included as “traditional revenue” from fishery participation. According to the eligibility requirements, revenue from purchases of seafood product by the USDA should be included but this is a different program than USDA STRP. The USDA STRP is a new source of revenue for 2020 (i.e. not traditional) and is not COVID 19 pandemic-related aid; also, it is unclear when these funds will be awarded to participants (i.e. before or after Nov 1) to decide whether they should or should not be included.

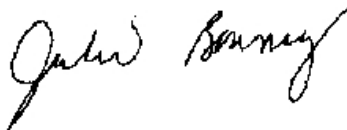
Eligibility criteria Commercial Harvesting sector

- *Permits fished by someone in 2020 other than the holder will be split in half for (0.5) share for the permit holder and (0.5) share for the applicant who fished the permit (page 4).*

This sentence is confusing. When you say “permits fished”, we believe you mean the 2020 CFEC commercial fishing permit (aka “skipper card”). When you say permit holder, we are assuming that you mean 2020 CFEC vessel permit. If this interpretation is true then it appears that you are suggesting the vessel operator would qualify for one share and the vessel owner would qualify for one share; if the vessel owner and operator are the same person, they would qualify for two shares.

We are curious how a skipper would meet your requirement to document loss. A skipper receives payment from the vessel owner which is related to the ex-vessel revenue of the vessel, but they do not have access to the vessel’s business records. Typically, a skipper’s earnings are based on their 1099 or W-2, not gross ex-vessel revenue for the vessel that they work for. If we are interpreting your documentation requirements correctly, they would either 1) need to get the ex-vessel revenue information from the vessel owner (assuming they have worked for the same vessel during the six year period) or, 2) the qualification is not vessel based but based only on the fishing history of the card holder which would require a data run (which would need to include ex-vessel price) from ADF&G for the 6 years. It is unclear to us when 2020 data will be available.

Thank you for the opportunity to comment.



Julie Bonney
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P.O. Box 788
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jbonney@gci.net



Alaska Longline

FISHERMEN'S ASSOCIATION

Post Office Box 1229 / Sitka, Alaska 99835 907.747.3400 / FAX 907.747.3462

October 14, 2020

Rachel Hanke
Legislative Liaison
Office of the Commissioner
Department of Fish and Game
Juneau: 465-6137
Rachel.Hanke@alaska.gov

Dear Rachel,

Thank you for allowing public review of the Administration's draft spend plan for CARES Act emergency relief for fisheries.

On behalf of the 150 small businesses represented by the Alaska Longline Fishermen's Association (ALFA), I am writing to express our opposition to the allocation formula identified by the State in the released draft. The States spend plan reallocates substantial resources from the commercial sector to the charter sector relative to the NOAA allocation guidelines without providing any data to support conclusions related to relative economic impact. In the absence of meaningful data, we find this reallocation to be punitive to Alaska's commercial fisheries.

First, I would remind you that Alaska's fisheries produce more seafood volume than all the other states combined - nearly 60 percent of all commercial fishery landings in the United States by volume, and one-third of the nation's commercial fishery economic value. The seafood industry is second only to oil and gas in terms of state jobs, making it important to utilize the limited funds in a way that adequately supports this essential industry and fairly allocates relief to Alaska's commercial fishing sectors.

Most of ALFA's members operate for large portions of their season in Southeast Alaska and produce high value seafood products for restaurant markets that were deeply affected by COVID-19 related economic impacts. Southeast Alaska is one of the most important fishing regions in the state, with more fishery workers than any region other than the Bering Sea. Southeast residents own more commercial fishing

boats and IFQs than any other region in Alaska and commercial fishing historically has been Southeast Alaska's largest private sector industry. Seven of the top 100 fishing ports by value in the entire country are Southeast Alaskan communities. There are roughly 2,700 commercial fishing permit holders and 2,400 crew members living in southeast Alaska communities.

Our fishermen's harvests also support over 4,500 processing jobs. Many Alaska-based processors have incurred significant expenses in order to operate, and despite precautions, some have shut down due to COVID-19 outbreaks. Southeast Alaska processors support many resident workers and this summer took extraordinary precautions to keep both resident and seasonal hires safe from COVID. Had the processors not taken these extra precautions to remain in operation, commercial fishermen would have been without markets for their catch. Both sectors struggled through this season, incurring costs but going the extra mile to continue to provide high value seafood to our nation and essential revenue to our State.

The closure of restaurants and COVID19 impacts on Asian markets resulted in 40-60 percent reductions in prices paid to our fishermen in 2020. This trend was relatively consistent across the state. In addition, both fishermen and especially processors experience significant cost increases as they struggled to comply with State COVID safe requirements. Harvesters faced the increased complications and costs of operating in communities where they were prohibited from leaving their vessels; processors faced the high costs of quarantining workers, conducting routine testing, and facing dramatically restricted markets in which to sell seafood. Although the processing sector will need to actually quantify those impacts, ALFA can substantiate that our members have seen on average a 50 percent profit loss from the 2020 season relative to their historic average.

In order to proportionally allocate funds between different coastal states, NOAA Fisheries compiled multi-year revenue information from commercial and charter fishing sectors, aquaculture businesses, and processing/seafood sectors. The agency's data showed that nearly 60 percent of Alaska's fishery revenue derived from seafood processors. Commercial fishermen generated 35.2 percent of the state's fishery revenue, and charter operators generated the remaining 5.5 percent. ALFA provided comments earlier this summer recommending that ADF&G use these percentages as the primary basis for allocating disaster relief funds between the processor, commercial fishing and charter sectors.

This approach follows the sector allocation plan used by the state of Massachusetts, which has the nation's second largest commercial fishing economy. Massachusetts received \$28 million based on revenues from seafood processing (51.2%), commercial fishing (43.1%), aquaculture (4.2%) and charter (1.5%) and allocated its funds by

sector using those percentages.¹ Other coastal states have used an approach that produces similar results by identifying the total number of license holders and businesses in each sector.

Unfortunately, the draft spend plan for Alaska deviates significantly from the NOAA guidelines, reallocating a substantial amount of funding from commercial harvesters and especially processors to the charter sector with no data to document a disproportionate economic impact to the charter sector. For reference, the respective allocations from NOAA the Alaska Department of Fish and Game are listed below.

	NOAA	ADFG
Harvesters	35.2%	32% (DECREASE of \$1.6M)
Sport charter	5.5%	32% (Increase of \$13.25M)
Processors*	59.3%	32% (DECREASE of \$16M)
Subsistence	0%	3% (Increase of \$1.5M)
Aquaculture	0%	1% (Increase of \$500K)

**NOAA allocation included processors, wholesalers, and distributors. ADFG only includes processors.*

To place these numbers into context: In 2019 there were 6,039 active Alaska resident commercial fishermen. These resident commercial fishermen have been allocated \$16M. Dividing \$16M by 6,035 fishermen results in an average payment of \$2,649 per resident commercial fisherman.

In 2019 there were approximately 1,239 saltwater guide businesses (resident and non-resident) and approximately 3,429 guides (resident and non-resident). Overlap between business and guides is not known. Assuming 70% of the guides are residents, \$16M would be shared among 2,400 resident guides resulting in a payment of \$6667 per guide. **The ratio of guide payment to commercial fishermen payment is 2.5:1.** (*NOTE: freshwater guide numbers were not available to us*).

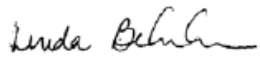
ALFA objects to this reallocation of federally allocated funds by the Dunleavy Administration. We believe the State has a responsibility to follow federal allocation guidelines with these federally allocated funds. **We STRONGLY recommend that the State revise Alaska’s draft spending plan to reflect the federal allocation guidelines.** We have seen no evidence to support assumptions that economic impacts to the charter sector exceeded economic impacts to the commercial sector, yet the State is proposing to reallocate \$17 million from commercial to charter sector. Without data to substantiate this reallocation, the Administration’s spend plan

¹ North Carolina also used the NOAA Fisheries revenue calculations to calculate fund disbursement by sector, allocating 64 percent of its funds (\$3.4 million) for commercial fishermen, 12 percent to processors (\$625,000) and 24 percent (\$1.3 million) to charter operators.

appears punitive. I would also point out that the States Cares Act business grant funds excluded most of Alaska's processing sector—while allowing charter businesses to qualify—by limiting applicants to businesses with less than 50 employees. In short, equitable assistance is being withheld twice from the processing sector by this administration's proposed distribution of federal funds.

Thank you for the opportunity to comment. Please remember that our Association submitted comments prior to the release of the draft spend plan highlighting these allocation issues and strongly supporting allocations that followed federal guidelines. We request your careful reconsideration of CARES Act emergency relief for fisheries.

Sincerely,



Linda Behnken
Executive Director

cc: Senators Murkowski
Senator Sullivan
Congressman Young



Alaska Whitefish Trawlers Association

PO Box 991 Kodiak, Alaska 99615

Phone: (907) 654-9888

<http://www.alaskawhitefishtrawlers.org>

October 23, 2020

Alaska Department of Fish and Game
Commissioner Doug Vincent Lang
Juneau, AK 99801

Submitted via: dfg.com.caresact@alaska.gov

Re: AWTA Comments on Section 12005 CARES Act Funding draft spend plan

Dear Commissioner:

Alaska Whitefish Trawlers Association (AWTA) represents small independently-owned trawl catcher vessels based in Kodiak and operating mainly in federal trawl fisheries in the Gulf of Alaska and Bering Sea. We appreciate the opportunity to review and comment on Alaska's proposed Section 12005 CARES Act spend plan.

We suggest the following clarifications to reduce ambiguity in the application process, and to streamline the administrative function carried out by Pacific States Marine Fisheries Commission:

1. Clarify whether five-year average revenues are calculated only on the period March 1-November 1 for each year, or whether this is intended to be annual (12 months) revenue.
2. Clarify whether applicants will be required to submit revenue documentation with their application, or whether the State anticipates only a self-certification will be required.
3. Clarify that federal fishery participants may submit a copy of their valid federal permit (or other comparable documentation) in lieu of a 2020 CFEC Commercial Fishing Permit. Federal trawl participants access the fishery via an LLP rather than a CFEC fishing permit, and the application should recognize differences in operational requirements and ownership structures between state fisheries and federal fisheries.

We agree that there is not enough funding to make each business whole, and ask that the application process and program administration be outlined very clearly from the beginning to reduce additional burdens for applicants. However, if Congress appropriates additional monies to this program then it may be advisable to significantly revise the spend plan, particularly if appropriations are substantial.

If this plan is significantly revised based on comments received during this comment period then we ask that an additional review and comment period be allowed.

Thank you,

A handwritten signature in black ink that reads "Rebecca Skinner".

Rebecca Skinner, Executive Director
Alaska Whitefish Trawlers Association



BRISTOL BAY

Regional Seafood Development Association

October 14, 2020

Via e-mail

Commissioner Doug Vincent-Lang
doug.vincent-lang@alaska.gov

Kari Winkel
kari.winkel@alaska.gov

Rachel Hanke
rachel.hanke@alaska.gov

Re: Section 12005 CARES Act Relief for Fisheries Participants Draft Spend Plan

Dear Alaska Department of Fish and Game Commissioner and Staff:

Bristol Bay Regional Seafood Development Association (“BBRSDA”) represents more than 8,000 commercial fishermen including nearly 2,000 permit holders whose livelihoods depend on the Bristol Bay’s sockeye salmon fishery. Between 2019 and 2020 the decline in the base price of Bristol Bay sockeye salmon resulted in a \$130 million loss in revenue to Bristol Bay fishermen.

Thank you for being available to answer questions throughout the process of developing the Section 12005 CARES Act Spend Plan. It is of utmost importance to the BBRSDA that eligible Bristol Bay commercial fishermen have the information and access they need to receive vital economic relief.

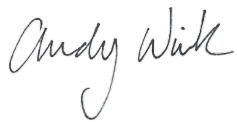
Upon review of the document *Section 12005 CARES Act Relief for Fisheries Participants Draft Spend Plan*, some questions remain,

- What is a CFEC Vessel Permit? Is it the same as a vessel licensed with the CFEC for commercial fishing?
- If so, and if someone owns a permit and a vessel, does this qualify them for two shares?

- How long of a window will fishermen have to apply? Is there any kind of first come, first serve priority or will all applications received within the established timeframe be considered equally?
- Is one share equal to a division of the total funds allocated to commercial harvesters (32% of \$50,000,000 = \$16,000,000) divided by the number of qualified applicants?
- Are all CFEC fishery permits equivalent to one share regardless of which fishery they are for or the value of that fishery?
- What are the limitations on what a recipient can use funds for? Is there any instance when money granted to an eligible fisherman would need to be returned?
- Crew members, those who work in the fishery but do not own a permit or vessel are the largest group of commercial fisheries participants and they are excluded from this program as it is currently written. Is there any opportunity for crewmembers to qualify for financial assistance through this program?

Thank you for your work opening this program and providing Alaskan commercial fishermen with needed economic relief. We would be happy to schedule a call with you and offer our support in making this process as straight forward as possible for eligible fishermen.

Sincerely,

A handwritten signature in cursive script that reads "Andy Wink".

Andy Wink
BBRSDA Executive Director



Chignik Intertribal Coalition



October 15, 2020

Alaska Department of Fish and Game
1255 West 8th Street
Juneau, Alaska 99811-5526
Submitted via email: adfg.com.caresact@alaska.gov

Re: Public Comment - Section 12005 CARES Act Spend Plan

Dear Alaska Department of Fish and Game:

On behalf of Bristol Bay and Chignik area communities, the Bristol Bay Economic Development Corporation, Bristol Bay Native Association, Bristol Bay Native Corporation, and Chignik Intertribal Coalition submit the following recommendations to the draft "Spend Plan" for the Section 12005 CARES Act fisheries assistance funding.

Initially, we urge the State to provide for both paper and online applications in order to make the application process more accessible to rural Alaskans. In many of our communities, residents struggle with accessing reliable internet to conduct business, making online application processes extremely difficult to impossible. A paper application option would enhance our residents' ability to apply to the much-needed assistance.

We also ask that the department incorporate a Cost of Living Adjustment (COLA) when establishing shares by giving applicants who have higher costs of living additional share portions. This will allocate the available funding more equitably and account for the reality that many rural communities face high costs for basic needs and additional barriers such as transportation expenses.

General Eligibility Requirements:

"Must be a participant in a marine or anadromous fishery in waters off Alaska" pg.2

The draft Spend Plan is ambiguous as to which species and water systems qualify participants for eligibility for this assistance. Please define the terms "marine and anadromous fisheries" and "off Alaska" by clarifying that all species commercially harvested or harvested for subsistence are eligible and that both state and federally managed fisheries and marine and inland waters are included.

