

AQUACULTURE SECTOR

CARES ACT – FISHERIES

(Sec. 12005 of the Coronavirus Aid,
Relief, and Economic Security Act)

CARES ACT CRITERIA (clarifying information)

- Cannot compensate, state, local, or tribe for lost municipal or government tax revenue
- Only address fishery-related direct or indirect losses
- **If apply to other federal programs for assistance to address the same impacts resulting from COVID-19 may be considered revenue and be applied to the >35% loss analysis. “Cannot be made more than whole of loss”**
 - **USDA purchased product.**
 - **SBA, PPP, etc.**

New Hampshire CARES Act: Marine and Coastal Fisheries Assistance from COVID-19 Effects

TIMELINE

Sector Work
Group
meetings
June 2020

Sector
plans into
NH Spend
Plan

NH Spend
Plan to
NOAA for
Approval

Advisory
Work
Group
review and
appeal
process

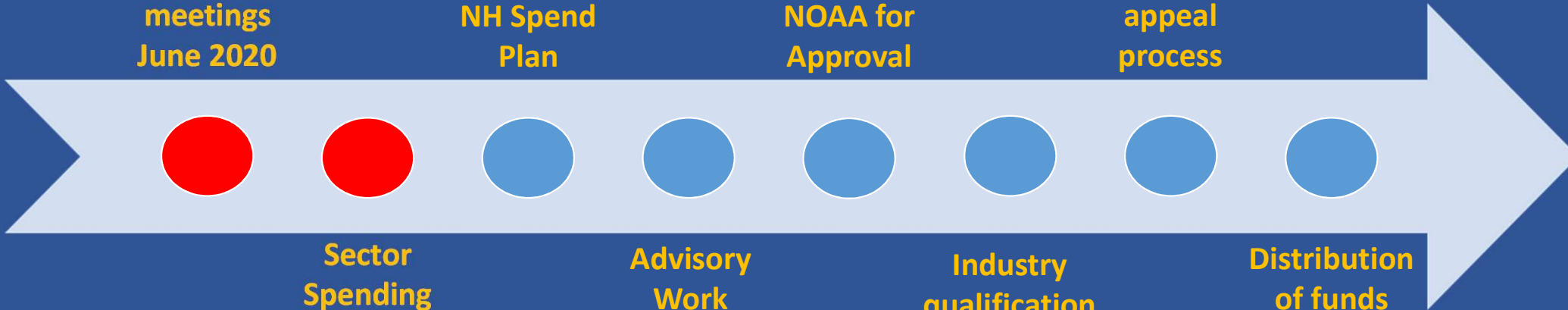


Sector
Spending
Plan
Development
July 2020

Advisory
Work
Group
review

Industry
qualification
process

Distribution
of funds



PRELIMINARY DATA-Aquaculture

Total Monthly Harvest Value – 2016-2019

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Total 2016-2019	\$4,830	\$4,773	\$7,170	\$26,879	\$114,130	\$169,238	\$206,790	\$172,234	\$150,090	\$111,424	\$65,684	\$46,785	\$1,080,026
Percentage of Total	0.4%	0.4%	0.7%	2.5%	10.6%	15.7%	19.1%	15.9%	13.9%	10.3%	6.1%	4.3%	

Most productive months = May - October

PRELIMINARY DATA-Aquaculture

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Average 2016-2019	\$2,415	\$2,386	\$3,585	\$6,720	\$28,533	\$42,310	\$51,698	\$43,058	\$37,522	\$27,856	\$16,421	\$11,696	\$274,200
2020	\$23,535	\$20,916	\$11,257	\$12,598	\$30,831	\$50,218							
Loss in 2020*	No loss	No loss	No loss	No loss	No loss	No loss							

*loss compared to 4 year average

- End of June - No losses realized to the industry, as a whole.
- *If* revenue between July and December is greater than \$50,850 than >35% industry loss will not occur.

Currently (compared to 4-year average):

