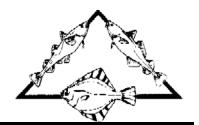
### Alaska Groundfish Data Bank

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 <u>yearly</u> 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 then 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

Alaska Groundfish Data Bank, Inc

Juli Sonney

P.O. Box 788 Kodiak AK 99615

jbonney@gci.net



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 Alaskabased 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.<sup>1</sup> 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)

<sup>\*</sup>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

3

<sup>&</sup>lt;sup>1</sup> 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** 

Lenda Behnh

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,

Rebecca Skinner, Executive Director Alaska Whitefish Trawlers Association

Rebicca Skin



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,

Andy Wink

andy Will

**BBRSDA Executive Director** 





### Chignik Intertribal Coalition



October 15, 2020

Alaska Department of Fish and Game 1255 West 8<sup>th</sup> 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.

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.

<sup>&</sup>quot;Additional eligibility requirements (processing, commercial, sport and aquaculture only)"

<sup>&</sup>quot;-Applicants must have operated in 2018 and 2019" pg. 2

<sup>&</sup>quot;-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

"-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 Chevette

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





PO Box 939 | 509 First Street | Cordova, AK 99574 phone. (907) 424 3447 | fax. (907) 424 3430 web. www.cdfu.org

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.





PO Box 939 | 509 First Street | Cordova, AK 99574 phone. (907) 424 3447 | fax. (907) 424 3430 web. www.cdfu.org

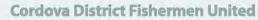
We respectfully ask for transparency in the Department's analysis of the economic impacts and justification for this reallocation, and that this justification be provided to the public. We also request that when the revised plan is released, an additional comment period be allowed.

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.





PO Box 939 | 509 First Street | Cordova, AK 99574 phone. (907) 424 3447 | fax. (907) 424 3430 web. www.cdfu.org

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 with 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

Deraled Mc Cune

Chelsea Haisman Executive Director

Chella Hairman

#### 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

x



## 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 longrange 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: <a href="http://alutiiqpridehatchery.com/">http://alutiiqpridehatchery.com/</a>. 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.

2

#### <u>Impact of COVID-19 to the Organization's Aquaculture Business and Programs</u>

Starting the week of March 23<sup>rd</sup>, 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.

<u>Tribal Shellfish Enhancement Projects</u>: 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 villages<sup>1</sup>.

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 Alutiq 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

\_

<sup>&</sup>lt;sup>1</sup> 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 bene confirmed in Cordova. To date, there has been one positive case of COVDI-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.

6

#### 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 Hohice Price Willow Hetrick

Executive Director

Chugach Regional Resources Commission

907-330-9085

willow@crrcalaska.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 8<sup>th</sup> 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. Johnson'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

LATITUDE: 47° 39' 36" NORTH LONGITUDE: 120° 22' 58" WEST 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,

RDA: kah

Robert D. Alverson, Manager Fishing Vessel Owners' Association

#### 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: <a href="mailto:dfg.com.caresact@alaska.gov">dfg.com.caresact@alaska.gov</a>

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. 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

<sup>&</sup>lt;sup>1</sup> 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.

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 <u>one</u> of the following criterium to receive an additional share.

- Households located in rural subsistence areas as defined by ADF&G<sup>2</sup>
- 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.<sup>3</sup> 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

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

<sup>&</sup>lt;sup>3</sup> 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 guickly 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.

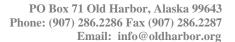
Sincerely,

Julianne Curry Public Affairs Manager

**OBI** Seafoods

Julianne.Curry@obiseafoods.com

Cell 907.518.1822





2702 Denali St., Suite 100, Anchorage, AK 99503 Phone: (907) 278.6100 Fax: (907) 276.3441 www.oldharbornativecorp.com

October 15, 2020

State of Alaska
Department of Fish & Game
Commissioners Office
1255 W. 8<sup>th</sup> St.
Juneau, AK 99811

Via Email: <u>dfg.com.caresact@alaska.gov</u>

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,

Caltallan

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



Orutsararmiut Native Council PO Box 927, Bethel Alaska 99559 907-543-0500

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. 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 gorbuscha*). The subsistence harvest of Chinook salmon represents nearly 50% of the statewide harvest of that species. Studies by the Alaska Department of Fish and Game (ADFG) 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.

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.



Orutsararmiut Native Council PO Box 927, Bethel Alaska 99559 907-543-0500

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

<sup>&</sup>lt;sup>i</sup> 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-Scarbrough, H. Ikuta, B. Jones, R. La Vine, T. Lemons,



Orutsararmiut Native Council PO Box 927, Bethel Alaska 99559 907-543-0500

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.

<sup>&</sup>lt;sup>iii</sup> Shelden, 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: <u>Jon Gonzalez</u>

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 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 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

Jonathan Gonzalez

Policy Specialist – Fisheries

Pacific Seafood

c. 805-455-7220 | w. 503-905-4457

Facebook | Twitter | Instagram | LinkedIn



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.

<sup>&</sup>lt;sup>2</sup> http://www.psmfc.org/wp-content/uploads/2020/08/Oregon-CARES-Act-Spend-Plan.pdf

<sup>[1]</sup> 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.

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,

Chris Barrows

President

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

October 17, 2020

Kari Winkel and Rachel Hanke Alaska Department of Fish and Game Juneau, AK 99801

Email: <a href="mailto:dfg.com.caresact@alaska.gov">dfg.com.caresact@alaska.gov</a>

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 rational 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.

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

Magan O'Neil



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 agencies<sup>1</sup>. 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%)<sup>2</sup>. We are glad to see that

<sup>&</sup>lt;u>1</u>www.ufafish.org/wp-content/uploads/2018/09/Alaska-NATIONAL-Commercial-Fish-Facts-2017-v8.2.pdf
2

 $<sup>\</sup>frac{\text{https://secureservercdn.net/104.238.71.109/2h2.054.myftpupload.com/wp-content/uploads/2020/05/Alaska-Fishermen-Survey-202}{0.pdf}$ 

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

1 Junit

## 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

1008 Fish Creek Rd Juneau, AK 99801

Email: kathy@seafa.org

Phone: 907-586-6652 Cell Phone: 907-465-7666

Fax: 907-917-5470 Website: http://www.seafa.org

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 sectors<sup>1</sup> needs to be shared with the public. When evaluating the sectors, consideration should be given to the number of participants/businesses<sup>1</sup>, 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.

<sup>&</sup>lt;sup>1</sup> 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,

Kathy Hansen

**Executive Director** 

Joshyu LA-

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,

Forrest Braden

Executive Director, SEAGO

forrest@seagoalaska.org

9078.723.1970



## **General Eligibility Requirements**

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

- [Economic] <u>When calculating</u> revenue loss for 2020 [DOES NOT INCLUDE NON-SECTION 12005] <u>do not include</u> CARES Act assistance <u>received</u> through grant or loan funding <u>as revenue.</u>
- 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**

- 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] <u>business owner</u> registration, <u>or a lodge business that offers guide services as described previously,</u> will receive one share of available funds. Applicants with a guide/[OPERATOR]<u>business owner</u> 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] <u>for each unique</u> guide employed and/or subcontracted <u>for a minimum of 25 days in 2020</u>. If you are registered as a combined guide/business, you do not get an additional half share for yourself. <u>A guide, business, combination guide/business, or qualifying lodge business will also receive one additional share if they have not received any CARES <u>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.</u></u>



P.O. Box 714
Ward Cove, AK 99928
(907) 220-7630
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

Voor	SE SEINE*		SE Gillnet*		H. Troll*		P.Troll*		Total Ave Revenue of All
Year	Applicant A		Applicant B		Applicant C		Applicant D		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	

<sup>\*</sup>The values used in this table are actual CFEC data as averages for those fisheries

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** 

<sup>\* \*</sup>The payout is hypothetical, for all applicants it would be the 16 million

## 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 <u>www.silverbayseafoods.com</u> <u>abby.fredrick@silverbayseafoods.com</u> (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%.



# UNITED FISHERMEN OF ALASKA

Mailing Address: P.O. Box 20229, Juneau AK 99802-0229

Phone: (907) 586-2820

E-mail: ufa@ufa-fish.org Website: www.ufa-fish.org

October 22, 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. The United Fishermen of Alaska (UFA) Board reviewed the plan and considered your comments during our meeting with you on Monday October 19<sup>th</sup>. We request that when the Department issues a revised draft spending plan you allow a new comment period for review. Without additional information from the State to justify the reallocation of funds, we cannot support the sector allocations in the Alaska's draft Cares Act Funding Plan.

United Fishermen of Alaska represents a wide range of commercial fishing businesses that operate in Alaska waters, including businesses based outside of Alaska. The UFA Board believes that payments from Alaska's \$50M share of CARES Act Relief of Fisheries Participants made to commercial fishing and sport fishing charter recipients should have parity by being limited to Alaska residents. Initial allocations by NOAA at the state level were calculated based on residency of the business owner. This is how payments of Alaska's share of the monies should flow as well. The current draft spend plan requires that commercial fishery participants be Alaska residents but does not impose the same requirement on the sport fishing charter sector. We ask that this be corrected in a subsequent draft, and that commercial and sport fishing charter sectors be subject to the same residency requirements.

More importantly, the current plan does not adequately explain why the State increased the sport fishing charter allocation from NOAA's recommended 5.5% to 32% of the state's \$50M allocation. Given an estimated 5,000 qualified shares in the sport fishing charter sector each applicant would receive \$7,868 per share. In comparison, there are over 20,000 shares on the commercial fisheries side and commercial fishery applicants would receive only \$790 per share. We ask the Department to provide a rationale that includes economic impact data to

<sup>&</sup>lt;sup>1</sup> In 2019, there were 1,239 saltwater guide businesses and 3,429 saltwater guides (resident and non-residents combined) plus some additional freshwater guides that might qualify, leading to approximately 5,000 shares for sport fishing charter.

<sup>&</sup>lt;sup>2</sup>CFEC data shows there are 6,250 resident commercial fishing vessels and approximately 14,000 resident commercial fishing permits, leading to an estimate of 20,250 shares for commercial fishing.

justify the significant adjustment, as well as data for the total possible number of recipients in each sector, which will help demonstrate the reasonableness of the proposed allocations.

The increase in allocation to the sport fishing charter sector was essentially funded by decreasing the processing sector allocation. UFA would like to point out that the Alaska small business loans issued to assist with COVID-19 impacts were available to most charter operations but were not available to Alaska processors, who generally employ more than the 50-worker limit established by the state and incurred large costs very much tied to COVID-19 expenses to operate safely in Alaska's remote communities. The commercial fishing sector needs support to ensure both healthy processing and harvesting sectors to move forward amidst these difficult times.

We are concerned about non-resident commercial fishermen who fished in Alaska but live in non-coastal states that did not receive an allocation of the \$300M from NOAA. Unfortunately, because NOAA's allocation methodology was based on residency, we do not have a suggested solution for this round of funding. We ask that the State of Alaska work with us to approach the Alaska Congressional Delegation for a second round of funding to assist all Alaska fishermen, regardless of residency and commercial fishing crewmembers.

Regarding the **General Eligibility Requirements** section, we recommend clarifying the bullet point on applicant self-certification and revenue calculations<sup>3</sup>. In particular, please provide an explanation of what the outcome for an individual who is under their five-year average when COVID-19 related grants are factored in, but the money received under this program puts them over the limit? It seems plausible that the applicant would not be able to determine if receiving this funding would cause them to exceed their limit because they would not know the value of their share when applying. Finally, will you clarify if any revenue information be required as part of the application and self-certification process?

Regarding the **Commercial Harvesting Sector**, we recommend the following clarifications.

- Please clarify when a permit qualifies for a share.
- Please clarify what distinguishes support vessels that do not qualify.
- Clarify the relevant time frame for evaluating the five-year revenue average; is it 12 months of annual income, or is the annual income time-period March 1-November 1 each year? Under the commercial sector guidance, it appears that the five-year average is for all income for the year whereas the general requirements specify the average is determined by the time-period of March 1 to November 1. It might be difficult for a fisherman involved in fall & winter fisheries to determine income time periods without further clarification.
- We request the State add the following language to the second bullet to account for operational differences between state and federal fisheries: "or a copy of a valid federal permit that was actively fished in the qualifying period."
- At our October 19<sup>th</sup> meeting you asked for feedback on how to handle allocations to tenders. Most commercial fishermen associate tenders with the processing sector, but as the current plan is drafted tenders do not fit well with the processing sector criteria. UFA recognizes tenders are an important component of the seafood sector that deserves consideration in Alaska's spending plan.

<sup>&</sup>lt;sup>3</sup> Applicants must certify that receiving funds under this program, in addition to any COVID 19 pandemic relief, will not cause their business to exceed its average annual revenue from fishery participation from 2015-2019. Other types of COVID 19 aid include AK CARES grants, PPP grant portion of loans, EIDL advance grant portion of loans, unemployment payments, and municipal CARES Act grants.

- Delete the bullet point which states tender vessel owners must hold a valid 2020 ADF&G fish transport permit. These are separate operations than those of typical tenders. Tenders hold a CFEC commercial vessel license and generally operate under a contract with a processor. We suggest the State use this CFEC commercial vessel license to provide tender vessel owners a share in the commercial harvester sector portion of the spending plan.
- We would request ADF&G to provide a new revised spend plan that also includes more detail and what information would be requested on an application as we would prefer that ADF&G develop this rather than the Pacific Marine States develop the details and guidance.
- There is some concern within UFA that while a simple share plan is easy to administer and that there is some urgency to "get money out the door", an inequitable plan will not fairly compensate those businesses that have suffered. We are aware that some fishermen have not been successful in applying for any COVID 19 relief funding.

## Aquaculture Sector –

Alaska's private non-profit salmon hatcheries are currently excluded from the Draft Spend Plan as ineligible entities. We respectfully request that the Department grant eligibility for salmon hatcheries to apply for relief by modifying Section 12005 CARES Act Relief for Fisheries Participation Draft Spend Plan. After significant research, we are unable to identify federal or state criteria that would preclude the hatcheries from receiving relief under Section 12005. Alaska's salmon hatcheries hold permits to allow the licensing of cost recovery operations and are significant actors and contributors to all user groups, but specifically commercial fisheries, with an economic impact of \$602 million annually statewide. Several of Alaska's salmon hatcheries have faced serious losses in 2020 due to COVID's impacts on operational costs and seafood markets. For these reasons, UFA requests that salmon hatcheries be eligible for relief.

We agree that there is not enough funding to make each business whole. We also note that Alaska's commercial fishery sector accounts for 60% of all U.S. fisheries harvest annually, which is why Alaska (and Washington's) shares were the largest of any states. As the largest private employers in the State, we ask that you provide substantive economic impact information that justifies the reallocation or that you revise the spend plan to fairly allocate the funds across all sectors. In either case, we strongly recommend an additional comment period on the revised plans.

Thank you,

Matt Alward President

mellul

Frances H. Leach Executive Director

## Hanke, Rachel M (DFG)

**From:** Crystal Beeman

**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.

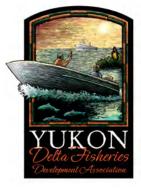
Sincerely,

**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 8<sup>th</sup> 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"). Kwikpak Fisheries LLC, YDFDA's wholly owned subsidiary, is the sole commercial salmon and whitefish processor in the lower Yukon Delta region ("Kwikpak"). 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 <u>Part 1</u> below. Kwikpak offers the following comments to the "Seafood Procession Sector" portion of the Draft Plan in <u>Part 2</u> 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 Kwikpak, 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 Kwikpak 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 Kwikpak. This lack of participation

# Yukon Delta Fisheries Development Association

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 Kwikpak which reduced our tender fleet due to added COVID related safety procedures for all of our employees.
- d) Reduced Kwikpak 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, Kwikpak'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 Kwikpak's huge reduction in gross revenue, make a large loss in 2020 for Kwikpak 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. 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. Kwikpak 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

<sup>&</sup>lt;sup>1</sup> 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

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	

KWIKPAK FISHERIES, LLC

Ragnar Alstrom, Executive Director

Ragion O. Aletone

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 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 KWIKPAK FISHERIES, LLC

Ragnar Alstrom, Executive Director

Kagras O. Aletone

Jack Schultheis, Operations Manager

PO Box 2898 Palmer, AK 99645 Tel: 907-272-3141 Toll free: 877-999-8566 Fax: 907-272-3142 E-mail: serena@yukonsalmon.org

e-mail to: dfg.com.caresact@alaska.gov

October 23, 2020

Office of the Commissioner
Alaska Department of Fish and Game
1255 West 8<sup>th</sup> 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** 

Submitted By	Comment						
	I am a setnet gillnet fisherman in Prince William Sound. This past year has been very burdensome with very low pricing						
	and extremely poor returns with shutdowns in the Copper River making our harvest and income the lowest in the past						
10/00/0000	5 years. Market prices were very poor due to lack in demand of salmon and my crew of 6 (including myself) made very						
10/23/2020 13:30	little monetarily. Commercial fisheries are an income source to many Alaskans and would appreciated the state						
David Fleming	Sincerely,						
	David Fleming						
	907 202 4503						
Anchorage, AK, US							
Anonymous User							
	My comment is specific to the Subsistence sector as defined in the Section 12005 CARES Act Spend Plan. I am						
	concerned that any household may apply equally, when there is a vast difference in the importance of subsistence						
	fishing to a household based in Anchorage vs. a village household. It would be more appropriate for the application						
10/14/2020 7:59	process to address the relative proportion of subsistence harvested fish to the overall household food consumption. A						
	for food security.						
Anahanaa AK US	Tol Tood Security.						
Anchorage, AK, US							
Anonymous User							
10/12/2020 21:02							
Daniel Clark							
	I hope those that couldn't run thier normal season will be considered if they can prove this is thier career. I myself						
Anchorage, AK, US	couldn't go my captain wasn't willing to go. But we fished 4 years prior. And last year I fished the bering. I really could						
Anonymous User	use the help unemployment only gave me \$96.00 a week. So I'm hurting and I have a child.						
	My name is Michael Chance Miller, I am a fishing guide and lifetime Alaskan resident, as well as 50% shareholder and						
	Vice President of Miller's Landing LLC Seward Alaska on Lowell Point, Est. 1982. I am writing in support of the current						
10/12/2020 12:13	2 Cares Fisheries Relief Draft Spend Plan released 10/5/20.						
10/12/2020 12:12							

Miller's Landing provides a diverse variety of services: Water taxis, guided kayaking tours, lodging, camping, trip planning, gear rental and of course fishing. We operate 4 vessels that guide sport fishing services daily, rent 2 boats for self-guiding, hold 2 CHP's, and hire 7-9 captains and deckhands per season to facilitate this. As diverse as the many services we offer are, fishing is the backbone providing nearly 25-35% of our annual gross sales historically and the driving force for associated sales to other departments (lodging, camping, water taxis, kayaking, tours, etc). We are on the road system within a 2 hour drive of the Anchorage airport, cater all manner of clientele, and have been operating for 38 years. Despite all this, the impact of COVID-19 travel restrictions paired with local and state mandates would Michael C Miller have been enough to close us down permanently without CARES act aid and emergency changes to fishing regulations. The allocation consideration of 32% for the charter sector is a critical and fair representation of the impact that COVID represented to our industry. We lost opportunity and markets, and experienced restrictions that prevented us from operating entirely. Impromptu closures and last minute cancellations due to outbreaks were financially crippling. Fewer charters meant trouble keeping crew, which threatened available sales inventory. Consolidating trips meant fewer Anchorage, AK, US Anonymous User I would like to raise a point of consideration in regard to the general eligibility requirements of the draft plan: "Applicants must self-certify that the sum of traditional revenue from fishery participation and any COVID-19 pandemicrelated aid will not exceed average annual revenue from fishery participation from 2015-2019" to specifically exclude EIDL funds." There are many of us that qualified for and received the EIDL which are holding onto them as a safety net through the winter. I know we are not alone in doing this. As you know this version of the EIDL is deferred for 12 months. We received \$150,000 and placed it in a separate account untouched, not knowing what the winter would bring, but with In doing preliminary math and comparing notes with other owner operators, if we are understanding the calculation properly, unless we return the EIDL prior to application ourselves and others would not meet the general eligibility The EIDL is a loan requiring repayment, not a federal handout, and it should be considered that including it in the general eligibility requirements may exclude entities that are intended recipients who would otherwise genuinely Thank You; Capt. (Michael) Chance Miller Miller's Landing LLC

10/8/2020 16:46

Thomas Tomrdle	Can someone explain why nonresident sport guides are eligible? Why can they not apply in there state of residency just like the commercial side? Also why is the sport sector % being increased by 6 times the suggested federal rate?
Anchorage, AK, US Anonymous User	Unlike the commercial fishery the sport sector has had quite a bite of access to federal Covid funds in the form of grants and loans The commercial sector has had very limited access to these funds. I think this reallocation is not only unfair but also unjustified.
10/8/2020 15:4	I'm a biologist who works in the Kenai Peninsula area. I believe the commercial fishing should get the money because they only fished couple of days. Subsistence and sports fish got to fish every day this summer with NO closers. The dip net fishery is totally out of control and needs to be managed before the fishery collapses.  My son worked on a set net site and only fished a few times with gear restrictions.
Rodney Hobby	Someone needs to take control of the Kenai River dip net fishery before it's to late and the fishery collapses!!!
Hayden, ID, US Anonymous User	
10/8/2020 13:20	
Ryan hatt	
Eugene, OR, US	
Anonymous User	I think all processors should be in state too. Those processors from Washington shouldn't get any.
10/8/2020 13:20	
Ryan hatt	
Eugene, OR, US	
Anonymous User	I think all processors should be in state too. Those processors from Washington shouldn't get any.
10/8/2020 13:0	There should be a residency requirement for the Sport Charter sector.

1	The Sport Charter sector should be reduced back to 5.5%.
	The Processing sector should be at the original 59.5%.
Anchorage, AK, US	Remove the salmon hatchery restriction in the Aquaculture sector.
Anonymous User	remove the sumon nationally restriction in the requisition especially
, anonymous eser	•Way too much allocated to charter fleet with adfg revise plan. Should go back to Noaa's original numbers of 5.5%.
10/8/2020 7:0	4 Maybe lower.
	•Should increase commercial fisherman sector allocation to over 50%. (Tip of the spear feeding the world, NOT FOR FUN BUT FOOD FOR THE WORLD)
Boardman, OR, US	
Anonymous User	•32% for processors seems about right, maybe lower.
10/7/2020 10:4	When will the application forms be available? How will we know they are available and how/where will we find them?  Roger
Roger Heimdahl	
Kirkland, WA, US	
Anonymous User	
10/6/2020 15:3	For the two weeks notification regrading ineligible will cut a lot of folks living in rural area if it is mailed via USPS, unless they are utilizing the email server. This should be extended to 3 weeks for folks that are mailing the application.
	As for the subsistence portion, most families on the Yukon help each others, example 3 different households help at one fish camp to harvest salmon and share, will they be any type of documents needs for the Self-certify?
St. Mary's, AK, US	
Anonymous User	

10/6/2020 14	I see that a group of commercial fishers are being left out and cannot even apply for CARES Act relief! Your draft states that commercial fishers who fish in Alaska but reside elsewhere should apply to their own state of residence. However, Oregon CARES Act rules, and likely Washington rules, insist that these fishermen must have state fishing licenses and also fish in state waters! That means those fishermen who live in either state, but who fish exclusively in Alaskan waters with a federal fishing permit in the summers/fall have no way to get any relief funds! They are caught in the middle of competing state rules and lose out.
Cynthia	It appears that Alaska tries to account for them by talking about how the budget was determined to allow their own state to be able to provide them some funding relief. But if the state rules don't allow them to apply, they are left out entirely!
Portland, OR, US	
Anonymous User	
10/5/2020 19	:02
James Holcomb	Everyone (commercial, sport, and other users) have all been impacted by coronavirus. There is NO one not negatively impacted. It seems a little unreasonable to put the bar at 35 percent loss for much needed help. We have paid into the system over the years in the form of taxes. We all make up the fisheries. Are you really planning on not helping the guy
Seattle, WA, US	who has fished and paid in and has a loss of 34 percent and is in bad shape? What if its 25 percent or 20? We've all
Anonymous User	paid in get real with your criteria. If your in the business and have been for years you deserve some help!
10/5/2020 19	:02
James Holcomb	Everyone (commercial, sport, and other users) have all been impacted by coronavirus. There is NO one not negatively impacted. It seems a little unreasonable to put the bar at 35 percent loss for much needed help. We have paid into the system over the years in the form of taxes. We all make up the fisheries. Are you really planning on not helping the guy
Seattle, WA, US	who has fished and paid in and has a loss of 34 percent and is in bad shape? What if its 25 percent or 20? We've all
Anonymous User	paid in get real with your criteria. If your in the business and have been for years you deserve some help!

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

**Subject:** Sport fisheries residency

**Date:** Monday, October 5, 2020 8:17:51 PM

I think that the resident requirement should extend to the sport guide allocation also.... I do not see how allocation of out of state guides is beneficial while not allowing allocation of out of state commercial is not. If out of state commercial should apply to their home state then why should that president stand for out of state guides?.... Also guide services and lodges have had a wide variety of access to Covid relief programs where as commercial access has been greatly limited.... I fail to see that fairness in the double standard set by these residency requirements.....

Thomas Tomrdle

Get Outlook for Android

To: DFG, COM CARES ACT (DFG sponsored)
Subject: 50 million cares money for fisherman
Date: Monday, October 5, 2020 9:04:28 PM

## Hello,

I am a commercial fisherman from Petersburg and I reviewed the draft document for how the funds will be distributed. While I think the formula is over simplistic because it does not take into account the value of the fishery I would voice a vote of approval of the overall formula for the very fact that is simple. It will be easy to determine eligibility and distribute funds in a timely manner and not get bogged down by looking at each fisheries average income. Thank you for your time,

Tor Benson F/V Hekla

Get Outlook for iOS

To: DFG, COM CARES ACT (DFG sponsored)

Subject: CARES Funding

**Date:** Monday, October 5, 2020 10:09:47 PM

I would like to add a huge thank you to the Commissioner of Fish and Game, Doug Vincent-Lang, Governor Dunleavy, President Donald Trump and everyone else involved in making CARES act funding available to charter companies that have suffered terribly during the corona virus outbreak and associated downturn in tourism.

My name is Tim Cashman and I own a halibut fishing charter company in Homer Alaska. We have been in business since 1988 and we have never experienced anything like this. Our fishing charters were down over 50% and the sightseeing portion of our business was completely shut down due to the corona virus. We have worked very hard to retain staff and prevent layoffs. We have benefitted from PPP and some other local programs. Each and every dollar has been used to save jobs and keep people working. These CARES dollars will allow many of us to close out our year end expenses and return for 2021. Without them I do not believe many business would survive. Every dollar we receive is spent directly back into our community.

Again, I would like to thank you all for making this money available and I hope it is never needed again.

Very Respectfully,

Tim Cashman Alaska Coastal Marine

To: DFG, COM CARES ACT (DFG sponsored)
Subject: Cares act residency requirements
Date: Tuesday, October 6, 2020 10:18:21 AM

Hello,

We have a vessel that is home ported in Oregon but does all of its fishing in Alaska. Oregon would not allow me to apply for the cares act for this vessel as it has no Oregon permits. Alaska's spend plan document states that

• Nonresident commercial harvesters and at-sea processing vessels homeported in any other state must apply to their state of residence

Perhaps this is an issue that they have not come across yet.

It seems unfair to me that the vessels that do not carry permits in their homeported state of Oregon or Washington would be unable to apply either through their homeported state or Alaska.