“Additional eligibility requirements (processing, commercial, sport and aquaculture only)”
“-Applicants must have operated in 2018 and 2019” pg. 2
“-Applicants operating less than 5 years are eligible but must have operated in 2018 and 2019. Use years in operation to calculate average annual ex-vessel revenue” pg. 4

In order to protect our most vulnerable commercial fishers, we ask that any new fishery participants who purchased a permit or vessel in 2019 and participated in both 2019 and 2020 fisheries be eligible to apply for this funding stream. The requirement to have fished in 2018 creates additional hardships for these new operations that are already financially vulnerable.

Commercial Harvesting Sector:

“Payment determination, Share System” pg. 4

The Share System does not have enough information to explain how the system will work when fishery and vessel permit holders own permits in multiple fisheries. There is also confusion as to why both fishery and vessel permits qualify for a share when, in many cases, the same person or business holds both permits. Please ensure there is adequate information for people to understand the method of the Share System to avoid confusion in the application process.

“Must be able to calculate average annual ex-vessel revenue for 2015-2019” pg. 4

In the application it should clarify the annual ex-vessel revenue is based on the tax year. Due to the nature of the commercial fishing payout and price adjustments fishers, the current language has the potential to cause confusion for applicants. The tax year information will be most readily available.

To help simplify the application process for commercial fishers the department should consider using the Commercial Fisheries Entry Commission *Basic Information Table* and *Permit and Fishing Activity by Alaskan Census Area* reports to determine the ex-vessel revenue average for five years. From there commercial fishers can use a base average related to permit type or census area to compare their 2020 season to, simplifying the identification of the 35% loss and reducing errors in calculations.

Sport Fishing Charter Sector:

“Eligibility Criteria” pg. 5 & 6

Additional eligibility criteria or explanation should be added to this section to ensure that sport fishing charter businesses or guides are not able to apply for CARES Act funding in multiple states for the same business or income losses. This is to prevent “double dipping” of relief efforts.

Subsistence Users:

“Eligibility criteria” pg. 6

It is peculiar that this section does not have to base its participation on a five-year average like all the other industry sectors in this spend plan. We recommend that eligibility be determined on participation for three of the past five years or the Spend Plan better justify the current four-year participation criteria.

“Subsistence fisheries are defined as fisheries on stocks for which the Alaska Board of Fisheries has found there are positive customary and traditional uses, in addition to federal subsistence fisheries that have no state equivalent” pg. 7

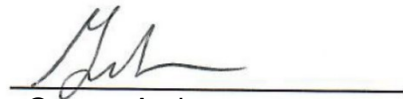
When gathering criteria for eligible subsistence households in this application process, we recommend that ADF&G and NOAA recognize the customary and traditional uses of subsistence halibut (and expand this to all other fish harvested for subsistence) as defined in 50 CFR § 300.61.

The eligibility determinations should be based on the federal definition of subsistence uses at 50 CFR § 100.4:

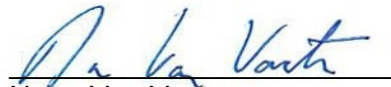
Subsistence uses means the customary and traditional uses by rural Alaska residents of wild, renewable resources for direct personal or family consumption as food, shelter, fuel, clothing, tools, or transportation; for the making and selling of handicraft articles out of nonedible byproducts of fish and wildlife resources taken for personal or family consumption; for barter, or sharing for personal or family consumption; and for customary trade.

We appreciate the opportunity to provide these comments, hope you will incorporate our input into the Spend Plan, and thank you for taking the time and effort to undertake this public process.

Sincerely,



George Anderson
President, Chignik Intertribal Coalition
427 Airport Road
Chignik Lagoon, AK 99565



Norm Van Vactor
President/CEO, Bristol Bay Economic Dev't Corp.
PO Box 1464
Dillingham, Alaska 99576



Daniel Cheyette
Vice President, Lands and Natural Resources
Bristol Bay Native Corporation
111 West 16th Avenue, Suite 400
Anchorage, AK 99501



Ralph Andersen
President & CEO, Bristol Bay Native Association
P.O. Box 310
Dillingham, Alaska 99576



October 22, 2020

Commissioner Doug Vincent-Lang
Alaska Department of Fish and Game
P.O. Box 115526
Juneau, AK 99811
Submitted Electronically to dfg.com.caresact@alaska.gov

Re: CARES Act Relief for Fisheries Participants Draft Spend Plan

Commissioner Vincent-Lang,

Thank you for the opportunity to comment on the Draft CARES Act Spending Plan. Cordova District Fishermen United is a 501(c)5 non-profit membership organization representing and advocating on behalf of the fishing families of the Copper River, Prince William Sound, and northern Gulf of Alaska. Our membership is diverse and our fleet participates in multiple fisheries for multiple species. Most who fish in our region reside in many communities around the state, but members of our fleet also include some out-of-state residents.

The Draft Spend Plan specifically limits aid available to non-resident commercial fishermen on the rationale that the original NOAA guidance and funding was based on residency of fishery participants. However, in the charter sector guidance, non-residents are included despite the same guidance from NOAA on residency requirements. It is our understanding that non-residents were included in the charter sector because they reside in non-coastal states that do not have access to this covid-19 relief for fishery participants. By this argument, many non-residents of Alaska's commercial fisheries fall into the same category, and would not have the option to receive any of the NOAA fisheries aid either. We ask that the Department provide parity in residency requirements so that both the commercial and charter sectors must meet consistent guidelines.

The original guidance provided by NOAA provided for 35.2% of the designated funding to be allocated to commercial harvesters, and the Alaska Department of Fish and Game (ADFG) Draft Spend Plan shifts this allocation to 32%. Given that commercial fishery participants far outnumber the charter fishing sector, and Alaska's commercial fisheries are responsible for approximately 60% of the US seafood harvest, we have concerns about the level of funding that was reallocated to the charter sector from the amount included in the original NOAA guidance.



We respectfully ask for transparency in the Department's analysis of the economic impacts and justification for this reallocation, and that this justification be provided to the public. We also request that when the revised plan is released, an additional comment period be allowed.

During the AK CARES business relief grant opportunity, recreational fishermen operating under a valid business license were eligible to apply much sooner than commercial fishermen (who, by statute, are not required to maintain a regular business license in order to sell fish). Commercial fishermen operating under a CFEC permit were only eligible from August 6, when the new portal opened, until August 31, when funding became oversubscribed. Though the application continued to be open beyond that date, the funding available was severely limited by that point. This unfortunately excluded many commercial fishermen from receiving any sort of relief at all, during a season where Alaska's fisheries felt not only the impacts of the covid-19 economic crisis, but also were impacted by fishery failures around the state. Additionally, many fishermen have continued to be unsuccessful in securing any sort of covid-19 relief. There continues to be a significant amount of unmet need within Alaska's fishing communities.

Our organization takes significant interest in the perpetuation of Alaska's fisheries, including support and professional development for young fishermen and new entrants into Alaska's fisheries. Exclusion of new fishery entrants from disaster funding was an issue during the 2016 Gulf of Alaska pink salmon fishery disaster, and it continues to be an issue with this draft spend plan.

New fishery entrants with significant start-up costs face some of the highest expenses when compared to seasoned fishermen and should not be excluded from any relief options on the basis that they are newer to the fishery. For those with no history in the fishery, we suggest allowing the use of the 5 year average to compare and document their economic loss. This is especially true for those who may have purchased a vessel and permit at the end of 2019 and prior to the start of the coronavirus pandemic, a point at which no one could have predicted what was coming ahead of the 2020 fishing season. Put simply, the financial impacts to those who recently entered the fishery are equally as relevant as those who have been involved in the fishery longer and we advocate on behalf of these fishermen for their inclusion in the spend plan.

Though we acknowledge that NOAA's initial guidance limits payments being directed to minors and requires applicants to be over the age of 18, and note that ADFG may not be able to change that criteria, we would like to emphasize that the State of Alaska does not require permit holders be over the age of 18 to legally hold a permit. If a fishermen is eligible to own a permit, theoretically, that fishermen should be eligible to receive the same assistance as any other.



We have concerns that the paperwork burden on fishermen for this relief may be significant, and urge the Department and Pacific States Marine Fisheries Commission, we urge simplification of the paperwork burden as much as is reasonable. It is important to note that many fishermen in our fleet do not have regular computer access, some lack computer skills, and for others, limited internet impedes the ability to complete online-only forms. As such, the ability to submit applications by mail and in paper form is critically important to our fleet. Further, we urge timeliness in the distribution of funds once a final spend plan is released.

Because applicants must self-certify that the sum of traditional revenue from fishery participation and any COVID-19 pandemic-related aid will not exceed average annual revenue from fishery participation from 2015-2019, but the actual amount of the shares will not be calculated until applications are processed, and an applicant cannot reasonably know what her or his share will be, we request further clarification on this point. We urge the final plan to include very direct clarification on what situations constitute half shares as there are many scenarios impacting individual businesses, particularly during the covid-19 pandemic and anticipate that many will have questions on this specific point.

Ultimately, we acknowledge that \$50 million in funding was simply not enough to meet the substantial need of all sectors involved in Alaska's fisheries and the impacts and expenses faced by not only the commercial harvesting sector, but the processing sector, aquaculture, and charter sector as well.

Thank you for your time and consideration of our comments, we look forward to further clarification on the above points.

Jerry McCune
President

Chelsea Haisman
Executive Director

Hanke, Rachel M (DFG)

From: jamie goen <absc.jamie@gmail.com>
Sent: Monday, October 19, 2020 2:35 PM
To: DFG, COM CARES ACT (DFG sponsored)
Subject: Draft Spend Plan - CARES Act Relief for AK Fisheries

To whom it may concern:

Alaska Bering Sea Crabbers represents the harvesters of king, snow, and bairdi crab fishing with pot gear in the Bering Sea and Aleutian Islands Crab Rationalization Program. Many of our member vessels also tender for salmon and herring in Alaska in the summer.

We recommend that the eligibility requirements for tender vessels include a 2020 commercial fishing entry commission (CFEC) commercial vessel license rather than or as an alternative to a transport license. In some cases, a tender vessel may not have a transport license if one is held by the processor they are working for. If needed, a ledger can be produced between the processor and tender vessel confirming work as a tender and providing documentation towards revenue loss.

Thank you for considering our comments. -Jamie

Jamie Goen

Executive Director

206.417.3990

www.alaskaberingseacrabbers.org





Chugach Regional Resources Commission

Chenega

Eyak

Nanwalek

Port Graham

Qutekcak
Native Tribe

Tatitlek

Valdez Native
Tribe

Doug Vincent-Lang, Commissioner
Alaska Department of Fish and Game
doug.vincent-lang@alaska.gov

Rachel Baker, Deputy Commissioner
Alaska Department of Fish and Game
rachel.baker@alaska.gov

Kari Winkel, Special Projects Assistant
Alaska Department of Fish and Game
Office of the Commissioner
dfg.com.caresact@alaska.gov

June 8, 2020

Re: Chugach Regional Resources Commission's Response to "Guidance for Fisheries Participants Regarding CARES Act Relief Funding"

Commissioner Doug Vincent-Lang:

On Tuesday, May 26, 2020, the Alaska Department of Fish and Game (ADF&G) issued a Guidance for Fisheries Participants Regarding CARES Act Relief Funding document describing the U.S. Secretary of Commerce allocations of Section 12005 CARES Act fisheries assistance funding to Alaska. The State of Alaska will receive \$50 million of the \$300 million available for this assistance program. This money will be distributed through the Pacific States Marine Fisheries Commission (PSMFC) based on a spend plan developed by the ADF&G.

In the text below, we will briefly explain our organization's eligibility as well as the eligibility of the Tribes that we represent. We urge you to work directly with our organization, as an eligible "aquaculture business" and as an organization representing multiple subsistence fisheries experiencing severe negative impacts as a result of COVID-19 to finalize the spending plan for submission to the PSMFC. **Most importantly, we believe that the Alutiiq Pride Shellfish Hatchery and our member Tribes shall be allocated money through this program to offset loss of income and operating costs and loss of subsistence opportunity, respectively.**

Chugach Regional Resources Commission (CRRC) is an inter-tribal fish and wildlife commission certified by the IRS as a 501 (c)(3) nonprofit organization. CRRC was formed by the seven Tribes in the Chugach region in 1984 in an effort to take a more active role in the resource management decision-making process. The seven Tribes of CRRC are the Native Village of Tatitlek, Native Village of Eyak (Cordova), Native Village of Port Graham, Native Village of Nanwalek, Native Village of Chenega, Qutekcak Native Tribe (Seward), and the Valdez Native Tribe. The long-range goal of CRRC is to “promote Tribal sovereignty and the protection of our subsistence lifestyle through the development and implementation of Tribal natural resource management programs to assure the conservation, sound economic development, and stewardship of the natural resources in the traditional use areas of the Chugach Region.” The Chugach region includes Prince William Sound and Lower Cook Inlet, a remote region limited in travel to small aircraft, charter aircraft and boat travel, with seasonal Alaska marine highway service. These people, known as Alutiiq, or Sugpiaq, are a southern coastal people of Alaska. There are approximately 2,000 Tribal members living in these seven communities. **It is imperative that CRRC be included as a stakeholder and have a significant role in drafting the spending plan on behalf of Prince William Sound and Lower Cook Inlet Tribes.**

CRRC works with its seven-member Tribes to address natural resource, subsistence, food security, climate change, healthy people, and environmental issues of mutual concern through the development of technical programs and projects. Since many of the main subsistence foods come from the sea, including shellfish, salmon, marine mammals, sea birds, and other species, it was only natural for CRRC to advocate for the construction of a shellfish hatchery and mariculture research facility, now known as the Alutiiq Pride Shellfish Hatchery. **The Alutiiq Pride Shellfish Hatchery, built in the mid-1990’s, is the only shellfish hatchery in south-central Alaska and is the lead hatchery and mariculture research facility for the Alaskan mariculture industry.** Its mission is to produce shellfish seed stock for the mariculture industry and Tribes for direct consumption to supplement traditional foods and ensure food security , and conduct research on shellfish recruitment and survival. As the legal inter-tribal natural resource entity for the Chugach Region, CRRC operates, manages, and staffs the hatchery. The Alutiiq Pride Shellfish Hatchery produces geoduck clams, Pacific oysters, basket cockles and more: <http://alutiiqpridehatchery.com/>. The Alutiiq Pride Shellfish Hatchery supports 3 full-time employees, 1 part-time employee and one facility maintenance contractor.

Through this CARES Act \$50 million allocation to Alaska, CRRC and the Alutiiq Pride Shellfish Hatchery have concluded that we are eligible to receive funding as a “commercial fishermen, charter businesses, **aquaculture businesses**, processors, subsistence fishery users, tribes and other fishery-related businesses affected by the coronavirus pandemic”. As the largest shellfish aquaculture facility in the State, it is only prudent that the Department understand the impacts of COVID-19 to our operations, research project, animals in the facility, and the secondary impacts to our Tribal members and the subsistence resources they rely heavily upon daily.