- some with >35% loss
- some with no loss
- some with between 0% - 35% loss

NH Fish & Game CARES ACT Aquaculture Survey

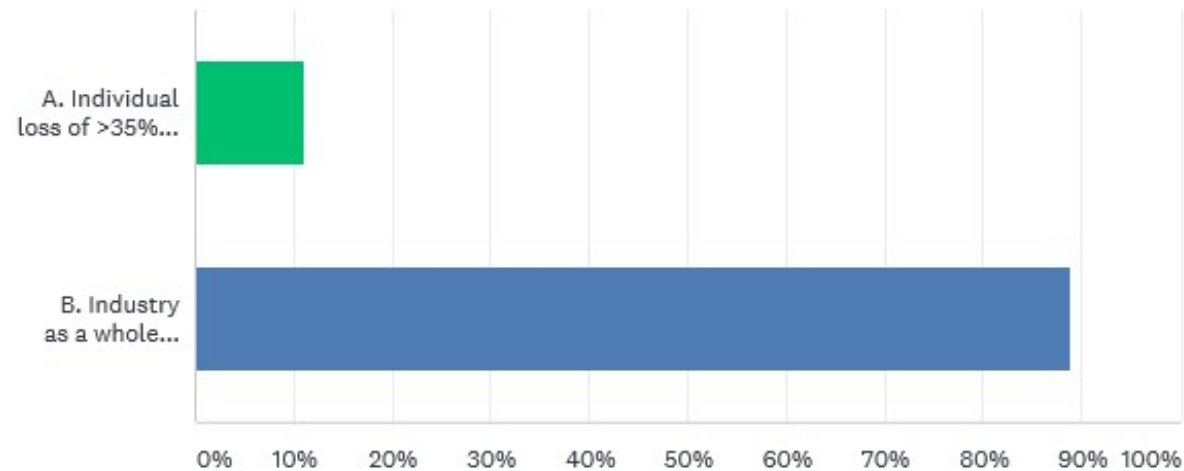
- **Aquaculture Work Group reviewed draft notes and survey**
- **Survey sent to industry on 7/10/2020**
- **Total of nine individuals responded to the survey**

SURVEY RESULTS

Question #1

Should the financial assistance payments be conditioned on individual loss of >35% or when the industry as a whole experiences a >35% loss?

Answered: 9 Skipped: 0



ANSWER CHOICES

▼ A. Individual loss of >35% (some may not experience a >35% loss)

▼ B. Industry as a whole experiences a >35% loss

RESPONSES

11.11%

1

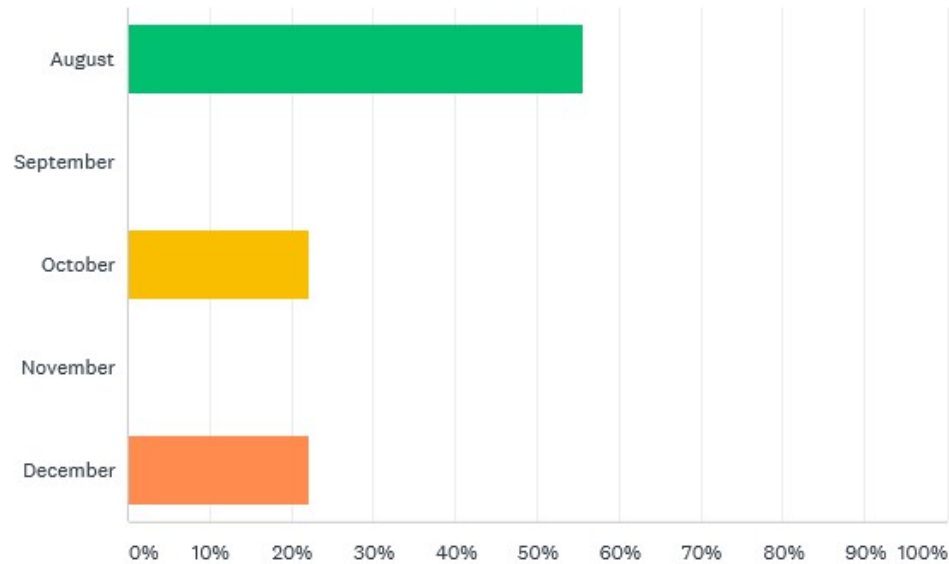
88.89%

8

Question #2

If the industry as a whole does not experience >35% loss, which month should trigger a payout of the financial assistance payments? For guidance, the below table shows the 4-year average harvest revenue per month.