Please let me know if there is anything that can be done about this.

Thank you,

Holly Hinshaw
Office Manager
Fred Wahl MarineConstruction, Inc.
Wahl Fisheries
135 Shipyard Way
Reedsport, OR 97467

Phone : 541-271-5720 Fax : 541-271-4349

To: DFG, COM CARES ACT (DFG sponsored)

Subject: Cares Act Relief Money

**Date:** Tuesday, October 6, 2020 10:27:38 AM

To whom it may concern,

My name is Raymond Nix and I am one of the owner operators of Crazy Rays Adventures in Whittier Alaska. We are a saltwater fishing charter based out of the small rural community of Whittier. This season we experienced extreme hardship due to the corona virus and we seen numbers easily topping 35% reduction in overall clientele and we had to reduce our head fare to remain competitive and encourage more local business. Please take this into consideration when deciding how to allocate funds as anything at this point would be a major help.

Thank you for your time, Raymond and Brenda Nix

Sent from my iPhone

To: DFG, COM CARES ACT (DFG sponsored)

Subject: Custom processor eligibility for cares funding

Date: Tuesday, October 6, 2020 11:24:12 AM

## Good morning

My name is Mark Powell. I have owned Alaska Salmon Purchasers Inc in Kenai for many years.

ASPI is a licensed salmon buyer and custom processor in upper Cook Inlet.

We utilize local processors under contract to process our Salmon for sale.

I have a processor code but I am not required to have a DEC processing permit number.

You need to put guidelines in place for my type of operation.

Annual sales are between one and four million dollars.

Mark Powell

Sent from my iPad

From: <u>info anviklodge.com</u>

To: DFG, COM CARES ACT (DFG sponsored)
Subject: Comments on draft spend plan
Date: Tuesday, October 6, 2020 12:20:30 PM

#### Good Afternoon

Thank you for the opportunity to comment on the draft spend plan for the CARES act funding that will hopefully become available to eligible applicants soon. As you know it is much needed for all of us in the industry and we appreciate your efforts toward the distribution of the grant funds.

The spend plan is obviously well thought out and the distribution seems very reasonable throughout the sectors it covers. We'd just like to make the following comments to be considered for the final plan.

We'd like for an additional share to be allocated for rural off-road system businesses for the following reasons.

- 1. It is substantially more expensive to live and work off of the road system.
- 2. This year we were especially hard-hit due to the shut down of any commercial passenger flights to the bush and the extremely limited freight flights. All transportation has to be by private charters which run about \$4-5k per flight to the Anvik area.
- 3. The small communities in rural Alaska received very little in CARES funding due to their population size (Anvik rec'd about \$101K). This amount left little or no money available for the small businesses to receive any help from the City. And in our case we aren't tribal members as we're not Alaska Native, but we've been in business out here for 25 years and for almost 20 years prior to that in Bethel. Be that as it may, we aren't eligible for any Tribal gov't assistance for our business.

Thank you for your consideration.

Cliff & Cheryl Hickson

Alaska's Anvik River Lodge Cliff & Cheryl Hickson - Owners/Hosts summer: PO Box 109, Anvik, AK 99558

winter: PO Box 112393 Anchorage, AK 99511

Toll Free: 866-885-0020 Local: 907-519-6040 Cell/Text: 386-931-8271 www.remotealaska.com

"Celebrating our 25th Season"

From: Anthony Behm

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>
Subject: Initial reaction to AK Sec 12005 draft spend plan

**Date:** Tuesday, October 6, 2020 4:07:13 PM

I participate in the sports fishing charter sector, so the bulk of my comments will focus on this sector

 $$50,000,000 \times 32\% = $16,000,000$ . My understanding is this is the amount to be shared by our sector.

The plan dedicated just about 80% of one page to explain how this \$16,000,000 is to be distributed. I feel this plan is extremely confusing and lacks so many details that it defies analysis. I fell all participants need answers to some basic questions so we can undertake any meaningful review.

- a. What is the time period involved in calculating a share?
  - a. Over the last 5 years I have had a varying number of guides each year. Am I suppose to work with the average number of guides over my look back period? Do I use my guide count from 2019. Do I just use the number that benefits me the most?
  - b. Does a guide actually have to be on payroll, or does compensation by barter qualify? How about a guide that works just for tips?
- b. I assume that a business participant would be required to have been issued a "Sport Fishing Business" registration or a "Combined Business Owner/Guide" registration with the ADF&G. I would further assume a guide participant would be required to have been issued a "Sports Fishing Guide" registration with the ADF&G.
  - a. Am I correct in this assumption?
  - b. If this is not a criteria for inclusion in this sector, why is it not?
- c. Are those registered as "Sports Fishing Guide" eligible for a share? If so, why?
  - a. Guides are not "at risk" as are business owners. It takes time, money and effort to establish and sustain a business. Business owners must continue focusing on the business if they want to operate in the future.
  - b. Guides are eligible for unemployment benefits, and likely received them or they received alternative employment.

Please quickly provide the above requested information. In the meantime I will give a little thought to the rest of the content of this plan.

Anthony Behm - Owner Alagnak Lodge
Office in Hawaii: 808-227-9301 www.AlagnakLodge.com

TonyBehm@AlagnakLodge.com



To: DFG, COM CARES ACT (DFG sponsored)
Subject: Comments on Aquaculture Calculation
Date: Tuesday, October 6, 2020 5:19:11 PM

My comments are relevant to the requirement for aquaculture (mariculture) benefits to proven revenue in the qualifying years. I started my mariculture business in 2015, and sold kelp in 2016 & 2017 before losing my market, and switching to oysters. I planned on being permitted by the Spring of 2020 and selling oysters at that time. The COVID crisis both delayed my permitting requirements and my ability to sell oysters through the summer of 2020. The issue at hand is that I've invested over \$100,000 to date to get this business operational. Even though I have not generated revenue I was counting on the revenue from sales this summer to help make the business solvent. COVID has had a substantial effect on my ability to create cash flow at a critical time, and the consequences are concerning for my ability to not only scale up but maintain the level of spending I've incurred to date, specifically crew and gear purchases. It is these purchases that have made me the largest private employer in my village of Larsen Bay for wintertime work.

I hope you will consider changing the qualifying criteria to allow me to recoup my losses during the turbulent spring 2020 COVID season.

Erik OBrien Kodiak Ocean Bounty

To: DFG, COM CARES ACT (DFG sponsored)

Subject: Fisheries Assistance Spend Plan Available for Public Comment — ADF&G Press Release

**Date:** Tuesday, October 6, 2020 7:13:17 PM

The residency requirements in the draft appear to be inequitable. Unless there is missing information on what constitutes a 'resident,' the allocation of funds as stated in the spend plan will create an undue hardship on non-resident individuals/businesses operating in the commercial sector. (Although not the point of this comment, i do find it odd that residency is only an issue for the commercial sector).

The state of California has already issued a spend plan and the comment period has closed. In that case, residency was not required for any portion of the allocable funds. Non-residents were allowed to make claims for their direct participation in CA fisheries. I believe (and agree) the entire goal of the residency requirements are likely to avoid double distribution of funds. What agencies don't realize is that in my perspective, many commercial fisherman operate in various fisheries with different boats and permits up and down the coast.

It is my understanding that If a commercial fisherman who operates in the great state of Alaska happens to reside in Iowa (where no allocation of funds has been made), their AK business will miss out on any potential relief due to the location he decides to call home. Consider a fisherman who lives in an affected state like CA, but only participates in AK fisheries throughout the year. That fisherman can make a claim to california (for which he does NOT operate in) but cannot be allowed to make a claim in AK for those fisheries he DOES participate in. Additionally, what if he were to operate in AK, WA, OR, and CA? His business is obviously more involved than some, but the equity for distributions of funds would surely be lost if he is only allowed to make claim in his home state.

Slicing the pie is a difficult endeavor, but considering the mobility of fisherman/processors/spotguides etc.affected by the Covid-19 drama, wouldn't a blanket allocation based on permits held (assuming the fishery suffers a 35% loss of business) be the most equitable and easily explained allocation of funds? It appears NOAA may have had this in mind as they drafted the state's allocation as well.

Landon Carpenter

To: DFG, COM CARES ACT (DFG sponsored)

Subject: Cares act comment

Date: Wednesday, October 7, 2020 6:19:13 AM

## To whom it may concern,

I am a commercial fisherman to comment on one of the stipulations of eligibility for cares act fisheries relief.

I would meet all criteria except, for holding a 2020 cfec permit card. By the time fishing season rolled around this year, I could see what a devastating season it would be. I made the decision not to even fish. To save money I didn't even purchase permit cards. Most years I buy 4 or 5 permits. I have been ineligible for all other cares act relief money for one stipulation or another.

Please reconsider this stipulation and base off of 2019 permit holdings.

Thank you

**Brady Strate** 

To: DFG, COM CARES ACT (DFG sponsored)

Subject: Oct5-Oct19 cares act comment

Date: Wednesday, October 7, 2020 11:29:52 AM

### To whom it may concern,

I am concerned about the five year calculation from 2015-2019 to show average loss this year. My business has a growth curve that doesn't show in a strait line average of the years in question: 2015 gross \$190k, 2016 gross \$346k, 2017 gross \$439k, 2018 gross \$717k, 2019 gross \$897k. This curve would project a 2020 gross of over one million, but my actual gross will be around \$358k (a 31% drop from the 5 year average but a 56% drop from my most recent 2 year average). This is a substantial drop from the last couple years and the expected growth curve, but not much of a drop from a strait line 5 year average.

I would request that the application would somehow take this into account. My suggestion would be that an applicant could choose the most recent 2-5 year average that best reflects their loss: ie. Any applicant can use only 2019 and 2018, or 2019, 2018 & 2017, or 2019, 2018, 2017 & 2016, or 2019, 2018, 2017, 2016 & 2015. I feel giving this choice is more fair to growing businesses and stable/nongrowing businesses alike.

Thanks, Tim Mikkelsen

Commercial fisherman

To Whom It May Concern:

The purpose of this note is to comment on a couple of problems with the draft ADF&G spend plan for Section 12005 CARES Act Relief for Fisheries Participants — in particular the proposed rollout for the commercial harvesting sector. I'll not comment in this note on any wider issues, such as the allocation split between sectors.

The intent of Section 12005, with respect to the commercial harvesting sector, is to "...provide assistance to...commercial fishery participants", where fishery participants are understood as "...persons...who have incurred, as a direct or indirect result of the coronavirus pandemic, economic revenue losses greater than 35 percent as compared to the prior 5-year average revenue..." [these are direct quotes from Section 12005 of the CARES Act itself].

#### Problem #1: Crewmen are Disenfranchised.

On the ADF&G spend plan, only permit holders and fishing vessel owners are eligible for this relief money. Crewmen who do not have either a CFEC card or a Vessel License will get left out of the mix; they aren't even allowed to apply. This goes against the original intent of Section 12005, which clearly was meant to apply to *all* commercial fishery participants.

The beginning of a solution to this problem is quite obvious: allow commercial fishing crew licenses, perhaps along with contracts between crewmen and skippers, to count as evidence of participation in a given fishery.

Unfortunately, this does not completely solve the problem of the disenfranchisement of crew, due to the fact that the ADF&G spend plan concentrates on the concept of *ex-vessel revenues* for individual fishermen. Clearly, mere crewmen will not have any records of ex-vessel revenues, as that concept is defined in terms of the price per pound paid to them at the dock. Mere crewmen are not paid at the dock; they are paid by their skippers (or equivalent) after the landing has been made and deductions have been applied.

To bring this problem into clearer focus, consider:

#### **Problem #2: Young Skippers are Disenfranchised**

On the ADF&G spend plan, young skippers who have grown their businesses in the past five years by leveraging equity and making big investments in their operations will be less likely to qualify for relief, while established skippers who long ago paid off their permits and boats will be more likely to qualify for aid. This seems to me to be exactly the wrong outcome. Allow me to explain.

Consider two fishermen, Oldman and Youngman. Oldman is involved in Fisheries A, B, and C, and he has been for decades. This year Oldman had ex-vessel revenues of \$100,000 in total from Fisheries A, B, and C, but he made on average \$200,000 annually during the past five years, so he qualifies for aid (he experienced a 50% reduction). Youngman, on the other hand, bought in to Fishery A five years ago, and saved up his money for two years, making only \$50,000 per year those first two years. The third year he bought in to Fishery B, making \$100,000 that year and the next. He finally could afford to buy in to Fishery C just before the coronavirus hit. This year he made \$100,000 in ex-vessel revenue. His average ex-vessel revenue over the past five years is around \$75,000, so he doesn't qualify for aid. Indeed, he made \$25,000 more this year than his five-year average.

As I see it, if anyone should qualify for aid, it's Youngman — but you don't even have to go that far. Just look at the similarities between Oldman and Youngman: they are involved in exactly the same fisheries this year, and they grossed exactly the same ex-vessel revenues this year. Thus, they have *incurred*, as a direct or indirect result of the coronavirus pandemic, exactly the same economic revenue losses.

If you think Oldman deserves Section 12005 aid, then you should think that Youngman deserves it, too. Indeed, it seems to me that the original language from Section 12005 of the CARES Act entails that Oldman and Youngman should be treated alike. But the proposed ADF&G spend plan does not do that: on the ADF&G proposal, Oldman gets aid and Youngman doesn't.

The Solution: Concentrate on Total Ex-Vessel Value per Fishery over the Past Five Years. The ADF&G spend plan fails to satisfy the original intent of Section 12005 of the CARES Act, and so it must be amended. Any amendment should solve both of the above problems. (There may be further problems, but I doubt we're going to get a perfectly adequate spend plan, given the imprecise and hastily-written language contained in Section 12005 itself.)

Let's take a step back and look at how *fisheries as a whole* have been impacted by the coronavirus pandemic. The price-per-pound for Fishery A may have been negatively impacted due to the amount of COVID-preparedness that processors had to undergo in order to buy fish. The market for Fishery B may have been negatively impacted due to the fact that it's primarily a restaurant market, and restaurants haven't been buying as much fish. Fishery C might not have been impacted much at all, or just a little bit.

It seems to me that if a particular fishery was negatively impacted by 35% due to COVID, then all participants in that fishery should get some Section 12005 aid. And if a given fishery did well in spite of COVID, then those fishermen should not get further aid in virtue of their participation in that fishery.

So here's my proposal. Let the State decide which fisheries were negatively impacted by 35% (distinguishing fisheries in the most fine-grained way, by distinct CFEC designations — not just by species or gear group or area). There are a variety of ways to do this. One way would be to look at the total ex-vessel value of that fishery this year, when compared to the past five years. Another way would be to look at the average ex-vessel price-per-pound this year when compared to the past five years. (I won't comment on which is probably the best here.)

Once the State has decided which fisheries qualify (let's say only Fisheries A and B qualified), the application process is easy. There's just a series of simple questions:

Question 1: Are you and Alaska resident (provide proof)? If yes, continue to the next question.

Question 2: Were you involved in Fishery A or B this year? If yes, continue to the next question.

Question 3: In virtue of what were you involved in Fishery A or B?

a. If you were a crewman, provide a crew license and a contract or other proof that you fished on board a vessel that made landings in Fishery A or B. Congratulations! You get a 1/2 share per Fishery.

b. If you were a vessel owner, provide proof of ownership and proof that landings were made from your vessel in either Fishery A or B. *Congratulations! You get 1 share per Fishery.* 

c. If you were a CFEC permit holder, provide proof of this, as well as proof that you yourself made landings in either Fishery A or B. *Congratulations! You get 1 share per Fishery.* 

Question 4: What is the total number of shares that you qualify for? (I.e., add up your shares from Question 3(a)-(b).) That's going to determine how much Section 12005 money you get, once we get all applications processed and the value-per-share is settled.

#### Conclusion: It's not Perfect, but it's Much Better

This is obviously just a rough sketch. There is still quite a bit of refinement that could be done. But the ADF&G spend plan is on the wrong track. It is not faithful to the original intent of Section 12005. Problems #1 and #2 clearly show that.

The method of distribution that I outlined above puts us on the right track. It solves Problems #1 and #2. It is more faithful to the original intent of Section 12005 of the CARES Act.

(As a bonus, I would be willing to bet that the administrative costs of my proposal would be much less than the costs of rolling out the ADF&G plan. Who's going to check up on all the guys claiming that they experienced a 35% loss? If you let the ADF&G spend plan go through, there are going to be a lot more liars and cheaters getting aid money!)

Sincerely,

Casey Knight

Casy So

FV Wildfish, FV Canim

To: DFG, COM CARES ACT (DFG sponsored)

Subject: CARES Act Relief

Date: Wednesday, October 7, 2020 1:52:47 PM

Good afternoon. My name is Frank Warfel. I was born, raised, and still reside out of Wrangell, Alaska. I have a boat called the Pacific Sea. I have been commercially fishing the waters of Southeast Alaska for over 40 years in many fisheries throughout the year.

First off, we all know it was a very trying season for all. I would just like to commend the efforts of our State of Alaska personnel putting forth programs to help people afloat.

With that said, I for sure will be putting in for the new CARES act relief. I have read through the literature and will be preparing the proper information to apply. It is not clear to me if this program is a first come first serve application process or if everyone's voice will be heard. My only comment is I hope the people **who did not receive** the first round of AKCARES act funds will be put ahead of those who did. It was very disturbing to me people actually quit fishing to fill out paperwork and get if submitted because it was a first come first serve policy. I myself, and many other I know were out doing the right and "fishing" trying to make things work the honest way. Therefore, by the time we were able to make it home to submit applications there was no money left. I strongly feel a lot of those funds went to the wrong people. It is unfortunate but it's the way the system worked.

I hope the committee takes my recommendation into consideration. There are a lot of us who did not receive original AKCARES act funds who could very much use it to help ease the winter and carry us into the 2020 fishing season. Thank you very much.

Frank Warfel F/V Pacific Sea Wrangell Alaska

Sent from <u>Outlook</u>

To: DFG, COM CARES ACT (DFG sponsored)

Subject: Public comment section 12005 Cares Act PT 2

Date: Thursday, October 8, 2020 8:37:54 AM

## Good morning again!

I have just spoken with the representative for this program and have just realized this is not the same as the AK CARES grant funding, my mistake.

I do however still have concerns and comments regarding the eligibility requirements and its disregard for first year businesses (specifically here commercial fishermen). To keep things in an equal plane here I think first year commercial fishermen and other business as well should be included as eligible. Perhaps it's an average of the lower quartile catch figures from the cfec database. This is how I applied for my loan for my boat and operation, using data from the low quartile section of the cfec database for my specific fishery. If you would like to see my spreadsheets or collected data I will be happy to share.

Thank you. I look forward to hearing from you.

Hope Finley

----- Forwarded message ------

From: **Hope Finley** 

Date: Thu, Oct 8, 2020 at 07:32

Subject: Public comment section 12005 Cares Act

To: <u>dfg.com.caresact@alaska.gov</u> < <u>dfg.com.caresact@alaska.gov</u>>

## Good morning,

My name is Hope Finley I am a commercial permit holder for Prince William Sound Purse Seine "SE01"

I am writing to submit my comments to the section 12005 Cares Act relief.

1. In the additional eligibility section it states requirements that were not in place for the original CARES Act application for commercial fishermen.

I.e. "Applicants must have operated in 2018 and 2019"

For fishermen who have just began their business this year of 2020 this requirement does not seem fair at all and was not a requirement for the original CARES act application.

"Applicants must attest to having documentation/records to support the losses stated on the application and used as the basis for eligibility. The documentation/records must be maintained for at least 3 years and made available upon request by Pacific States Marine Fisheries Commission, NOAA Fisheries, or the Office of the Inspector General"

This was also not a requirement for the original

Application. What exactly does the state require on paper to show the shipping of an essential engine part was late by three weeks (due to covid) thus losing revenue? Or how can any commercial fishermen prove the price of salmon being low due to market uncertainty? These are expectations that will be nearly impossible or simply fabricated across the pool of applicants.

- 2. In the "Commercial Harvesting Sector" it is mentioned:
- "Must be able to calculate average annual ex-vessel revenue for 2015-2019
- 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
- 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"

This ties back to my first comment about first year 2020 fishermen being completely ineligible for aid. There is a lot of mention between operating in 2018-2019 as well as requirements for ex-vessel revenue 2015-2019. I don't see how the state can shut out first year fishermen 2020 from this pool of funding. I think it is imperative there is a plan for those as well.

That concludes my comments at this time. Any questions or replies can be through email here or my phone

Thank you,

Hope Finley

To: DFG, COM CARES ACT (DFG sponsored)

Subject: CARES Act funding comment

Date: Thursday, October 8, 2020 9:48:27 AM

#### To Whom It May Concern:

It would be beneficial for a portion of the funds to be allocated to shoreside capital investments such as new harbors or upgrades. Currently, there are a number of projects that have been authorized by Congress for construction, but for which the local entities may have trouble funding their portions of the cost shares, whether that be for design or construction. Projects that come to mind include Craig, Whittier, Little Diomede, Unalaska, and St. George. Investing in underlying infrastructure lowers costs for existing operators and encourages new operators to participate. It is good for the local communities and the state as a whole.

Thank you for the opportunity to comment.

nastykjn

From: Hanke, Rachel M (DFG)

To: DFG, COM CARES ACT (DFG sponsored)

Subject: FW: SECTION 12005 CARES ACT RELIEF FOR FISHERIES PARTICIPANTS

**Date:** Thursday, October 8, 2020 10:27:33 AM

Rachel Hanke Legislative Liaison Office of the Commissioner Department of Fish and Game

----Original Message----

From: Jordan Stover

Sent: Thursday, October 8, 2020 6:58 AM

To: Hanke, Rachel M (DFG) < rachel.hanke@alaska.gov>

Subject: SECTION 12005 CARES ACT RELIEF FOR FISHERIES PARTICIPANTS

- •Way too much allocated to charter fleet with adfg revise plan. Should go back to Noaa's original numbers of 5.5%.
- •Should increase commercial fisherman sector allocation to over 50%. (Tip of the spear feeding the world, NOT FOR FUN BUT FOOD FOR THE WORLD)
- •32% for processors seems about right, maybe lower.

Sent from my iPhone

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

**Subject:** Sportfish Businesses

**Date:** Thursday, October 8, 2020 11:40:53 AM

## To Whom It May Concern:

Thank you for allowing individuals to comment regarding the Cares Act.

I would like to emphasize that both commercial and sport fish businesses suffered loss this year. One should NOT have priority over the other. We are ALL part of an industry that suffered huge economic loss. Tourism was greatly impacted by the pandemic.

Please make an effort to keep things equal and fair among ALL who qualify for the Cares Act.

Sincerely,

Amber Wheat

Sent from my iPhone

To: DFG, COM CARES ACT (DFG sponsored)
Subject: AK CARES for Fisheries Comment
Date: Thursday, October 8, 2020 12:52:14 PM

## Good afternoon,

My name is Keree Smith. I am a commercial fisherman in Bristol Bay. I crewed for various operations for 5 years before finally pulling the plug in September 2019 to buy and operate my own vessel and business. These past 12 months, I have poured every ounce of savings into starting my operation. COVID 19 and Trade Wars with China presented unforeseen challenges, expenses, losses in gross revenue and losses in a newly purchased permit value. I feel that my fishing operation was adversely affected by the unforeseen global factors that hit the seafood industry. Unfortunately, because I do not have operating expenses and history from previous years, I am disqualified or extremely restricted from participating in relief programs. I would argue that newly established business have more expenses and stricter budgets than operations that have been established for 5+ years. New businesses are extremely susceptible to failure because they have not had time to put away savings in case of economic downfalls. Unfortunately, this highly vulnerable population is also excluded from many relief options.

I would like to propose that the AK CARES relief for fisheries includes this vulnerable group of new skippers and business operators in their efforts to relieve the impacts of this economic downfall. This is the most vulnerable group who could use the most help.

# 1) Who.

New skippers who began their own commercial fisheries operations in 2020 who do not have a catch history to compare losses to submit for relief. This is a small albeit vulnerable group of individuals who completely committed to a career in fisheries in a time of unforeseen economic trials.

# 2) Why.

This specific group of new business owners faced unforeseen challenges and expenses and their 2020 operations and income were just as adversely affected by both COVID 19 and Seafood Trade Wars. This group is disqualified from or extremely restricted from accessing almost every other form of government relief funding.

PPP and SBA EIDL: These program requires an individual to submit payroll/

expenses from 2019, which a new business owner would not have. A new business owner could potentially still apply as a 1099 contractor if they were, for example, a crew in 2019. But again this strictly limits the actual qualified income for the PPP and SBA to pre-business operations. USDA Seafood Relief Program: Requires catch from 2019. AK CARES ACT: The only program which includes and recognizes the impacts of COVID on new business owners/ skippers is the AK CARES ACT. The program specifically includes:

"• Exception: Card Holders who purchased a Limited Entry Permit for the first time in 2020 must have been a crew member in 2019 that actively participated in an open fishery in Alaska to be eligible."

As the AK CARES ACT is completely out of funding, there is no longer an option for new skippers/ business owners to apply for relief that is adequately based on their affected business operations in 2020.

## 3) Suggestion.

I would like to highly encourage the AK CARES fisherman's fund to include new skippers who operated their own business for the first time in 2020 to qualify for relief funding.

# 4) How to determine compensation.

Including this group inevitably presents difficulties in determining comparable years of income and loss statements to meet the 35% loss in gross revenue requirement. A suggestion to account for this would be for example: for new fishermen who ran an operation in 2020 but not in previous years, take income statement from processor for 2020 and place them in a tiered group of fisherman with similar 2020 revenue totals who had longer histories. Take an average of the 5 year revenues from fishermen in this bracket and give the new fisherman an average based on other fishermen of similar 2020 gross revenue totals.

I would like to note that I am not an economist or a policy writer even extremely well versed in the various relief programs mentioned above. I am only speaking from my personal experience as a young business owner and skipper, who happened to start their operation in the wake of a global pandemic and economic crisis, and am feeling the effects of being disqualified from relief efforts because of my less than ideal timing in establishing my business.

Your time and thoughts on the matter are much appreciated! Best,

Keree Smith

FV Deborah

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

Subject: Fisheries Relief Money

**Date:** Thursday, October 8, 2020 1:19:28 PM

Dear Alaska Department of Fish and Game Representative,

I am writing in support of the ADFG Draft Plan to accord a fair share of the federal fisheries relief funds to the sport fishing/charter industry. I applaud ADFG in coming to this conclusion. Were nearly 60% of these monies to go to the commercial fish processors (as suggested at the federal level) it would amount to nothing less than a corporate bail out at the expense of hard working Alaskan small business owners. I am a very minor player in the sport fishing industry, but by association and insider view I am able to observe the disastrous impact the virus has had on the scores of lodge owners across Alaska and on their employees. These folks are Alaskan small business owners, with large investments and overhead; they are less able to weather the 2020 blow to their income than is a corporate entity. Most lodges were unable to operate in 2020 due to state health mandates, state travel restrictions and clients' unwillingness to travel. The sport fishing industry is reeling from this shut down. I am not a lodge owner or operator, but I see this around me and I am deeply concerned for the survival of an entire tourism related industry that generates millions of dollars of activity in Alaska's economy and provides employment for thousands of workers, most of whom are Alaska residents. Considering sport fishing businesses on an equal footing with other fisheries industries is the right thing to do.