Impact of COVID-19 to the Organization's Aquaculture Business and Programs

Starting the week of March 23rd, 2020, the building in which CRRC leases office space in Anchorage was closed to non-essential business due to the COVID-19 pandemic. Staff were quickly removed from typical work environments and office-related support such as: fast internet, printing capability, and comradery opportunity. The largest impact of the COVID-19 pandemic is the beneficiaries that we serve. **The Alutiiq Pride Shellfish Hatchery remained open during the entire pandemic in an effort to keep fish and shellfish inside the facility alive, mechanical systems working, and research projects supported when principal investigators could not travel to lead the experiments.** The organization's (including the Alutiiq Pride Shellfish Hatchery) projects/efforts that were affected are as follows:

Ocean Acidification Network Community Sampling/Monitoring: The Alutiiq Pride Shellfish Hatchery was recently awarded a grant from the Exxon Valdez Oil Spill Trustee Council to conduct ocean acidification monitoring throughout Prince William Sound. **Although the funding was available, the Alutiiq Pride Shellfish Hatchery was not able to draw down the money as no work was being conducted, causing a lack of funds available for expenses as forecasted.** This delay of funding caused the organization to process payroll from other accounts creating a significant strain on the organization. Equally as important is the lack of ocean acidification data being collected in the Prince William Sound as this research has been instrumental in monitoring the near and offshore, marine environments to have a better understanding of decline of subsistence species' (i.e. shellfish and finfish).

The "Salmon Thresholds" Project: Research to support this project was scheduled to be conducted at the Alutiiq Pride Shellfish Hatchery which promotes the testing ocean acidification levels on pink salmon fry. Funded by the National Oceanic and Atmospheric Administration and partnering with the Institute of Economic Research and the University of Alaska Anchorage, this project **was suspended for one year because of COVID-19, an impact of roughly \$60,000 of profit loss to the Alutiiq Pride Shellfish Hatchery.** The project is in the final planning stages and was originally scheduled to start in April 2020. Pink salmon straying has become a large issue particularly in our member Tribes in Prince William Sound which simply means that pink salmon are not returning to their home streams. Without the scientific research to conclude 'why?', those Tribal members have less opportunity to harvest pink salmon for sustenance.

Alutiiq Pride Shellfish Hatchery Seed Sales: One of the largest supplemental monies for our organization is the sale of shellfish seed, mainly oyster, to the mariculture industry. Growers are unable to market their product and their cash flow has ceased, eliminating the ability to purchase seed. Shipping times are slowed such that animals cannot be moved between communities fast enough to survive. **The lack of seed sales of a variety of shellfish to the mariculture industry has been suspended until further travel and shipping restrictions due to COVID-19 are removed, which is an impact of roughly \$40,000 of profit loss to the Alutiiq Pride Shellfish Hatchery.** The lack of support to the mariculture industry immediately reduces the amount of product they are able to grow and provide to market.

Tribal Shellfish Enhancement Projects: Each spring, the Alutiiq Pride Shellfish Hatchery travels to Tribal communities to outplant shellfish that are native to those beaches to conduct shellfish enhancement efforts for direct consumption by Tribal members. As previously mentioned, keeping the animals alive is why the Alutiiq Pride Shellfish Hatchery staff are considered

essential employees during this COVID-19 pandemic. **Without the out-stocking/out planting efforts, there will be less traditional foods available on and in local beaches to offset dependence on store-bought and imported foods.** Important legislation allowing for large scale enhancement projects in Alaska has been postponed, placing projects and revenue scheduled for 2021 and beyond at risk. This funding will allow us to continue operating these direct food security services to our Tribal members, prioritizing the health and safety of our staff and following the best available public health guidelines, despite the loss of revenue from the seed sales mentioned above.

Nanwalek Salmon Enhancement Project: Each year, CRRC administers the Nanwalek Salmon Enhancement Project in English Bay Lakes in partnership with the Nanwalek Village IRA Council and funded by the Bureau of Indian Affairs. The English Bay Lakes system is located on Alaska's Kenai Peninsula near the community of Nanwalek, Alaska. The English Bay Lakes system is a chain of five small lakes with a total surface area of approximately 200 hectares. **The sockeye salmon (*Oncorhynchus nerka*) that return to this system are a vital resource to the subsistence culture of the Port Graham and Nanwalek villages¹.**

In the 1980s, a downward trend in harvests and escapement of the sockeye production from this system began to decline, and restrictions were enacted to the common property and subsistence fisheries to ensure adequate escapement into the lakes. This decline also led to a number of evaluations to determine the reasons for the decline and possible solutions. One such solution was the stocking of sockeye salmon fry or pre-smolts in order to provide a greater return of adults and fishing opportunities. Since 1989, the English Bay Lakes system has been stocked with either sockeye fry or pre-smolts in order to provide a greater return of adults and increased fishing opportunities for the different user groups.

This sockeye salmon enhancement project has been operating for over 20 years and has been modified several times. Stocking was originally performed by the Alaska Department of Fish and Game (ADF&G), but was taken over by the Chugach Regional Resources Commission in partnership with the Nanwalek Village IRA Council and the Bureau of Indian Affairs as the Nanwalek Salmon Enhancement Project. Management of the stocking program was eventually transferred to the Port Graham Hatchery but when the hatchery closed down, Cook Inlet Aquaculture Association (CIAA) took over the stocking program. Currently 200,000 fish are stocked in the fall of each year by CIAA.

Due to COVID-19 the Nanwalek IRA Council's capacity to co-operate the Nanwalek Salmon Enhancement Project was greatly reduced due to administrative overload and by the time of this letter, has not placed the weir in the water system to enumerate the smolt migration or adult returns. Travel restrictions further hindered CRRC and the Alutiiq Pride Shellfish Hatchery staff from assisting the Tribe in doing so. This year's lack of data could impact the overall understanding of the number and age distribution of sockeye emigrating from and migrating to

¹ Since 1994, the English Bay Lakes sockeye salmon subsistence and common property harvests have averaged 2,379 and 4,109 fish, respectively. In 1999, 2001, 2005, and 2006, no common property harvest occurred. In 1997 and 1998, subsistence sockeye harvests were less than 100 fish. In 2012, due to low escapement, subsistence fishing was closed to Nanwalek residents. These salmon provide an important subsistence food source for the community as well as commercial fishing employment opportunities.

this system and the evaluation of survival rates of hatchery versus natural production. Without this information on the biological parameters controlling sockeye production in the system, **fishery managers are unable to adjust preliminary forecasts and fishery management decisions to ensure that subsistence and escapement needs are met.** Furthermore, there will be a gap in data that provides a reference in determining the effects of management decisions and provide insight into future enhancement or habitat rehabilitation efforts to improve the resource.

Impact of COVID-19 to Subsistence Opportunity

The current global outbreak of COVID-19 virus has disrupted food systems in the Chugach region. **Tribal member's food environments are rapidly changing in both their external dimensions - food availability, prices, vendors- as well as personal dimensions - geographical access, affordability, convenience and desirability.** These rapid food changes are influencing the consumers' dietary practices and can lead to a deterioration in both individual, and a Tribal level, nutritional and health status. Traditional food consumption has implications beyond physical health; it also plays an important role in the formation of identity, in the development of community, economic and social institutions, and in the everyday lives of Alaska Native people and communities. Not only are foods from the ocean, such and fish and shellfish, central to the ceremonial and epistemological belief systems of many Tribes, but communities also face unique issues as they try to feed their people in a world of increasing prices and less access to healthy food. Issues of hunger, food insecurity, access to traditional food sources, and geographic isolation make accessing fresh and healthy foods a challenge for many Alaska Native communities, families and children. The seven Chugach region Tribes suffer from lack of economic opportunity that the rest of Alaska prospers from due to the remoteness of the towns and high cost of travel. The primary food sources have changed dramatically over the past 100 years. Lifestyle changes, including moves from rural areas to cities and new economic pressures, make time-consuming harvests of wild food impractical, if not impossible especially with travel restrictions to protect people from the virus.

Direct Impact of COVID-19 on Port Graham Village Council's Subsistence Opportunity

Port Graham Village Council implemented a lock-down and no travel policy immediately after the pandemic classification by the World Health Organization. This lock-down reduced subsistence activity on nearby beaches for shellfish resources and animals such as cockles, bidarki, and octopus were not harvested for several months. **Travel restrictions limited community member's ability to leave Port Graham and travel to popular shellfish harvest locations in greater Kachemak Bay and most recently with State restrictions being completely removed, this type of travel poses an even greater risk to the community as contact with others potentially infected with the COVID-19 virus is heightened.** Shellfish enhancement efforts in Port Graham by the Alutiiq Pride Shellfish Hatchery are on pause until travel restrictions are lifted and all Alutiiq Pride Shellfish Hatchery staff are able to be tested for COVID-19 and when the community is comfortable with this project continuing. Currently, despite quarantine restrictions being lifted for community members residing in Port Graham, there are many community members who are fearful of leaving the safety of their homes to subsist on fish and shellfish subsistence resources. There are approximately 150 Tribal members living in the community and it remains closed for outside visitation and is limited only to essential services.

Direct Impact of COVID-19 on Nanwalek IRA Council's Subsistence Opportunity

As previously discussed, the Nanwalek Salmon Enhancement Program was severely impacted by the COVID-19 pandemic and without smolt and adult migration data into the English Bay Lakes system, Department subsistence fishery managers are unable to adjust preliminary forecasts and fishery management decisions to ensure that subsistence and escapement needs are met. In Nanwalek, the same trend as Port Graham has been observed regarding Tribal members fear of leaving their homes and potentially coming into contact with an individual infected with the COVID-19 virus. **Important subsistence knowledge sharing events in Nanwalek have been cancelled such as Elder Tea (a safe space for elders to share their knowledge with the youth) and the Nanwalek Sea Week (a venue for researchers and educational specialists to teach the youth about the sea).** Research at the Alutiiq Pride Shellfish Hatchery staff on bidarki (i.e. life history, spawning parameters) to offset the decline and lack of the resource to community members is on pause until travel restrictions are lifted and all Alutiiq Pride Shellfish Hatchery are able to be tested for COVID-19 and when the community is comfortable with this project continuing. Additionally, There are over 300 Tribal members living in the community and it remains closed for outside visitation and is limited only to essential services.

Direct Impact of COVID-19 on the Native Village of Eyak's Subsistence Opportunity

The Native Village of Eyak (in Cordova) is experiencing a unique situation as they support one of the largest commercial fishing fleets in the State of Alaska. Residents are fearful that with the influx of migrant workers that both fish and vessels and support the fishing industry in the community the COVID-19 virus would reach the small, isolated community. These fears have become a reality as COVID-19 cases have been confirmed in Cordova. **To date, there has been one positive case of COVID-19 in Cordova as a result of this seasonal influx and Tribal members are fearful that contact with any outsider in the community could render them susceptible to contracting the virus.** As such, subsistence practices for fish and shellfish are at an all-time low for Tribal members. People are fearful of leaving their homes to travel through town, access their vessels on the docks, and fish and recreate where people who have not properly quarantined or ignored all quarantine mandates are also using the area. The Native Village of Eyak's environmental program has suffered from delays in permitting and funding, and has not been able to service their over 1,000 Tribal members as usual.

Direct Impact of COVID-19 on Qutekcak Native Tribe's Subsistence Opportunity

Like Eyak and Valdez, Qutekcak Native Tribe is within larger, city boundaries and like Valdez, is also on the road system. This has posed an increased threat and concern from the approximately 700 registered Tribal members in Seward of potentially being exposed to the virus. Seward is the gateway to the Gulf of Alaska and a large, recreational starting point for many travelers. The CIAA outsocks red salmon in Resurrection Bay for cost recovery and the City of Seward outstocks king salmon for a terminal, sport fishery for residents. **Both the sockeye and king salmon returns result in large congregations of fishermen in traditional fishing locations and have caused Tribal members to be reluctant to fish with visitors, especially when the State of Alaska loosened all travel restrictions and Seward saw an influx of people during the Memorial Day weekend.** A result of loss of fishing opportunity has resulted in less sharing of traditional foods with elders in the community.

Direct Impact of COVID-19 on Valdez Native Tribe's Subsistence Opportunity

In Valdez, the subsistence fishery and shellfishery are being affected by COVID-19, in very similar ways to our other Tribes on the road system (Eyak and Qutekcak). There are over 700 registered Tribal members in Valdez and up to 3,000 residents in the City which is connected to the road system and services the Trans-Alaska Pipeline terminal facility; these factors pose a great risk to the community of being exposed to COVID-19. **The potential of exposure has caused a large number of Tribal members to halt or alter their typical fishing and shellfish harvesting practices. Likewise, sharing of resources to those that are not comfortable leaving their home or cannot without breaking social distancing mandates has declined.** The Valdez Native Tribe's ability to provide services such as food and health-related outings to elders and youth has not been happening and the Tribe fears that psyche is being affected. Tribal members that participate in commercial fisheries are also being affected by heightened mandates on their vessels which is cumbersome and reduces their profit ability. Tribal members that support sport fishing with charter services are also being greatly economically impacted from reduced bookings.

Direct Impact of COVID-19 on Chenega IRA Council's Subsistence Opportunity

In Chenega, **not every resident has a personal use vessel to use for subsistence purposes and during the height of quarantine, were not able to share vessels for subsistence harvesting practices due to social distancing mandates.** Harvesters in Chenega are overly-cautious of leaving their homes to subsist in the immediate area of Crab Bay but did not venture to farther shellfish or fishing locations in fear of coming into contact with other recreational users in Prince William Sound who may not have followed quarantine protocols or practicing social distancing. Sharing of subsistence resources is still being practiced, but in a much lower volume than previous years and households are being forced to rely on outside/imported food sources to supplement their typical summer diet of fish and shellfish. Most recently, the commercial fishing fleet has begun their harvesting efforts in Crab Bay and with that fleet comes the fear that the COVID-19 virus may have an ability to reach the town. Chenega is also fearful that the re-opening of the Alaska Marine Highway could also put residents, namely elders, at risk of contracting the COVID-19 virus, despite efforts by the Chenega IRA Council to limit use of the dock and restrict visits into the community. There are roughly 60 households in Chenega and the community remains closed for outside visitation and is limited only to essential services. Additionally, Chenega is not selling fuel to the commercial fishing fleet or recreational vessels and stands to see significant economic loss as a result.

Direct Impact of COVID-19 on Tatitlek IRA Council's Subsistence Opportunity

Like Chenega, in Tatitlek, **not every resident has a personal use vessel to use for subsistence purposes and during the height of quarantine, were not able to share vessels for subsistence harvesting practices due to social distancing mandates.** Tribal members are overly-cautious of leaving their homes to subsist and are not venturing to farther shellfish or fishing locations in fear of coming into contact with other recreational users in Prince William Sound who may not have followed quarantine protocols or are not practicing social distancing. Sharing of subsistence resources is still being practiced, but in a much lower volume than previous years and households are being forced to rely on outside/imported food sources to supplement their typical summer diet of fish and shellfish. There are approximately 30 households in Tatitlek and the community remains closed for outside visitation and is limited only to essential services.