Answered: 9 Skipped: 0

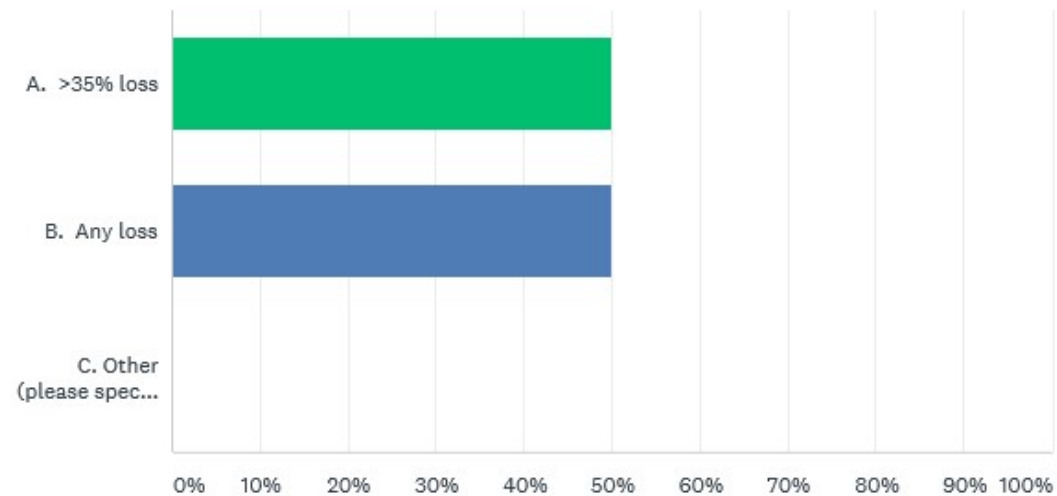


ANSWER CHOICES	RESPONSES
▼ August	55.56% 5
▼ September	0.00% 0
▼ October	22.22% 2
▼ November	0.00% 0
▼ December	22.22% 2

Question #3

If you answered (B) to Question 1; then: Once the overall aquaculture industry realizes a >35% loss, should the relief funds be provided for the individual farms that experienced which level of loss?

Answered: 8 Skipped: 1

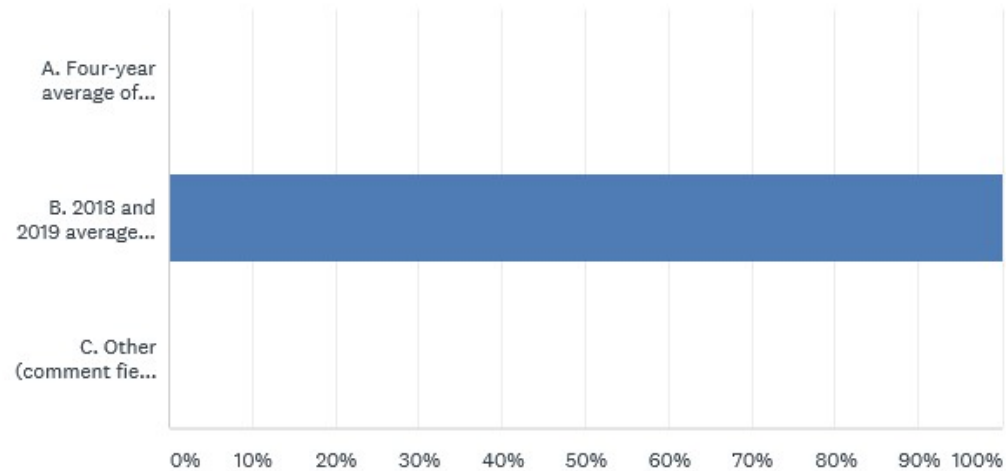


ANSWER CHOICES	RESPONSES
▼ A. >35% loss	50.00% 4
▼ B. Any loss	50.00% 4
▼ C. Other (please specify percentage)	Responses 0.00% 0

Question #4

If you answered (B) to Question 1: Provide financial assistance based on proportional loss for individual farms using which of the following? The below table provides information on monthly average revenues in four and two-year time periods.

Answered: 8 Skipped: 1



ANSWER CHOICES

- ▼ A. Four-year average of revenue or average revenue for years harvesting if less than four years
- ▼ B. 2018 and 2019 average of revenue
- ▼ C. Other (comment field in survey)