Sincerely,

Marty Decker

To: Hanke, Rachel M (DFG)

Subject: Re: Non-resident commercial fishermen

Date: Thursday, October 8, 2020 3:14:35 PM

Hi Rachel,

Yes, please file my comment for the plan that has come out. I reviewed the plan the other day and see that non-resident commercial harvesters in the excluded states are still left out.

This was on my to do list.

Thank you,

**Bob Trotter** 

On Thursday, October 8, 2020, 01:00:41 PM AKDT, Hanke, Rachel M (DFG) <rachel.hanke@alaska.gov> wrote:

Hi Bob,

The spend plan is now available for public comment and I will file this email unless you'd like to provide another after reviewing the draft plan which is attached. I apologize for the delayed response.

Respectfully,

## Rachel Hanke

Legislative Liaison

Office of the Commissioner

Department of Fish and Game

Juneau: 465-6137

Rachel.Hanke@alaska.gov

From: Bob Trotter

Sent: Saturday, August 29, 2020 10:17 AM

To: DFG, COM CARES ACT (DFG sponsored) <dfg.com.caresact@alaska.gov>

Subject: Non-resident commercial fishermen

Dear Spend Plan Developers,

I am following up concerning the FAQ of "Where do I apply if I'm not an Alaska resident" and the answer

"All nonresident commercial fishermen...must apply to their home state."

I understand the reasoning for this after talking with Dan Namur of NOAA and how money was allocated to the vessel owners home state. My issue is for those commercial fishermen, which are probably very few who reside in a state that was not included in the states, territories or tribes that received a portion of the \$300,000,000. Most specifically Idaho, where my son lives but fishes in Bristol Bay. He had his worst year and lost money for which he has taken a HELOC on his home to pay some of the incurred debt. Idaho has nothing for him since his losses were his business in Alaska.

In speaking with Dan Namur, he said Alaska has the ability to include individuals such as my son who were excluded in the revenue allocation because they are in excluded states by addressing this in the spend plan.

Thank you for your consideration.

Sincerely,

Bob Trotter, MS, PA-C

Current and long time Alaska resident since 1975. Fish charter operator and commercial fisherman.

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>
Date: Friday, October 9, 2020 9:28:51 AM

On the cares grant for revenue decrease of 35% or more will work if , a permit holder does not own a boat what will they use for there revenue average since they will not have an ex vessel income?

Bill

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

Cc: DFG, Commissioner (DFG sponsored); Alaska Governor Mike Dunleavy (GOV sponsored); Kreiss-Tomkins,

Jonathan S (LEG); Stedman, Bert K (LEG); pvoa@gci.net

Subject: ADFG Cares fisheries spending plan

Date: Friday, October 9, 2020 9:47:57 AM

My name is Andrew Kittams and I am writing to comment on the proposed spending plan for the section 12005 CARES Act fisheries assistance.

I am a Petersburg, Alaska resident and a subsistence, sport and commercial fisheries user. The ADFG's proposed CAREES Act fisheries assistance spending plan is a disgrace. It puts the seasonal Alaska commercial **charter** industry on the same financial level as the Alaska commercial **fishing** industry.

There are over 6,000 Alaskan owned commercial fishing vessels employing over 16,000 Alaska resident commercial fishermen. Commercial fishermen in Alaska bring in over \$1,500,000,000 in fishing revenue to Alaska.

In contrast there are only 1,000 Alaskan owned sport charter business and less than 2,000 Alaska resident guides. The commercial charter industry brings only \$180,000,000 to our state.

The commercial charter industry only operates in our state for nine months a year. As I sit here writing this letter, I look at four sport fishing lodges closed for the next nine months as they always are. Meanwhile, commercial boats go by daily, working to keep our coastal communities afloat year round.

Commercial fisheries in Southeast Alaska are in the middle of a disaster. The roe herring, and red king crab fisheries did not even open in 2020. The pink salmon, chum salmon and brown king crab fisheries are at historical lows. Sablefish and sea cucumber prices are a third of 2017 prices. Halibut stocks and prices continue to decline. Alaska commercial fisheries are not healthy and COVID-19 has made them worse.

ADFG's proposed spending plan allocates \$16 million to the commercial fleet and \$16 million to the commercial charter fleet. The two are not equal industries. At a minimum, the Alaska commercial fishermen should get access to eight times the funds as the charter industry-there are eight times as many of ALASKAN commercial fishermen suffering.

Please review and reconsider the ADFG'S proposed CARES spending plan. It does not treat the 16,000 hard working ALASKAN commercial fishermen fairly.

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

Subject: Re: Cares act

**Date:** Friday, October 9, 2020 10:14:40 AM

Is your 5 year average based on total gross, or total net after taxes?

Fred Marinkovich

> On Oct 9, 2020, at 8:21 AM, fred marinkovich

wrote:

>

> Are you eligible as a S-Corp that operates in Alaska (owns the CFEC licensed boat) That is registered in Washington State? Would you have to register twice if the corporation owns the boat, and a non-resident holds the CFEC permit? How would eligiblity for the Cares Act work in this situation?

> Bristoldawn

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

Subject: Charter CARES Act funding

Date: Friday, October 9, 2020 12:28:04 PM

Dear Alaska CARES Act funding reviewer:

First of all, I want to thank the State of Alaska, Department of Fish and Game for moving this funding forward and for taking comments about the action. I am pleased overall with the fairness, structure of the program, and the criteria for qualifying criteria.

For the record, I have been an Alaska resident, registered guide and active participant in the charter fishery since 1996. From 1996 until last year (2019), I have offered guided Sportfishing from Seward, Alaska on average spending 89 days per year on the water. Some years more and some less but that is my average participation for the last 24 seasons. I am proud to say that I have mentored dozens of young Alaskan men and women as my crew, who have gone on to sail in the fishing industry, merchant marine and in marine operations in Alaska and beyond. It is an industry that I am proud of and one that has been an important job generator, the least expensive entry level opportunity for fishermen to start a business and economic engine for coastal communities with a regional annual output of over 180 million dollars in Alaska alone.

This summer was by far the most difficult season for the charter sector. The challenges were many: Increased costs associated with COVID mandate compliance, lost weeks due to quarantine, a number of charter captains, crews and their families were infected with COVID 19, lost client base due to problems in the lower 48 getting pre travel tests, and a general reluctance to travel.

The good news is between grants like this one, relaxing of fishing regulations by the North Pacific Fishery Management Council and a renewed interest in participation from resident Alaskans, did create an environment where charter operators will to accept the risks were able to complete 35-60% of their traditional seasons in terms of participation but increased competition for limited clients required a significant downward trend in revenue caused by lower prices to attract business. Overall because of the efforts of the State and Federal Government and local residents most charters will survive to fish next season.

My only real comment about the language contained in the Draft Spend plan is the

#### sentence

"businesses shall receive one additional half share (0.5) per guide employed and/or subcontracted. If you are registered as a combined guide/business, you do not get an additional half share for yourself."

It should be more specific like "per guide employed or hired to run a qualified vessel as a subcontractor for the 2020 season. There cannot be more than one guides per vessel that qualifies per qualified vessel"

The reason I bring this to your attention is that I had several guides that ran my boat this summer, one for only one day. I don't think it is fair to reward a sub contracted guide that ran only a few trips this summer, even though they are in fact a subcontractor. It seems like you want to provide assistance to those dependent on the fishery.

Thanks for considering my comments and thanks to ADF&G for the work it took to generate this spend plan in the middle of a pandemic. The State of Alaska's commencement to protecting guided sportfishing has been noted and appreciated by many in the business of guided sport fishing.

Respectfully

Andy Mezirow

To: DFG, COM CARES ACT (DFG sponsored)

**Subject:** cares fishery funds

**Date:** Friday, October 9, 2020 1:07:34 PM

i think all alaska resident cfec permit holders should get a portion of the cares act funds. not sure how to make it equitable as some permits are worth more than others. But i feel that anyone who has made the investment for a permit and are actively fishing the permit should qualify for a portion of funds available.

maybe providing an amount based on production could work as well, using a 5 year average. Similar to the usda tariff funding.

Definitely being recently active in the fisheries should be a requirement for receiving funds.

do the best you can to keep it equitable for all Alaska fishermen.

michael nichols

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

**Subject:** Out of state alaska fisherman

**Date:** Saturday, October 10, 2020 7:48:00 AM

## Hello,

I am emailing in behalf of the thousands of out of state commercial fishermen who participate in alaska fisheries who are left out of this vital program. Ive been fishing in Bristol Bay for over 20 years where I've paid taxes on my catch and property taxes in Naknek. I pay fees to the state for my boat licence and registration and fees to the CEFC. I cannot understand how I and many other residents of Oregon, Washington, and other states who come to Alaska every year cannot be included in this relief program. The state of Alaska claims i need to file in my state but my state requires me to catch or operate in Oregon. I find this grossly unfair and I suffered a 76% loss over a 5 year period. Which will affect my fishing in your state in the future. Im aware that you personally did not make that decision, im asking if you could direct me to the people or entity who drafted such a plan so I can reach out to them to try to understand why me and all the other out of state fishermen don't matter and are unelegable for covid relief that we desperately need

Joseph Saarheim Owner/Opperator F/V Ark Angel

DFG, COM CARES ACT (DFG sponsored)

Subject: CARES Act Comments

**Date:** Saturday, October 10, 2020 8:04:45 PM

This email responds to ADFG's request for comments on the Cares Act Relief Fisheries Participant Draft Spending Plan.

I fully support the residency restriction. Nonresidents should be excluded. They should apply for Cares Acts in their home states where they take earnings from business conducted in AK. Good plan.

I am unclear of why drift gillnetters will receive 2 shares and set gillnetters will receive 1. Set gillnetters are only required to have a CFEC permit and our skiffs do not require a CFEC vessel permit. I believe this is unfair and it is unclear the reason why there is a difference in shares just because our skiffs are slightly smaller than their boats.

Will you be sending applications to all CFEC permit holders?

Thank you for your time.

Max Harvey

Harvey Fishing LLC

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

Subject: Cares Act Relief

**Date:** Sunday, October 11, 2020 8:26:43 AM

To Whom it may concern,

I was raised in Kodiak and have salmon fished commercially since the age of 5. I have been fishing salmon for 53 seasons. Why does Alaska Residency have to be a requirement?? Thank You Armin

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

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

**Date:** Sunday, October 11, 2020 10:22:00 AM

Hello,

I would like to submit a short comment regarding the Section 12005 CARES Act Relief for Fisheries Participants Draft Spend Plan. I have read that four lawmakers including Dan Ortiz and Jonathan Kreiss-Tomkins have urged the governor to "reimburse processors for Covid-19 expenses to the fullest extent..." according to KTOO. I couldn't disagree more, processors have built in buffers to deal with the pandemic, by the low prices they extended to fisherman for nearly every species across the board. Fisherman have endured the brunt of the impact that Covid-19 has put on the fishing industry. I urge ADF&G to allocate all funds towards aiding Alaskan fisherman. Thank you

Dalton Bergman F/V Mae Lou Sitka, Alaska

To: DFG, COM CARES ACT (DFG sponsored)

Subject: Economic relif

**Date:** Sunday, October 11, 2020 4:43:23 PM

I Kevin Haines have participated in the Bristol bay drift Fishieries since 2001 with my own boat . Each year I have leased a permit . This year 20/20 I did not lease a permit. The reason I didn't lease a permit was because Covid 19 . My crew would have had to quarantine for 14 days in both states wa and Ak. I believe I should qualify for cares act monies as I still had to pay all my expenses. I paid Bristol bay tax, boat storage , nets and net hanging, insurance, also a refrigeration system . And as your requirement for qualification is I was permitted this year and I was not . I request that I be considered and compensated.

Respectfully Kevin Haines

F/v Lori d

Sent from my iPhone

To: DFG, COM CARES ACT (DFG sponsored)
Subject: Comments on Draft Spend Plan
Date: Monday, October 12, 2020 8:12:04 AM

# To Whom It May Concern,

My name is Sam Prysunka and I am the owner and skipper of the FV Miss Kaitlyn. I am currently a permit holder for the Southeast Drift Gillnet fishery. I am writing to you today with one request for change on the draft spend plan for CARES Act relief for fisheries participants. I have been commercial fishing in both Bristol Bay and Southeast Alaska since I was 16 years old (2015), always with the goal in mind of buying my own boat and permit. Since 2015, 100% of my income has come from commercial fishing. In 2019 I had finally saved enough for a down payment on an operation. My one request to you is that I am not excluded from receiving funds because I did not fish my own permit in 2018. This year was unbelievably hard on me, as it was for most of the fleet as a result of COVID-19 and my payments and expenses are no different from others who have fished longer than I have. I ask that you please reconsider this timeline as these funds would be monumental in helping me weather this economic storm.

Thank you for your consideration, Sam Prysunka

To: DFG, COM CARES ACT (DFG sponsored)

Subject: Fishing lodge owner for 20 yrs, cancelled season due to vivid

Date: Monday, October 12, 2020 9:41:15 AM
Attachments: cares act spendingplan 100520.pdf

I am worried about not being eligible since I did not apply for my guide license or owner license or business license due to canceling the season this year because of this I am not qualified to receive monies? I have ran the lodge as an owner and a guide for 20 years since I canceled the season due to guests not being able to make it I did not apply for my guide license owners license or business license this year this makes me an not eligible to apply for this relief? My phone number is

Legend lodge.com need to know if my info is reported to

my eligibility of the cares fishing relief

Jack Johnson

Sent from my iPhone

DFG, COM CARES ACT (DFG sponsored)

Cc: adfg.com.caresact@alaska.gov; Hanke, Rachel M (DFG)

Subject: Draft Spend Plan Comment

**Date:** Monday, October 12, 2020 12:11:12 PM

My name is Michael Chance Miller, I am a fishing guide and lifetime Alaskan resident, as well as 50% shareholder and Vice President of Miller's Landing LLC Seward Alaska on Lowell Point, Est. 1982. I am writing in support of the current Cares Fisheries Relief Draft Spend Plan released 10/5/20.

Miller's Landing provides a diverse variety of services: Water taxis, guided kayaking tours, lodging, camping, trip planning, gear rental and of course fishing. We operate 4 vessels that guide sport fishing services daily, rent 2 boats for self-guiding, hold 2 CHP's, and hire 7-9 captains and deckhands per season to facilitate this. As diverse as the many services we offer are, fishing is the backbone providing nearly 25-35% of our annual gross sales historically and the driving force for associated sales to other departments (lodging, camping, water taxis, kayaking, tours, etc). We are on the road system within a 2 hour drive of the Anchorage airport, cater all manner of clientele, and have been operating for 38 years. Despite all this, the impact of COVID-19 travel restrictions paired with local and state mandates would have been enough to close us down permanently without CARES act aid and emergency changes to fishing regulations.

The allocation consideration of 32% for the charter sector is a critical and fair representation of the impact that COVID represented to our industry. We lost opportunity and markets, and experienced restrictions that prevented us from operating entirely. Impromptu closures and last minute cancellations due to outbreaks were financially crippling. Fewer charters meant trouble keeping crew, which threatened available sales inventory. Consolidating trips meant fewer charters for our guides. Additionally, the exposure/risks of operating a vessel with clients during COVID was enough to keep some guides from participating entirely.

I would like to raise a point of consideration in regard to the general eligibility requirements of the draft plan:

"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" to specifically exclude EIDL funds."

There are many of us that qualified for and received the EIDL which are holding onto them as a safety net through the winter. I know we are not alone in doing this. As you know this version of the EIDL is deferred for 12 months. We received \$150,000 and placed it in a separate account untouched, not knowing what the winter would bring, but with the intent of returning it in March/April 2021.

In doing preliminary math and comparing notes with other owner operators, if we are understanding the calculation properly, unless we return the EIDL prior to application ourselves and others would not meet the general eligibility requirements.

The EIDL is a loan requiring repayment, not a federal handout, and it should be considered that including it in the general eligibility requirements may exclude entities that are intended recipients who would otherwise genuinely benefit from this program.

Thank You;

Capt. (Michael) Chance Miller Miller's Landing LLC

To: DFG, COM CARES ACT (DFG sponsored)

Subject: Kenai River guide question/comment on the Cares act

**Date:** Monday, October 12, 2020 3:43:45 PM

Hello,

Thanks for the Zoom session today and answering our questions.

I had asked one during the meeting and you asked if I would send it in an email as well.

My question was about a guide who has guided for me for the last 9 years but this past year went out on there own.

So the previous 9 years had worked under my business license and this year owners their own business and worked under there own business license.

I don't know how it would work for shares but they owned and guided there own business this season and in the past guided for me.

I hope it works that they are able to qualify for this as well as they have put there time in, in the sport fishing industry on the Kenai.

Thanks again for your help and time it is much appreciated

Eric Loomis Eric Loomis Fishing Alaska

To: DFG. COM CARES ACT (DFG sponsored)
Subject: Cares act fisheries funds spend plan
Date: Monday, October 12, 2020 10:02:11 PM

Thank you for giving the public an opportunity to comment on the spend plan.

I have been a saltwater and freshwater fishing guide for 32 year's, 2020 season our business saw a 40% reduction in number of trips & a 50 -55% reductions in revenue,

most of my guide friends experienced similar seasons.

i think the 5.5% allocation from NOAA to the sport sector was ridiculous, as well as not including fresh water guides, so I commend the department of ADFG in adjusting the allocation and giving equal shares to each sector. that is only fair, as in my opinion the sport sector was hit hardest by COVID 19.

for the sport sector i thing the plan for 1 share for a guide, 1 share for the business and a 1/2 share for the business for each additional boat and /or guide that works for the company as either a sub contractor or employee is fair.

Also as far as non-resident guides are concerned i think since the guidance from NOAA recommended each participant apply to the State that which they are residents in, & that all other states are only giving their funds to residents of their states, then Alaska should follow precedent also, Alaska should not be the only state that includes non-residents in their spend plan. While some non-residents spend the whole season in Alaska, many do not, and only guide for a short peak season of a couple weeks. plus many of these guides have other jobs in other states and some guide in other states too.

i also stress the importance of keeping the application and payout method simple, our kenai borough cares funds were easy and simple, the states care act funds thru credit union 1 was a nightmare,

deckhands and crew should not be included, and would be a can of worms.

one thing i did not hear at the zoom teleconference was the situation where a established business that have operated for several years, more likely bigger lodges, did not operate or even open up in 2020, due to complexities in hiring staff and operating a big volume lodge due to covid 19, some of these lodges may not have registered as a sport fish guide business in 2020, i don't really have support or opposition, on whether they should be included or not, on one hand they are probably wealthy corporate entities and individuals and probably didn't really need the money this season other wise they would have opened, on the other hand, they did have a 100% loss in revenue and have been guiding for several years and likely will be in the future.

thank you again, Mel Erickson

Alaskan gamefisher > Captain Mel Erickson To ADFG Commissioner,

I have owned and operated MJ'S Bread N Butter Charters in Whittier, AK since 2009. I have been a guide out of Whittier since 2003. This career has been fun and profitable providing income for my family. However, 2020 has been different.

Starting in March of 2020 the charters we had previously booked were canceled or postponed due to COVID 19. As we progressed into June interest from our clients and the general public was nonexistent. The concern was the 14 day quarantine and flying in general. We decided not to charter at all. Just to start up it would have cost us \$8,000.00. We were not willing to take the chance, since we did not know what the future held. I have a 31' Ospray. It is a great fishing boat but there was no way we were going to be able to maintain a 6' distance between 6 clients on the fishing deck. We definitely would not be able to run at 25% capacity. This would not even pay for fuel.

This being said. My business would appreciate any help we could receive from the CARES Act. It would help us pay for boat insurance, moorage, boat payments and get ready for next year.

Sincerely, Capt. Jim Norris

Capt. Jim Norris

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

Subject: Daniel clark

**Date:** Monday, October 12, 2020 10:03:57 PM

# Hello my name is Daniel clark

I worked for aquabionics for about 3 seasons aswell as alaska leader fisheries for one trip cod fishing. I had to leave because I got infected and almost went septic. I was about to be on my 4th season but captain had a surgery during the covid scare he opted out for this season. I normally made between 17 and 21 thousand per season. I don't know what the requirements are but I've exhausted my unemployment and extended and all I got is 96.00 a week. I am broke and would really appreciate any info or help.

From: Hanke, Rachel M (DFG)

To: DFG, COM CARES ACT (DFG sponsored)

Subject: FW: Public comment

**Date:** Tuesday, October 13, 2020 10:38:54 AM

# Rachel Hanke

Legislative Liaison Office of the Commissioner Department of Fish and Game

Juneau: 465-6137

Rachel.Hanke@alaska.gov

From: John Perry

Sent: Tuesday, October 13, 2020 6:31 AM

To: Hanke, Rachel M (DFG) < rachel.hanke@alaska.gov>

**Subject:** Public comment

To whom it may concern, the first email on the link is not working in order to submit this comment, so please make sure it gets to the appropriate person.

Thank you for possibly creating an opportunity for those in the sportfish industry targeting salmon a chance to receive some kind of relief from this past summer. Due to a much lower guest turnout at our camp, we were still able to run a season but not without its issues.

It would be nice to receive some kind of compensation to keep us in good standing with our companies we do business with in the Bay area and back in Anchorage. We were able to run but some weeks were full while some weeks were empty. This created a hard business to run and stay on top of all of our bills.

I would appreciate any opportunity to discuss options moving forward on the funding.

Thank you,

John Perry, Angler's Alibi Alaska

John Perry, Owner/Guide Angler's Alibi Alaska

www.anglersalibi.com

To: DFG, COM CARES ACT (DFG sponsored)

Subject: Public comment for cares act for fisherman

Date: Tuesday, October 13, 2020 1:20:42 PM

# To whom it may concern,

This email is being written to give my support for the Care's act for fishermen. Particularly the higher allotment for sport fishing/charter boat guides. I own a guide service and we lost 50-60% of our revenue this year. Even with receiving the PPP and EIDL we are still struggling to get by and we will have to pay back the EIDL. Please help us hard working Alaskans! Fishing of all sorts has been a backbone of the Alaskan way of life and the pandemic has crippled us, please help give us a hand up to get through these hard times! Please allow business and guides who have received other funding to receive a portion of this grant! Thank you for your time.

Cheers,

Adam Cuthriell

www.FishHoundExpeditions.com

From: <u>Brooke Wright</u>

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

Subject: FW: FW: Section 12005 CARES Act Draft Spend Plan

**Date:** Tuesday, October 13, 2020 2:24:23 PM

# Passing along public comment for CARES Act spend plan, please confirm when received

# Brooke L. Woods

Tanana Chiefs Conference 201 1<sup>st</sup> Avenue, Suite 118 Fairbanks, AK 99701

P: (907) 452-8251 Ext. 3109

C: (907) 347-0387



From: Brooke Wright

**Sent:** Friday, October 09, 2020 2:40 PM

To: 'Janet Cadzow'

Subject: RE: FW: Section 12005 CARES Act Draft Spend Plan

I will forward on comments to ADFG. Thank you Janet and Nancy!

## Brooke L. Woods

Tanana Chiefs Conference 201 1<sup>st</sup> Avenue, Suite 118 Fairbanks, AK 99701

P: (907) 452-8251 Ext. 3109 C: (907) 347-0387



From: Janet Cadzow

Sent: Friday, October 09, 2020 2:30 PM

To: Brooke Wright

Subject: Re: FW: Section 12005 CARES Act Draft Spend Plan

Chief Nancy James, Fort Yukon read the emails below..

her response is;

tiered eligible households should not be based on household income, due to the coronavirus pandemic

and low fish count on the Yukon this year.

On 10/9/2020 1:54 PM, Brooke Wright wrote:

Janet,

I copied and pasted the first document (see below) but wasn't able to do the same for the second document DRAFT-ADFG CARES Act Spend Plan so I created a word document.

Draft Spend Plan Released for Public comment pdf information:

# Fisheries Assistance Spend Plan Available for Public Comment

(Anchorage, AK) – The Alaska Department of Fish and Game today released the Section 12005 CARES Act fisheries assistance draft spend plan for public comment (<a href="www.adfg.alaska.gov">www.adfg.alaska.gov</a>). The draft spend plan provides eligibility criteria for participants in seafood processing, commercial harvesting, sport charter, subsistence, and aquaculture.

On May 7, 2020, the U.S. Secretary of Commerce announced allocations of Section 12005 CARES Act fisheries assistance funding to all costal states and territories. Alaska will receive \$50 million of the \$300 million available for this assistance program. The spending plan will allocate 100% of available funds as direct payments to fishery participants in eligible sectors. While all sectors have been negatively impacted by the COVID-19 pandemic, available funds will only cover a portion of the losses incurred by affected fishery participants. The plan will be available to the public for review and comment from October 5, 2020 until 6:00 pm (AKST) October 19, 2020 and can be found on the Department of Fish and Game's home page <a href="www.adfg.alaska.gov">www.adfg.alaska.gov</a> or on the Alaska Public Notice System <a href="http://notice.alaska.gov/199692">http://notice.alaska.gov/199692</a>. Once the plan is finalized, fishery participants may then apply for assistance. Please submit written comments to <a href="mailto:dfg.com.caresact@alaska.gov">dfg.com.caresact@alaska.gov</a>.

## **CONTACT:**

Kari Winkel, ADFG, (907) 465-6141, <a href="mailto:dfg.com.caresact@alaska.gov">dfg.com.caresact@alaska.gov</a> Rachel Hanke, ADFG, (907) 465-6137, <a href="mailto:Rachel.Hanke@alaska.gov">Rachel.Hanke@alaska.gov</a>

To: DFG, COM CARES ACT (DFG sponsored)
Subject: allocation of assistance money

Date: Wednesday, October 14, 2020 6:29:10 AM

Charter operators are in the tourism business, not commercial fishing, and they, as well as sport and subsistence fishers should not even be considered for eligibility. It is a political travesty that the State of Alaska is changing the Federal recommendations to weight the non-commercial fishing businesses more heavily. The purpose of the CARES Act fisheries assistance is being distorted by the State for political reasons and it is disgusting.

Art Bloom Juneau, Alaska 99801



October 14, 2020

Alaska Department of Fish and Game OFFICE OF THE COMMISSIONER P.O. Box 115526 Juneau, Alaska 99811-5526

RE: Comments on Draft Spending Plan for CARES Act Relief for Fisheries Participants

Dear Commissioner,

We would like to take this opportunity to thank you on your efforts to simplify the application process for CARES Act relief fund, which in turn will hopefully result in a timely distribution of funds to fisheries participants.

Following are a few comments we would like you to consider.

We support the clarifications you mentioned in your recent teleconference call with charter fishery representatives on October 14, 2020.

#### **Guides Share**

1) Guides must be Alaska residents and registered as a guide in 2020 to qualify.

## **Business Share:**

2) Regarding special considerations for business to receive ½ share per *guided employee/subcontractor*, I suggest basing this on the average number of <u>vessels</u> registered to the business by ADF&G for the years 2015-2019. A business may have a vessel that uses multiple captains or sub-contractors during a season for the same vessel.

Sincerely,

Richard Yamada

Kichael Yamada

Owner

DFG, COM CARES ACT (DFG sponsored)

Cc:

Subject: Cares Act

Date: Wednesday, October 14, 2020 1:44:31 PM

## Hello,

I'm a 3rd generation Alaskan Commercial Salmon. I am 36 years old and hope to be able to fish for the rest of my life. Also my entire family depends on Commercial seining. Covid has put a big downward pressure on salmon prices and has caused many difficulties. On top of that PWS had a very bad salmon return this summer. Please allocate as much of the CARES money towards local, commercial fishermen. Most of the sports guys I know of are out-of-state tourists who come up to run their boats a few months a year as a hobby.

Thank you for the consideration.