It is important for ADF&G and the PSMFC to continue work in the Chugach region to ensure food security throughout the Chugach. Without access to healthy foods, Tribal members, particularly those at risk of, or suffering from food insecurity and those with pre-existing non-communicable diseases, are at a heightened risk of becoming severely ill with the virus. **Funding that provides the programmatic flexibility to support our member Tribes during this turbulent and unpredictable time will allow us to offset staff costs related to COVID-19 business interruptions, shifting our services to provide information, capacity building, and other support to our Tribes around their COVID-19 responses, with both short- and long-term community health goals in mind.**

As stated earlier, we urge the Department to work directly with our member Tribes through our organization, as an eligible “aquaculture business” and representing subsistence fisheries experiencing severe negative impacts as a result of COVID-19 to finalize the spending plan for submission to the PSMFC. What a mutual honor it would be for CRRC and ADF&G to collaborate on developing the spending plan for the Fisheries Participants Regarding CARES Act Relief Funding.

Sincerely,



Willow Hetrick
Executive Director
Chugach Regional Resources Commission
907-330-9085
willow@crccalaska.org

Copied:

Kelly Denit, Office of Sustainable Fisheries, National Marine Fisheries Service
(kelly.denit@noaa.gov)
Patrick Norman, Chief of the Port Graham Village Council and Chairman of the CRRC Board
(pnormanvc@hotmail.com)

FISHING VESSEL OWNERS' ASSOCIATION INCORPORATED

4005 20TH AVE. W., ROOM 232
SEATTLE, WASHINGTON 98199-1290
PHONE (206) 284-4720 • FAX (206) 283-3341

SINCE 1914

October 12, 2020

Department of Fish and Game, Office of the Commissioner
1255 West 8th Street
P.O. Box 115526
Juneau, AK 99811-5526

Re: Draft Alaska CARES Act spending plan

To Whom It May Concern:

The following comments are on behalf of one of the members of the Fishing Vessel Owners' Association regarding the State of Alaska Draft Spending Plan for section 12005 Cares Act Relief for Fisheries Participants. Our member's name is Mr. Hans Johnson who owns the F/V Expatriate. Mr. Johnson incorporated his Alaska fishing operations under Sea Mount Inc. twenty years ago in Juneau, Alaska. The F/V Expatriate is homeported out of Petersburg, Alaska. Mr. Johnson, however, lives in Arizona. He otherwise meets all the Alaska proposed general eligibility requirements and commercial harvesting sector requirements including a valid 2020 Commercial Fishing Entry Commission (CFEC) commercial vessel license.

It is our opinion the proposed residency restrictions unfairly treat Mr. Hans Johnson for claiming any CARES Act funds. The draft General Eligibility Requirements do not specifically address Mr. Johansen's situation. The General Eligibility Requirements mention that nonresidential commercial harvesters homeported in another state must apply to their state of residence. Mr. Johnson happens to be a non-resident whose vessel is homeported in Alaska. The General Eligibility Requirements do not deny Mr. Johnson, but neither so they accurately describe Mr. Johnson's situation. The commercial harvesting sector requirements state "must be an Alaskan resident." This criteria would preclude Mr. Johnson from receiving CARES Act funds from Alaska.

We would bring to the attention of the State of Alaska that in the 12005 Oregon Spend Plan, eligibility for Commercial Fishery harvesting was limited to commercial fishing license holders. There was no residency requirement noted. Additionally, in California the residency requirement could be satisfied by a non-resident permit holder by describing why they should be eligible.

We ask the State of Alaska to consider amending the commercial eligibility requirements to allow non-residents to be eligible for Alaska CARES Act funds to those who that can demonstrate the appropriate Alaska licenses required. In this specific case, the vessel had been licensed for salmon seine

operations as well as for delivery of halibut and sablefish for many years. Additionally, Alaska could allow eligibility for vessels incorporated as well as homeported in Alaska. We believe Mr. Hans Johnson's situation is unique but deserving being eligible for Alaska CARES Act funding. Your consideration of our request is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert D. Alverson", with a long horizontal flourish extending to the right.

Robert D. Alverson, Manager
Fishing Vessel Owners' Association

RDA: kah

HALIBUT ASSOCIATION OF NORTH AMERICA

P.O. Box 872
DEMING, WA 98244

360-319-6208
PEGGY PARKER, EXEC. DIRECTOR

October 23, 2020

Commissioner Doug Vincent-Lange
Alaska Department of Fish and Game
c/o Kari Winkel, Office Manager

Sent via email to: dfg.com.caresact@alaska.gov

Dear Commission Vincent-Lange,

The Halibut Association of North America was founded in 1961 by companies who had processed halibut and salmon in Alaska since before statehood. The U.S. members of HANA are all Alaskan processors who purchase and process Pacific halibut in Alaska. We are part of the industry that is the largest employer in the State and a key source of revenue for Alaska's economy.

Which is why we are protesting the revised proportions the State has proposed for distribution of Section 12005 CARES Act funding. Alaska's \$50 million share of the \$300 million appropriated by the Act, was initially apportioned by NOAA Fisheries as 59.3% for the seafood supply chain, which in Alaska is predominantly processors; 35.2% for harvesters; and 5.5% for sport charter operators.

The Alaska Department of Fish and Game (ADF&G) reduced the processor share by more than half to 32%, dropped the harvesters' share by 2.8% to 32%; and raised the sport charter sector by nearly six times to 32.5%. The explanation offered is that "NOAA Fisheries allocation percentages were based on past revenues and not on the estimated scale of loss for each sector due to COVID-19 ..." and, specifically for the sports charter sector "to help mitigate loss to that sector resulting from travel restrictions and health mandates that reduced demand for sport charter services."

The processing sector worked with the state prior to the fishing seasons to comply with health mandates and provide Protection Plans that would keep their workforce and the communities they live and work in, in coastal Alaska and elsewhere, safe and healthy. This entailed chartering jets, retaining health service contractors for months prior to the fisheries, throughout the season, and ensuring workers returned to their homes in Alaska or elsewhere safely and with good health. When workers were exposed to those who tested positive, they were often moved out of the community to quarantine in Anchorage, via charter flights because commercial flights were not available or would have increased risks.

Processing plants, bunkhouses, and other buildings were substantially refitted with protective barriers, to accommodate new work and traffic flows, and keep non-campus employees off the premises.

As a result of these efforts, successful fishing seasons occurred. The cost of providing these measures for the Bristol Bay fishery alone is estimated at between \$10-\$15 million, according to the Bristol Bay Regional Seafood Marketing Association. Alaska processors in Kodiak, Southcentral, and Southeast Alaska, paid the costs of gearing up for a season with no guarantees they would be able to recoup their unprecedented losses by production volume. Tragically, in most areas of the State they were not able to make up for the exceptionally high operating costs due to COVID-19.

We, along with the rest of the processing sector in Alaska, are asking you for equity in disbursing these funds. We agree with the categories the State has identified, but the amount to processors should be more closely aligned to the federal guidance of 59.3%.

We stand ready to provide further information supporting our request for more equity in CARE's relief funding.

Thank you for your consideration.

Sincerely,

Peggy Parker
Executive Director



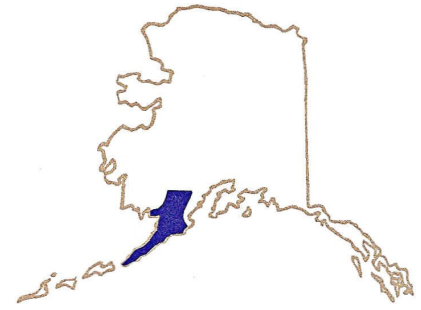
Lake and Peninsula Borough

P.O. Box 495

King Salmon, Alaska 99613

Telephone: (907) 246-3421

Fax: (907) 246-6602



October 19, 2020

Ms. Kari Winkel
Office Manager
Alaska Department of Fish and Game
Office of the Commissioner
Email: dfg.com.caresact@alaska.gov
Phone: 907-465-6136

Re: LPB Comments on ADF&G Draft Spend Plan (submitted electronically)

Dear Ms. Winkel,

The Lake and Peninsula Borough (LPB) appreciates the opportunity to comment on ADF&G's Draft Spend Plan for Section 12005 CARES Act Relief funding for fishery participants.

LPB is comprised of 17 communities spanning three distinct areas of southwestern Alaska: the Lake Iliamna Area, the Upper Peninsula Area, and the Chignik Area. Lake and Pen communities and residents rely heavily on commercial and subsistence fishing opportunities. Subsistence salmon harvests in our region are some of the highest in the state.¹ Seafood processing and sport/charter fishing businesses also make important contributions to our economy. Roughly 70 fishing lodges operate within the Lake and Pen Borough.

We recognize the challenge in developing a Spend Plan that can meet the pressing needs of so many Alaska fishing businesses and households negatively impacted by COVID-19 with the limited funds available. Our comments on the Draft Spend Plan focus primarily on eligibility criteria for subsistence participants/households, and the minimum age requirement for commercial fishery permit holders.

We encourage ADF&G to consider additional criteria for subsistence participants to ensure that funds allocated to the subsistence sector achieve intended purposes. ADF&G data shows that in recent years roughly 17,000 Alaskan households have participated in harvesting subsistence fishery resources. Even if only half of these households have been negatively impacted, the amount received per household totals around \$175. The Draft Spend Plan greatly expands this number of potentially eligible subsistence households because it expands the definition of subsistence participation to include 'harvesting, sharing, and/or using

¹ See Halas, G. and G. Neufeld. 2018. An Overview of the Subsistence Fisheries of the Bristol Bay Area. Alaska Department of Fish and Game Division of Subsistence, Special Publication No. BOF 2018-04, Anchorage.

Chignik Bay • Chignik Lagoon • Chignik Lake • Egegik • Igiugig • Iliamna • Ivanof Bay • Kokhanok • Levelock • Newhalen • Nondalton • Pedro Bay • Perryville • Pilot Point • Pope Vannoy • Port Alsworth • Port Heiden • Ugashik

subsistence fishery resources.’ Our concern is that the expanded definition expands eligible households while failing to take into differential impacts felt across the state, most notably in rural regions marked by a higher cost of living and where subsistence harvests play an essential role in food security. We do not recommend narrowing the definition of subsistence participation in the Spend Plan. Instead, we recommend revising the allocation formula to allow for households that meet one of the following criterium to receive an additional share.

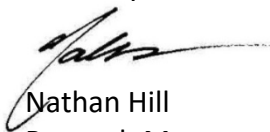
- Households located in rural subsistence areas as defined by ADF&G²
- Households located in rural subsistence areas as defined by Federal Subsistence Management Program
- Households located in Rural 1 and 2 Areas as defined by USDA for the purposes of SNAP funding eligibility and allotment amounts.³ Note that Alaska households in Rural Areas 1 and 2 receive an increase in their allotment to account for a Cost of Living Adjustment (COLA)

Taking into account one of these factors in the application process will help to ensure that rural households dependent on subsistence resources are not disproportionately negatively impacted in a distribution plan that doesn’t take into account the high cost of living and well-documented high dependence on subsistence foods characteristic of rural households. We believe the options laid out above provide the simplest way to address this issue in the Spend Plan.

We also recommend ADF&G remove the age requirement that excludes participants under the age of 18 from applying for these funds. If this criterium is a legal requirement, a provision should be included to allow the parent/guardian of CFEC permit holders under the age of 18 to apply. Although small in number, we caution ADF&G from moving forward with a Spend Plan that explicitly excludes Alaska’s youngest generation of commercial fishery permit holders from accessing these funds.

We thank ADF&G for their work in creating a Spend Plan that strives to balance the benefits of broad distribution with the pressing need to provide meaningful support to Alaska fishery participants and households currently struggling with the impacts and disruptions of COVID-19.

Sincerely,



Nathan Hill
Borough Manager
Lake and Peninsula Borough

² See: <https://www.adfg.alaska.gov/index.cfm?adfg=subsistence.nonsubsistence>

³ See page 4 at: <https://fns-prod.azureedge.net/sites/default/files/resource-files/COLAMemoFY2021.pdf>



October 23, 2020

Commissioner Doug Vincent-Lang
Alaska Department of Fish and Game
Via email dfg.com.caresact@alaska.gov

RE: Section 12005 CARES Act Relief for Fisheries Participants Draft Spend Plan

Dear Commissioner Vincent-Lang,

OBI Seafoods is one of the largest seafood companies operating in Alaska. We operate 10 shorebased processing facilities throughout the State of Alaska including Southeast, Prince William Sound, Cook Inlet, Kodiak, and Bristol Bay. Our fishermen, employees and the communities we operate in depend on successful processing seasons, just as we depend on them to continue our operations. The 2020 processing season saw many challenges, but one of the biggest was the financial impacts and direct expenses due to COVID-19.

We appreciate that ADF&G took the time to work out a thoughtful and detailed plan for distributing the \$50 million of Alaska's NOAA CARES Act money, and we are grateful for the opportunity to review a draft spend plan. Although this distribution will be helpful to the processors who qualify, it's important to note that many processors, including many of our platforms, will not qualify due to NOAA's high bar of a demonstrated 35% revenue loss due to direct and indirect COVID impacts. We recognize that ADF&G did not set that threshold, but want to ensure that the issues with NOAA's criteria for qualifying are well documented. Alaska's processing sector generally hasn't been eligible for CARES Act and other COVID relief programs up until this spend plan. Due to OBI's workforce size, we fall under the medium-sized business category and didn't qualify for the Paycheck Protection Program, State of Alaska CARES Act program, or others.

As ADF&G is aware, the primary financial impacts to OBI's operations in 2020 were due to expenses and costs directly related to COVID response and mitigation as we worked to comply with State of Alaska health mandates and to keep our workforce and communities safe. The processing sector is the most heavily mandated by the State of Alaska. As such, millions were spent by OBI during the 2020 processing season to mitigate the spread of COVID. Therefore it was a surprise to see the processor allocation from NOAA of 59% drop to 32% as proposed in the draft spend plan. We respectfully request that the reallocation of funds away from the processing and harvesting sectors is supported with data prior to the spend plan being sent to NOAA for approval.

In reviewing the seafood processing sector eligibility criteria, we are supportive of the tiering system, and we would appreciate further detail on what is considered when determining shares. Examples similar to what was provided for the Pink Salmon Disaster Relief FAQ's would be helpful in assessing allocations.

In conversations with ADF&G, we have valued your focus on working to incorporate "lost" participants who were not able to qualify under their home state's spend plan or due to simply being left out. It was brought to our attention that tender vessels were unintentionally excluded, and it's our hope that these important participants will qualify under the harvester sector.