RESPONSES

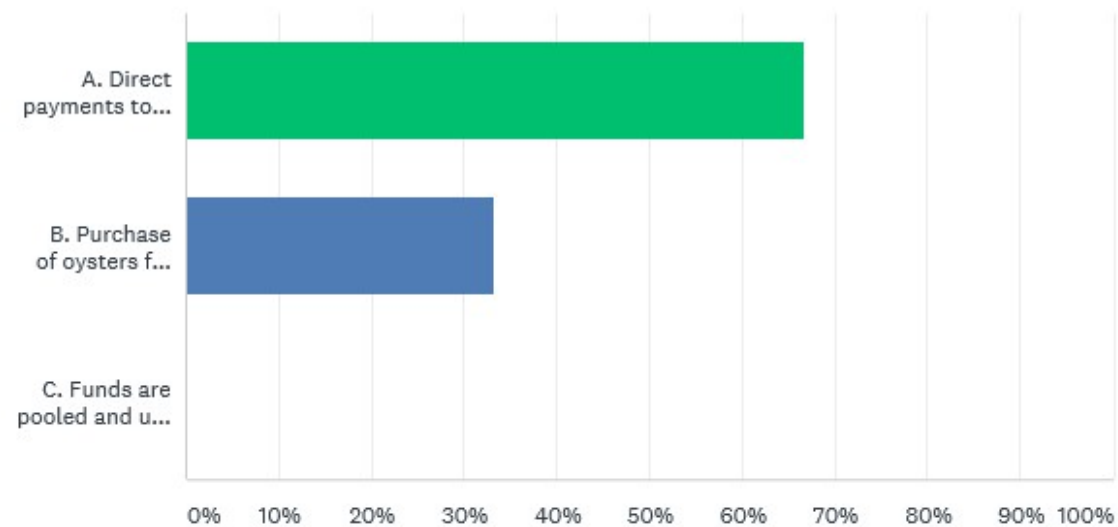
0.00%	0
100.00%	8
0.00%	0

[Responses](#)

Question #5

How should financial assistance payments be distributed?

Answered: 9 Skipped: 0



ANSWER CHOICES	RESPONSES
▼ A. Direct payments to individual farms (no minors)	66.67% 6
▼ B. Purchase of oysters from farms that have product for restoration projects	33.33% 3
▼ C. Funds are pooled and used for _____? (Harvesters as a group will need to collaborate to determine needs for the industry as a whole. With examples, refrigerator truck, ice machine for aquaculture only, etc.)	0.00% 0

SURVEY RESULTS SUMMARY

Question #1 – **89%** - Payout should be conditioned when industry, as a whole, experiences a >35% loss.

Question #2 - **56%** - trigger payout period February through August.
22%/22% - trigger payout period February through October *or* December.

Question #3 – **50%/50%** - If industry-wide loss pay those with >35% and any loss.
(The industry will most likely not experience >35% loss therefore payout to individual farms with >35% loss.)

Question #4 – **100%** - Payout based on proportional loss using 2018 and 2019 average revenue.

Question #5 – **67%** - Direct payments to individual farms.
33% - Restoration Projects

Next Steps for Workgroup

- Finalize Aquaculture Sector Spend Plan
 - Timing
 - Payments

Next Steps for Fish & Game

- NH Spend Plan for all CARES Seafood Sectors
- Associate Funding to Spend Plan
- Send Spend Plan to ASMFC and NOAA Fisheries
- Upon Approval
 - Industry qualification/application process
 - ASMFC will distribute funds to NH CARES qualifiers

QUESTIONS??



HISTORY

- March 27, 2020, H.R. 748 was passed and signed by the President
- May 7th, Secretary of Commerce announced allocation of \$300 million in fisheries assistance
 - To states, tribes, and territories with coastal and marine fishery participants who have been negatively affected by COVID–19.
- NOAA Guidance:
 - May 18 – Methodology and Data
 - May 22 – Sector Percentages
- May 27 - NH initiating Workgroup Meetings
- June 2 – First Workgroup meeting/Aquaculture
- July 10 – CARES ACT Aquaculture Survey sent to industry
- July 16 – Second Workgroup meeting/Aquaculture

CARES ACT CRITERIA

- NH resident (person, LLC, company, etc.) only.
- >35% Economic Loss compared to prior 5-year average.
- Only Fisheries Related:
 - Qualifying: Commercial Fishing, For-Hire, Aquaculture, Processors/Dealers, and “Other” Related Fishery Businesses.
 - Non-Qualifying: Further down the supply chain; such as vessel repair, restaurants, or seafood retailers.

NH CARES ACT PACKAGE

Entity	Percentage of Total Annual Revenue (All Sectors)				Allocation	NOAA/ASMFC overhead
	For-Hire Fishing	Commercial Fishing and <u>Aquaculture</u>	Seafood Sector	Tribal Commercial Fishing, Aquaculture &		
New Hampshire	4.30%	40.10%	55.60%		\$2,732,492	\$2,710,668

PRELIMINARY DATA-COMMERCIAL SECTOR

40.1% of NH CARES Package

	2015	2016	2017	2018	2019	2020	5-year avg %
Lobster and Crab \$	\$24,637,764	\$29,723,277	\$31,848,563	\$35,488,032	\$35,665,380	\$5,964,079	
Lobster and Crab %	93.19%	94.58%	93.45%	93.97%	94.25%	96.99%	93.89%
Other Commercial \$	\$1,799,766	\$1,701,863	\$2,232,944	\$2,275,752	\$2,175,717	\$185,197	
Other Commercial %	6.81%	5.39%	6.50%	5.98%	5.69%	2.98%	6.07%
Aquaculture \$	\$0	\$140,495	\$254,212	\$322,523	\$401,304	\$56,594	
Aquaculture %		0.45%	0.74%	0.85%	1.05%	0.91%	0.77%

Aquaculture 0.77% = \$8,369.73