Rick Corazza F/V Royal Fortune

Sent from my iPhone

To: DFG, COM CARES ACT (DFG sponsored)

Subject: Cares act funding

Date: Wednesday, October 14, 2020 2:25:47 PM

To office of commissioner. My name is Bryce Hatch and I have been fishing in Alaska commercially for 40 years. I am a resident of Idaho and was informed that I am not eligible for this program but that non-residents that live in Washington state and oregon are eligible. I and many other fishermen have suffered the same economic loss as any fisherman that doesn't reside in a qualifying state. How is this equitable?

Sent from my iPhone

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

Subject: concerned about allocation of ADF&G Cares funding

Date: Wednesday, October 14, 2020 4:40:48 PM

October 14, 2020

Dear ADF&G Representative, I see a large discrepancy in the way the \$50 million in ADF&G cares funding is being allocated. Why are charter operators being given 32% of the funding when they only account for 5.5% of the revenue? Why is the residency requirement enforced for commercial fisherman and not for charter fisherman? I hold a Bristol Bay set net permit and a Southeast shrimp permit. I also rely heavily on subsistence to feed an extended family here in Sitka. This money is supposed to be for Alaskans and it is supposed to be fairly distributed to the various user groups. Please revise your allocation to accurately reflect use. Subsistence is of huge importance to rural families. The way you have the money divided, poor families in the villages will receive little with charter fishermen from out of state will take the lion's share--much of it out of state! Stacey Wayne, Alaska Permit holder

To: <a href="DFG">DFG, COM CARES ACT (DFG sponsored)</a>
Subject: Commercial Harvesting Sector Eligibility Criteria
Date: Wednesday, October 14, 2020 5:44:15 PM

#### Hello,

My name is Colleen Hogan. My husband, Cesar Alvarado, and I are Southeast salmon gillnetters. I am writing to comment on the following section of the draft spend plan in the section labeled "Commercial Harvesting Sector, Eligibility Criteria:"

- "• Must be able to calculate average annual ex-vessel revenue for 2015-2019
- -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
- 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 method will produce inaccurate results. There are fisheries operating November-February whose revenues will not be included in the 2020 revenue, but they will be included in the 5 year average. This will make it easy for a fisherman who has revenue from November-February to show a 35% reduction in revenues since their November-February revenues will only be included in the 5 yr average but not in the 2020 revenue.

I would propose making a change so that the 5 yr average is also calculated using ex-vessel revenues from March 1 - November 1 so there can be an accurate comparison when determining whether there has been a 35% reduction in revenue.

I would like to present an example using arbitrary numbers. Let's say a fisherman has a five year average of \$150,000 in annual revenues where \$100,00 is the average March 1 -November 1 revenues.

In 2020 their March 1 - November 1 revenues were \$80,000. So when the annual 5 year average is used (\$150,000) there is a \$70,000 or 47% reduction in revenues and the fisherman is eligible. Whereas when the March 1 - November 1, 5 yr average (\$100,000) is used, and you're comparing apples to apples, the fisherman has a \$20,000 or 20% reduction in revenues and is ineligible.

I hope this is clear enough to get the point across. This could really skew the fact of whether there has actually been a 35% reduction in revenues. I hope that this calculation will be changed in the spending plan so that fisherman will only be eligible if they had an ACTUAL 35% reduction in revenues when comparing March 1-November 1 revenues in 2020 to a five year average of revenues for the the same March 1-November 1 date range. Otherwise fishermen who have revenues from November - March will have an unfair advantage.

Thank you for your consideration and could you please confirm receipt of this email.

Sincerely, Colleen Hogan

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

Subject: comment

**Date:** Wednesday, October 14, 2020 6:57:53 PM

I am a commercial fisherman for the past 20 years, and Alaska resident for 35 + years. The last two years, my daughter has been the permit holder due to my age. This is not a medical transfer. I am on the boat with her. But I am unable to do all the heavy work, so she is there to help out. I own the boat. The boat gets 80% of the share she gets 20%. She is not an Alaska resident at this time. But this is an Alaska fishery, the boat is homeported in Alaska.

This non-resident is not a valid point, when the boat owner is Alaskan and the boat is home ported in the state, yet the permit holder is a non-resident is not an equitable way to set this up. When you consider this is an Alaskan family owned business, and my family participates in the fishery, including my daughter. Richard L Collins

To: DFG, COM CARES ACT (DFG sponsored)
Subject: CARES funds distribution plan comments
Date: Thursday, October 15, 2020 10:07:15 AM

Hi there,

My name is Woody Cyr. I have drift gillnetted and trolled FV Patience in Southeast since 2019 and 2020 (still fishing), respectively. I deckhanded in 2017 and 2018. I have lived in Sitka since 2012.

I am exceedingly disappointed that the proposed plan completely cuts new, young commercial fishing entrants out. Why, when we buy into the equity embodied in permits and vessels, are we not treated as truly vested in the industry. If anything in these difficult times new entrants should be provided a greater level of support while they get their feet under them than folks who have been at it a while and having things basically lined out. I cannot express my level of disapproval adequately without profanity, so please in your head string together the most extreme phases you can recall in order to gain a better understanding of my opinion of this plan.

There are 2 simple, agreeable, solutions that come to mind. The first is just following the example of the recently implemented USDA program and paying out a set price on the pounds of fish landed. It would be easy to use 2019 pounds but if you want to make it more difficult use 2020 I suppose. The second is paying out a set lump sum to each permit fished. Vary the sum depending on the permit. Again, use 2019 or 2020 or the 5 or 10 year average.

A third option would be allowing those of use with less than 3 years of operation to use the average earnings/landings of our fisheries from the past 5 years as published by CFEC.

Whatever gets settled on, please for the love of god help keep us young folks who are the future for the industry afloat instead of washing out!

I additionally feel compelled to comment on the disparity between proposed distribution between the charter sector and subsistence. Folks who reside out of state but come up to charter in the summer and then take their earnings out of state should not be eligible, or if eligible make it a drastically reduced distribution. Redirect these savings to subsistence. Let's keep this money in our economy here and not watch it fly away.

Thank you for your time. I am very open to figuring out a way to support new fishery entrants. Please don't hesitate to contact me.

-Woody Cyr

To: DFG, COM CARES ACT (DFG sponsored)

Subject: Comments on Cares Act plan

**Date:** Thursday, October 15, 2020 10:32:23 AM

I am a 46-year resident of Sitka, Alaska. I have depended on commercial fishing during that time, and my two sons are now trollers. I find the current proposal for allocation of Cares Act funding highly objectionable. Under this plan charter boat fisherman, including non-residents who routinely carry their income from fishing out of state, will get a high proportion of the funding, to the detriment of commercial and subsistence fishermen and the aquaculture associations who provide fish for all groups, including the charter boats who benefit from aquaculture while contributing nothing to support it.

Please develop a fair plan which follows NOAA recommendations and benefits Alaskan people, with residency requirements for all groups.

Sincerely, Kathryn Kyle

To: Winkel, Kari M (DFG)
Cc: Kallenberger, Martina (DFG)
Subject: Re: Maybe you can help?

**Date:** Thursday, October 15, 2020 2:29:48 PM

#### Hello again!

Thanks for responding to my questions Kari and Martina..so depressing!

I am not happy but I can apply for my husband in this new funding..

Still haven't completed the 2 USDA applications because of the 2 permit issue, and that we put all income from fishing into my Half Moon Bay Fisheries LLC account in FNBA--

I can submit my comments but how would ADFG group nonresidents into something that we deserve it esp when we contribute to the local economies and the State (see below)

Ok here is a rant from a longtime Kodiak family fishing operation...

We have had so many crew members that have been able to go to college etc.. (throught the TAA) in 2002 and each summer.

Have been setnetting in Kodiak for 40 years.. Was a resident since 1968 until I returned to get a masters in Humboldt County in 2003.

So this is why its not "fair" -- We pay 3% local severance for the KrAA aquaculture association and for marketing -- every salmon delivery

We own a home, a cabin and our setnet sites, we pay KIB taxes in excess of \$5000 year We purchase all of our equipment in Kodiak, thousands of dollars plus 6% sales tax We deliver all of our salmon to local processor Ocean Beauty which provides \$\$ for them and also adds to the employment of their large crews in the summer. I could go on and on..

Still have no reason why my appeal was denied for the PInk Disaster \$\$.. Maybe I didn't deliver pinks one year? That was worth \$16,000 to my husband and mine would probably have been \$30,000. 2 permits, better site. Delivers hundreds of thousands of pinks/all species every year.

I would actually like ADFG or whomever determined my status to explain why. I sent a 3" binder to the PFM....in Portland. I was so mad when I read that it was denied...through an email..coulndt call anyone. All taht work (a week) to put it together 2006-2016.

We keep falling through the cracks while others have done very well.. Nothing is ever "just because you live in CA" does any of this change..

So much paperwork to do, and then denied. My husband didn't recive the 1dt CARE because I had tried to submit it (during salmon season) BUT can't upload the tons of docs they wanted.

I had to mail mine. No word.

He made 30K this summer -- worst ever

I made \$56K we wont be able to make it until next season.. (Kodiak has climate change impacting the setnetters the past 5 seasons..salmon are travling differentl, we had pure mud for 2 weeks in 2017 during the peak, 2018 a disaster etc etc

ok I let that steam out! instead of calling Kari I can call tomorrow Lacey

On Thu, Oct 15, 2020 at 2:39 PM Winkel, Kari M (DFG) < <u>kari.winkel@alaska.gov</u>> wrote:

Hi Lacey,

I think you left a message on my phone and I did try to call you back but no one picked up and your voicemail is full so I could not leave a message.

We are accepting public Comment on the Section 12005 of the Cares act: Relief Funding for Fisheries Participants. These funds and this program are completely separate from the fund and program DCCED ran. The CARES Act was one big piece of legislation that included the stimulus checks that where 1200\$, the extra unemployment money, and all the of the money to fund these various grant and loan programs. So I know it is confusing but a lot of programs have CARES in the title to note which Act the money came from but they are not really connected other then all the money was appropriated at the same time by Federal Congress.

California did get an allocation of the sec 12005 funds they have already gotten a spend plan back from NOAA approved. The reason Alaska has made the determinations we have is that we based our spend plan on the way NOAA made the allocations of money. If you look on the draft spend plan (attached) on Page 3 under Residency Requirements we have explained why we have made this decision.

You are welcome to submit public comment we are accepting that in written form to the email address at the top of the draft spend plan until October 19. Please give me a call back if you have any further questions, thank you.

Attached: CARES Act Guidance Document, CARES Act Draft Spend Plan

Respectfully,

Kari Winkel

Special Projects Assistant

Office of the Commissioner

Department of Fish and Game

Ph: (907)-465-6136

# Kari.winkel@alaska.gov

From: Kallenberger, Martina (DFG) < martina.kallenberger@alaska.gov >

**Sent:** Thursday, October 15, 2020 1:31 PM

To: Lacey Berns

Cc: Winkel, Kari M (DFG) < <u>kari.winkel@alaska.gov</u>>

**Subject:** RE: Maybe you can help?

Hi Lacey,

It's possible that you and Galen are eligible for the USDA Seafood Trade Relief Program. Please follow this link to the fact sheet for this program: <a href="https://www.farmers.gov/sites/default/files/2020-09/FSA">https://www.farmers.gov/sites/default/files/2020-09/FSA</a> STRP Fact%20Sheet-2020.pdf

https://www.farmers.gov/sites/default/files/2020-09/FSA\_STRP\_Fact%20Sheet-2020.pdf There is also a link to the forms in the fact sheet.

I am copying Kari Winkel on this message. She has information on the CARES Act that she can share with you.

I hope that you will be able to find a program that can help you. I truly wish you all the best!

Martina

Martina Kallenberger

Seafood Industry Coordinator

(907) 465-6131

Division of Commercial Fisheries

Alaska Department of Fish and Game

DATA REQUEST POLICY: Due to limited staff resources data requests will be completed within 5-7 business days depending on complexity.

CONFIDENTIALITY NOTICE: This email message including any attachments is for the sole use of the intended

recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, or disclosure is prohibited. The state cannot guarantee the security of emails sent to or from a state employee outside the state email system. If you do not want to communicate via email, please contact the sender at the number listed above.

From: Lacey Berns

**Sent:** Thursday, October 15, 2020 11:59 AM

**To:** Kallenberger, Martina (DFG) < <u>martina.kallenberger@alaska.gov</u>>

**Subject:** Maybe you can help?

Hey Martina---

So I applied for the CARES funding that was administered through DCEDH a long time ago,

Now is there new \$\$ for 12005 Cares ACT?

Galen and I live out of state and this funding says you have to be an AK resident..what?!!

Who is doing this in CA? Because all of our landings forever are in Kodiak??

This is maddening.

I also lost my appeal with the Pink Salmon Disaster

Not even sure I fit into the USDA funding...

Can you help?

Lacey

--

 $><(((((^{\circ}>\cdot{^{'}}^{\cdot}\cdot.,.\cdot,.\cdot{^{''}}^{\cdot}\cdot..)<((((^{\circ}>^{\cdot}\cdot.,.\cdot{^{''}}^{\cdot}\cdot.,.\cdot{^{''}}^{\cdot}\cdot...,.\cdot{^{''}}^{\cdot}\cdot...,.)<((((^{\circ}>$ 

Lacey Berns

Half Moon Bay Fisheries

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

Subject: spend plan comment - nonresident commercial harvesters who do not qualify in state of residence

**Date:** Friday, October 16, 2020 9:11:10 AM

#### Hello.

I own and operate a commercial fishing boat in AK and have an Alaska limited entry drift gillnet permit. However, I am an OR resident. I also use an OR home port for documentation purposes even though I have never taken my boat out of AK. I reached out to OR CARES after learning I don't meet the draft AK eligibility requirements because I am not an AK resident. I was told that had I applied I would not have met the OR requirements either.

# Here are the exact words;

"By not possessing one of the required ODFW, OSMB, ODA, or OR Secretary of State licenses/certifications/registrations you would not have qualified even if you submitted an application by 9/8. USCG documentation is not sufficient or applicable to this relief." Additionally, the way the application in OR read, It only would have provided grant money based on fish harvested in OR.

Is there any way to open up funds for fishermen like myself who do not qualify in their state or residence? I pay Borough taxes on my boat, I pay fish taxes, I've been working in Bristol Bay for 22 years. I know I can not be the only fisherman (or woman) who has received absolutely no Covid relief money and doesn't know where to turn.

I had what was by far the worst fishing season of my decade-long career owning and operating boats. I applied for the grant money to cover expenses, but got my application in hours after funds ran out. Some guys with the exact same job as me received up to 100K. It's disappointing to come across even more grant money that will not be distributed to all of my fellow skippers who need it but only to a select few. While I am glad there has been some relief money available to fishermen, It seems many people who need Covid relief money the most are getting nothing while others are getting tens of thousands if not more. Sincerely

Lauren Vander Lind

From: Hanke, Rachel M (DFG)

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

Subject: FW: Seeking an understanding as to the application of the Cares Act Relief for Fisheries, sport charter section.

**Date:** Friday, October 16, 2020 10:17:11 AM

# Rachel Hanke

Legislative Liaison Office of the Commissioner Department of Fish and Game

Juneau: 465-6137

Rachel.Hanke@alaska.gov

From: Vincent-Lang, Douglas S (DFG) <doug.vincent-lang@alaska.gov>

**Sent:** Thursday, October 15, 2020 12:19 PM

**To:** Baker, Rachel S (DFG) <rachel.baker@alaska.gov>; Hanke, Rachel M (DFG)

<rachel.hanke@alaska.gov>

Subject: FW: Seeking an understanding as to the application of the Cares Act Relief for Fisheries,

sport charter section.

From: Joe Connors

**Sent:** Thursday, October 15, 2020 12:10 PM

**To:** Vincent-Lang, Douglas S (DFG) < doug.vincent-lang@alaska.gov >

Subject: Fwd: Seeking an understanding as to the application of the Cares Act Relief for Fisheries,

sport charter section.

----- Forwarded message -----

From: Joe Connors

Date: Thu, Oct 15, 2020 at 12:04 PM

Subject: Seeking an understanding as to the application of the Cares Act Relief for Fisheries, sport

charter section.

To: <adfg.license@alaska.gov>

As a brief overview, I am the owner of Big Sky Charter & Fishcamp. We are a licensed Kenai River guide fishing service and cabin rental operation located on the Kenai River at mile 36. We have been in business for 40 years. On a good year we operate from mid-May through September. We run 4 boats and thus have 4 guides on staff; 1 is a sub-contractor because he has his own business license and insurance and the other 3 are employees because they work under my license and insurance. Our chief

guide and thus first boat out happens to be the sub contractor. Additionally, we have 9 rental units.

In late 2019 and early 2020 we worked through a complete makeover of our web site at a costly price. Additionally, we had a serious advertising campaign also on the costly side. The results were that we came into the 2020 fishing season with a full, very busy schedule. However, with the virus building up, our business basically collapsed. We lost more than 60% of our entire summer scheduled bookings.

It needs to be noted that for the past 10 summers our operating business model had Big Sky running our 4 boats first, thus 100 percent of their clients came from our advertising effort. We additionally on many occasions utilized other local guides to fill in.

I participated in the conference call this past Monday through Kenai River Sportfishing Association at 2p.m. with the Commissioner where various share options were discussed. I am of the belief that Big Sky is entitled to 1 share as a licensed charter business and 4-half shares, one for each of the 4 boats that we run. Thus, a total of 3 shares!

On another note, I do feel that it should make no difference if a guide is a resident or non resident when he is working for/under the license of an Alaskan Resident business. The guide should be eligible for 1 share. Here on the Kenai River the State of Alaska, Division of Parks has one fee for all guides.

Thank you for your time and consideration and the hard work you are all exerting trying to make the distribution of NOAA monies the fairest and doing so in an efficient and easy manner.

To: DFG, COM CARES ACT (DFG sponsored)
Subject: Cares Act Comments for Section 12005
Date: Friday, October 16, 2020 10:47:44 AM

My name is Kristen Labrecque and I own Saltwater Excursions, LLC, We operate a halibut fishing charter boat in Whittier, Alaska. I have been in business since November 2010.

Financially, this season has been our hardest season on record with COVID-19. The fishing/tourism industry took a major hit with COVID-19 with all the travel mandates placed in effect by Gov. Dunleavy and the emergency mandates decreasing allowable participation due to capacity and single party limitations (ie 25%, 50%, 6 ft apart). We lost all of our charters in April and most of our charters in May and early June. We lost most of our tourism business for the summer and had to entice Alaskan's by lowering our prices.

I am a small 3 man operation and 95% of my yearly income comes from Saltwater Excursions. I have had to take out several loans this year just to stay in business and help pay wages to my employees. My income for my business is down over 40%. There is not a lot of profit in this type of business due to the large overhead. Most businesses are lucky to see 25% net profit when all is said and done.

I was very pleased to see that the current draft allows for Cares monies to include Charter Fishing Boats and Guides. In previous "disasters" charter fishing boats have not been included in commercial bailout monies, even though they lump us in with the commercial boats forcing us to hold limited entry permits. I know for myself, this money could be a make or break point for me whether or not I stay in business for 2021.

Thank you for your time and thank you for including us in your Draft Proposal.

Regards, Kristen Labrecque

To: DFG, COM CARES ACT (DFG sponsored)

Subject: Cares distribution plan

**Date:** Friday, October 16, 2020 3:30:42 PM

## To whom it may concern,

Hi my name is Stanley Lopata, I have deckhand for 8 years troll, Gill net, seine, longline, and dive. I recently saved enough to get a power troll permit and a cheap boat. Needless to say this was not the year to start fishing as covid made cost of everything go up and availability of vendors difficult to approach. I understand that the cares distribution will be for those who have been cemented in the fisheries for a couple years weather it be charter or commercial. As a deckhand I have been active in fishing and gaining experience to make the next step up to being a captain. I am not the only one who has found out it's very hard to make the next step up. I would appreciate if you would look at first year and even second year fishermen who are resident to Alaska and help us out. As you well know covid, lack of coho, combined with a rough weather year made any boat difficult to make ends meat. I would be happy to expand on any ideas and or opportunities to hand out personal information.

Thanks for your time

Stan Lopata

Sent from my iPhone





# Chignik Intertribal Coalition



October 15, 2020

Alaska Department of Fish and Game 1255 West 8<sup>th</sup> 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.

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.

<sup>&</sup>quot;Additional eligibility requirements (processing, commercial, sport and aquaculture only)"

<sup>&</sup>quot;-Applicants must have operated in 2018 and 2019" pg. 2

<sup>&</sup>quot;-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

"-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 Chevette

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

To: DFG, COM CARES ACT (DFG sponsored)

Subject: Public comment fisheries assistance spend plan

Date: Saturday, October 17, 2020 4:24:09 PM

# To whom this may concern

I have been a commercial fisherman in Bristol Bay for the last 19 years. I happen to live in Pennsylvania, how is it fair that this spending plan is only available to fisherman living in Ak, Wa, Or, and Ca? All Alaska fisherman have been effected by Covid over the last season and I believe it's illegal to discriminate against fisherman that live outside of the preset areas as we are all Alaska fisherman.

Thank you Steve kurian Sent from my iPhone

# Fields & Sons, Inc.

October 15, 2020

Alaska Department of Fish and Game Box 115526 Juneau, AK 99811

<dfg.com.caresact@alaska.gov>

RE: Written Comment regarding Draft Spend Plan for Section 12005 Cares Act Relief for Fishermen

# Commissioner Vincent-Lang,

Thank you for taking public comment on your proposed spend plan. Our comments come from the reality that not all fisheries in Alaska are prosecuted the same way and, consequently, equity requires that a spend plan be flexible so that similarly situated fishermen are treated fairly.

Many set gillnet fishermen on Kodiak Island work together in a "joint venture". Several permits are pooled together to fish several sets of gear and the total catch is delivered on one permit. Most often these "joint ventures" are extended families This has occurred since the implementation of Limited Entry. Failure to accommodate joint ventures in the spend plan will create an inequity between similarly situated permit holders. Remember, the Kodiak salmon season for setnet fishermen extends for about four months --- far longer than most other salmon fisheries.

Fields and Sons, Inc. is a joint venture involving 12 Kodiak Salmon Set Gillnet permits. The family fishes the gear allowed by all 12 permits and works together to harvest the fish from the entirety of the gear. The fish, once "joint ventured" or "comingled", are delivered on one permit. The person whose permit is used may not be the same from year to year --- but is likely to continue to be part of the operation. For example, when one of my sons goes to college they will fish until mid-August and leave for college. However, we may not put the family permit in their name because CFEC won't temporarily transfer a permit for college attendance and the "joint venture" needs use of the permit for another month.

We recommend that the Department's "spend plan" be modified so that a "joint venture" could apply for a claim --- including all permit holders that were part of the joint venture. The claim would be processed for all of the permit holders that participated in the joint venture. The basis for the claim would be whether or not the joint venture could show a loss of 35% or

more cumulatively. Similar to the individual claims, the joint venture would need to have the back up documentation for the claim, should the State request it.

The second issue is that the proposed spend plan proposes to give one share per CFEC vessel permit. It's our understanding that this may work for the larger vessel fisheries where only one vessel can be used per fishery and only one vessel is licensed per CFEC permit. However, for set gillnet fisheries more than one vessel may be registered to the permit holder for a given fishery. These are generally skiffs used in the fishery. The Department will want to clarify that each set gillnet fishermen that qualifies for a claim will be allowed only one vessel for the vessel share.

The vessel issue also occurs with the joint ventures. A joint venture a skiff may be registered to one permit holder and deliveries made by another permit holder. However, the permit holder making the deliveries is using a skiff registered to the permit holder that may not make a delivery. Again, the solution is to proxy in one vessel for every qualifying CFEC set gillnet permit holder.

It looks like the Department may be planning on using the Pacific States Marine Fisheries Commission for administering the claims process. Our experience with Pacific States during the 2017 pink salmon disaster distribution was worse than the disaster itself. The claim folks didn't understand fishing, fisheries and especially not joint ventures. There was no effort to try to understand our situation and no equity in their distribution. I can provide an entire file of correspondence with Pacific States showing their indifference. Moreover, the appeal process was perfunctory without any real consideration of appeal claims. We don't understand why the Department would again use an entity that has failed in the past.

Fields and Sons, Inc. is requesting three things. First, allow joint ventures to file a claim. Second, recognize that your "vessel" share system doesn't work for set gillnet skiff fishermen. And third, develop (within Pacific States Marine Fisheries if only absolutely necessary) a claims system that has one or more persons knowledgeable about a variety of Alaska's fisheries and develop a fair and deliberative appeal process.

I would welcome an expanded discussion with the decision makers within the Department regarding how joint venture fishing operations work and how they can equitably be incorporated into the Department's spend plan for our Covid money. Please contact me at your earliest convenience.

Very truly yours,

**Duncan Fields** 

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

Subject: comments on State of Alaska"s proposed distribution of CARES Act funds

**Date:** Sunday, October 18, 2020 7:32:57 AM

#### To whom it concerns:

My name is Carter Hughes and I am a salmon troller and small boat longliner based out of Sitka Alaska. I have been in the Alaska commercial fishing industry since 1984 and have owned and operated my own vessel since 1993. I am also an owner/member of Seafood Producers Cooperative, a fishermen owned processor and marketer that was initially established in 1944. My comments address problems I see with the State of Alaska's proposed distribution of the CARES Act funds that are intended to offer relief for the commercial fishing industry.

The State proposed allocation of funds deviates from the NOAA version in a few ways and does not reflect the economic contribution levels of the various components. In particular, the State version effectively reallocates funds from the processing, sales and distribution sector to the charter sector. As an investor in a fishermen's owned processing and marketing cooperative (SPC) this will have a negative impact on SPC which has incurred many costs and suffered market damage due to Covid 19. SPC has so far remained Covid free by implementing costly restrictions and policies to prevent the spread of the disease. SPC has hired primarily local personnel for the Sitka plant workforce, thus keeping much of the money generated in the local community. SPC has suffered market share losses due to restaurant industry contractions that are driven by the Covid epidemic. Other State CARES Act funds were not available to processors with over 50 employees, yet were available for fishing lodges and charter operations. Many processors are sitting on the edge of profitability this year and I suggest the State distribute the CARES Act funds using the NOAA percentages. that is, I support allocating 59.3% of the funds to processors and 5.5% to the charter sector verses 32% to both.

Finally, there is an inconsistency regarding residency of those that can apply in the commercial fishing sector verses the charter sector. In the charter sector, nonresidents may apply for the funds, this is not true in the commercial fishing sector. I suggest that the State residency requirement be applied to both the charter and commercial fishing sector.

Thanks for your consideration.

Carter Hughes FV Astrolabe Sitka

Sunday, October 18, 2020

Thank you for opening the draft spending plan to public comment. I hope that it will be helpful in distributing funds in an "equitable and efficient manner." My name is Ben Dubbe, I hold a salmon drift permit for Prince William Sound and own the F/V Clearwater. My comments are centered around the commercial sector of the plan because that is what directly affects my business.

First, I would like to acknowledge ADFG for adjusting NOAA's allocation percentages as a step in the right direction. The next serious error that needs to be corrected in the plan is the requirement to have been in operation in 2018 and 2019. This general eligibility requirement makes the equitable distribution of funds impossible because it discriminates wholly against all new fisheries participants. I understand that it is a clerical convenience to show loss against previous years of operation. However, that convenience does not outweigh the need for the most vulnerable businesses to receive funding equal to their well-established competitors. I would like to emphasize the fact that commercial and charter fisheries are very competitive. Giving help to one participant and discriminating against another isn't just withholding help, it is actively holding a new participant back. That new participant is who is already most likely to fail. The person that the current plan is holding back is who is most likely to be holding the most debt, most likely to be looking for new markets, most likely to be trying to gain the knowledge necessary for a successful operation. That is the person who is most affected by a disaster and who is in the most need of assistance.