Thank you for your time and attention to this important matter. Given the outstanding questions regarding the draft and the importance of this issue to thousands of Alaskans, we respectfully request that the next draft of the spend plan is also released for public review prior to submitting to NOAA for final approval. We also understand and recognize that this money needs to be distributed as quickly as possible to meet

the NOAA criteria and to get money in the hands of qualifying participants. We support ADF&G's efforts to finalize the spend plan for distribution of funds prior to the deadline, and we commend your efforts to set the standard for a transparent CARES Act spend plan process.

Sincerely,

A handwritten signature in black ink, appearing to read "Julianne Curry". The signature is fluid and cursive, with the first name being more prominent.

Julianne Curry
Public Affairs Manager
OBI Seafoods
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October 15, 2020

State of Alaska
Department of Fish & Game
Commissioners Office
1255 W. 8th St.
Juneau, AK 99811
Via Email: dfg.com.caresact@alaska.gov

Re: Comments regarding Draft Spend Plan for 12005 Cares Act Relief for Participants

Dear Sir or Madam:

First, thank you for the opportunity to comment on the State of Alaska's Covid spend plan for fisheries.

It would appear that the State of Alaska anticipates using the Pacific States Commission as the administrator for the Spend plan. Old Harbor Native Corporation strongly objects to the use of the Pacific States Commission. The Commission did an extremely poor and inadequate job distributing the 2017 pink salmon disaster relief money and we don't see any reason that they will do any better with the proposed Covid relief distribution.

More specifically, the Pacific States Commission was very difficult to contact regarding salmon relief claims, they were dismissive when fishermen did contact them and impolite when fishermen questioned their process. The Commission acted unwisely, and perhaps illegally, by notifying individual fisherman about the amount of their claim before knowing what all of the claims would be. In other words, the claims process is more than just developing distribution spread sheets. Simply said, the Commission illustrated over and over that the administrators had little or no understanding of Alaska's fisheries. Moreover, the Commission's appeal process for contested claims simply dismissed most claims because they didn't hold enough money back to seriously consider challenged claims. It is not in the State of Alaska's best interest or in the interests of Alaska fishermen to have the Pacific States Commission administer this money.

Old Harbor appreciates the State's attempt to find a simple formula for distributing claims based on permits use and vessel ownership. We also understand that the 35% income reduction is a part of the Covid funding package and will eliminate many claimants. However, we would strongly recommend that the plan be modified to accommodate "joint venture" fishing. For example, an Old Harbor vessel registered to an Old Harbor owner may have a permit fished by a child in

2018 and then by another child in 2019. The Owner may have fished the permit in 2020. In all three years the money went to the family “joint venture” boat account for distribution. By the criteria proposed these fisherman would not qualify for relief. Some Old Harbor shareholders that participate in family set gillnet operations are also similarly impacted. One permit is used for deliveries when 2 or more permits are fished.

Old Harbor Native Corporation recommends that the State allow a permit holder that was part of a family “joint venture” to file the claim as a joint venture. **In other words, follow the money.** If money earned from fishing the permit was placed in the same account for the 2018 and 2019 qualifying years, then the claim qualifies. Take the average for that “joint venture” back to 2015 as the base for the claim and the total earning from the joint venture as the basis for determining the 35% earning differential. To allow this, the State would need to add joint venture language to the current distribution plan. For example: “Permit holders that participated in a joint venture during the 2018 and/or 2019 season may use their participation in a joint venture as the basis for qualifying for a claim.” And then: “Any permit holder making a claim as part of a joint venture must use the entire revenue from the joint venture as the basis for whether or not he has suffered more than a 35% reduction in income.”

Old Harbor Native Corporation also notes that the State is limiting commercial fishing and commercial fishing business claims to Alaska residents but NOT limiting the sport charter claims to Alaska residents. This is wrong. The Section 12005 Covid relief for fisheries money was awarded to Alaska for the benefit of Alaska’s fishermen, both commercial and sport charter. In Old Harbor we have a number of sport charter operators. Giving part of the sport charter allocation to non-residents will reduce the awards to our Old Harbor charter fishermen. Alaska’s remote charter fishermen like those in Old Harbor are the sport charter claimants that most need relief. There are few, if any, other job opportunities in places like Old Harbor. Consequently, the State of Alaska should revise the proposed distribution criteria to exclude non-residents for ALL of the claim categories.

In summary, Old Harbor Native Corporations had three recommendations: 1. Don’t use the Pacific States Commission; 2. Allow for joint venture fishing operations to be eligible for a claim; and 3. Require that all claimants in all claim’s categories be Alaska residents. If you have any additional questions regarding Old Harbor Native Corporation’s comment on your draft spend plan, please do not hesitate to contact our office.

Respectfully yours,



Carl H. Marrs
Chief Executive Officer

cc: The Honorable Governor Dunleavy
The Honorable Congressman Don Young
The Honorable Senator Lisa Murkowski
The Honorable Senator Dan Sullivan



The Orutsararmiut Native Council (ONC) is the federally recognized Tribal governing body for the Native Village of Bethel. This recognition is per Federal Register/Vol.6, No. 49/Monday, March 13, 2000/Notices for the community of Bethel. In the 1970's after the Alaska Native Claims Settlement Act (ANSCA), ONC was referred to as the Bethel Native Council with one employee, Noah Jack. With the hard-work and dedication of Noah Jack came the inception of ONC. In 1990, ONC was then referred to as Orutsararmiut Native Council.

Orutsararmiut Native Council is in Southwestern part of Alaska, located 50 miles inland along the Kuskokwim River. Orutsararmiut Native Council (ONC), is a federally recognized Tribe of Bethel, Alaska. Orutsararmiut has throughout its history served as a regional center and gathering place for the 56 villages in the region. A growing number of vehicles utilize the 50 miles of roads in town, including 150 miles of ice road on the Kuskokwim River. The current economy is dominated by government services, followed by a service industry and seasonal commercial salmon fisheries.

Kuskokwim salmon along with many other wild fish, game and plants are in close relation with people and in continuing the practice of cultural values for communities all along the Kuskokwim. In southwestern Alaska, communities have physical, cultural, economic and spiritual connections to the land where seasonal harvests of fish, wildlife and other foods occur.ⁱ The Kuskokwim Area subsistence salmon fishery is one of the largest in the state in both number of participants and number of fish harvested. Many residents of the Kuskokwim Area harvest five Pacific salmon species, including Chinook (*Oncorhynchus tshawytscha*), chum (*Oncorhynchus keta*), sockeye (*Oncorhynchus nerka*), coho (*Oncorhynchus kisuthch*) and pink (*Oncorhynchus gorbusha*). The subsistence harvest of Chinook salmon represents nearly 50% of the statewide harvest of that species.ⁱⁱ Studies by the Alaska Department of Fish and Game (ADF&G) Subsistence Division indicate that salmon contribute up to 53 percent of the total amount, by weight, of fish and wildlife harvested annually in the Kuskokwim Area communities. Subsistence salmon harvest occurs throughout the drainage, but nearly 90% of the harvest of each species occurs in the Yukon Delta National Wildlife Refuge (YDNWR) where most households reside.ⁱⁱⁱ

We recognize the challenge in developing a Spend Plan that can meet the pressing needs of so many Alaska fishing businesses and households negatively impacted by COVID-19 with the limited funds available. Our comments on the Draft Spend Plan focus primarily on eligibility criteria for subsistence participants/households, and the minimum age requirement for commercial fishery permit holders.

We encourage ADF&G to consider additional criteria for subsistence participants to ensure that funds allocated to the subsistence sector achieve intended purposes. ADF&G data shows that in recent years roughly 17,000 Alaskan households have participated in harvesting subsistence fishery resources. Even if only half of these households have been negatively impacted, the amount received per household totals around \$175.



The Draft Spend Plan greatly expands this number of potentially eligible subsistence households because it expands the definition of subsistence participation to include ‘harvesting, sharing, and/or using subsistence fishery resources.’ Our concern is that the expanded definition expands eligible households while failing to take into differential impacts felt across the state, most notably in rural regions marked by a higher cost of living and where subsistence harvests play an essential role in food security, cultural identity and livelihoods. We recommend either (1) narrowing the definition of subsistence participation in the Spend Plan to meet one of the following criterium:

- Households located in rural subsistence areas as defined by ADF&G
- Households located in rural subsistence areas as defined by Federal Subsistence Management Program

or (2) revise the allocation formula to allow for households that meet one of the above criterium to receive an additional share.

By following our recommendation, the application process will help to ensure that rural households dependent on subsistence resources are not disproportionately negatively impacted in a distribution plan that doesn’t take into account the high cost of living and well-documented high dependence on subsistence foods characteristic of rural households. We believe the options laid out above provide the simplest way to address our concerns in the Spend Plan.

We also recommend ADF&G remove the age requirement that excludes participants under the age of 18 from applying for these funds. Although small in number, we caution ADF&G from moving forward with a Spend Plan that explicitly excludes Alaska’s youngest generation of subsistence users from accessing these funds.

We thank ADF&G for their work in creating a Spend Plan that strives to balance the benefits of broad distribution with the pressing need to provide meaningful support to Alaska fishery participants and households currently struggling with the impacts and disruptions of COVID-19.

Sincerely,
Janessa Esquible
ONC Natural Resources Director

ⁱ Brooks, J.J. and Bartley, K.A. 2016. What is a meaningful role? Accounting for culture in fish and wildlife management in Rural Alaska. *Human Ecology* 44:517-531.

ⁱⁱ Fall, J. A., C. Brown, S. S. Evans, L. Hutchinson-Scarborough, H. Ikuta, B. Jones, R. La Vine, T. Lemons,



M. A. Marchioni, E. Mikow, J.T. Ream, and L. A. Sill. 2014. Alaska subsistence and personal use salmon fisheries 2012 annual report. Alaska Department of Fish and Game, Division of Subsistence, Technical Paper No. 406, Juneau.

ⁱⁱⁱ Sheldon, C.A., T. Hamazaki, M. Horne-Brine, I. Dull and R. Frye. 2016. Subsistence salmon harvests in the Kuskokwim Area, 2014. Alaska Department of Fish and Game, Fishery Data Series No. 14-20, Anchorage, AK.

From: [Jon Gonzalez](#)
To: [DFG, COM CARES ACT \(DFG sponsored\)](#)
Subject: CARES Act relief funding draft spend plan - public comment
Date: Friday, October 23, 2020 5:42:52 PM

To whom it may concern:

Our plants in Kodiak, Wrangell, Seward and Nikiski have been severely impacted due to COVID-19, yet after running the numbers, none of our plants appear to hit the 35% revenue loss threshold because the timeframe between March 1 and November 1 is too broad.

Specifically we ask that the following paragraph from page 5 of the Alaska spend plan ^[1] be amended with the following highlighted changes:

- Must be able to document a greater than 35% loss when comparing March 1, 2020 – November 1, 2020 wholesale revenue to average annual wholesale revenue for 2015-2019 (or for years available). **The timeframe selected must be continuous (i.e., cannot omit weeks within timeframe) and span at least 4 weeks.**

The highlighted amendment text above is from the Oregon CARES Act spend plan ^[2] which was approved by NOAA, so the amendment will not result in compromising the approval of the Alaska spend plan. Instead, this amendment will make it so that the funds can be distributed in a more fair and equitable way between all fishery participants that were severely impacted by COVID-19.

Thank you for your consideration.

[1] http://www.adfg.alaska.gov/static/home/news/hottopics/pdfs/cares_act_spendingplan_102020.pdf

[2] <http://www.psmfc.org/wp-content/uploads/2020/08/Oregon-CARES-Act-Spend-Plan.pdf>

Jonathan Gonzalez

Policy Specialist – Fisheries

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This email may contain material that is confidential and/or done at the direction of legal counsel. Any unauthorized review, use, or distribution is prohibited and may be unlawful.

[1] http://www.adfg.alaska.gov/static/home/news/hottopics/pdfs/cares_act_spendingplan_102020.pdf



October 19, 2020

To: ADFG Commissioner Vincent-Lang

Re: Section 12005 CARES Act Relief for Fisheries Participants Draft Spend Plan

Thank you for the opportunity to comment on the draft spend plan for federal CARES Act relief funds appropriated to address fishery sectors negatively impacted by COVID-19. The Pacific Seafood Processors Association (PSPA) represents shoreside processing plants operating from Ketchikan to Unalaska, all of which were greatly affected by the COVID-19 pandemic in 2020. We appreciate the State's efforts in developing a spend plan that meaningfully includes the processing sector in Alaska and support finalizing the plan in an expedited manner.

Early in 2020, the federal government rightly recognized seafood processors as "essential critical infrastructure," as did the State of Alaska, given our essential role in the food supply chain. In order to provide markets for thousands of independent salmon, groundfish, halibut, and crab fishermen, and to continue to support a sustainable and robust fisheries economy in coastal communities, our shoreside processing companies have gone to great lengths to operate safely in 2020. This included significant logistical challenges and costs to mitigate COVID-19 risk and to meet or exceed State of Alaska health mandates. The situation required, and will continue to require, screening and testing workers, quarantines (hotel, meals, wages, health screening), security to ensure closed campuses, plant modifications, PPE, sanitation, safe transport within and between communities, and significant additional medical resources. McDowell Group's preliminary estimate for these types of direct costs incurred by processing companies related to preventing the spread of the virus in plants and communities is at least \$50 million through September 2020 and is expected to increase.

Given the challenge and costs imposed by that effort, it is unfortunate that the federal criteria for the Sec. 12005 funds do not include reimbursement of the costs incurred to implement health and safety protocols directly resulting from the pandemic. The federal criteria require that a processing business must have incurred a greater than 35% loss in wholesale revenue during the time period, compared to its recent historic average. Processing companies spent tens of millions of dollars (unplanned costs) in an attempt to stay operating, maintain the ability to take deliveries from harvesters, and move Alaska fish to markets, which in some cases directly enabled them to *avoid* the very revenue losses that would have qualified them for this financial assistance. The federal criteria do not account for profit loss or provide financial support for the types of mitigation activities undertaken by processors to enable a safe 2020 season. Processors' revenues were the basis for almost \$30 million (59.3%) of the \$50 million in funds allocated to Alaska through the NOAA methodology. And while the sector will receive \$16 million (32%) under the draft spend plan, it is likely that some processing facilities who incurred some of the greatest costs to operate safely will not be eligible due to misalignment between federal criteria and actual need.

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We recognize, however, that the State cannot change the current federal criteria associated with these Congressionally authorized funds. Should a future federal COVID-19 fisheries assistance package be developed, State support for expanding the federal criteria so funds can be used to maintain safe processing operations during the ongoing pandemic is appreciated. This translates to support for retaining jobs, keeping commercial fisheries operating, reducing risk of transmission with local communities, avoiding burdens on local health infrastructure, and supporting the tax base in coastal Alaska.

Per the current draft spend plan, PSPA supports evaluating losses on a facility basis and the State's eligibility criteria and tier system for calculating payments. It seems like an appropriate level of refinement if one of the primary goals is to move funds quickly into the hands of eligible businesses. In sum, we support the State's approach as outlined in the draft spend plan and emphasize the continued need to meaningfully include the processing sector in this and future spend plans.