A better way to distribute funds would be with this year's participation. This is the year the pandemic took place; this is the year that we have been affected. Apart from assessing the >35% loss, it makes no sense to use data from five years ago, or even two years ago. That is years before COVID-19 even existed. It would be much more efficient and equitable to simply ask applicants for this year's gross earnings. This year's gross earnings could then be compared to the CFEC average gross earnings of the applicant's fishery from 2014-2018. This is the timeframe that NOAA Fisheries used for their calculation of commercial fishing revenues when making their initial allocation decision of the Sec. 12005 funds. Comparing an applicant's gross earnings from 2020 to the average annual gross earnings available from the CFEC would certify whether there was a qualifying loss of over 35%.

The next barrier in the plan to an equitable and efficient distribution of funds is the rationalization into shares of fisheries participation. All fisheries affected should be given equal assistance, but this should be equally proportional to earnings. The level of investment and effort applied across Alaskan fisheries is wildly different. The only way to quantify this with any accuracy is with earnings on that effort. The CFEC data on gross earnings is readily available. With this information it is relatively simple to proportion the amount of funding that should be given to any participant of a particular fishery. As it is now written, a resident hand troller whose gross earnings in 2019 averaged \$4,034 and a resident Kodiak seiner whose gross earnings in 2019 averaged \$228,390 would both be given the same amount of funding. This example illustrates the broad variability in gross earnings and is analogous to the corresponding levels of investment in these fisheries. Common sense dictates that equal shares of funds are not an equitable distribution of assistance.

The flaw with using CFEC data is that it is not available to the charter sector. It seems that ADFG is very interested in keeping things equal for the charter and commercial sectors because of the arbitrarily adjusted percentage of funds allocated to those sectors. Both of these sectors are very important to Alaska and it is important to keep funding equal. However, not utilizing the most applicable data

available for the commercial sector in the name of equality with the charter sector is flawed logic. The best data for the most equitable and efficient distribution of funds should be used. If that easily accessible data is not available for one sector, it cannot prevent ADFG from using it for another sector.

Thank you for carefully considering this. Please remember that the plan is currently written to exclude the most vulnerable fisheries participants and does not proportionally allocate funds.

Sincerely,

Ben Dubbe

To: DFG, COM CARES ACT (DFG sponsored)

**Subject**: Public Comment

**Date:** Sunday, October 18, 2020 1:04:57 PM **Attachments:** 1546366266192000 1287293023.png

We support the Section 12005 CARES Act Relief for Fisheries Participants Draft Spend Plan as written. Thank you for including the sport charter industry in the plan. We also appreciate the even split of allocations between sport charter, commercial harvesting, and seafood processing sectors.



Warm Regards,

Heather Pearson Kenai River Float-n-Fish (907) 519-0048 | www.mightykenai.com

To: DFG, COM CARES ACT (DFG sponsored)

Subject: Alaskan tender vessels

**Date:** Monday, October 19, 2020 9:50:01 AM

# To whom it may concern;

I am a tender vessel owner/operator living in Homer, Alaska. With regard to the proposed requirement that tender vessels have the additional documentation of an ADF&G transport permit, I am writing to suggest that this is unnecessarily exclusionary. Transport permits are held by individual tenders in just a few fisheries, mostly those in which the tender has fish aboard from multiple fishermen that will be offloaded at multiple processors. In the vast majority of tendering work in the Alaska fisheries, the processor itself has a transport permit. As you know, all Alaska tenders are considered commercial fishing vessels, and as such, have to have a 2020 commercial fishing entry commission commercial vessel license. This alone should be enough to determine eligibility in my view, as it is with catcher vessels, but in case it is not, there will be further evidence of tender processor ledgers backing up the cfec license when the 35% loss is demonstrated.

Thank you very much,

Ian Pitzman

To: DFG, COM CARES ACT (DFG sponsored)

**Subject:** Section 12005 comments

**Date:** Monday, October 19, 2020 9:54:15 AM

# Hello,

My husband and I run a commercial fishing business in Bristol Bay. We bought our permit in 2018. My husband was a crew member for the 7 years before that.

If new boat/permit owners do not have ex-vessel revenue from 2018 and 2019, crew wages from the previous years should be used to consider revenue loss.

As you know, the barriers for entry into this fishery for young fisherman are tremendous. With the low fish prices this year, we could absolutely use the assistance. Thank you,

Maddie O'Laire O'Laire Enterprises, LLC From: DCCED Commissioner (CED sponsored)

To: DFG, COM CARES ACT (DFG sponsored)

**Subject:** FW: 1st CARES ACT funding and 2nd CARES ACT??

**Date:** Monday, October 19, 2020 10:44:24 AM

Please see the feedback below, relating to the spending plan for the CARES Act Relief for Fisheries Participants. Thanks.

From: Lacey Berns

**Sent:** Saturday, October 17, 2020 12:27 PM

**To:** DCCED Commissioner (CED sponsored) <dcced.commissioner@alaska.gov>

**Subject:** Re: 1st CARES ACT funding and 2nd CARES ACT??

# Thanks for the reply

Unfortunately the new round of CARE \$\$ requires you to be an AK resident..even if you've setnetted for 40 years with your kids. (pay 2% for KRAA and a borough severance tax, property taxes in Kodiak, sales tax, purchase all marine gear, skiffs, welding etc..deliver to canneries for over 35 years....pay in excess of \$5000 a year for property taxes..I came here to do a masters program in 2003 and for a variety of reasons still come down here for 8 months.

My son and I are probably going to fall between the cracks on that, as I did with the Pink Salmon Disaster Aid as i didn't deliver pinks ONE summer out of 30 (2016) which probably cost me around \$30,000--I have 2 permits in which one permit has always been in one of my kids' names.

Someone has to behind the facts about commercial fishing-like the new USDA aid..

I haven't even looked at those forms because I was trying to see how I could do it with my son, we fish 2 permits but he makes most of the deliveries...

URH Lacey

On Sat, Oct 17, 2020 at 12:17 PM DCCED Commissioner (CED sponsored) <a href="mailto:dcced.commissioner@alaska.gov">dcced.commissioner@alaska.gov</a> wrote:

Hi Lacey,

AK CARES grant submitted in mid-September, as yours was, have not yet been processed. Once your application has been reviewed, you will receive notification from the grant processor. They may request additional information or documentation if needed to make a determination on the expenses you listed.

The spending plan for the CARES Act funds allocated to fisheries is managed by the Department of

Fish and Game, not the Department of Commerce, Community, and Economic Development, so we do not have any insight on that program. I recommend reaching out to the Department of Fish and Game on your second question listed below: <a href="mailto:dfg.com.caresact@alaska.gov">dfg.com.caresact@alaska.gov</a> or (907) 465-2376.

Thank you, Glenn Hoskinson

From: Lacey Berns

Sent: Thursday, October 15, 2020 12:12 PM

**To:** DCCED Commissioner (CED sponsored) < <a href="mailto:dcced.commissioner@alaska.gov">dcced.commissioner@alaska.gov</a>>

**Subject:** 1st CARES ACT funding and 2nd CARES ACT??

Question 1: What is happening with my CARES application that I sent by mail several weeks ago?

I have heard nothing..because I was fishing I couldn't upload all of it as it was very time consuming and many pages..

I believe the only thing I left out (forgot) was a copy of Galens permit . (SO4K).

Question 2: I am really concerned with how the State is managing the CARES funding and especially now for the new spending plan which leaves my son and I out despite salmon fishing in Kodiak for 40 years. I do not see CA having the same program and they probably will not "honor" our salmon records---

What is going to happen to the thousands of non resident commercial fishermen, especially salmon fishermen who despite fishing for decades, will not be eligible????

Wont the state offer something for us??

WE had our 5th worst season....

Thanis

Lacey Berns 707 503 7538

 $><((((({}^{\underline{0}}{>}\cdot{'^{-1}}\cdot{}_{\cdot,.},...\cdot{'^{-1}}\cdot{}...><(((({}^{\underline{0}}{>}^{`}\cdot{}_{\cdot,.,.}\cdot{'^{-1}}\cdot{}_{\cdot,...}\cdot{'^{-1}}\cdot{}_{\cdot,...})<(((({}^{\underline{0}}{>}$ 

Lacey Berns

Half Moon Bay Fisheries

DFG, COM CARES ACT (DFG sponsored)

Cc: Subject:

ADF&G CARES Act funding

**Date:** Monday, October 19, 2020 11:12:09 AM

It is with great concern that I have recently found out about the allocation percentages of the \$50 million CARES funding to be made among the fishing sectors by the ADF&G. The short window of time for comments

(Oct. 5-19) makes it difficult for stakeholders to respond as many fisheries are still occurring.

The roughly 1/3 distribution between the commercial fleet, charter fleet, and processors proposed by ADF&G, while on the face of it appearing equitable, does not reflect the revenue generated and the labor force of each sector. The recommendation by NOAA, which is based on the actual percentage that each sector generates, is actually more equitable. Also, the percentages proposed by ADF&G for aquaculture and subsistence users is far too low especially if eligibility is to reflect impacts of the Covid pandemic.

It is my understanding that while seafood processors and commercial fishermen are required to be Alaska residents to receive funds, charter boat operators are not. Why the distinction? That will result in Alaska CARES Act funds being distributed outside of Alaska, contrary to the intention for use of such funds. At a minimum, any funding for charter boat operators should be subject to the same eligibility requirements as the other sectors. The NOAA guideline is that non-resident processors and fishermen apply for CARES Act funding from their state of residence. Why is this same guideline for the charter fleet not included in the ADF&G draft?

Please examine these inequities and make changes. It is essential to keep these funds in Alaska and to distribute a higher percentage to those fisheries that generate the most revenue as well as increasing the percentage to aquaculture and to subsistence harvesters.

Thank you for considering this.

Brenda Campen Sitka, Alaska

To: DFG, COM CARES ACT (DFG sponsored)

**Subject:** Re: Care act fund distribution

**Date:** Monday, October 19, 2020 11:32:35 AM

On Mon, Oct 19, 2020 at 9:31 AM Amy Rowe | Hello,

wrote:

I would like to express my concerns regarding how the care act funds are split between the different revenue groups. For some reason charter industry has the same split as processors and commercial fisheries however charter operations generate considerable less income that commercial fisheries or processors. The split should be appropriate for the revenue split. Furthermore, the funds should be available to Alaska residents not out of state applicants.

The lack of funding for subsidence users is noticeable as so many Alaskans count on subsidence to feed their families.

Thank you for our time and some time to re-evaluate the distribution split should be done.

Amy Rowe Danielson

To: DFG, COM CARES ACT (DFG sponsored)

Subject: Cares Act Spending Plan: Bristol Bay Fishers Who Reside Non-Participating States

**Date:** Monday, October 19, 2020 11:33:20 AM

# Good afternoon,

I've been a Bristol Bay setnet fisherman for six years. My first couple years, I was a Bristol Bay resident but have since moved to Michigan. My understanding is that I would not qualify for this grant as Michigan did not receive fisheries Care Act monies, is this correct? It seems like basing eligibility on fishery state rather than residence state would make more sense.

Thanks for considering!

Luke Owens

Sent from my iPhone

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

Subject: Reallocation of CARES Act emergency relief funds

**Date:** Monday, October 19, 2020 12:38:59 PM

Hello,

Thank you for taking comments on ADFG's draft spending plan for CARES act emergency relief for fishermen.

My husband and I own a small commercial fishing business in Sitka, Alaska. We are full time Alaska residents and tax payers. We participate in four different fisheries, all of which produce a high end sustainable product that is primarily earmarked for the restaurant industry. As the restaurant industry has suffered due to Covid-19, so has our business. It has had a devastating effect on our markets and the prices we are receiving for our fish. Currently we don't even have a market for this season's catch of Frozen at Sea King Salmon.

In May, when the Secretary of Commerce announced 300 million dollars in fisheries assistance funding, with \$50,000,000 earmarked for Alaska, it seemed like our small business could expect some relief.

The numbers NOAA compiled using multi-year revenue information resulted in allocation guidelines of Harvesters @ 35.2%, Sport charter @ 5.5%, Processors @ 59.3% and both subsistence and Aquaculture @ 0%. Unfortunately, ADFG's draft plan for Alaska reallocates a large percentage of CARES federal funding away from commercial harvesters and processors and awards it to the charter industry, decreasing Harvesters and processors funding by 17.6 million dollars and increasing Sport Charters funding by 13.2 million dollars. While we understand that the charter industry has suffered as well, this reallocation is disproportionate to the amount of fishery revenue said sectors bring in to the state, which is how NOAA came up with the distribution table in the first place.

With respect, we object to the reallocation of these federally allocated funds by the Dunleavy Administration. We feel the state has a responsibility to follow the guidelines outlined by the federal government and we request that the state revise Alaska's draft plan to reflect the federal guidelines.

Thank you for your time, Wendy Alderson and Jason Gjertsen F/V Ocean Cape

To: DFG, COM CARES ACT (DFG sponsored)
Subject: Comments ADF&G Cares Act Plan
Date: Monday, October 19, 2020 1:42:27 PM

#### Hello,

I would like to submit my opposition to the division of CARES Act funding in ADF&G's current fishery participants support plan.

I believe 3% of support for subsistence users is inadequate. Tens of thousands of Alaskan households depend on subsistence fisheries for the wellbeing of their households and their food security. The relative importance of local foods is hugely heightened because of the devastating economic impacts of COVID19. Lack of economic resources, also means people were probably less able to access subsistence opportunities, decreasing the amount of food they were able to get.

In addition, I think it is inappropriate for 32% of the funds to go to the charter sector. Looking at the NOAA data, which was provided to help guide state level decision making, it clearly states that only 5.5% of Alaska's fisheries revenue comes from charters. This allotment of resources is wildly disproportionate and I have seen no justification for this in ADF&G's plan or supporting materials.

This disproportionate allocation of funds is made worse by the fact that the charter sector is granted an exception allowing nonresidents to apply for these funds. So charter participants who live down south (and thereby pay taxes elsewhere) can apply for Alaska's relief funding.

This is unfair for nonresident commercial and processor participants. It's also unfair for all resident fisheries participants who should be prioritized for this funding. Non-residents probably have access to COVID related support in their own communities. If this isn't true that should be clearly explained and justified in this plan.

I believe that resident commercial fisheries participants and resident processors/distributors etc. should receive a higher proportion of the federal assistance based on their contribution to Alaska fisheries revenue.

Please rewrite this plan to keep aid in Alaska, prioritize the most vulnerable and the most impacted and support the recovery of Alaska's economy, i.e. by keeping subsistence users fed and making sure the primary drivers of the fisheries economy (the commercial and processing sectors) receive adequate support.

Thank you for considering these comments.

Chandler O'Connell

From: Baker, Rachel S (DFG)

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

Subject: FW: Comments on the CARES Act Sec 12005 draft spend plan

**Date:** Monday, October 19, 2020 1:56:56 PM

**From:** Anthony Behm

**Sent:** Monday, October 19, 2020 13:27

**To:** Vincent-Lang, Douglas S (DFG) <doug.vincent-lang@alaska.gov>; Baker, Rachel S (DFG)

<rachel.baker@alaska.gov>; Hanke, Rachel M (DFG) <rachel.hanke@alaska.gov>

Cc:

**Subject:** Comments on the CARES Act Sec 12005 draft spend plan

This is a summarization of all I have written in the past and is intended to assist you in your final development of the spend plan based on the draft spend plan issued on 5 Oct 2020 relating to the Sec 12005 CARES Act Relief for Fisheries Participants.

The spend plan we have been presented for comment has been developed by the ADF&G for Alaska with some input from sector representatives as selected by ADF&G. This plan stands in sharp contrast to the spend plans which have so far been developed by other states. Of particular note is the allocation of pools of money to the identified sectors. I would strongly prefer the Oregon type plan with simple modifications, but that does not matter. ADF&G has the responsibility for the development of the spend plan for Alaska, and this is the plan they developed.

In these observations and suggestions, I limit my comments to the "Sports Fishing Charter Sector", my main area of expertise and concern.

- The eligibility criteria section generally flows from and complies with the legislation.
  - o Any person providing guided sports fishing trips to anglers for compensation in Alaska must register with the ADF&G as a "sports fishing business".
    - A business owner is issued a sports fishing business registration.
    - A business owner who is also a guide is issued combined sports fishing business / guide registration.
      - This registration would be appropriate for both an independent guide who provides just sports fishing trips or for a business who provides guided sports fishing trips as part of their business and the owner also guides.
    - An employee of a sports fishing business is issued a guide registration.
      - Employees are eligible for unemployment insurance

- benefits. Self-employed individuals and businesses are not.
- Does the legislation intend to cover these guide employees? Most of the other criteria and associated verbiage seem to imply that this aid is intended for businesses, not W-2 employees.
- The payment calculation is not influenced by extent of the revenue loss.
  - o It is a calculation based on criteria that is not derived from the legislation.
    - The proposed "share system" is likely derived from past aid to commercial fisheries.
    - The logic behind the share system is not given, nor is it intuitive.
    - Is \$15,680,000 is to be distributed on a basis of a system of undisclosed origin or intent?
  - o By awarding a share for being a business and a share for being a guide, it seems to say the guide and the business are equal in importance for the first guide.
    - As a business utilizes more guides the business is equal to ½ of each additional guide under the present proposal.
    - What is the logic here? What is the basis for this ratio or relationship?
    - The business could be awarded a full share for each additional guide. This would give more aid to the people who actually generate the business.
  - o For the number of shares earned I suggest computing an average based on the full lookback period used in determining eligibility.
    - Under the proposed proposal, a combined Guide/Business has 5 guides in 2015, 2017 and 2019 and 6 guides in 2016 and 2018. His shares would be computed as (2+5\*.5)+(2+6\*.5)+(2+6\*.5)+(2+5\*.5) = 4.5 + 5 + 4.5 + 5 + 4.5 = 18.50 shares over 5 years. 18.5 / 5= 3.7 average shares.
    - If a full share were used for each additional guide the calculation for the same circumstances would be (2+5)+(2+6)+(2+5)+(2+6)+(2+5)
    - A registered employee guide who guided in 2015, 2018 and 2019 would be granted 3 shares, an average of .6 share over the 5 year period. If he had to use only the last two years in the computation, his average would rise to 2 shares.
  - o The structure of this formula implies this payment is intended to be a stimulant rather than a mitigation of losses.

- I believe that businesses are the drivers of future business and attracting the out of state visitors that are so important to the economy of Alaska.
  - Businesses are the foundation of the fishing industry.
     They are the ones that attract the non-resident fishermen to come to Alaska.
  - Business owners take the financial risks and they have business expenses even if they do not have revenues.
  - The businesses in the sports fishing charter sector need this stimulus to mitigate their losses and operate in the future.
- Employee guides generate little additional business. They show up, do their jobs, and earn their wages for their services.
  - Employees are covered by unemployment insurance.
  - Employees have minimal business expenses or investments.
  - Most states are not offering aid to employee guides.

In closing I would like to note the importance of the sports fishing charter sector to the State of Alaska and it's economy.

- Were it not for out of state fishermen, the revenues to the State of Alaska for fishing licenses and the Alaska share of the federal Wildlife Restoration Fund and the Sport Fish Restoration and Boating Trust Fund would be substantially less.
  - o In 2019, nonresidents paid ADF&G \$15,719,943 for nonresident fishing licenses.
  - o In 2018, the State of Alaska received \$51,051,645 from these two federal programs.
- In terms of tax revenues generated to all levels of government in Alaska the commercial fishing industry generates about 10% more than the sports fishing industry. These numbers come from various State of Alaska official publications.
- In term of the economic benefit to all of Alaska there can be little doubt that the non-commercial sectors generate much more benefit to the Alaska economy than the commercial sector.
- ADF&G reported in "Subsistence in Alaska: A year 2017 Update" that the commercial fishing sector harvested **98.6%** of all the fish and game harvested in Alaska.
  - o The harvest by subsistence fishing and hunting is .9%
  - o The harvest by sports and personal fishing and hunting by Alaskans is .3%
  - o The harvest by sports fishing and hunting by nonresidents is .2%

- Why does the commercial and processing sectors of the Alaska fishing industry benefit from such an overwhelming allocation of public resources?
  - o Why are they paying so little for this overwhelming allocation?
  - o The commercial fishing sector continues to record historically high harvests while the other sectors are seeing diminishing harvests. This is true for even 2020.
  - o Why is the commercial and processing sector receiving the majority of these section 12005 funds when their harvest levels were not materially diminished? There are other government aid programs already in place to address and compensate for the downward movement in market prices for the harvest.

Anthony Behm - Owner Alagnak Lodge

www.AlagnakLodge.com
TonyBehm@AlagnakLodge.com



To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

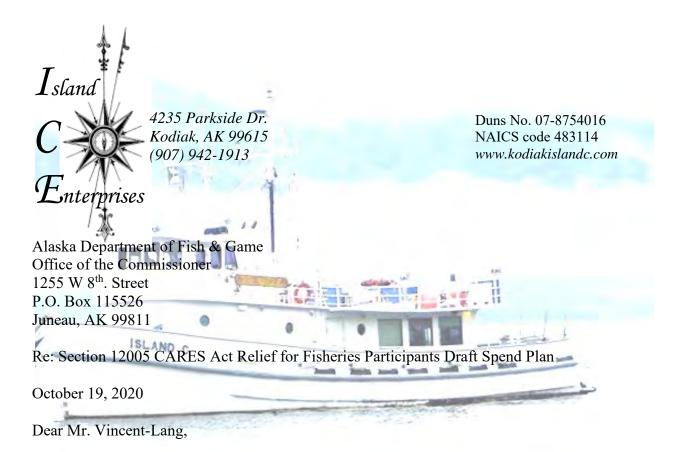
Subject: Cares Act relief

**Date:** Monday, October 19, 2020 2:58:50 PM

I am opposed to the State of Alaska's draft plan for fishing relief. Please respect the recommendations of NOAA.

Joel Doner

Sent from my iPhone



This letter is in response to your memorandum of October 5, entitled Section 12005 CARES Act Relief for Fisheries Participants Draft Spend Plan.

Island C Enterprises is a family-owned charter vessel business based in Kodiak, Alaska. Our mission is entirely based in marine research, conservation and eco-tourism.

The eco-tourism component of our business is primarily through marine wildlife viewing—a non-consumptive use of Alaska's fishery resources. Though we have been similarly affected by COVID-19 as the sport fishing charter fleet, we have not seen CARES relief programs aimed at us. We believe the assignment of ADF&G as the entity for distributing CARES Act relief prematurely narrows the focus on charter vessels who harvest wildlife, when in fact all charter vessels in Alaska have been devastated by this pandemic and associated travel restrictions.

Secondly, although we are not participants in the harvest of seafood research vessels like ours play an important part in the management and conservation of Alaska's fisheries resources. We ask that you include marine research as a sector in your allocation, with a percentage that is proportional to the revenues lost in 2020 in that industry.

Thank you for the opportunity to comment.

Sincerely,

Capt. Andy Schroeder Owner, Managing Partner

www.kodiakislandc.com

To: DFG, COM CARES ACT (DFG sponsored)

Subject: Comment on Section 12005 CARES Act Relief for Fisheries Participants Draft Spend Plan

**Date:** Monday, October 19, 2020 4:31:31 PM

Attachments: <u>image001.png</u>

#### Good afternoon,

I would like to comment on the residency requirements proposed in the referenced draft spending plan. The proposed residency requirements state: "nonresident commercial harvesters and at-sea processing vessels homeported in any other state must apply to their state of residence". The Commercial Harvesting Sector eligibility criteria includes: "must be an Alaska resident" while the Sport Fishing Charter Sector does not hold this requirement. I would like to see the proposed residency requirements be modified for the following reasons:

- The rule directs commercial fishermen residing in another state to apply for relief in their state of residency, however many states (like Arizona or Idaho) were not allocated any of the \$300M. The rule as proposed would exclude certain fisherman from receiving any of the allocated funds even though they may spend the majority (if not most) of the year in Alaska landing fish and spending their money. If their home state was one of the 20 that did not receive an allocation, they have no opportunity for relief with the residency rule proposed.
- Non-resident commercial fisherman are excluded, but non-resident charter fishermen are not. The proposed rule is inequitable in this sense. I do not understand the rationale requiring residency for one class but not the other, other than charter fishermen typically spend much less time in Alaska than your average commercial fisherman and are more likely to reside permanently outside of the state.
- The rules appear to be contradictory in that nonresident commercial harvesters with vessels homeported in another state must apply in their home state, but if you are a non-resident with a vessel homeported <u>in</u> Alaska you could not apply under Commercial Harvesting Sector eligibility rules (must be an Alaska resident).

My suggestion to rectify this imbalance is to remove the residency requirement under the Commercial Harvesting Sector or allow non-resident commercial fishermen to apply as long as they own a vessel with a home port **within Alaska** and meet all other eligibility requirements. This would not exclude those that continue to remain in Alaska to fish, yet still hold their residency in another state. Alaska is where the fish is landed, fish tax revenue is allocated, and subsequent ex-vessel revenue spending is made.

I have assisted our members and other fishermen with the PPP loan, EIDL loan/grant, Cares Act grant (Credit Union 1), AIDEA, and local government grants and subsidy applications. It has been my experience that the larger fishermen and business owners (seiners, charter operators) are getting the bulk of the funds while the smaller operators are falling through the cracks. This small change would prevent exclusion for a few of the dedicated fisherman that are truly suffering losses this year. Other than the residency requirement, the draft spending plan appears equitable and I look forward to the release of funds into our economy.

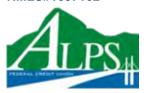
We very much appreciate the federal funds allocated to the state of Alaska for commercial fishing

relief. Thank you for considering my comments.

# Sincerely,

Sandi Riggs | President & CEO

Phone: 907-747-6457 Mobile: 520-526-4282 Fax: 907-747-8038 NMLS#1607162



www.alpsfcu.org







This email and any files transmitted with it are confidential and intended solely for the use of the individual or entity to whom they are addressed. If you received this email in error please forward to the correct person, or contact the sender.

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

Cc:

Subject: Section 12005 Cares Act

**Date:** Monday, October 19, 2020 5:51:56 PM

The draft proposal requirement that applicants must have operated in 2018 should be dropped as a requirement. To be excluded from consideration for this Cares Act relief after having operated my vessel since 2006 actively supporting Alaska fisheries (mostly salmon, but also cod and herring) consistantly except for the 2018 failed Chignik fishery where my charter was cancelled after 5 months of extensive and intensive shipyard work (in which the launch was delayed) in preparation for the season after it was obvious the run failed would be unfair to my business. The COVID-19 Pandemic caused Seafood processors to tighten their spending and added to the existing 2018 burden to my business where salmon tendering is the sole source of income of my vessel. My business suffered more than a 35% loss from a 5 year past average in 2020 as reflected on tax returns.

Thank you,
John H Clutter
ALEUTIAN EXPRESS INC

www.aleutianexpress.com

To: DFG, COM CARES ACT (DFG sponsored)

**Subject:** Public comment.

**Date:** Monday, October 19, 2020 7:57:36 PM

I noticed I may have missed thenpublic comment period but I do have a question. This was my first year as a boat owner and permit holder, is there any assistance available for me considering I applied with the state and have not heard a response lately. Info on that was sent in a previous e-mail.

Olaf O'Domin

Get Outlook for Android

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>
Date: Tuesday, October 20, 2020 7:40:13 PM

My comment is about the charter boats. They don't pay enhancement tax and the majority of them take all there money out of state. So why should they get a cut?

Tom George

To: DFG, COM CARES ACT (DFG sponsored)

Subject: comments

**Date:** Tuesday, October 20, 2020 9:29:48 PM

#### Sirs:

The requirements for residency barring non-residents is unfair. I operate in Alaska tendering salmon and longlining halibut. Because I am not a resident of Alaska I cannot file for losses due to covid. Because I operate in Alaska I cannot file in my home state because I do not operate there. It is a catch 22 but not fair. We definately suffered as much as local tenders and longliners.

Mike Haggren

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

Subject: Public Comments

**Date:** Tuesday, October 20, 2020 10:15:58 PM

Hello.

I've reviewed the draft spending plan and have one major issue with it.

Under the proposed plan, anyone who is a first year participant in any fishery is ineligible for assistance. This is a HUGE problem. Many fishermen begin their careers in fishing on any given year, and excluding them from assistance that is created specifically to address COVID-19 losses is immoral.

It is not the fault of the fisherman, that they take a hit like this on year 1 of their career and have no recourse. Fish prices across the board were reduced in most if not all finfish fisheries due to increased processor costs, cold storage issues, restaurants closed across the nation, trade / import / export restrictions, etc... The very people who probably need the most help, are excluded. Why?

A new setnetter, a new gillnet fisherman, etc... likely have enormous first year operating expenses and loans that they are hamstrung to pay because of a situation that is entirely NOT their fault.

For me personally, I bought black cod quota in 2020 before Covid issues were really known - and to what extent they'd impact the fishery. Grounds prices for black cod tanked to the worst prices we've seen in recent history. In addition to prices, it became exceedingly difficult to find ways to catch the fish. Walk on permit / quota holders struggle to find boats to fish their quota for a myriad of reasons. Covid concerns between captains / crews / quota holders - the lack of a decent price discouraging boats from taking additional quota beyond their pre season commitments, RAM backlogs for processing EMT transfer requests, etc... I personally have a \$34,000 payment on quota that I still have been unable to fish in 2020 - and not for a lack of trying. For one reason or another, skippers abandoned black cod fishing because the price was not worth it to them, boats wouldn't take a quota holder that had to travel from out of region, or the latest - RAM dropped the ball because they had personnel shortages and an overwhelming backlog of requests to be able to complete a transfer by the season end... How is this my fault? This is a covid issue, and I'm personally excluded from CARES funding that was meant to help people like me. I'm not alone in this.

Will ADF&G and the other powers that be, take into consideration my other fishing ventures to show that I have been in operation for a decade, and allow a black cod loss claim? Or am I supposed to just suck it up because it's my first year (with quota) and shame on me for buying quota in 2020?

I hope that someone actually replies to this e mail and explains to me how it's fair that first year fishery participants are excluded from help for a situation that was not their fault, not their doing, and overlooked for relief under your plan.

It's not fair - and anyone who reads this, knows it. There needs to be a category of some kind of relief for first year participants in any fishery in Alaska - even if there is no historical average to go by. You can use Fleet averages, or price averages based on prior seasons for groundfish applied to the poundage of quota a permit holder has, etc... It's easy enough to figure out, but exclusion is not the answer.

Respectfully,

James Burton

To: DFG, COM CARES ACT (DFG sponsored)

Subject: Cares act

Date: Wednesday, October 21, 2020 9:36:57 AM

# Hello

Your are requiring a DEC permit for processor eligibility.

There are many companies like mine that custom process. You could use the Department of Revenue to determine processor codes used for collecting taxes and not exclude companies like mine.

We have gross sales of 1 to 3 million and have been involved in the Cook Inlet commercial fishery for many years.

My processor code is 4665 with the Dep't of revenue.

Are you claiming Alaska Salmon Purchasers Inc. is not eligible for funding?

If so you requirements are flawed.

Please respond

Mark Powell

President Alaska Salmon Purchasers Inc.

Sent from my iPad

To: DFG, COM CARES ACT (DFG sponsored)

Cc:

cares

Date: Wednesday, October 21, 2020 9:41:54 AM

#### Good morning,

The plan states that if a permit is fished by other than the permit holder in 2020 the share will be split. How will the calculation work if the permit was medically transferred in one of the qualifying years other than 2020?

In that case the permit would have been in another name for that year.

### Specifically,

A permit that was fished by the permit holder in 2017, then medically transferred in 2018, then fished again by permit holder in 2019,

The plan states that eligibility requires participation in 2018 and 2019 for commercial harvesters. In this case it will be critical to somehow document the 2018 catch.

Thanks,

Rich Corazza

To: DFG, COM CARES ACT (DFG sponsored)
Subject: In response to the Draft Spend Plan
Date: Wednesday, October 21, 2020 1:00:00 PM

#### To whom it may concern,

Being a fisherman for over 25 years, I have seen our products have boom years and then the next year the prices plummet. As fisherman, we are often the losers over price wars and buyer pricing, often having to take less than fair market value for our product, due to its perishable nature.

Overlooking this draft plan I see that there should be a Fishery by Fishery comparison, instead of lumping all the fishery revenue together. Like these changing times, nothing was stable this year and I was at the mercy of buyers and their set prices and their ability to even purchase my product. I don't think it is fair to take a 50% loss on price for Dungeness crab and to deal with unstable buying procedures and pound limits and Covid outbreak shut downs and not be compensated, even if my other fall fisheries were successful. By taking a 5 year average of all my fishing permits, negates the fact that my Dungeness season was a nightmare. Poundage limits and cannery shut downs, caused me to have to quit fishing, as my tender space was full. What should have been a fairly decent year brought me income 55% lower than 2019 prices would have brought, not counting loss days of fishing and my inability to tank on the extra poundage, I could have caught, if I didn't have a full tender due to the cannery issues. If this relief draft plan is truly trying to restore these seasons to the fisherman it should look at the season by season fishery, not the total of all fisheries. If I took an average of my Dungeness catch alone I would have had a 40% loss on my revenue. I had a 92% loss on my salmon trolling. These losses should be compensated for despite other fisheries, that may not have suffered this amount of loss. This is still a loss to my season that was directly related to Covid-19. I feel the spend plan should compensate for those fisheries, that suffered a loss, not lumped into one figure. Dealing with each fisheries separately will bring a greater relief and will compensate fisherman more directly for the issues that were beyond their control.

I hope that this issue will be considered, since some of the fisheries were more impacted by Covid than some of the others. I don't have a huge business, however these losses will be felt. I think it is only fair when discussing a spend plan to make it as close to replicating the loss of this particular season. However to do this the impact must be looked at fishery by fishery not all the fisheries combined.

Joshua L. Miethe

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

Subject: Cares act relief funding draft spend plan comment

Date: Wednesday, October 21, 2020 1:25:42 PM

#### Hello,

I am one of the owners of a charter company in Homer, Alaska. We bought into the charter fishing business after many years of work in the industry. We unfortunately timed our purchase to be finalized in January, just before then pandemic hit. My husband and I (together with another couple who already owned a small charter boat company with two six passenger boats) purchased a larger, well established business that included a shop on the spit and two boats (one six pack and one 22 passenger vessel). The issue we have with this funding proposal as well as most of the other relief funding programs is that we grew the company just before the pandemic, so while we have records of the income from the smaller company the other couple already owned, we don't have a financial history for the larger company purchased, or the two merged together. Because of the newness of the company we created, we cannot show a loss over the last five years, or even the last two. We made more this summer than the smaller company did last year because we ran 4 boats instead of two, but we definitely were at a loss compared to what we would have made in a normal summer. So, a provision for newly formed companies or newly expanded companies to be able to calculate a loss based on projected income would be super helpful. We have been excluded from the vast majority of relief funding because of this issue. Thank you for considering my ideas. ~Mary Hayden

DFG, COM CARES ACT (DFG sponsored)

Cc:

Subject: Deployment of Military

**Date:** Wednesday, October 21, 2020 1:39:47 PM

To whom it may concern,

I would like to see that Deployed Military in 2020 would be eligible. If a deployment in 2020 made it that military personnel deployed missed the salmon season, but had fished from 2015-2019 would be automatically eligible for these funds.

Thank you

Gary Hollier

Sent from my iPhone

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

Date: Wednesday, October 21, 2020 2:00:13 PM

Why should the charter boats get a share? They don't pay enhancement tax and most of them take there money south.

Tom George

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

Subject: Section 12005 CARES Act fisheries assistance draft spend plan COMMENT

**Date:** Wednesday, October 21, 2020 3:11:10 PM

COMMENT Regarding the Section 12005 CARES Act fisheries assistance draft spend plan.

Since the NOAA Fisheries allocation percentages were based on past revenues and not on the estimated scale of loss for each sector in Alaska due to COVID-19, these NOAA calculations may have been helpful in estimating some sort of equitable dollar amount for Alaska, but they do not provide a template for share formulas for this relief spend in Alaska. The broad community negative impact from COVID-19 in Alaska, and the core of negative impact is upon individual Alaska fishers, who are at the foundation of this valuable Alaska industry. It is these fishers in our coastal communities and their families that are suffering the most. COVID-19 and China Tariffs have landed a double negative economic impact to these Alaska families. To disproportionately distribute a majority of these relief funds to Alaska processors, and distributors, rather than directly to Alaska fishing families is not representative of the proportions of real impact that COVID-19 and Tariffs have had on fishers verses processors and distributors. Processors and distributors set and control buy prices from fishers based on their sell price and thereby have the mechanisms to insulate and protect their businesses. Fishers do not have that luxury in their harvest and sell, they are completely dependent on the processors. Moreover, a significant number of the processors in Alaska are owned by foreign companies and should not qualify for any Section 12005 CARES Act fisheries assistance.

Todd Bergman, Sitka, Alaska

Sent from Mail for Windows 10

To: DFG, COM CARES ACT (DFG sponsored)
Subject: Oppose current CARES act funding plan
Date: Wednesday, October 21, 2020 4:50:29 PM

I would like to submit my opposition to the division of CARES Act funding in ADF&G's current fishery participants support plan.

It is inappropriate for 32% of the funds to go to the charter sector. Looking at the NOAA data, which was provided to help guide state level decision making, it clearly states that only 5.5% of Alaska's fisheries revenue comes from charters. This allotment of resources is wildly disproportionate and there is no justification for this in ADF&G's plan or supporting materials. This disproportionate allocation of funds is made worse by the fact that the charter sector is granted an exception allowing nonresidents to apply for these funds. So charter participants who live down south (and thereby pay taxes elsewhere) can apply for Alaska's relief funding.

This is unfair for nonresident commercial and processor participants. It's also unfair for all resident fisheries participants who should be prioritized for this funding. Non-residents probably have access to COVID related support in their own communities. If this isn't true that should be clearly explained and justified in this plan.

I believe that resident commercial fisheries participants and resident processors/distributors etc. should receive a higher proportion of the federal assistance based on their contribution to Alaska fisheries revenue.

Further, 3% of support for subsistence users is inadequate. Tens of thousands of Alaskan households depend on subsistence fisheries for the wellbeing of their households and their food security. The relative importance of local foods is hugely heightened because of the devastating economic impacts of COVID19. Lack of economic resources, also means people were probably less able to access subsistence opportunities, decreasing the amount of food they were able to get.

Please rewrite this plan to keep aid in Alaska, prioritize the most vulnerable and the most impacted and support the recovery of Alaska's economy, i.e. by keeping subsistence users fed and making sure the primary drivers of the fisheries economy (the commercial and processing sectors) receive adequate support.

Thank you for considering these comments.

--

Tory O'Connell Curran

To: DFG, COM CARES ACT (DFG sponsored)
Subject: CARES Act Fishing Allocations Comments
Date: Wednesday, October 21, 2020 5:36:45 PM

#### To Whom It May Concern:

Thank you for the opportunity to comment on the draft rules to implement the CARES Act fishing allocation to Alaska.

I don't see anything that makes local, independent, resident fish buyers eligible for the funding. The independent fish buyer serve an indispensable role in making the fishing industry work from water to table products for fishers and processors alike.

Also, Table 2 sets a \$30,000 floor below which an otherwise eligible party would not be eligible for funding. An arbitrary threshold creates arbitrary winners and losers before any applications are ever sent in to evaluate. That's simply not fair to the folks who are cutoff from even applying. I

We're a small, rural Alaska-based fish buying and wholesale sales who was devastated by COVID 19.

Thank you for your time.

Cordially,

Mike

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

Subject: Cares Comment

**Date:** Thursday, October 22, 2020 8:28:44 AM

Thank you for extending public comment.

I appreciate the allotment for sport fishing charter business being given a greater percentage of the whole. Those of us in the tourism business sell the commodity of service. If our customers are too frightened to travel out of concern for their health, and if those who want to travel have huge hurdles to overcome regarding air transportation services being broken and onerous testing procedures being in place, we cannot generate income. While the commercial fishing sector had their share of troubles operating in the previous summer's environment, the commodity of fish was able to be harvested and either shipped to market or frozen then hopefully turned into a profit.

While everybody had a rough summer, tourism had it exponentially rougher. Please retain the higher percentage for the charter business operators.

Respectfully,

\_\_

Dan Michels Crystal Creek Lodge

www.crystalcreeklodge.com

Department of Fish and Game Office of the Commissioner PO Box 1155526 Juneau, AK 99811-5526

RE: Written Comment on the 12005 CARES Act

Dear Honorable Commissioner Vincent-Lang,

The purpose of this is to provide written comment on the distribution of the 12005 CARES Act funding. We understand that State of Alaska received \$50,000,000.00 in CARES Act funds. The State of Alaska was responsible for determining how to spend these funds.

We just recently learned the distribution formula for these funds. 63% of the funds were to go to the Commercial Fishermen/women in the state. 34% was going to Sport Fishing industry, and only 3% was going to the Subsistence Fishermen/women. We think that this formula is wrong, and we have many questions.

- 1. How many Licensed Commercial Fishermen/women do we have in the State of Alaska?
- 2. How many Licensed Sport Fishermen/women do we have in the State of Alaska?
- 3. How many Subsistence Fishermen/women do we have in the State of Alaska?
- 4. Why was there so big of a discrepancy to distribute the funds?

We know that sport fishing season did not close. The only closures happened in the fishing industry was for the salmon species. Mostly for the subsistence people and mostly in the interior of the state.

Subsistence people rely on the fish for traditional food. We depend on this source of food to provide for ourselves, our family and the rest of our community. This traditional food provides for us spiritually, culturally, and over-all well being of our entire community.

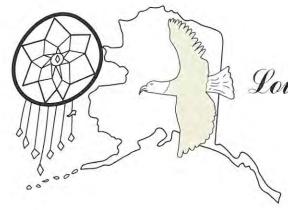
We have never over fished and only take what we need. We have managed this renewable resource for thousands of years. All of us want to continue having this source of food for ourselves, and many more generations to come. We always are thinking of the generations to come.

Please reconsider the formula of distribution to make this fairer to the Alaska State Residents. Please increase the percentage for the subsistence users to 40%.

The cost of living in the villages are so much higher.

Sincerely,

Subsistence Fishermen/Women



Louden Tribal Council

P.O. Box 244 Galena, Alaska 99741 Phone (907) 656-1711 Fax (907) 656-2491

Department of Fish and Game Office of the Commissioner PO Box 1155526 Juneau, AK 99811-5526

October 21, 2020

RE: Written Comment on the 12005 CARES Act

Dear Honorable Commissioner Vincent-Lang,

It was a pleasure to meet with you personally in Ruby Alaska in 2019. Thank you for listening to our concerns. We would like to believe that you are doing the best you can on behalf of all the State of Alaska Residents.

The purpose of this is to provide written comment on the distribution of the 12005 CARES Act funding. We understand that State of Alaska received \$50,000,000.00 in CARES Act funds. The State of Alaska was responsible for determining how to spend these funds.

We just recently learned the distribution formula for these funds. 63% of the funds were to go to the Commercial Fishermen/women in the state. 34% was going to Sport Fishing industry, and only 3% was going to the Subsistence Fishermen/women. We think that this formula is wrong, and we have many questions.

- How many Licensed Commercial Fishermen/women do we have in the State of Alaska?
- 2. How many Licensed Sport Fishermen/women do we have in the State of Alaska?
- 3. How many Subsistence Fishermen/women do we have in the State of Alaska?
- 4. Why was there so big of a discrepancy to distribute the funds?

We know that sport fishing season did not close. The only closures happened in the fishing industry was for the salmon species. Mostly for the subsistence people and mostly in the interior of the state.

Subsistence people rely on the fish for traditional food. We depend on this source of food to provide for ourselves, our family and the rest of our community. This traditional food provides for us spiritually, culturally, and over-all well being of our entire community.

We have never over fished and only take what we need. We have managed this renewable resource for thousands of years. All of us want to continue having this source of food for ourselves, and many more generations to come. We always are thinking of the generations to come.

Please reconsider the formula of distribution to make this fairer to the Alaska State Residents. Please at least bring the subsistence users up to the same standard of the sport fishing.

We look forward to your response to this matter. We also look forward to continuing to work with you in this matter and any other matter. We extend our hand to sit at the table and discuss this important matter with you.

Sincerely,

Charlie Green,

First Chief

To: DFG, COM CARES ACT (DFG sponsored)

Subject: ADFG Cares Grant. Public

**Date:** Thursday, October 22, 2020 8:53:09 PM

#### Greetings,

Thank you for this opportunity to make public comment regarding the distribution of ADFG Cares funding specifically for the marine and fishing industry in Alaska.

I am a 39 year Alaska Resident and have operated a sport fish charter business in Prince William Sound for the past 4 years.

My comments specifically concern the 35% gross revenue loss requirement for eligibility in the Charter Sportfish Allocation.

I believe this requirement is arbitrary and capricious. It disqualifies the majority of Charter Operators who have been adversely impacted by COVID mandates, cruise shop cancellations and travel restrictions, yet may not be able to demonstrate a loss of that magnitude.

For example I lost 100% of my cruise ship clientele and approximately 90% of my out of state clientele. However this loss was mitigated by diversifying and providing a product of interest to the Alaska domestic market.

Diversification incurred costs which are not reflected in gross revenue. My business may not show a 35% decrease in revenue but it incurred lost income and added expenses. The intent of the Federal funding I believe is to provide some offset to those losses with a system of equitable distribution.

I believe an even share distribution of the allocated Sport Fish Charter Allocation should be made to all eligible charter operators regardless of the revenue loss percentage.

Thank you for your consideration. Josh Miller

Valdez Water Taxi and Charters.

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>
Subject: Draft CARES Act Spending Plan Comment
Date: Friday, October 23, 2020 7:44:19 AM

Commissioner Vincent-Lang & Staff

Submitted via email to <a href="mailto:dfg.com.caresact@alaska.gov">dfg.com.caresact@alaska.gov</a>.

I want to thank you for the opportunity to comment on the proposed rules and regulations regarding the :CARES Act Spending Plan for Fisheries. There are a couple of items I would like to draw your attention to in the DRAFT plan. I am an Alaska limited permit holder of a drift gilnet permit and have been since 1987 and have participated in the Prince William Sound Fishery every year since then.

- 1. I reviewed the proposed plan from NOAA that provided guidance for 35.2% of the funding to be allocated to commercial harvesters. I would encourage you to consider following that advice. As a commercial harvester holding a limited entry permit I do know that Alaska commercial harvesters are responsible for approximately 60% of the US seafood harvest. I have concerns as to why the level of funding was reduced and reallocated to the Charter sector from the amount included in the original NOAA guidance. This did not seem to be be explained as to why the department was deviating from the guidance with out justification or rational provided when the change was made. I would encourage that reasoning behind the change be released so all can see the reason for departing from the NOAA Guidance.
- 2. As I am a Alaska Limited Permit holder but not an Alaska resident. I am being excluded from this program. I live in a non-coastal state (Idaho) and therefore am being excluded. Even though Alaska non resident Charter operators are included in the program. This seems unfair to those of us that choose to live in a non coastal State and have a commercial harvest permit in Alaska. For the last 32 years as permit holder and the previous 5 years as a crew member in the commercial fishery in Alaska I have spent usually from May until mid September plying my trade in Alaska waters. To discriminate and exclude benefits of this program to one user group but not another, seems unfair. If the program extends benefits to a non-resident charter operator because that operator lives in a non-coastal State, then by using the same criteria a non-resident commercial permit holder living in a non-coastal State should be qualified for the same benefits if using the same logic. I am and many others that hold Alaska Limited Entry Permits choose to reside in non-coastal States that do not have Fishery COVID-19 relief are just excluded from any benefit's of the relief plan. I ask that the Department provide parity in residency requirements so that both the commercial and charter sectors must meet consistent guidelines.

I appreciate your attention to the above comments David Blake F/V Rocky Point

Subject: Fisheries Assistance Spend Plan Available for Public Comment

**Date:** Friday, October 23, 2020 8:10:02 AM

Dear Kari and Rachel,

Thank you for requesting comments to the Cares Act spend plan. I own and operate *Nushagak River Adventures Lodge* (www.fishthenush.com) in southwest Alaska's Bristol Bay region. Specifically, 35 river miles upstream of Dillingham AK or 3 miles from Potage Creek AK.

This summer, I should have hosted 250+ clients, but CV-19 prevented that from occurring. We adopted and took action to STOP THE SPREAD and cancelled our season. The other lodges and tent camps soon followed our lead and cancelled too, shortly there after.

In both mid January and mid February, two of us traveled to Seattle to purchase the non perishables and staple items needed to operate the lodge for the summer May 22 to August 20, 2020. Without an income (Revenue) our financial loss this season was (\$170,994.18). I have not applied for any PPP or Cares Act funds.

On January 7, 2017 I purchased this fish camp from the Alaska Bankruptcy Court in Anchorage. I operated at a loss the first two years as I was turning the business around. My team rebuilt the entire camp, turning it into the beautify lodge it is now in 2020 (please see our website). FY 2020 was to be the first profitable year, but you know how 2020 goes.

I read all of the linked documents and information on the Alaska Cares Act pages, including Frequently Asked Questions. There, it states that there has not beed published guidance on how a business should provide five years worth of data (an average of the business financials). In my case, the average would be skewed terribly. I will provide all four years (2017, 2018, 2019, and 2020) of financial data, but I ask that you take a two year average of my lodge's financials or just year 2020.

My best wishes to you and yours.

Please stay healthy,

Pete von Jess Nushagak River Adventures Lodge

#### www.FishTheNush.com

For Immediate Release: October 5, 2020

#### Fisheries Assistance Spend Plan Available for Public Comment

(Anchorage, AK) – The Alaska Department of Fish and Game today released the Section 12005 CARES Act fisheries assistance draft spend plan for public comment (<a href="www.adfg.alaska.gov">www.adfg.alaska.gov</a>). The draft spend plan provides eligibility criteria for participants in seafood processing, commercial harvesting, sport charter, subsistence, and aquaculture.

On May 7, 2020, the U.S. Secretary of Commerce announced allocations of Section 12005 CARES Act fisheries assistance funding to all costal states and territories. Alaska will receive \$50 million of the \$300 million available for this assistance program. The spending plan

will allocate 100% of available funds as direct payments to fishery participants in eligible sectors. While all sectors have been negatively impacted by the COVID-19 pandemic, available funds will only cover a portion of the losses incurred by affected fishery participants. The plan will be available to the public for review and comment from October 5, 2020 until 6:00 pm (AKST) October 19, 2020 and can be found on the Department of Fish and Game's home page <a href="www.adfg.alaska.gov">www.adfg.alaska.gov</a> or on the Alaska Public Notice System <a href="www.notice.alaska.gov/199692">www.notice.alaska.gov/199692</a>. Once the plan is finalized, fishery participants may then apply for assistance. Please submit written comments to <a href="mailto:dfg.com.caresact@alaska.gov">dfg.com.caresact@alaska.gov</a>.

#### CONTACT:

Kari Winkel, ADFG, (907) 465-6141, <a href="mailto:adf.com.caresact@alaska.gov">adf.com.caresact@alaska.gov</a> Rachel Hanke, ADFG, (907) 465-6137, <a href="mailto:Rachel.Hanke@alaska.gov">Rachel.Hanke@alaska.gov</a>

Department of Fish and Game Office of the Commissioner PO Box 1155526 Juneau, AK 99811-5526

RE: Written Comment on the 12005 CARES Act

Dear Honorable Commissioner Vincent-Lang,

The purpose of this is to provide written comment on the distribution of the 12005 CARES Act funding. We understand that State of Alaska received \$50,000,000.00 in CARES Act funds. The State of Alaska was responsible for determining how to spend these funds.

We just recently learned the distribution formula for these funds. 63% of the funds were to go to the Commercial Fishermen/women in the state. 34% was going to Sport Fishing industry, and only 3% was going to the Subsistence Fishermen/women. We think that this formula is wrong, and we have many questions.

- 1. How many Licensed Commercial Fishermen/women do we have in the State of Alaska?
- 2. How many Licensed Sport Fishermen/women do we have in the State of Alaska?
- 3. How many Subsistence Fishermen/women do we have in the State of Alaska?
- 4. Why was there so big of a discrepancy to distribute the funds?

We know that sport fishing season did not close. The only closures happened in the fishing industry was for the salmon species. Mostly for the subsistence people and mostly in the interior of the state.

Subsistence people rely on the fish for traditional food. We depend on this source of food to provide for ourselves, our family and the rest of our community. This traditional food provides for us spiritually, culturally, and over-all well being of our entire community.

We have never over fished and only take what we need. We have managed this renewable resource for thousands of years. All of us want to continue having this source of food for ourselves, and many more generations to come. We always are thinking of the generations to come.

Please reconsider the formula of distribution to make this fairer to the Alaska State Residents. Please increase the percentage for the subsistence users to 40%.

The cost of living in the villages are so much higher.

Sincerely,

Subsistence Fishermen/Women

To: DFG, COM CARES ACT (DFG sponsored)

**Subject:** Comments on Section 12005 CARES Act Relief for Fisheries Participants

**Date:** Friday, October 23, 2020 8:49:16 AM

#### Dear ADFG.

I am writing to submit comments on the draft plan. I am a drift gill net fisherman in Area E.

"NOAA Fisheries allocated funds to Alaska using available revenue information for the sport charter sector (5.5%), the commercial harvesting sector (35.2%), and the seafood processing sector, which includes processors, dealers, wholesalers, and distributors (59.3%). "

Please consider allocation the funds in the percentages that NOAA suggests.

It clearly states in the NOAA information that this relief if for residents of the state that it is allocated for. This is a good thing and this money allocated for Alaska residents should be for Alaska resident. Allowing guide fishermen to not be Alaska residents is not appropriate.

Also young/beginner fisherman are left out of the equations. I should not matter how many years you have fished and as a matter of fact new business/fisherman are suffering the most and need to be included somehow. My son just Graduated from Cordova High school and leased a boat and permit for the 2020 season. Very impressive for a young man to do. His dream is to stay in Cordova Alaska and be a commercial fisherman. By leaving out the new fisherman in this relief program you are putting young fisherman at a disadvantage and causing our bright young minds to want to move out of Rural Alaska or the state.

Thanks again for considering my comments.

Thanks,

John Williams Cordova Area E Drift Gillnet Fisherman

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

**Subject:** Section 12005 CARES Act Relief for Fisheries Participants

**Date:** Friday, October 23, 2020 10:25:32 AM

## Commissioner Vincent-Lang,

1. Regarding the Commercial Harvesting Sector licensing requirements.

In 2020, IFQ sablefish and halibut fishermen were allowed to transfer their quota under regular medical transfer rules or COVID-19 temporary transfer rules.