Sincerely,

A handwritten signature in black ink, appearing to read "C. Barrows". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Chris Barrows
President

October 17, 2020

Kari Winkel and Rachel Hanke
Alaska Department of Fish and Game
Juneau, AK 99801
Email: dfg.com.caresact@alaska.gov

RE: Section 12005 CARES Act Draft Spend Plan

Dear Commissioner Vincent-Lang,

Thank you for the opportunity to review and comment on the draft spend plan for the \$50 million in assistance allocated to Alaska by the U.S. Secretary of Commerce under section 12005 of the CARES Act.

Petersburg Vessel Owner's Association (PVOA) is a non-profit organization representing 100 commercial fishermen and supportive businesses. Members participate in state and federally managed fisheries for a wide variety of species and gear types. Targeted species include salmon, herring, halibut, sablefish, cod, crab, shrimp, pollock, tuna, geoduck, and sea cucumber.

PVOA asks additional rationale for the division of funds be provided along with an extended deadline to comment. We found the spend plan lacked an explanation for the differences in allocation formula between sectors from NOAA's recommended 5.5% for the sport charter sector, 35.2% for the commercial fishing sector, and 59.3% for the processing sector.

This is a severe decrease for the processing sector which had significant COVID related costs to operate in 2020 under State Health Mandates and the need to provide testing and quarantine facilities for employees. Without these precautions for seasonal hires and community members, processor facilities would have been shut down, leaving fishermen without a market to sell their harvest.

Under the spend plan, the sport charter and commercial sector will both be provided \$16 million in relief. While we are grateful the commercial share of the money is 32% and very close to NOAA's recommendation, this isn't necessarily an equitable split between the sector. There were far fewer saltwater guide businesses (1,239) and guides (3,429) than active resident CFEC limited entry permits (13,968) in 2019. Under the proposed share program by permit, charter permit holders will receive three times more than a CFEC permit holder, likely more as the overlap between saltwater guide businesses and guides is unknown.

The proposed spend plan treats residents and non-residents differently between sectors. Only Alaska resident commercial fishermen may apply, while non-resident sport chart operators may apply.

Section 12005 CARES Act Draft Spend Plan
PO Box 232 Petersburg, AK 99833

Petersburg Vessel Owner's Association
(907) 772-9323 email: pvoa@gci.net

Finally, this is the first spend plan for federal fisheries relief to exclude crewmen, who are federally recognized as self-employed, from being eligible to apply.

NOAA fisheries used multi-year revenue information for commercial and charter fishing sectors, aquaculture businesses, and the processing and seafood sector in their recommendation to allocate funds. PVOA members ask ADF&G reconsider their spend plan, provide economic explanations for the allocative deviations between sectors and residencies listed above, and provide an additional opportunity to comment on the plan.

Respectfully,



Megan O'Neil
Executive Director



October 19, 2020

To Whom It May Concern:

SalmonState respectfully submits the following comments with regards to the Alaska Department of Fish and Game's "CARES Act Relief for Fisheries Participants Draft Spend Plan." We strongly encourage ADF&G to adopt a CARES Act relief plan that prioritizes any funding distribution to Alaska residents, and specifically Alaska's commercial fishermen, sport charter, and community-based fishing and seafood businesses negatively impacted by the Coronavirus pandemic. Doing so will not only help keep Alaska's commercial fishermen and fishing businesses afloat during the pandemic, but will also encourage more economic activity and stability within the state of Alaska.

SalmonState is an Alaska-based non-profit advocacy organization that works with a wide range of stakeholders, communities, scientists, elected-officials, and others to ensure that Alaska remains a place where wild salmon and the people who depend on them thrive. Central to our work is ensuring that Alaska's fisheries remain ecologically sustainable and economically viable. With commercial fishing permit holders living in 214 Alaska communities, Alaska's commercial fishing industry is our single-largest private sector employer and contributes over \$245 million (2017) in taxes and fees to the State, over 50 local municipalities, and a wide spectrum of state and federal agencies¹. In addition, guided sport angling contributes thousands of jobs and tens of millions of dollars annually to the state's economy.

While Alaska's fishermen are incredibly resilient and used to weathering uncertainty, COVID-19 has had unprecedented and far-reaching impacts on both Alaska's commercial and sport fishing industries. These impacts have ranged from the significant erosion of both global and domestic markets, lost productivity due to crew safety requirements, plant closures, and massive decreases in visitors and customers, all while (with the exception of Bristol Bay) experiencing one of the worst salmon returns in state history.

This past spring, as the impacts of COVID-19 were beginning to make themselves readily apparent, SalmonState surveyed Alaskan commercial fishery participants regarding COVID-19 and other issues related to Alaska's fisheries. Of the 817 respondents, 83% indicated that COVID-19 emergency funds intended to support fishermen could be best applied as direct payments to affected commercial fishermen, with the second and third most popular options being favorable debt consolidation opportunities (33.25%) and debt forgiveness (28.61%)². We are glad to see that

¹www.ufafish.org/wp-content/uploads/2018/09/Alaska-NATIONAL-Commercial-Fish-Facts-2017-v8.2.pdf

²

<https://secureservercdn.net/104.238.71.109/2h2.054.myftpupload.com/wp-content/uploads/2020/05/Alaska-Fishermen-Survey-2020.pdf>

direct payments to Alaska resident commercial fishermen impacted by COVID-19 is a component of ADF&G's relief plan, and we encourage ADF&G to continue prioritizing Alaska's resident fishermen in this current and any future COVID-19 relief plans.

While our survey focused on commercial fishermen, we also recognize the importance of Alaska's visitor industry to our state, and have seen the impacts of travel restrictions on friends and community members in the charter and guiding industries. Many of these businesses failed to open at all in the 2020 season, and consideration of the impacts to resident fishing business owners and resident employees is critical in considering any distribution of funds intended for Alaska's fisheries.

Since May 7th when NOAA announced its CARES Act relief for fisheries, members of Alaska's fishing community have been anticipating the state's plan for disbursement. It was disappointing to see that only \$300 million was allotted to the commercial fishing industry nationwide, and extremely disappointing that only \$50 million was allocated to Alaska, which is America's largest and most valuable source of wild seafood. Given this disproportionate amount of funding being made available to Alaska, we urge the State of Alaska to advocate for additional federal funding relief for Alaska's commercial fishing industry and to secure any potential funding opportunities possible for Alaska's fishermen and fishing communities.

Within ADF&G's current draft plan, we urge ADF&G to make the following modifications:

- Reexamine its proposal with the underlying assumption that the best path forward is the one that provides the greatest benefit to individual Alaskans and Alaskan communities.
- Require Alaska residency for all recipients of funding, both in the sport charter and commercial fishing sectors. The current draft does not require residency for the sport charter sector, but does for commercial fishermen and seafood processors. This disparity creates a situation of inequity and a mechanism for COVID-19 dollars allocated to Alaska to leave the state of Alaska.
- Adjust percentage of disbursements accordingly, giving due consideration to the number of individual residents participating in each sector.

In order for Alaska to remain a place with thriving fisheries and fishing communities, this money and any future funds allocated to fisheries relief should be distributed strategically to the maximum benefit of individual Alaskan fishermen, who will spend that money in Alaskan communities. This threshold for disbursements will ensure the greatest economic and social benefit to our fishermen, our communities, and our economy.

Thank you for your consideration.



Tim Bristol
Executive Director, SalmonState
timsalmonstate@gmail.com

Hanke, Rachel M (DFG)

From: Kate Sullivan <ksullivan@sardfa.org>
Sent: Monday, October 19, 2020 11:19 AM
To: DFG, COM CARES ACT (DFG sponsored)
Subject: comment on proposed spending plan for fisheries

The Southeast Alaska Regional Dive Fisheries Association (SARDFA) has one comment on the spending plan. The commercial geoduck fishery had to close down the third week in January and did not reopen until the third week of April directly due to Chinese markets closing and then freight disruptions and US closures caused by COVID 19. The time period you are using (March 1, 2020 - November 1, 2020) misses about 6 weeks of the most significant losses incurred by the geoduck fishery.

Thank you for considering this comment.

Kate Sullivan
Co-Executive Director
Southeast Alaska Regional Dive Fisheries Association



Southeast Alaska Fishermen's Alliance

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October 23, 2020

Alaska Department Fish and Game
Commissioner Doug Vincent-Lang
PO Box 115526
Juneau, AK 99811-5526

Submitted via email: dfg.com.caresact@alaska.gov

RE: Section 12005 CARES Act Relief for Fisheries Participants Draft Spend Plan

Dear Commissioner Doug Vincent-Lang,

Thank you for the opportunity to comment and providing an extended comment period on the Alaska Spend Plan. We appreciated the opportunity to meet with you as part of the UFA Board, it helped focus our comments on the spend plan.

We hope that you consider taking all comments received, adjust the spend plans appropriately and providing another comment period. One of the short comings of this plan is it tried to be to brief and concise, thereby not providing the details and explanations that will be necessary to develop before an application would be available. We would prefer that ADF&G provide the details at this stage of the draft plan rather than Pacific States Marine Fisheries Commission (PSMFC) trying to develop the application and clarify the spend plan based on their interpretation. It would be helpful for us to see some examples of how the tier systems will work to fully inform our comments in the future.

Please keep in mind that many in the commercial harvesting sector and processors had difficulty accessing most of the COVID- 19 aid. In many cases, fixes to the problems came so late in the program fisherman were out fishing or the funds ran out before they could apply.

Sector Allocations

The sector allocation in the spend plan is more than a slight modification and is unacceptable as presented. All sectors have been hurt by COVID 19 from direct increased costs to operate, inability to qualify and access grant program. NOAA's allocation funding assumed 5.5% for the

sport fishing charter sector to 32% is an egregious deviation. Because of NOAA's method of allocating funds, Alaska received a greatly reduced amount of funding to truly help all sectors. To deviate as greatly as occurred with the transference of allocation from the processing sector to the sport fish charter sector is not justified particularly in light of the efforts and millions of dollars spent that the processing industry put forth to keep coastal Alaska communities safe and healthy and to comply with State of Alaska mandates. Doubling the sport fishing charter sector to 11% would still upset the majority of the commercial fishermen but would likely provide a \$1,100 per share payment which is more than the estimate per share for commercial fishermen.

An evaluation and justification for the change in allocation between sectors¹ needs to be shared with the public. When evaluating the sectors, consideration should be given to the number of participants/businesses¹, the direct cost of COVID-19 mitigation measures to operate, and market impacts. Making equal shares between processing, commercial and sport fish charter sectors makes anything higher than a 5.5% or doubling of a sectors base allocation unable to be justified.

General Eligibility Requirements

Why and what is the intent for the bullet point stating that Income and/or loss projections will not be accepted?

The next bullet point states applicants must self-certify that the sum of traditional revenue from fishery participation and any COVID-19 pandemic-related aid will not exceed average annual revenue from fishery participation from 2015-2019.

- What exactly is the time frame to determine your yearly income 2015-2019 to determine the five-year average. This needs to be stated the same in all parts of the application.
- Is it allowable under NOAA Guidance and for simplicity sake to be inclusive of the fall and winter fisheries, we would like a calendar year to be used. We make this recommendation because on the application you could ask for line 1 of the 1040 Schedule C Gross Income and have the use of a consistent value. Otherwise an applicant is determining what income comes from what time period – is it all funds paid for a fishery that occurred during that time period or only the funds that were paid and received during the time period. We would recommend that the application have a simple table that the applicant fills out their traditional revenue.

¹ For example, there are approximately 6,250 commercial fishing vessels and 14,000 resident commercial fishing permits and in the sport fish charter sector based on 2019 saltwater guide information, 1,239 salt water guide businesses and 3,429 salt water guides.

- Would income from March 1 – November 1 for any of the years be only actual funds received or some other determining factor and if so, please provide guidance and clarity.
- What is the definition of “traditional revenue” does this include RSW bonus/payments, retros received for a previous year? Or do the retro payments paid in the following year be included in the year that the harvest took place?
- Define “any COVID-19 pandemic-related aid”? Does this include just the grant or forgiven portion of pandemic-related aid, unemployment payments? Again, the application should have a table that lists out the PPP program EIDL, AK Cares Grants, Municipal Grants, and Unemployment payments with a place for the loan portion and forgiven/grant portion. What if an individual has yet to apply and receive the amount of loan forgiveness for a program by the start of the application date?
- Under NOAA guidance it states that aid under any of the programs can’t make the amount exceed the five-year average. How does an individual determine if they are eligible for this funding when they don’t have any idea what they may receive under this program? What are the options if this portion of the Section 12005 Cares Act Relief funds received makes an individual exceed their average annual five-year income? Are they eligible, only partly eligible or are they paid up to their average five-year income?

What is the process if there ends up being funds left in any of the sectors pot of funds after distribution?

Commercial Harvesting Sector

- Delete the eligibility option for tender vessel operators referencing an ADF&G fish transport permit. An ADF&G fish transport permit (FTP) is a permit for moving fish generally within hatchery operations, A fish transporter permit is a permit that is only applicable to salmon, herring and cod and was meant for a commercial fisherman to be able to haul in his buddies fish, requiring only one boat to make the trip back to the processor. A tender operator will qualify under this program under the requirement to hold a valid CFEC vessel license.
- After our meeting with you, we understand and believe tenders fit best under the commercial harvesting sector, since many tenders also participate in fisheries. This prevents a vessel being eligible as a tender and as a harvesting vessel, although a tender who only tenders will only be eligible for one share.
- Instead of the use “valid” in regard to CFEC permits and vessel licenses consider the use of the word current or define what is “valid” or “active”. The use of the word active in CFEC documents generally refers to a permit that has had a fish landing made on the card vs a permit card that was just renewed.

- This section of the spend plan needs to accurately and in detail define the eligibility of a CFEC commercial vessel license. Clarify when a second vessel for an applicant is eligible and when it is considered not eligible such as support vessels (seine skiffs, life rafts/skiffs). Application should request the CFEC numbers on the side of the vessel owned and is being requested for eligibility for a share.
- The eligibility of CFEC commercial fishing permits (limited entry and interim use) needs a more detailed explanation. The explanation and which permits would qualify for a share needs additional description which we show examples below to help illustrate our point.
 - An eligible fisherman owns a herring or king crab permit that the fishery has not been open during the last five years (2015-2019) and in 2020 – will it count?
 - An eligible fisherman owns a permit but has chosen to not use the permit during 2018 and 2019, will it qualify for a share? For example, Southeast Red King crab fishery, SE set gillnet sac roe herring fishery, Sitka Sound sac roe herring fishery
 - Salmon permits of the same gear type aren't allowed to be fished in the same year, but you can only designate one salmon fishery per year. How do you ensure that only what permit is being applied for a share? Keep in mind that you can have salmon permits for different gear types and fish them all in the same year.
 - In some fisheries an individual holds the exact same Limited Entry permit although they can only fish one as a method of creating some fleet consolidation.
- At a minimum, the application process should require a listing of all fishing permits that an individual fished (i.e. land fish with a fish ticket) for each of the five years used to determine average income and for 2020 any permit renewed or purchased that a fish ticket/landing occurred in 2018 and or 2019. Eligibility for shares should use these same criteria that you had to have a fish ticket/landing for the permit in 2018 and/or 2019.
- Providing this information should not be burdensome on the individual and is easily spot checked with CFEC on whether they owned the permit as claimed and with ADF&G if they had a fish ticket written on that permit in that year.
- Payment determination section allows for a half share to the individual's permit fished by someone and the permit holder. Please explain how you will determine who fished another individual's permit? Please explain how any payment agreements between the two individuals will be considered in this process. How do you prevent an opportunity for both individuals to claim a full share on a permit (i.e. double dipping)
- There are several other methods for determining shares than based on vessel and permits held that we don't know if you considered or evaluated. An income tier with

maybe three levels \$0-\$150,000; \$151,000-\$300,000 and over \$301,000 or a tier system based on your income loss that would more accurately reflect the individuals loss.