If the IFQ fisherman only had halibut or sablefish quota they would not have needed to purchase a CFEC permit if someone else fished their quota.

# Recommend you add NMFS IFQ permits as suitable documentation in lieu of a CFEC permit in this situation.

This extract from the NMFS B Report to the NPFMC in October gives a sense of the scope of the issue.

IFQ Temporary Transfers 2020 Emergency Rule – On June 25, 2020, NMFS published an emergency rule to modify the temporary transfer provision of the IFQ Program for the fixed-gear commercial Pacific halibut and sablefish fisheries for the 2020 IFQ fishing year. This emergency rule is effective from June 25, 2020 through December 22, 2020. The Council recommended action was specific to the 2020 fishing year and as such, NMFS did not solicit comments on this temporary rule and therefore this rule cannot be extended.

As of September 29, 2020 RAM has approved 1,062 temporary transfers of IFQ compared to a total of 467 transfers approved in 2019. This includes temporary transfers authorized under this emergency rule as well as temporary medical transfers.

http://meetings.npfmc.org/CommentReview/DownloadFile?p=daea93d1-0d98-4a73-843d-

<u>1ac4ad8a59fa.pdf&fileName=B2%20NMFS%20Management%20Report.pdf</u>

- 2. The State needs to provide a credible economic analysis justifying the distribution of funds to the various sectors. The allocation, as proposed, appears to be based on non-economic factors.
- 3. Fishing Guide/Fishing Guide Business Residency. The present guide registration process does not require the applicants to state their residency. This undermines the public and State's ability to understand the economic impact of its

decisions, not just for the present distribution of CARES funds but also future economic decisions such as allocations and fishery disaster funding.

Thank you for the opportunity to comment.

Regards,

Tom Gemmell Juneau, AK

## **ALASKA LEGISLATURE**

## Representative Jonathan Kreiss-Tomkins

 $Angoon \cdot Coffman\ Cove \cdot Craig \cdot Edna\ Bay \cdot Elfin\ Cove \cdot Game\ Creek \cdot Hollis \cdot Hoonah \cdot Kake \cdot Kasaan \cdot Klawock \cdot Kupreanof \cdot Naukati \\ Pelican \cdot Petersburg \cdot Point\ Baker \cdot Port\ Alexander \cdot Port\ Protection \cdot Sitka \cdot Tenakee\ Springs \cdot Thorne\ Bay \cdot Whale\ Pass$ 

rep.jonathan.kreiss-tomkins@akleg.gov

Committees: State Affairs, Co-Chair Arctic Policy, Economic Development, and Tourism Fisheries Community and Regional Affairs



Juneau, Alaska 99801 (Jan. – April) State Capitol, Room 411 907.465.3732

Sitka, Alaska 99835 (May – Dec.) 201 Katlian Street, Ste. 103 907.747.4665

Governor Mike Dunleavy 3rd Floor, State Capitol Juneau, AK 99811

October 19, 2020

#### Dear Governor Dunleavy,

I represent various coastal communities throughout Southeast Alaska. Many of my constituents rely on the seafood processing industry for their economic well-being. I am concerned that the Alaska Department of Fish and Game's (ADF&G) proposed allocation of the \$50M in CARES Act funding — the funds earmarked for the Alaska seafood industry — differs greatly from the federal spending plan. The funding breakdown is as follows:

- NOAA Plan Sport charter (5.5%), Commercial harvesting (35.2%), Seafood processing (59.3%).
- ADF&G Draft Plan Aquaculture (1%), Subsistence (3%), Sport charter (32%), Commercial harvesting (32%), Seafood processing (32%).

I ask that the State of Alaska adopt a funding allocation consistent with NOAA's proposal.

When the State released business grant applications for the initial \$100M aid package to Alaskan businesses, only businesses with fewer than 50 employees were eligible. This excluded most seafood processors but included many charter businesses. The State is now weighing distribution of direct aid to the fisheries industry with a draft spend plan redirecting a substantial amount of funding from processors to the charter sector (increase the charter sector's allocation by almost 500%). This drastic shift begs explanation — and moderation.

In order to provide equitable relief to the fishing industry, I encourage the State of Alaska and ADF&G to more closely closely mirror NOAA's proposal.

Sincerely,

Representative Jonathan Kreiss-Tomkins

CC:

Doug Vincent-Lang, commissioner, Department of Fish and Game Rachel Hanke, legislative liaison, Department of Fish and Game Miles Baker, legislative director, Office of the Governor





Amy Fredette
Owner/Guide

Friday, October 23, 2020

## PUBLIC COMMENT ON SECTION 12005 CARES ACT RELIEF FOR FISHERIES PARTICIPANTS DRAFT SPEND PLAN

Dear Alaska Department of Fish and Game,

I would like to commend the Alaska Department of Fish and Game on the adjustments to the CARES funding allocations of 32% to the sport charter sector.

The Covid-19 Pandemic has caused a negative impact to the sport fish industry within Alaska with cancelled guest trips due to international and domestic air travel restrictions, along with the many health mandates. As a sport fishing business myself and talking with other local Kodiak sport fish businesses, the pandemic has caused anywhere from 50% to 85% direct loss gross income for 2020. Many of these businesses are seasonal and rely on funds generated during the short sport fishing season of summer and fall months for their entire yearly income.

By increasing the CARES funding allocation to 32% for the sport fishing sector, the Alaska Department of Fish and Game has given the opportunity to many businesses to survive the 2020 season without completely closing their business.

Thank you once again for the increased adjustments towards the sport charter sector.

Regards,

Amy Fredette

Ayakulik Adventures

3901 Harry Neilsen Ave Kodiak, AK 99615 World Class Salmon Fishing Specialized Bear Viewing (907) 486-5999

email: ayakulikadventures@yahoo.com

web: ayakulikadventures.com

To: DFG, COM CARES ACT (DFG sponsored)
Subject: Direct to Fisheries Cares Act Aid
Date: Friday, October 23, 2020 12:30:33 PM

#### Hello ADF&G officials,

As a commercial fisherman sitting on the Board of Directors of Seafood Producers Cooperative, I have to say it is disconcerting to note the degree to which the ADF&G draft spending plan deviates from NOAA guidelines, reallocating a substantial amount of funding from commercial harvesters and especially processors to the charter sector, particularly without data to document a disproportionate economic impact to the the charter sector.

I'm aware that the guided sport sector was deeply affected by Covid and the dearth of tourists. I can see why the 5.5% share of the funds recommended by NOAA is considered by the Department to be too low. It likely is. But the economic contribution to Alaska by the charter sector, in terms of employment provided and revenue generated, does not proportionately compare to that of the commercial and processing sectors remotely enough to warrant such a huge increase of funding. An additional 26.5% as proposed in the funding draft arbitrarily and unfairly places these sectors on an even footing in terms of need. If finalized this would be an unfortunate mistake. There is ample data demonstrating the number of people employed in, and revenue generated from, these three sectors, all impacted by Covid 19, and any allocation of disaster funds should take these numbers into account when determining need.

Respectfully, Lance Preston, Sitka, Alaska

Sent from my iPad

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

Subject: Section 12005 CARES Act Relief for Fisheries participants Draft Spend Plan Public Comment

**Date:** Friday, October 23, 2020 1:12:56 PM

I support the NOAA Fisheries allocated funds to Alaska: 5.5% sport charter sector 35.2% Commercial Harvesting Sector 59.3% Seafood Processing Sector

"The NOAA Fisheries Allocation percentages were based on past revenues", these are real economic impacts based on numbers with a financial track record. The commercial fishing sector and seafood processing sector are major contributors to Alaska's economy.

Many residents in Alaska have livelihoods connected to commercial fishing and subsistence; subsistence has cultural and traditional significance to their way of life. The dockside value of seafood delivered to seafood processing represents an important percentage of the full value of the commercial harvest. The multiplier effect throughout "Alaskan" communities is a significant positive contribution. Commercial fisherman and their families are real contributors to the socio-economic dynamics of the communities and regions they live in. Alaskan commercial fishing residents rely on local public services and also contribute to local public services; they serve on various community functions: fire dept., search & rescue, emergency services, harbor committees, municipal committees, church groups, ect. These contributions are invaluable to local communities. Furthermore, a percentage of ex-vessel value is paid to the State of Alaska and shared with the community where the fish are landed. These are very real numbers and verifiable.

The sport charter sector build their lodges, often times in locations that are outside of organized municipal and borough governance. In some areas, the value of the lodge operations falls outside of taxing authorities; the value of the sport fish sector to the local communities/areas cannot be substantiated. Calculating an economic revenue loss to the sport charter sector is based on the "honor system" rather than fixed financial date. All too often a lodge goes up, there is the initial investment, however, often the revenues are taken out of State. Sport charters begin mid-May and shutdown end of August, thereby, their revenues leave with the lodge owners to wherever their primary residence is located. However, for election registration, a person, after thirty days, only has to have the intent to return; then the person is registered to vote, thus a resident of Alaska. Nice way to say you are a resident of Alaska but in actuality, the benefits to the local communities/areas in Alaska are seasonal and the revenues are taken out of State. The Alaska resident eligibility criteria for the sport charter sector is artificial and has been manipulated to increase the sport charter sector by taking away from the seafood processing sector.

The seafood processing sector are important contributors to the Alaskan economy. Many seafood processing workers are residents of Alaskan communities. They have children in our schools, buy their groceries locally, and buy homes or pay rent to local residents. The seafood processors have had to comply with the most stringent COVID-19 mitigation protocols, a cost that has impacted the ex-vessel value to the commercial fishermen; and has had to absorb the excessive tariffs devaluing the value to the processor. The seafood processing sector gives back to the communities/areas they work in.

Please support allocations that support the commercial fishing sector and the local seafood processor; both sectors have year-round activities that contribute to a stable and sustainable socially connected economy.

Thank you, Patricia Phillips

October 21, 2020

RE: Written Comment on the 12005 CARES Act

Dear Honorable Commissioner Vincent-Lang,

The purpose of this is to provide written comment on the distribution of the 12005 CARES Act funding. We understand that State of Alaska received \$50,000,000.00 in CARES Act funds. The State of Alaska was responsible for determining how to spend these funds.

We just recently learned the distribution formula for these funds. 63% of the funds were to go to the Commercial Fishermen/women in the state. 34% was going to Sport Fishing industry, and only 3% was going to the Subsistence Fishermen/women. We think that this formula is wrong, and we have many questions.

- 1. How many Licensed Commercial Fishermen/women do we have in the State of Alaska?
- 2. How many Licensed Sport Fishermen/women do we have in the State of Alaska?
- 3. How many Subsistence Fishermen/women do we have in the State of Alaska?
- 4. Why was there so big of a discrepancy to distribute the funds?

We know that sport fishing season did not close. The only closures happened in the fishing industry was for the salmon species. Mostly for the subsistence people and mostly in the interior of the state.

Subsistence people rely on the fish for traditional food. We depend on this source of food to provide for ourselves, our family and the rest of our community. This traditional food provides for us spiritually, culturally, and over-all well being of our entire community.

We have never over fished and only take what we need. We have managed this renewable resource for thousands of years. All of us want to continue having this source of food for ourselves, and many more generations to come. We always are thinking of the generations to come.

Please reconsider the formula of distribution to make this fairer to the Alaska State Residents. Please increase the percentage for the subsistence users to 40%.

Sincerely,

Subsistence Fishermen/Women

Galena, AK-9974). V. Lave Randy Esmaller -10/22/20 Galena Ak 99741 10-22-20 2. Achi E Wholeckeese & Galena, No 99741 10-22-20 3. agnes Sweet sir 4. Derrick Esmailka 5 Clifford Cleaver 10-22-20 Balena, AK 99741 10/22/20 Galena Att 99781 Galena, AK 99741 6. Garrett Hantington 10/22/20 77 AKHISEST Galena Alc 98741 10-22-20 8 Templithe 9 Patal Systems 10 State Offe GALENA, AK 9974 10-22-20 10-22-20 Galena 99741 10-12-2

Youth Travel From Galena Huntington

Hello

Galena, AK-9974). V. Lave Randy Esmaller -10/22/20 Galena Ak 99741 10-22-20 2. Achi E Wholeckeese & Galena, No 99741 10-22-20 3. agnes Sweet sir 4. Derrick Esmailka 5 Clifford Cleaver 10-22-20 Balena, AK 99741 10/22/20 Galena Att 99781 Galena, AK 99741 6. Garrett Hantington 10/22/20 77 AKHISEST Galena Alc 98741 10-22-20 8 Templithe 9 Patal Systems 10 State Offe GALENA, AK 9974 10-22-20 10-22-20 Galena 99741 10-12-2

Youth Travel From Galena Huntington

Hello

Department of Fish and Game Office of the Commissioner PO Box 1155526 Juneau, AK 99811-5526

October 22, 2020

RE: Written Comment on the 12005 CARES Act

Dear Honorable Commissioner Vincent-Lang,

It was a pleasure to meet with you in Ruby, Alaska, in 2019. Thank you for listening to our concerns at that time, and I hope your experience on the Yukon River established a strong understanding of the importance and dependence our rural communities have on fish and wildlife. State data shows that 17,000 households eligible for funding, but a larger number of households will qualify under State Constitution, Article 8 Natural Resources, "common use, sustained yield, equal access clauses." We would like to believe that you are doing the best you can on behalf of all the State of Alaska Residents, especially those living in extremely remote areas. Given this information, the amount allocated to subsistence is far too low. The current structure does not differentiate urban and rural subsistence users, nor does it consider the high cost of living in rural Alaska, and again there is a higher dependence on salmon and wildlife for rural Alaskans. Please include definitive criteria can be created so the issues I've raised can be addressed, you would genuinely be supportive of those significantly impacted by COVID-19 and the devastating salmon runs experienced simultaneously in 2020. All of the Yukon River residents depend on salmon; community surveys show that 80% to 90% or more of households use salmon in rural communities! We were unable to meet our subsistence needs this year, and replacing this valuable protein further exacerbates combating covid-19 and the long winter ahead.

Our tribal council would like the age requirements to be removed; many younger fishermen provide for families and should not be excluded.

We recently learned the distribution formula for these funds; 63% of the funds are to commercial, 34% to the sports fishing industry, and only 3% is going to the subsistence. We think that this formula is wrong, and we have many questions.

- 1. How many Licensed Commercial Fishermen/women do we have in the State of Alaska?
- 2. How many Licensed Sport Fishermen/women do we have in the State of Alaska?
- 3. Why was there so big of a discrepancy to distribute the funds?

We know that sport fishing season did not close, but the Yukon communities experienced closures throughout the summer and a full closure for the fall season as the fall chum did not

meet the subsistence threshold of 300,000. The subsistence people were significantly impacted with closures, a majority of it experienced in the interior. We need your help, Mr. Lang; rural Alaskan are facing many hardships!

Subsistence people rely on fish for traditional food. We depend on this source of food to provide for ourselves, our family, and the rest of our community. This traditional food provides for us spiritually, culturally, and over-all well-being of our entire community.

We have never overfished and only take what we need. We have managed this renewable resource for thousands of years. All of us want to continue having this food source for ourselves and many more generations to come. We always are thinking of the generations to come. Please reconsider the formula and criteria of distribution to make this fairer to the Alaska State Residents and that these funds assist those who need and deserve it.

Please at least bring the subsistence users up to the same standard of the sport fishing. We look forward to your response to this matter. We also look forward to continuing to work with you on this matter and so much more.

We extend our hands and expertise to sit at the table and discuss this important matter with you. Devold Dom

Subsistence Fishermen/Women

Department of Fish and Game Office of the Commissioner PO Box 1155526 Juneau, AK 99811-5526

October 22, 2020

RE: Written Comment on the 12005 CARES Act

Dear Honorable Commissioner Vincent-Lang,

It was a pleasure to meet with you in Ruby, Alaska, in 2019. Thank you for listening to our concerns at that time, and I hope your experience on the Yukon River established a strong understanding of the importance and dependence our rural communities have on fish and wildlife. State data shows that 17,000 households eligible for funding, but a larger number of households will qualify under State Constitution, Article 8 Natural Resources, "common use, sustained yield, equal access clauses." We would like to believe that you are doing the best you can on behalf of all the State of Alaska Residents, especially those living in extremely remote areas. Given this information, the amount allocated to subsistence is far too low. The current structure does not differentiate urban and rural subsistence users, nor does it consider the high cost of living in rural Alaska, and again there is a higher dependence on salmon and wildlife for rural Alaskans. Please include definitive criteria can be created so the issues I've raised can be addressed, you would genuinely be supportive of those significantly impacted by COVID-19 and the devastating salmon runs experienced simultaneously in 2020. All of the Yukon River residents depend on salmon; community surveys show that 80% to 90% or more of households use salmon in rural communities! We were unable to meet our subsistence needs this year, and replacing this valuable protein further exacerbates combating covid-19 and the long winter ahead.

Our tribal council would like the age requirements to be removed; many younger fishermen provide for families and should not be excluded.

We recently learned the distribution formula for these funds; 63% of the funds are to commercial, 34% to the sports fishing industry, and only 3% is going to the subsistence. We think that this formula is wrong, and we have many questions.

- 1. How many Licensed Commercial Fishermen/women do we have in the State of Alaska?
- 2. How many Licensed Sport Fishermen/women do we have in the State of Alaska?
- 3. Why was there so big of a discrepancy to distribute the funds?

We know that sport fishing season did not close, but the Yukon communities experienced closures throughout the summer and a full closure for the fall season as the fall chum did not

meet the subsistence threshold of 300,000. The subsistence people were significantly impacted with closures, a majority of it experienced in the interior. We need your help, Mr. Lang; rural Alaskan are facing many hardships!

Subsistence people rely on fish for traditional food. We depend on this source of food to provide for ourselves, our family, and the rest of our community. This traditional food provides for us

spiritually, culturally, and over-all well-being of our entire community.

We have never overfished and only take what we need. We have managed this renewable resource for thousands of years. All of us want to continue having this food source for ourselves and many more generations to come. We always are thinking of the generations to come. Please reconsider the formula and criteria of distribution to make this fairer to the Alaska State Residents and that these funds assist those who need and deserve it.

Please at least bring the subsistence users up to the same standard of the sport fishing. We look forward to your response to this matter. We also look forward to continuing to work with you on this matter and so much more.

We extend our hands and expertise to sit at the table and discuss this important matter with you.

Sincerely,

Subsistence Fishermen/Women

Mingel ( fam clause knullook Dillen Thites General Bill Edward Bern The glory Julo Evany Jerry a. Nollner The. Melvin A. Williams Mandrey m. Vent Sodie Von Hufanguers Somes Strom Come M San Shurley Cleaver tranda F

James Wingand In Volume Welliames Mound C Bushy Surie Jam Paula Bifult Irla St. Jennessa miller Susar Emall. Christopher Tool JEnnifer Hudelinand Densley

Mingel ( fam clause knullook Dillen Thites General Bill Edward Bern The glory Julo Evany Jerry a. Nollner The. Melvin A. Williams Mandrey m. Vent Sodie Von Hufanguers Somes Strom Come M San Shurley Cleaver tranda F

James Wingand In Volume Welliames Mound C Bushy Surie Jam Paula Bifult Irla St. Jennessa miller Susar Emall. Christopher Tool JEnnifer Hudelinand Densley

Mingel ( fam clause knullook Dillen Thites General Bill Edward Bern The glory Julo Evany Jerry a. Nollner The. Melvin A. Williams Mandrey m. Vent Sodie Von Hufanguers Somes Strom Come M San Shurley Cleaver tranda F

James Wingand In Volume Welliames Mound C Bushy Surie Jam Paula Bifult Irla St. Jennessa miller Susar Emall. Christopher Tool JEnnifer Hudelinand Densley

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>
Subject: section 12005 CARES Act Draft Spend Plan
Date: Friday, October 23, 2020 2:10:19 PM

Commissioner Vincent-Lang,

We oppose the revised spend plan raising the sport charter sector to 32%. How and why did this happen? It makes us suspicious that ADF&G is being influenced by Bob Penney the same way the Board of Fish is?

There are far fewer saltwater guide business (1,239) and guides (3,429) than active resident CFEC limited entry permits (13,968) in 2019.

Commercial fishermen have millions invested in their operations and this split is very inequitable. In most cases commercial fishermen had to spend hundreds of thousands to fish their catch through IFQ and limited entry permits.

The Alaska seafood industry is the States #1 employer and ultimate renewable resource according to an AMSI report compiled by the McDowell group.

The sport charter sector investment is a few boats and skiffs and a free resource, which pales in comparison.

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 residents may apply, while non-resident sport chart operators may apply. Why?

Also, 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.

I agree with NOAA's recommendation of 5.5% for the sport charter sector, commercial fishing sector 35.2% and 59.3% for the processing sector.

The processors have all been heavily impacted financially with Covid restrictions and precautions and should be compensated and commended for their efforts.

We ask ADF&G to 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.

Sincerely,

Mark and Karen Severson FV Odin and FV Jodi Marie Petersburg, AK

Sent from my iPad

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

Subject: CARES comments

**Date:** Friday, October 23, 2020 3:36:30 PM

Thanks for the extension and the opportunity to comment on the distribution plan thus far. Our comments are as follows:

- 1.) We too are concerned that non-resident sport fish operators appear to be able to apply for Alaska funds. Each state is allocated funds, and on the commercial side, non-resident applicants are required to apply in their own state. There are rumored to be problems with Oregon and WA distribution plans, esp. OR, which are saying only state fisheries will be covered. Sounds like some mismatches on the regional and national level. Please, whatever is decided, make it consistent in each state and for all businesses. We are concerned that non-resident sport operations are not returning this stimulus to Alaska. Please review this.
- 2.) Regarding the significant increase in the sport guiding business allocation from NOAA verse ADFG's recommendation: this does seem too generous. We concur that many guiding businesses were very adversely affected; but we don't agree that this reallocation of funds accurately reflects the size of sectors, hence the economic impacts. Please revise.
- 3.) Regarding defining of shares: within the commercial harvester sector, we encourage ADFG to more accurately reflect what was the reality of COVID on permit transfers. In our case, we both are over 60 years of age, are listed by the CDC among the high risk groups, and hence we transferred one of our salmon permits and two of our state black cod permits to minimize our health exposure. All three of these younger fishermen were first-time permit holders. Hence, given your draft formula, none of them qualify for even one half of a share. Therefore, we ask that you consider this: if 20202 permit transfers are due to COVID (which is documented both by our CFEC and RAM transfer paperwork), that the permit holders be awarded a full share. Giving a full share in this case to the permit owners would not negatively affect any other shareholder, or the size of the pie, since our transferees don't qualify.

Thank you for your hard work and consideration of our comments.

Torie Baker F/V Delta Tango

Troy Tirrell F/V In 'Em

Cordova, AK

### Kari Winkel, Office Manager

Alaska Department of Fish and Game Office of the Commissioner **dfg.com.caresact@alaska.gov** 

Phone: 907-465-6136

RE: Public comment for CARES Act Relief for Fisheries Participants Draft Spend Plan

Ms. Kari Winkel,

I am a lifelong traditional (subsistence) fisherwoman from the Yukon River, and I'm providing my personal comments for CARES Act relief funds and distribution amongst fisheries. How the CARES Act relief is currently structured and how the \$50M is being unevenly divided among fisheries is egregiously inequitable. The State is overlooking those impacted the hardest by COVID-19, with the highest dependence on fish for sustenance, culture, and well-being. Traditionally harvested foods account for 33 –36% of caloric intake in Interior and YK Delta, salmon account for 61% of the protein.

The rural subsistence fisher people and Alaska Native people are poorly represented within the CARES Act Relief.

By allowing funds to be split, 1/3 commercial industry, 1/3 sport fish, ½ to fish processors, the smallest remnants are left for aquaculture and subsistence. Only 3% or \$1.5M for our subsistence, cultural, or ceremonial fisheries. Under the state constitution, Article 8 Natural Resources, EVERY ALASKAN is defined as a subsistence household AND qualifies! This equates to a few bucks split equally amongst subsistence users, which defeats the purpose of providing economic relief during a difficult time that is ongoing into the foreseeable future. Subsistence does have priority in our State under statute, yet there is no priority for this funding. Unlike other fisheries, this is the only funding opportunity available for subsistence fisher people. Commercial fishers across the State are being provided with AK Cares, Seafood Trade Relief Program, and Paycheck Protection Program.

The State needs stronger and clearer eligibility criteria specifically for rural Alaskan and a larger percentage to the CARES Act Relief Funds to go towards subsistence fisheries.

Also, do not have an age requirement for funds; many families have younger members/fishers as the permit holders or provider. There is no reason to exclude them.

Covid-19 has reduced or eliminated access to fishing opportunities due to social distancing practices, quarantine, travel bans to reduce spread, or contracting covid! Within the Yukon, that lost protein would cost 3-6M dollars to replace.

Other factors to consider due to COVID are limited travel opportunities, fewer seats available on flights, fewer flights, higher cost of gas, lost jobs and income, and reduced unemployment benefits! These hardships, coupled with the high cost of living, inflated food prices in Rural Alaska, competitive and out-of-stock items in urban areas, should garner more support from the State for rural "subsistence" Alaskans.

Sincerely,

Brooke P. Wood

To: DFG, COM CARES ACT (DFG sponsored)

**Subject:** CARES Act relief for subsistence falls dramatically short!

**Date:** Friday, October 23, 2020 4:18:17 PM

I'm writing today as a concerned member of the Alaska public about the draft spending plan for the Cares Act relief for fishery participants. I'm also writing with my background as a Professor of Fisheries at the University of Alaska Fairbanks who has studied fishery systems in Alaska for 20 years.

That background has given me a good understanding of the commercial, recreational, and subsistence fisheries of our state. I was shocked to see the proposed allocation for these funds. It is absolutely inadequate to allocate only 3% toward subsistence users. Subsistence is the lifeblood of the 200+ Indigenous communities of this state. Alaska Statute defines subsistence as the priority need of the state -- to be met in times of shortage above all commercial and recreational uses; and yet, here with this compensation opportunity, only 3% is directed to the priority fishery needs of our state? Subsistence activities were hugely disrupted due to COVID and households and communities most dependent on subsistence production should be properly compensated.

Giving equal compensation to all applicants is hugely inappropriate. Rural residents face incredibly high costs of living, so an equivalence of rural and urban users is profoundly misguided. Even more fundamentally, the disruption of subsistence practices for Alaska Native peoples has far more impacts than replacement costs for food. The disruptions span social, emotional, cultural, spiritual costs.

Applicants for subsistence compensation from the Cares Act so be differentiated based on impacts. Far more compensation should be given to Alaska Native applicants, rural applicants, those applicants dependent on subsistence for their livelihood, and those subsistence producers who hunt and fish for community needs and sharing. I hope that you will look to the Alaska Federation of Native and other Indigenous leadership to help you refine your allocation toward subsistence compensation and your plan for the distribution of those funds to those affected most.

Thank you for the opportunity to comment.

Sincerely, Dr. Courtney Carothers

>

## Subsistence Users

## Susie Sam <

Thu 10/22/2020 10:25 AM

To: Donna L. Esmailka · ; Paul J. Mountain « >: Loretta Lolnitz « >; Brenda Ambrose < >; Elizabeth Wright >; YK Carl (Norman) Burgett < ; Arnold Demoski ; Nina Opferman < >; Shawna Hildebrand >; Charlie Green >; Teekona Sweetsir >: Marie Cleaver < >; Jennal burgett < Stanley Huntington < >; Nikki G < .; chris&boomer bryant >; Benjamin L. Stevens -»; Brooke Sanderson »; Stephanie Quinn-Davidson <

## 1 attachments (15 KB)

Fishing Cares act oct 2020 community.docx.