Please take the time to thoroughly review and incorporate comments on the draft plan so we get it right to the degree possible within NOAA's guidelines. We hope the State of Alaska will work with the industry to try for a second round of funding that could be structured appropriately with all funds for Alaska's fishery going into our state plan and we can equitably provides stimulus to resident and non-resident commercial fishermen, crew, aquaculture associations including salmon hatcheries as well as the processing and sport fish charter sectors.

If you have any questions about any of the points we raise, please feel free to call at any time.

Sincerely,

A handwritten signature in black ink, appearing to read "Kathy Hansen", followed by a long horizontal line extending to the right.

Kathy Hansen
Executive Director

CC: Rachel Baker, Rachel Hanke, Kari Winkel



Southeast Alaska Guides Organization

October 10, 2020

Doug Vincent-Lang
1255 W. 8th Street
Juneau, AK 99811-5526

Re: Comments on draft fishery participant spend plan

Commissioner Vincent-Lang,

Southeast Alaska Guides Organization is a non-profit representing the interests of over 300 sport fishing businesses operating in ADF&G's Region 1 management area. Most of these businesses suffered severe financial impacts in 2020 due to the COVID-19 pandemic. State-imposed travel restrictions precluded operating well into our normal season. Bookings were down the balance of the year with customers hesitant to travel, or unable to comply with State entry requirements.

Preliminary indications are that revenue for most businesses ranged 40%-100% below normal.

We appreciate your recognition of the unique impacts of the pandemic on the sport industry reflected in the plan's allocation of funds between sectors.

We've suggested edits to portions of the draft plan below. Some are simple wording changes we think help clarify the draft's intent. Others are substantive changes/additions we believe increase equity in the distribution of aid across the sport sector, and address areas that could be problematic if not defined.

The substantive changes should be self-explanatory, but we'd be happy to discuss our rationale in more detail if you'd like more detail.

Again, thank you for your consideration of our industry's circumstances.

Respectfully,

A handwritten signature in black ink, appearing to read "Forrest Braden". The signature is fluid and cursive, with a large initial "F" and "B".

Forrest Braden
Executive Director, SEAGO
forrest@seagoalaska.org
9078.723.1970



Southeast Alaska Guides Organization

General Eligibility Requirements

Specific guidance for calculating loss is noted within each sector plan below, but for all sectors:

- [Economic] **When calculating** revenue loss for 2020 [DOES NOT INCLUDE NON-SECTION 12005] **do not include** CARES Act assistance **received** through grant or loan funding **as revenue.**
- Revenue from purchases of seafood product by the USDA or other federal entities should be included in the economic revenue loss calculation to determine whether the loss threshold was met

Residency requirements

- Nonresident commercial harvesters and at-sea processing vessels homeported in any other state must apply to their state of residence
- **Nonresident sport business owners and guides must not have applied for 12005 CARES Act Relief for Fishery Participants in a state other than Alaska, nor may they apply for 12005 CARES Act Relief for Fishery Participants in another state in the future.**

Sport Fishing Charter Sector

Eligibility criteria:

- Must target marine or anadromous species
- Must be registered with the ADF&G as a guide, a business, or both for 2020
- Lodge operators must offer guide services if they do not hold the guide/[OPERATOR] **business owner** combined registration, **and must self-certify that a minimum of 75% of annual gross revenue for the business is directly related to sport fishing activities.**
- Must be able to calculate average annual gross revenue from the eligible fishery business for 2015-2019

Southeast Alaska Guides Organization 1600 Tongass Avenue, Ketchikan, AK 99901



Southeast Alaska Guides Organization

- Applicants operating less than 5 years are eligible but must have operated in 2018 and 2019. Use years in operation to calculate average annual gross revenue
- Applicants must be able to document a greater than 35% loss when comparing March 1, 2020 – November 1, 2020 gross revenue to average annual gross revenue from 2015-2019 (or for years available)

Payment calculation: eligible applicants holding a guide or [OPERATOR] **business owner** registration, **or a lodge business that offers guide services as described previously,** will receive one share of available funds. Applicants with a guide/[OPERATOR]**business owner** combined registration will receive two shares, see Table 3 below. Once all applications have been received, shares will be determined and payments for applicants will be calculated accordingly.

Special considerations: businesses shall receive one additional half share (0.5) [PER] **for each unique** guide employed and/or subcontracted **for a minimum of 25 days in 2020.** If you are registered as a combined guide/business, you do not get an additional half share for yourself. **A guide, business, combination guide/business, or qualifying lodge business will also receive one additional share if they have not received any CARES Act aid for their applying business from state or federal sources in the form of a grant or forgivable loan at the time of application.**



P.O. Box 714
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info@seiners.net www.seiners.net

October 23, 2020

Alaska Department of Fish and Game
Commissioner Doug Vincent-Lang
Kari Winkel / Rachel Hanke
Juneau, AK 99801

Re: Section 12005 CARES Act Funding draft

Dear Commissioner Doug Vincent-Lang:

Thank you for extending the comment deadline for the draft CARES Act Funding Plan dated October 5th. UFA has already covered most of the points that our group had concerns with, however we would like to dive deeper into totally scrapping the “shares” plan from the commercial sector draft as written. We would propose the following.

In the qualifying documents, have a place for the applicant to provide each of their five -year gross earnings and the average (2015-2019 separately and the average); also, a place for their 2020 earnings. They will need to have gone through this exercise to know they qualify anyway, so it is a necessary step on the applicant’s part regardless. This information can be used to develop a revenue based individual allocation, which is how NOAA decided the allocations to the states, by revenue not number of permits you own.

In the example below, Table 1, the 2020 gross income for all permit holders was calculated to give each permit holder the same 45% loss in income to evaluate if this was a plausible and equitable model. The table demonstrates, and gives additional funding to fisheries that have higher revenue, capital investment, and crew costs than other fisheries, in contrast to the draft plan based on “shares”.

Table 1. Example of Four Possible Applicants From SE Alaska

Year	SE SEINE* Applicant A	SE Gillnet* Applicant B	H. Troll* Applicant C	P.Troll* Applicant D	Total Ave Revenue of All Applicants/ Total Payout**
2015	\$ 202,000	\$ 48,000	\$ 4,000	\$ 34,000	
2016	\$ 160,000	\$ 54,000	\$ 5,000	\$ 44,000	
2017	\$ 300,000	\$ 74,000	\$ 7,000	\$ 48,000	
2018	\$ 243,000	\$ 70,000	\$ 4,000	\$ 46,000	
2019	\$ 188,000	\$ 44,000	\$ 4,000	\$ 34,000	
5-Year Ave	\$ 218,600	\$ 58,000	\$ 4,800	\$ 41,200	\$ 322,600
2020	\$ 120,000	\$ 31,900	\$ 2,640	\$ 22,660	
Loss	\$ 98,600	\$ 26,100	\$ 2,160	\$ 18,540	
% Loss	45%	45%	45%	45%	
Share	0.678	0.180	0.015	0.128	\$10,000
Pay Out	\$6,776	\$1,798	\$149	\$1,277	

*The values used in this table are actual CFEC data as averages for those fisheries

* *The payout is hypothetical, for all applicants it would be the 16 million

A comparison scenario based on the draft “shares “ plan would be impossible to run without knowing how many permits an individual has, and if their vessel(s) are licensed under their name or a corporation name. This shares-based methodology, in our understanding, is flawed in delivering any meaningful relief to stakeholders with higher investments and contribution to Alaska’s economy.

As stated in the UFA letter, we also have concerns about Alaska permit holders either not being given any compensation by their state of residency if they received funds, and those who reside in states that didn’t receive funds. Additionally, we concur that there should be some documented rationale for the drastic re-allocation of funds from the processor sector to the charter sector; and that any future funds that may become available allow for reimbursement of Covid related expenses, especially for the processing sector. Alaska cannot sustain a robust fisheries economy if the processing sector isn’t also made whole.

Thank you for the opportunity to comment on this draft. I applaud the efforts of your department to include stakeholders and share your draft plan. We are very fortunate to have our Fish and Game Department in Alaska; you are much appreciated. I understand not putting out any amended plan to an all-encompassing review, but would hope that at least UFA would have an opportunity to comment on the revised plan before it is submitted to Pacific States.

Sincerely,



Susan Doherty
Executive Director SEAS

Hanke, Rachel M (DFG)

From: Abby Fredrick <abby.fredrick@silverbayseafoods.com>
Sent: Monday, October 19, 2020 3:33 PM
To: DFG, COM CARES ACT (DFG sponsored)
Subject: Silver Bay Seafoods Comments: Section 12005 CARES Act Relief for Fisheries Participants Draft Spend Plan

Dear Commissioner Vincent-Lang & Deputy Commissioner Baker,

Silver Bay Seafoods appreciates the opportunity to comment on the Section 12005 CARES Act Relief for Fisheries Participants Spend Plan and commends the State of Alaska for providing a public review process. Silver Bay Seafoods is a fishermen-owned, Alaska seafood processor with facilities located in Sitka, Craig, Valdez, Kodiak, False Pass and Naknek. Our comments focus on the substantial reallocation of funds from the processing and harvesting sectors to the charter sector, the lack of clarity of the execution of the processing tier system, and the challenges some harvesters have faced from residency requirements both in Alaska and from their home states' spend plans.

Reallocation of Funds Between Sectors

We are disappointed and confused by the reallocation of funds from the processing sector to the charter sector. No data-supported rationale was given by the Alaska Department of Fish and Game (ADF&G) for such a significant change. The only data provided to support allocations in the spend plan was by the National Oceanic and Atmospheric Administration (NOAA), which presented clear revenue allocation methodology for each sector and plainly demonstrated that the majority of revenue comes from the processing sector, indicating this is where the biggest losses have been felt, which also indirectly impacts harvesters. The only rationale provided for this shift in allocation percentages was that it was meant to *help mitigate loss to that (charter) sector resulting from travel restrictions and health mandates that reduced the demand for sport fish charters*. The seafood processing and harvesting sectors have been severely impacted by restrictions and mandates as well.

In fact, the processing and harvesting sectors are the only sectors with our own specific State of Alaska health mandates (HM 10 app 01 and HM 17). These mandates are far more restrictive than those other sectors of the economy are operating under. Seafood processors have incurred tens of millions of dollars to ensure safe operations and compliance with these mandates this past year, resulting in significant financial burden. In fact, Silver Bay Seafoods was forced to close two of our plants when the health mandates in place, and obvious need to prioritize health and safety, outweighed the benefits of operating. We ask that you readjust the allocations to align with those offered by NOAA. The rationale provided by ADF&G does not set the charter sector apart from the harvesting and processors sectors when it comes to impacts from COVID-19 and does not provide a basis for a massive reallocation.

Processing Tiers

The processing tier structure is difficult to analyze and comment on without more information. We ask that you consider providing examples of how this system would work, and then offering a second, focused, opportunity for comment. For example, if you end up having seven participants in Tier 3, and only one participant in Tier 6, do the Tier 3 participants get a significantly diluted share, while the single tier 6 participant gets a larger piece of the pie? With some real-life examples and additional time to comment, we could better evaluate this section of the plan.

Impacts from Residency Exclusions

We recognize these funds were allocated to each state using average annual landings revenue data in the commercial harvesting sector and then adjusted to attribute landings to each vessel owner's state of residence to better reflect where fishing income accrues. However, several other states have developed spend plans that exclude their own resident fishermen from this program. They have stipulated eligibility is not only dependent on residency, but that fishermen must have landings and participate in their own state's fisheries. This means, those states have received

benefits for Alaska's fishing revenue, but have not included a benefit for the very fishermen that made that possible. While this is clearly a decision outside the control of the State of Alaska, we raise this issue here as Alaska is the only state that has offered a public process for development of a spend plan. We request Alaska include provisions in the spend plan to provide relief to fishermen who meet all the other requirements for the commercial harvesting section, reside in another state, and can certify they have not received benefits from their own state's 12005 CARES Act Relief for fisheries participants program.

Silver Bay Seafoods commends the State of Alaska's transparent public process for developing the spend plan. You are setting an appropriate standard for handling of these federal relief funds that we hope other states might also employ. Thank you in advance for considering our comments as you finalize the spend plan.

Respectfully,

Abby Fredrick
Director of Communications



Silver Bay Seafoods
www.silverbayseafoods.com
abby.fredrick@silverbayseafoods.com
(907) 209-3037



United Cook Inlet Drift Association

43961 K-Beach Road, Suite E • Soldotna, Alaska 99669 • (907) 260-9436 • fax (907) 260-9438
• info@ucida.org •

Comments on Section 12005 Cares Act Spend Plan.

First, there must be a residency requirement for the Commercial/Sport Charter sector. The other four sectors all have some form of Alaska Residency threshold requirement in order to qualify.

Second, the attempt to move the Commercial/Sport Charter sector allocation from 5.5% to 32% is not fair or equitable. The original spend plan calculations by NOAA should be followed.

The Commercial/Sport Charter sector allocation of 5.5% coupled with a residency requirement is warranted given the funds available. Here in Southcentral, the Commercial/Sport Charter sector is still in operation offering guided fishing services. Currently, there are radio commercial ads still offering trips and many guides are still out guiding clients on the Kenai, Kasilof, Little Susitna and Anchor Rivers. Various guides are also still operating out of Homer and Seward. The Commercial/Sport Charter sector operated with very few restrictions in all of 2020. Many of the Commercial/Sport Charter companies are horizontally diversified such that there are always some services they can offer to the public, including multiple rivers and saltwater opportunities.

There is a huge difference in capital needed in the Processing sector versus the Commercial/Sport Charter sectors. Much higher capital and operating costs for the Commercial Seafood Processing sector warrants the original 59.5%.