## Good morning,

I participated in a call for the Yukon River Drainage Fisheries Association. At this meeting I learned that the State of Alaska received \$50 Million dollars for the COVID-19 funds.

It was determined by the State on how to divide up the funds. Commercial Fishermen/women will be receiving 63%, Sport Fishermen/women will be receiving 34%, and Subsistence Fishermen/women will be receiving pnly 3%.

I think this is wrong. We have only until tomorrow to make our comments known. I have enclosed a draft of comments. I am having as many people in Galena sign the document. I will send it out tomorrow.

Can you all collect signatures from your community members? You can send the comments directly to: <a href="mailto:dfg.com.caresact@alaska.gov">dfg.com.caresact@alaska.gov</a>

Comments are due by 6 pm tomorrow.

Thank you in advance for your assistance.

Susie Sam Louden Tribal Council PO Box 244 Galena, AK 99741

October 21, 2020

RE: Written Comment on the 12005 CARES Act

Dear Honorable Commissioner Vincent-Lang,

The purpose of this is to provide written comment on the distribution of the 12005 CARES Act funding. We understand that State of Alaska received \$50,000,000.00 in CARES Act funds. The State of Alaska was responsible for determining how to spend these funds.

We just recently learned the distribution formula for these funds. 63% of the funds were to go to the Commercial Fishermen/women in the state. 34% was going to Sport Fishing industry, and only 3% was going to the Subsistence Fishermen/women. We think that this formula is wrong, and we have many questions.

- 1. How many Licensed Commercial Fishermen/women do we have in the State of Alaska?
- 2. How many Licensed Sport Fishermen/women do we have in the State of Alaska?
- 3. How many Subsistence Fishermen/women do we have in the State of Alaska?
- 4. Why was there so big of a discrepancy to distribute the funds?

We know that sport fishing season did not close. The only closures happened in the fishing industry was for the salmon species. Mostly for the subsistence people and mostly in the interior of the state.

Subsistence people rely on the fish for traditional food. We depend on this source of food to provide for ourselves, our family and the rest of our community. This traditional food provides for us spiritually, culturally, and over-all well being of our entire community.

We have never over fished and only take what we need. We have managed this renewable resource for thousands of years. All of us want to continue having this source of food for ourselves, and many more generations to come. We always are thinking of the generations to come.

Please reconsider the formula of distribution to make this fairer to the Alaska State Residents. Please increase the percentage for the subsistence users to 40%.

Sincerely,

October 21, 2020

RE: Written Comment on the 12005 CARES Act

Dear Honorable Commissioner Vincent-Lang,

The purpose of this is to provide written comment on the distribution of the 12005 CARES Act funding. We understand that State of Alaska received \$50,000,000.00 in CARES Act funds. The State of Alaska was responsible for determining how to spend these funds.

We just recently learned the distribution formula for these funds. 63% of the funds were to go to the Commercial Fishermen/women in the state. 34% was going to Sport Fishing industry, and only 3% was going to the Subsistence Fishermen/women. We think that this formula is wrong, and we have many questions.

- 1. How many Licensed Commercial Fishermen/women do we have in the State of Alaska?
- 2. How many Licensed Sport Fishermen/women do we have in the State of Alaska?
- 3. How many Subsistence Fishermen/women do we have in the State of Alaska?
- 4. Why was there so big of a discrepancy to distribute the funds?

We know that sport fishing season did not close. The only closures happened in the fishing industry was for the salmon species. Mostly for the subsistence people and mostly in the interior of the state.

Subsistence people rely on the fish for traditional food. We depend on this source of food to provide for ourselves, our family and the rest of our community. This traditional food provides for us spiritually, culturally, and over-all well being of our entire community.

We have never over fished and only take what we need. We have managed this renewable resource for thousands of years. All of us want to continue having this source of food for ourselves, and many more generations to come. We always are thinking of the generations to come.

Please reconsider the formula of distribution to make this fairer to the Alaska State Residents. Please increase the percentage for the subsistence users to 40%.

Sincerely, Subsistence Fishermen/Women and youth Charles Ambrose

October 21, 2020

RE: Written Comment on the 12005 CARES Act

Dear Honorable Commissioner Vincent-Lang,

The purpose of this is to provide written comment on the distribution of the 12005 CARES Act funding. We understand that State of Alaska received \$50,000,000.00 in CARES Act funds. The State of Alaska was responsible for determining how to spend these funds.

We just recently learned the distribution formula for these funds. 63% of the funds were to go to the Commercial Fishermen/women in the state. 34% was going to Sport Fishing industry, and only 3% was going to the Subsistence Fishermen/women. We think that this formula is wrong, and we have many questions.

- 1. How many Licensed Commercial Fishermen/women do we have in the State of Alaska?
- 2. How many Licensed Sport Fishermen/women do we have in the State of Alaska?
- 3. How many Subsistence Fishermen/women do we have in the State of Alaska?
- 4. Why was there so big of a discrepancy to distribute the funds?

We know that sport fishing season did not close. The only closures happened in the fishing industry was for the salmon species. Mostly for the subsistence people and mostly in the interior of the state.

Subsistence people rely on the fish for traditional food. We depend on this source of food to provide for ourselves, our family and the rest of our community. This traditional food provides for us spiritually, culturally, and over-all well being of our entire community.

We have never over fished and only take what we need. We have managed this renewable resource for thousands of years. All of us want to continue having this source of food for ourselves, and many more generations to come. We always are thinking of the generations to come.

Please reconsider the formula of distribution to make this fairer to the Alaska State Residents. Please increase the percentage for the subsistence users to 40%.

Sincerely,

Subsistence Fishermen/Women

irme adams

October 21, 2020

RE: Written Comment on the 12005 CARES Act

Dear Honorable Commissioner Vincent-Lang,

The purpose of this is to provide written comment on the distribution of the 12005 CARES Act funding. We understand that State of Alaska received \$50,000,000.00 in CARES Act funds. The State of Alaska was responsible for determining how to spend these funds.

We just recently learned the distribution formula for these funds. 63% of the funds were to go to the Commercial Fishermen/women in the state. 34% was going to Sport Fishing industry, and only 3% was going to the Subsistence Fishermen/women. We think that this formula is wrong, and we have many questions.

- 1. How many Licensed Commercial Fishermen/women do we have in the State of Alaska?
- 2. How many Licensed Sport Fishermen/women do we have in the State of Alaska?
- 3. How many Subsistence Fishermen/women do we have in the State of Alaska?
- 4. Why was there so big of a discrepancy to distribute the funds?

We know that sport fishing season did not close. The only closures happened in the fishing industry was for the salmon species. Mostly for the subsistence people and mostly in the interior of the state.

Subsistence people rely on the fish for traditional food. We depend on this source of food to provide for ourselves, our family and the rest of our community. This traditional food provides for us spiritually, culturally, and over-all well being of our entire community.

We have never over fished and only take what we need. We have managed this renewable resource for thousands of years. All of us want to continue having this source of food for ourselves, and many more generations to come. We always are thinking of the generations to come.

Please reconsider the formula of distribution to make this fairer to the Alaska State Residents. Please increase the percentage for the subsistence users to 40%.

Sincerely,

October 21, 2020

RE: Written Comment on the 12005 CARES Act

Dear Honorable Commissioner Vincent-Lang,

The purpose of this is to provide written comment on the distribution of the 12005 CARES Act funding. We understand that State of Alaska received \$50,000,000.00 in CARES Act funds. The State of Alaska was responsible for determining how to spend these funds.

We just recently learned the distribution formula for these funds. 63% of the funds were to go to the Commercial Fishermen/women in the state. 34% was going to Sport Fishing industry, and only 3% was going to the Subsistence Fishermen/women. We think that this formula is wrong, and we have many questions.

- 1. How many Licensed Commercial Fishermen/women do we have in the State of Alaska?
- 2. How many Licensed Sport Fishermen/women do we have in the State of Alaska?
- 3. How many Subsistence Fishermen/women do we have in the State of Alaska?
- 4. Why was there so big of a discrepancy to distribute the funds?

We know that sport fishing season did not close. The only closures happened in the fishing industry was for the salmon species. Mostly for the subsistence people and mostly in the interior of the state.

Subsistence people rely on the fish for traditional food. We depend on this source of food to provide for ourselves, our family and the rest of our community. This traditional food provides for us spiritually, culturally, and over-all well being of our entire community.

We have never over fished and only take what we need. We have managed this renewable resource for thousands of years. All of us want to continue having this source of food for ourselves, and many more generations to come. We always are thinking of the generations to come.

Please reconsider the formula of distribution to make this fairer to the Alaska State Residents. Please increase the percentage for the subsistence users to 40%.

Sincerely,

Subsistence Fishermen/Women

With and Sidney

October 21, 2020

RE: Written Comment on the 12005 CARES Act

Dear Honorable Commissioner Vincent-Lang,

The purpose of this is to provide written comment on the distribution of the 12005 CARES Act funding. We understand that State of Alaska received \$50,000,000.00 in CARES Act funds. The State of Alaska was responsible for determining how to spend these funds.

We just recently learned the distribution formula for these funds. 63% of the funds were to go to the Commercial Fishermen/women in the state. 34% was going to Sport Fishing industry, and only 3% was going to the Subsistence Fishermen/women. We think that this formula is wrong, and we have many questions.

- 1. How many Licensed Commercial Fishermen/women do we have in the State of Alaska?
- 2. How many Licensed Sport Fishermen/women do we have in the State of Alaska?
- 3. How many Subsistence Fishermen/women do we have in the State of Alaska?
- 4. Why was there so big of a discrepancy to distribute the funds?

We know that sport fishing season did not close. The only closures happened in the fishing industry was for the salmon species. Mostly for the subsistence people and mostly in the interior of the state.

Subsistence people rely on the fish for traditional food. We depend on this source of food to provide for ourselves, our family and the rest of our community. This traditional food provides for us spiritually, culturally, and over-all well being of our entire community.

We have never over fished and only take what we need. We have managed this renewable resource for thousands of years. All of us want to continue having this source of food for ourselves, and many more generations to come. We always are thinking of the generations to come.

Please reconsider the formula of distribution to make this fairer to the Alaska State Residents. Please increase the percentage for the subsistence users to 40%.

Edward Sartes

Sincerely,

October 21, 2020

RE: Written Comment on the 12005 CARES Act

Dear Honorable Commissioner Vincent-Lang,

The purpose of this is to provide written comment on the distribution of the 12005 CARES Act funding. We understand that State of Alaska received \$50,000,000.00 in CARES Act funds. The State of Alaska was responsible for determining how to spend these funds.

We just recently learned the distribution formula for these funds. 63% of the funds were to go to the Commercial Fishermen/women in the state. 34% was going to Sport Fishing industry, and only 3% was going to the Subsistence Fishermen/women. We think that this formula is wrong, and we have many questions.

- 1. How many Licensed Commercial Fishermen/women do we have in the State of Alaska?
- 2. How many Licensed Sport Fishermen/women do we have in the State of Alaska?
- 3. How many Subsistence Fishermen/women do we have in the State of Alaska?
- 4. Why was there so big of a discrepancy to distribute the funds?

We know that sport fishing season did not close. The only closures happened in the fishing industry was for the salmon species. Mostly for the subsistence people and mostly in the interior of the state.

Subsistence people rely on the fish for traditional food. We depend on this source of food to provide for ourselves, our family and the rest of our community. This traditional food provides for us spiritually, culturally, and over-all well being of our entire community.

We have never over fished and only take what we need. We have managed this renewable resource for thousands of years. All of us want to continue having this source of food for ourselves, and many more generations to come. We always are thinking of the generations to come.

Please reconsider the formula of distribution to make this fairer to the Alaska State Residents. Please increase the percentage for the subsistence users to 40%.

Sincerely,

Subsistence Fishermen/Women

Hawken W. Cator Williams Victor Williams

October 21, 2020

RE: Written Comment on the 12005 CARES Act

Dear Honorable Commissioner Vincent-Lang,

The purpose of this is to provide written comment on the distribution of the 12005 CARES Act funding. We understand that State of Alaska received \$50,000,000.00 in CARES Act funds. The State of Alaska was responsible for determining how to spend these funds.

We just recently learned the distribution formula for these funds. 63% of the funds were to go to the Commercial Fishermen/women in the state. 34% was going to Sport Fishing industry, and only 3% was going to the Subsistence Fishermen/women. We think that this formula is wrong, and we have many questions.

- 1. How many Licensed Commercial Fishermen/women do we have in the State of Alaska?
- 2. How many Licensed Sport Fishermen/women do we have in the State of Alaska?
- 3. How many Subsistence Fishermen/women do we have in the State of Alaska?
- 4. Why was there so big of a discrepancy to distribute the funds?

We know that sport fishing season did not close. The only closures happened in the fishing industry was for the salmon species. Mostly for the subsistence people and mostly in the interior of the state.

Subsistence people rely on the fish for traditional food. We depend on this source of food to provide for ourselves, our family and the rest of our community. This traditional food provides for us spiritually, culturally, and over-all well being of our entire community.

We have never over fished and only take what we need. We have managed this renewable resource for thousands of years. All of us want to continue having this source of food for ourselves, and many more generations to come. We always are thinking of the generations to come.

Please reconsider the formula of distribution to make this fairer to the Alaska State Residents. Please increase the percentage for the subsistence users to 40%.

Sincerely,

October 21, 2020

RE: Written Comment on the 12005 CARES Act

Dear Honorable Commissioner Vincent-Lang,

The purpose of this is to provide written comment on the distribution of the 12005 CARES Act funding. We understand that State of Alaska received \$50,000,000.00 in CARES Act funds. The State of Alaska was responsible for determining how to spend these funds.

We just recently learned the distribution formula for these funds. 63% of the funds were to go to the Commercial Fishermen/women in the state. 34% was going to Sport Fishing industry, and only 3% was going to the Subsistence Fishermen/women. We think that this formula is wrong, and we have many questions.

- 1. How many Licensed Commercial Fishermen/women do we have in the State of Alaska?
- 2. How many Licensed Sport Fishermen/women do we have in the State of Alaska?
- 3. How many Subsistence Fishermen/women do we have in the State of Alaska?
- 4. Why was there so big of a discrepancy to distribute the funds?

We know that sport fishing season did not close. The only closures happened in the fishing industry was for the salmon species. Mostly for the subsistence people and mostly in the interior of the state.

Subsistence people rely on the fish for traditional food. We depend on this source of food to provide for ourselves, our family and the rest of our community. This traditional food provides for us spiritually, culturally, and over-all well being of our entire community.

We have never over fished and only take what we need. We have managed this renewable resource for thousands of years. All of us want to continue having this source of food for ourselves, and many more generations to come. We always are thinking of the generations to come.

Please reconsider the formula of distribution to make this fairer to the Alaska State Residents. Please increase the percentage for the subsistence users to 40%.

Sincerely,

October 21, 2020

RE: Written Comment on the 12005 CARES Act

Dear Honorable Commissioner Vincent-Lang,

The purpose of this is to provide written comment on the distribution of the 12005 CARES Act funding. We understand that State of Alaska received \$50,000,000.00 in CARES Act funds. The State of Alaska was responsible for determining how to spend these funds.

We just recently learned the distribution formula for these funds. 63% of the funds were to go to the Commercial Fishermen/women in the state. 34% was going to Sport Fishing industry, and only 3% was going to the Subsistence Fishermen/women. We think that this formula is wrong, and we have many questions.

- 1. How many Licensed Commercial Fishermen/women do we have in the State of Alaska?
- 2. How many Licensed Sport Fishermen/women do we have in the State of Alaska?
- 3. How many Subsistence Fishermen/women do we have in the State of Alaska?
- 4. Why was there so big of a discrepancy to distribute the funds?

We know that sport fishing season did not close. The only closures happened in the fishing industry was for the salmon species. Mostly for the subsistence people and mostly in the interior of the state.

Subsistence people rely on the fish for traditional food. We depend on this source of food to provide for ourselves, our family and the rest of our community. This traditional food provides for us spiritually, culturally, and over-all well being of our entire community.

We have never over fished and only take what we need. We have managed this renewable resource for thousands of years. All of us want to continue having this source of food for ourselves, and many more generations to come. We always are thinking of the generations to come.

Please reconsider the formula of distribution to make this fairer to the Alaska State Residents. Please increase the percentage for the subsistence users to 40%.

Sincerely,

Subsistence Fishermen/Women

Barrich and see

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

Subject: Draft spending bill comments

Date: Friday, October 23, 2020 5:18:42 PM

Thank you for extending the comment period on this proposed spend plan.

I would like to voice my objections to two aspects of the plan that seem both inequitable and to run contrary to NOAA recommendations.

The unexplained reallocation of funds away from the processing industry to the guided sport sector, despite the recommendations from NOAA being based on sound economic data is a particularly galling and inexplicable decision.

While it may be true that the guided sport sector, in its reliance on out of state clients and freedom of travel, has been disproportionately hard hit by the covid-19 pandemic, there are myriad ways in which the pandemic and resulting travel and business restrictions have negatively impacted the commercial sector as well, and the sheer size discrepancy between the commercial and sport industries In the state more than justifies the percentages originally laid out by NOAA. I would like to see more of the rationale used for this reallocation.

The second aspect of this proposed plan that I find bewildering is the allowance for out of state guided sport businesses to qualify for CARES funds specifically allocated to the state for disbursement to state residents. I cannot for the life of me think of a justification for willfully sending federal funds allocated to our state to non-residents. These are exactly the businesses that we do not want to be encouraging in this state, in any industry. These businesses have made their bed with regards to state residency. Now they need to sleep in it. And the fact that this would only apply to the sport sector is likewise mind blowing.

I am not privy to the data, but in looking at previously released funds made available through the PPP and CARES act grants, it seems these funds where tailored to more readily benefit traditionally structured businesses such as medium to large guided sport businesses, while providing proportionally less assistance to small sport and commercial fishing businesses alike. Please do not reallocate these funds away from those who need them the most and may have been passed over by other funding opportunities.

Thank you, and I look forward to reviewing the next iteration of this spending plan.

Matt Lawrie

Lifelong Sitka resident and commercial fisherman

Sent from my iPhone

DFG, COM CARES ACT (DFG sponsored)

Cc: Subject:

CARES ACT

**Date:** Friday, October 23, 2020 5:34:23 PM

Attachments: image001.png

October 23, 2020

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

Commissioner Vincent Lang,

On behalf of the Alaska Salmon Alliance, please accept these comments on the draft CARES ACT funding. We appreciate the extra time afforded to provide the comments. The Alaska Salmon Alliance is an independent alliance of seafood processors on the Kenai Peninsula.

We offer two main points of concern:

- 1. Inconsistent eligibility of residency requirements between fishing sectors
- 2. Shifts in funding allocations among fishing sectors

The plan does not treat all fishing sectors equal with respect to residency requirements. As written, commercial harvest sectors must be Alaska Residents while the sport charter sector does not have the same requirement. It is our position that the \$50M dedicated to Alaska should be limited to Alaska Resident/ businesses for all payouts.

As a processor alliance organization, we strongly disagree with the changes made from NOAA's recommended allocations of funding among fishing sectors. These changes are made without providing any analysis or justification. The shift from NOAA recommended 5.5% sportfish/charter funding allocation to 32% came at the expense of the seafood-processing sector. In the absence of any justification or economic analysis, setting allocation percentages equal among sport charter/commercial harvesting / commercial processing seems arbitrary. We recommend resetting the percentages to those calculated by NOAA or providing equal or better analysis to justify any changes to the funding allocations.

Thank you for your consideration,

Nate Berga ASA, Board President Pacific Star, Plant Manager



To: DFG, COM CARES ACT (DFG sponsored)

Subject: CARES Act Funding for Subsistence Falls Short!

Date: Friday, October 23, 2020 6:01:09 PM

## To Whom It May Concern:

I'm writing today as a Gwich'in Dene woman and a subsistence fisherwoman and harvester, concerned about the draft spending plan for the Cares Act relief for fishery participants. I'm also writing as an academic scholar who spends much of my working life studying the importance of subsistence fishing and small-scale commercial fisheries on Alaska Native Well-Being. This personal and professional background gives me a very grounded understanding of fisheries in Alaska and the extreme inequities that exist.

To being, it is very hard to quantify the impact subsistence fishing has on Alaska Native and rural ways of life - as an Alaska Native person, who has spent my entire life fishing with my family, it is absolutely essential to our physical, emotional, and spiritual well-being. With that grounding, I feel I must also say that subsistence fishing is also a food security issue, as the high cost of living in rural Alaska is absurd, with a gallon of milk costing anywhere from 5-15 dollars, depending on where you live. Subsistence fishing doe s meet a very important physical sustenance need.

With that said, the CARES Act relief funding for subsistence is absolutely insufficient! 3% is not enough and will not go far enough. You cannot even get a bag full of groceries for less than \$100 in my village, there is a real need. There are over 200 Alaska Native villages in Alaska with strong, Tribal governments. Our Tribal leaders have been fighting for our way of life since non-Natives first came to Alaska. Resultingly, Alaska Statute defines subsistence as a priority in times of shortage and should be met first, prior to commercial and recreational uses receiving their allocation. This is that time! This past year of fishing was devastating on the Yukon. Not only was my family impacted, but many other families along the river. Also, many dog mushers, who keep their strong family tradition of running dogs alive, are facing many challenges supporting their dog teams with the lack of chum salmon in the river and a subsequent closure that happened on the Yukon.

Please compensate subsistence users adequately, many of whom are the first people of this state, the original stewards of Alaska, their fair allocation of CARES Act funding.

Mahsi' Choo,

Dr. Jessica Black

Jessica Black, Gwich'in Athabascan, PhD

To: DFG, COM CARES ACT (DFG sponsored)

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

**Date:** Friday, October 23, 2020 6:04:11 PM

Thank you for the opportunity to comment. I am writing to request more funding set aside for subsistence fishermen. 3% of relief is not sufficient for subsistence fishermen. It is not equitable either to distribute 3% of \$50 million is only \$1.5 million allocated for subsistence fishermen, which is not at all adequate relief for the negative impacts subsistence fishermen faced this year due to COVID.

Currently this plan is inequitable. Consider that if just 10,000 households apply, that's only \$150 per household – which would purchase three coho salmon (based on wholesale prices). There are likely to be many more households that will apply.

A memo sent in 2019 to ADFG shows 16,959 households may be eligible for these funds when combining state and federal records. As an example, on the Yukon River alone, the cost to replace the amount of salmon protein harvested for subsistence annually is over \$6 million. If just 25% of the subsistence harvest was negatively impacted by COVID, this amounts to at least \$1.5 million for the Yukon region alone. However, we know that for some households, the impact was greater than 25%.

Subsistence is a priority in the state of Alaska, defined in statute, but is not being treated as a priority with this funding package – sport fishing is receiving the largest portion of the funding (34%). Commercial fishermen have had numerous other opportunities to receive relief. Subsistence fishermen have only had this one opportunity.

I encourage ADFG to increase the amount for subsistence fishermen to be 1/3 or more of the available funding.

Thank you for your time.

Sincerely, Jennifer Nu

--

Jennifer Nu

Food sustainability catalyst | Local Foods Project Director Sustainable Southeast Partnership | Southeast Alaska Watershed Coalition www.sustainablesoutheast.net | www.alaskawatershedcoalition.org

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

**Subject:** Section 12005 CARES Act relief funding draft spend plan.

**Date:** Saturday, October 24, 2020 12:03:02 AM

## Kari,

I definitely believe commercial fishermen need this spending bill due to the many challenges that this pandemic has presented us. I personally was affected by this terrible virus because my family contracted the virus and put one of my loved-ones into The Intensive Care Unit at the hospital. I missed half my fishing season and was less prepared for an effective season due to all the restrictions and quarantine measures.

I also believe that averaging out the prior five year gross revenue income seasons to the 2020 gross revenue income would be a mistake. For many fishermen, 2015 was an abnormal fishing year also considered a disaster fishing year. In 2015 many fishermen received federal funding with a similar distribution plan which ultimately did not serve the best interest of many fishermen because of the averaging of too many prior seasons. While fishing already has a number of variables to contend with before making it a constant/stable source of income, I do not think including an unprofitable fishing season would serve the best interest of most Alaskan fishermen. I do not agree that you need to collect 5yrs of prior fishing seasons, including the 2015 disaster year, in order to come up with a uniform pre-covid commercial season average. Please take these comments into consideration.

Thank you,

**Eric Fleming** 

To: <u>DFG, COM CARES ACT (DFG sponsored)</u>

**Subject:** Complete unfairness, Those who chose not to fish will reap the most benefits.

**Date:** Saturday, October 24, 2020 6:10:05 AM

Well once again I have been out fishing and things get decided, without any fairness.

Just like the PPP, or the Alaska Cares Act Grant program, if you were actually trying to make a living you got pushed to the bottom of the pile.

I see now, I'm a few hours late at responding to this draft plan. I'm just hoping one of my fellow fisherman had the sense to comment on these issues, I am going to address anyway.

I was one of the few fisherman in our town of Wrangell That actually went out and fished my whole seasons. I incurred the fuel expense, bait expense and crew expense myself. When I would come to town to pitch off, I saw several fisherman in town. I asked why they weren't out fishing and they responded, because I'm just waiting on the relief money to start flowing. I just shook my head and carried on with my season.

It was all the people, that didn't fish, that are now getting the funding. In the PPP, the first takers weren't able to get their 1099 employees paid. Then the Alaska Cares Act Grant program had deadlines right in the middle of fishing season. Now this so called fisheries funding will allow those people, who didn't even try to fish a normal season, reap the most benefits. It's easy to have a loss, when you sit at home and don't even run your crab pots. I had a devastating crab season and still tried. Never expecting hand outs. I paid my crew, when the PPP screwed me over. I went out and fished because that's what I do, I'm a Fisherman. However, now I see that those, who basically chose to throw their seasons away, by not fishing, will again reap the most benefits to the relief money.

Where is the break for those fisherman, who at least tried to make a living. I don't understand how thousands of dollars can be thrown at those people, who decided to take a year off and those hardworking people who tried to do their jobs, won't get any help at all. I am holding out hope that someone already mentioned this during the allotted comment timeframe.

Why is this whole funding vehicle so unfair to those who tried to keep going?

I can only hope there is someone with some sense making the decisions on these fisheries funds. Heather Miethe

To: DFG, COM CARES ACT (DFG sponsored)
Subject: CARES Act Relief Funding Comment
Date: Wednesday, October 28, 2020 9:17:40 AM

I would like to provide public comment on the proposed/draft plan of the section 12005 CARES Act funding for fisheries participants.

The requirement that nonresident commercial harvesters apply for fisheries relief funding in their home state should be amended to include a clause of ability. I.E. if they are able to apply in their home state then they should, if they are unable to apply in their home state then applying in Alaska should be an option.

My home state is Vermont and Vermont was not allocated any fisheries relief funding through the CARES Act. So, I'm a commercial fisherman who operates in the state (AK) that received the largest allotment of relief funding specifically allocated for the fishing industry and I'm unable to apply for any of it.

Also, if you are allowing nonresident charter fishing operations that operate within the state of Alaska to apply for this relief within Alaska, it seems rather unfair to then exclude nonresident commercial fishermen.

Thank you for taking these comments in to consideration,

Lynn Steyaart

F/V Honeywilya