Hanke, Rachel M (DFG)

From: Crystal Beeman <beemancrystal@yahoo.com>
Sent: Friday, October 23, 2020 8:30 AM
To: DFG, COM CARES ACT (DFG sponsored)
Subject: CFEC rules for Setnet Fleet

To whom it may concern,

In the information page for the NOAA Cares for Fishermen on the ADF&G webpage.... the term "CFEC Vessel Permit" is referenced as a commercial fishing "share" of possible funds. One share for permit, one share for vessel.

There are thousands of commercial salmon fishermen in AK who do not have CFEC vessel permits. The Set Net fishery is not required to register their vessels with CFEC. We do not have CFED vessel permits. Some Set netters do license their skiffs with " AK numbers" registered through the Dept of Transportation, State of Alaska.

Some setnetters fish without using boats, so would not have either. Set netters have a lot of money tied up in their land based operations and equipment (trucks, tractors, housing, 4-wheelers) that in many cases, exceeds the cost of an average drift boat. Setnetters deserve the same formula of an additional share for their operational platform, just as if they had a boat.

This requirement needs to be rectified for the setnet fleet in the requirements of this NOAA Cares Act.

I suggest doubling the share for the set net permit holders as it is very unusual for a setnet operation to have a separate person owning the skiff or boat. If you are trying to prove they fished...you could ask for fish tickets.

It would be onerous and unfair to the set net fleet to decrease their share of the NOAA grant by 50% simply based on a different licensing requirement. Please take this into consideration.

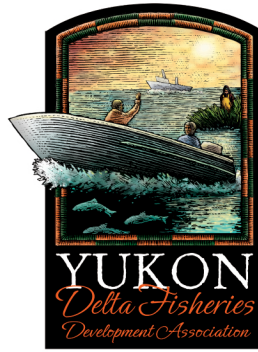
Sincerely,

Ugashik Setnetters Association members

Eric and Crystal Beeman

(Both have permits and we use three set net skiffs to fish with a crew of three persons plus ourselves)

Sent from my iPhone



October 19, 2020

Via First Class mail and
e-mail to: dfg.com.caresact@alaska.gov

Office of the Commissioner
Alaska Department of Fish & Game (“ADF&G”)
1255 West 8th Street
POB 115526
Juneau, AK 99811-5526

RE: CARES Act Relief Funding – Proposed Spend Plan Comments

Dear Commissioner:

Yukon Delta Fisheries Development Association is the regional Community Development Quota (CDQ) entity for the Lower Yukon region (“YDFDA”). Kwipak Fisheries LLC, YDFDA’s wholly owned subsidiary, is the sole commercial salmon and whitefish processor in the lower Yukon Delta region (“Kwipak”). YDFDA offers the following comments to the “Commercial Harvesting Sector” portion of the “Section 12005 CARES ACT Relief for Fisheries Participants Draft Spend Plan” (the “Draft Plan”) in Part 1 below. Kwipak offers the following comments to the “Seafood Procession Sector” portion of the Draft Plan in Part 2 below.

Overall, the coronavirus Covid-19 pandemic has inflicted significant financial impacts on both the commercial fishermen of the lower Yukon Delta (representing the Y-1 and Y-2 ADF&G subdistricts of the Yukon River) and on Kwipak, which incurred a 70% gross revenue reduction in 2020 from 2019.

As previously stated in our September 14, 2020 correspondence with your office, our fishermen’s and Kwipak revenue losses are related to the COVID-19 pandemic because of:

- a) Missed fishing days by our regional fishermen due to COVID-19 restrictions. All six of our member villages imposed travel restrictions this year which prevented their residents from fishing and making deliveries to Kwipak. This lack of participation

Yukon Delta Fisheries Development Association

Representing the Alaskan Communities of: ALAKANUK ▪ EMMONAK ▪ GRAYLING ▪ KOTLIK ▪ MOUNTAIN VILLAGE ▪ NUNAM IQUA

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resulted, in part, in our landings this year consisting of roughly only 96,000 round pounds, compared to 3,534,926 round pounds in 2019.

- b) Suspension of in-season assessment projects by ADF&G resulted in conservative ADF&G in-season run management. For example, due to COVID-19 there was no summer run fisheries management personnel in Emmonak this summer, and the Pilot Station sonar was first operational seven days later than in previous years. There was also no US Department of Fish and Wildlife or ADF&G manned run assessment fishing weirs on the lower Yukon and its tributaries this year.
- c) Conservative operations by Kwipak which reduced our tender fleet due to added COVID related safety procedures for all of our employees.
- d) Reduced Kwipak personnel due to COVID-19 travel restrictions which affected management and tender operations. For example, several of our tender crews could not travel into Emmonak to work aboard our tenders and only two of our regional management personnel were allowed to travel into Emmonak from our neighboring villages this summer.

Also, as previously stated, Kwipak's hard cost expenses directly related to Covid-19 totaled approximately \$343,052. These costs were expended for additional safety personnel, protective equipment, COVID related safety training, at least three medivac flights for suspected patients, quarantine related expenses for in-state and out-of-state personnel, charter flights to get personnel safely out to Emmonak, and legal expenses for the preparation of the State and local required COVID-19 Action Plans. This excessive expense level, added to Kwipak's huge reduction in gross revenue, make a large loss in 2020 for Kwipak a certainty for us.

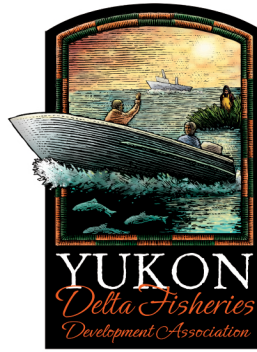
Part 1 – YDFDA's Commercial Harvesting Sector Comments

As background, on average 453 Lower Yukon River Salmon permits were active per year between 2015 – 2019. Average annual gross landings by permit for these fisheries during these same years were \$9,120.00.

YDFDA's primary concerns with this section's requirements, is that both the revenue certification requirements and the application submittal process may, if not carefully considered by ADFG, will be overly burdensome on our residents.¹ Failure by our fishermen to properly prepare and submit an application would have unfortunate and negative economic impacts for our residents at a time when financial resources are even more stressed.

The application's revenue loss certification requirements must be as simple as possible. Kwipak plans to make available to its fishermen a statement of their income from fish deliveries for any years they request, which will establish a gross revenue baseline for both 2020 and the previous

¹ Our comments may change once we see the final application form and other application instructions.



years they fished. This letter would bolster or perhaps stand alone as the Draft Plan's requirement for sufficient documentation or records to support a claim for a 35% gross revenue loss.

The remainder of the eligibility requirements as stated in this section appear to be reasonable and because the lower Yukon River fishery is virtually 100% in-region resident owned, we do not expect any residency related issues related to our fishermen's applications.

Regarding the application process, because of the lack of internet and extremely slow US mail service in the Lower Yukon, it is critical that the application process be straightforward and uncomplicated. Capacity issues with the pandemic will add even greater challenges. Most of our households have very limited access to the internet and little or no access to printers and scanners with which to submit on-line applications. There must be an option to submit applications by hard copy by mail with reasonable deadlines to do so.

In the alternative, YDFDA has the capacity to assist our residents prepare and submit their applications. Accordingly, we request the final spend plan specifically allow for non-profit entities, such as CDQ entities, to be eligible to serve as application aggregators to streamline and batch the application process. YDFDA desires no compensation for our involvement nor will we assess our resident fishermen any fees to develop and complete their application process. We can discuss further with the State what such assistance will look like.

As a final point, YDFDA notes some lack of clarity in funding portion of this Section. The Draft Plan refers to a funding plan based on the total number of permit applicants. However, it also allows "shares" to be awarded to fishing vessel owners or tender vessel license holders (many of the tender vessels are owned by processors which have another source of recovery under the Draft Plan). It is unclear how the vessel permit or tender permit holders will be allowed to participate in this part of the plan. We support a plan that predominantly rewards fishery permit holders.

Part 2 – Kwikpak's Seafood Processing Sector Comments

It is with some dismay that we notice that this sector's funding in the Draft Plan has been almost cut in half, from 59.3% to 32%, compared to the formula used by NOAA Fisheries when formulating the 12005 Act. This means that the seafood processing sector's historical financial impact, which helped allow the State to receive the maximum funding amount allowed under the CARES Act, has been halved to fund a different sector.

Yukon Delta Fisheries Development Association

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This funding reduction's effect on Kwikpak, an Alaskan owned, one location operation, is exacerbated by three other factors:

1) there is no residency requirement in the Draft Plan for the sports charter sector. This means that, while this sector's financial allocation has increased six-fold in the Draft Plan (from 5.5% to 32%) to the detriment of the seafood processing sector, one who operates a sports charter business in Alaska, but lives elsewhere, could apply and receive an allocation of our State's funds,

2) seafood processors can apply for each processing facility they have in the State, favoring the large processors over smaller one-location processors in the Draft Plan's funding process, and

3) there similarly is no residency requirement for the seafood processing sector, meaning that large, non-resident processing companies are additionally allowed for and perhaps favored in the Draft Plan. The Draft Plan does not prohibit either a sports charter applicant or seafood processor applicant from applying for a funding under their own state's CARES Act funding as well as Alaska's plan.

If the State intended that the reduction in the seafood processing sector's funding allocation would be offset to a degree by allowing the seafood processing sector multi-site applications and non-residency allowances, such a program structure disadvantages single site, Alaskan owned seafood processing companies. We understand the work that the State put into this plan's framework, but we hope that the State could address some of the above unfairness points, if possible.

We also note a lack of clarity in funding portion of this Section. The Draft Plan states that "payment amounts will be the same for all qualifying applicants within each tier" but does not indicate what each tier's funding level will be. We hope that the funding amount in each tier will instead reflect the number of applicants in each tier to equitably fund each applicant.

Thank you for considering our comments as you finalize the State of Alaska spend plan. Please let us know what other information you may need.

Sincerely,

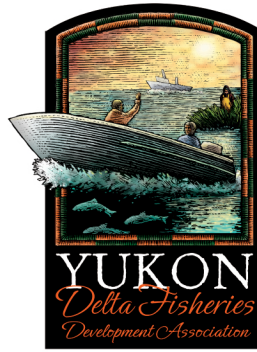
**YUKON DELTA FISHERIES
DEVELOPMENT ASSOCIATION**



Ragnar Alstrom, Executive Director

KWIKPAK FISHERIES, LLC

Jack Schultheis, Operations Manager



cc: US Senator Dan Sullivan
US Senator Lisa Murkowski
Governor Mike Dunleavy
Senator Donny Olson

Representative Neal Foster
Mr. Ben Stevens
Mr. John Moller

Yukon Delta Fisheries Development Association

Representing the Alaskan Communities of: ALAKANUK ▪ EMMONAK ▪ GRAYLING ▪ KOTLIK ▪ MOUNTAIN VILLAGE ▪ NUNAM IQUA

T 907.644.0326 ▪ F 907.644.0327 ▪ 2909 Arctic Blvd. ▪ Anchorage, AK 99503

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2) seafood processors can apply for each processing facility they have in the State, favoring the large processors over smaller one-location processors in the Draft Plan's funding process, and

3) there similarly is no residency requirement for the seafood processing sector, meaning that large, non-resident processing companies are additionally allowed for and perhaps favored in the Draft Plan. The Draft Plan does not prohibit either a sports charter applicant or seafood processor applicant from applying for a funding under their own state's CARES Act funding as well as Alaska's plan.

If the State intended that the reduction in the seafood processing sector's funding allocation would be offset to a degree by allowing the seafood processing sector multi-site applications and non-residency allowances, such a program structure disadvantages single site, Alaskan owned seafood processing companies. We understand the work that the State put into this plan's framework, but we hope that the State could address some of the above unfairness points, if possible.

We also note a lack of clarity in funding portion of this Section. The Draft Plan states that "payment amounts will be the same for all qualifying applicants within each tier" but does not indicate what each tier's funding level will be. We hope that the funding amount in each tier will instead reflect the number of applicants in each tier to equitably fund each applicant.

Thank you for considering our comments as you finalize the State of Alaska spend plan. Please let us know what other information you may need.

Sincerely,

**YUKON DELTA FISHERIES
DEVELOPMENT ASSOCIATION**



Ragnar Alstrom, Executive Director

KWIKPAK FISHERIES, LLC



Jack Schultheis, Operations Manager



YUKON RIVER DRAINAGE FISHERIES ASSOCIATION

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October 23, 2020

Office of the Commissioner
Alaska Department of Fish and Game
1255 West 8th Street
PO Box 115526
Juneau, AK 99811-5526

RE: CARES Act Relief Funding – Proposed Spend Plan Comments

Dear Commissioner:

The Yukon River Drainage Fisheries Association (YRDFA) is a 501(c)3 non-profit organization of subsistence and commercial fishers with a mission of protecting and promoting all wild fisheries and traditional cultures within the Yukon River drainage.

The Yukon River is home to the longest salmon migration in the world. These salmon provide key dietary and cultural support for over forty-two (42) rural Alaskan villages. For many families, the commercial salmon harvest provides the only means of income, and salmon provides a primary source of food for humans and the sled dogs that are integral to their subsistence way of life.

YRDFA represents village fishers at important state, federal, and international decision-making tables, works to document and utilize Traditional Ecological Knowledge in fisheries management, and strengthens the long-term economic viability and sustainability of Yukon River communities through preserving subsistence fisheries and enhancing commercial fisheries.

The Yukon River people have been on the forefront of these hardships due to COVID-19. Not only have many communities locked down to isolate themselves from others, they also faced the disruption of their only means of receiving regularly scheduled deliveries

of groceries and supplies through air cargo flights. These catastrophes sound detrimental for many; however, the Yukon River communities have endured an even greater loss, which is the ability to harvest salmon.

As stated in the draft plan, the allocations provided by NOAA Fisheries are based on past revenues to which ADF&G adjusted the allocations giving subsistence 3% and increasing the sport charter allocation to 32%.

We would recommend increasing the allocations for subsistence to 25% and decreasing the sport charter allocation to 10%. The US Census shows Alaska's total households to be 221,600. If 5% of those households qualified to receive funding, each household would receive \$270.76. This amount does not justify 9 months of subsistence harvest of fish for a single household.

*Providing to households an equal share is adequate. Many Subsistence Users are located in rural areas of Alaska. The communities in the rural areas are often faced with housing shortages, resulting in multi-family households. It would be unjust to supply a house, which has a family of 4 with another household has 10 occupants. **We suggest using a rubric similar to the low-income household guidelines to determine the amount given to each family.***

*The Sports Fishing Charter Sector and Seafood Processing Sector does not outline Alaska residency requirements as placed in all other sectors. Although many businesses may operate in Alaska, there are those who do not reside in Alaska to which may be getting relief from the State they claim residency in. In order to keep the funds helping Alaskans and helping Alaska's economy, **we suggest to include Alaska residency requirements for the Sports Fishing Charter Sector.***

Thank you for the opportunity to provide comments as you finalize the State of Alaska spend plan. Please let us know if you would like us to provide additional information.

Sincerely,



Serena Fitka
Executive Director