

## **CARES Act - Frequently Asked Questions**

### **What is the CARES Act?**

On May 7, 2020, the U.S. Secretary of Commerce announced the allocation of \$300 million in fisheries assistance funding provided by Sec. 12005 of the Coronavirus Aid, Relief, and Economic Security Act, also called the CARES Act, to states, Tribes, and territories with coastal and marine fishery participants who have been negatively affected by COVID-19.

Maryland has been allocated \$4,092,171 and this money is being administered by the Atlantic States Marine Fisheries Commission (ASMFC).

### **When can I fill out my application?**

The application will be available to eligible members of the seafood industry on Nov. 4 on the [Maryland OneStop website](https://onestop.md.gov/). <https://onestop.md.gov/> If you experience difficulty with the application please try an alternate browser. We recommend Google Chrome.

The deadline to apply is February 28, 2021. **This application IS NOT first come, first serve.** There will be enough money to reimburse license fees for the 2019-2020 fishing year for all applicants regardless of when the application is submitted between November 4, 2020 and February 28, 2021. For more details on payment amounts see below under 'How much money will I get?'

### **How is Maryland spending the money?**

Maryland has dedicated \$3 million of that for direct payments to commercial, for hire, aquaculture, and seafood processing operations whose 2020 revenue has suffered a loss of greater than 35% because of COVID-19.

The remaining \$1,092,171 will fund seafood marketing and business support for individuals in the seafood industry; and a small amount to cover expenses incurred by Maryland in working with the National Oceanic and Atmospheric Administration (NOAA) to develop and implement this approved spending plan which meets the provisions of the CARES Act and NOAA guidelines.

### **Who is eligible to apply for CARES Act funds?**

In order to qualify, applicants must be at least 18 years of age, be willing to self-certify on a legal affidavit a 2020 revenue loss of greater than 35%, compared to the most recent 5-year average, and have, prior to March 27, 2020, reported for-hire or

commercial harvest of finfish, shellfish including crabs, or aquaculture products and/or report seafood dealing activity in one of the three years including 2017, 2018, 2019.

Revenue loss may have occurred over any time period that is 4 consecutive weeks or greater between March 16, 2020 and the time of the application and may not include projected future losses.

In addition, applicants must meet one of the following criteria:

- A Maryland, Potomac River Fisheries Commission, and/or National Oceanic and Atmospheric Administration (NOAA)-authorized commercial seafood harvester domiciled in Maryland;
- A commercial seafood harvester domiciled in Maryland who has harvested on a temporarily transferred authorization (does not own a license);
- A seafood dealer/processor domiciled in Maryland that is licensed to sell seafood either by the State of Maryland and/or by the federal government;
- An aquaculture business that is domiciled in Maryland and holds valid aquaculture leases in Maryland;
- An entity domiciled in Maryland that holds federal for-hire permits;
- An entity domiciled in Maryland that holds federal commercial harvest permits;
- A charter or for-hire entity not domiciled in Maryland but that holds a NOAA or Maryland-issued authorization and whose businesses are based solely in Maryland;
- An entity licensed by the Potomac River Fisheries Commission (PRFC) that is domiciled in Maryland and reports harvest to Maryland; and/or
- Maryland residents with federal operator permits.

### **How much money will I get?**

If your application qualifies, you will be reimbursed for all fees you paid to the Maryland Department of Natural Resources (DNR) and/or the Potomac River Fisheries Commission and/or NOAA to participate in the 2019-2020 fishing year. You will also receive a second payment in the spring of 2021 which could range from approximately \$600 to \$4,000.

Once the application date closes on February 28, 2021 and all qualified applicants have had license fees reimbursed, the balance of the \$3 million allocated for direct payments will be divided equally among all originally qualified applicants. You will complete one application and potentially receive two checks. The amount of the second payment depends on the number of qualified individuals that apply before February 28, 2021. Entities fishing solely under a free federal (NOAA) permit will not receive the initial license reimbursement, but will receive the second payment.

## **How do I apply?**

Applications are available on the [OneStop Maryland website](#). You will need to have an email address and will be required to create a Onestop account in order to apply. The application is short and should only take 15 – 20 minutes. You can save it and return to it later if you are interrupted. If you are unable to access the website or create an account for any reason, customer service phone numbers will be made available. You will be emailed a copy of your application although you should print a copy before submitting and save it for at least three years.

Have this information ready when you apply:

- Social Security Number
- DNR ID, if applicable
- Maryland or Potomac River Fisheries Commission Commercial License Number, if applicable
- Employer Identification Number, if applying on behalf of a company
- For federal fishery applicants: Vessel name and Registration Number

## **How will I get my money?**

Your money will arrive as a check made payable to you. The check will be from the Atlantic States Marine Fisheries Commission (ASMFC) NOT from Maryland DNR. ASMFC is administering the CARES money for DNR. **Your check will be mailed to the address you enter into your CARES application**, so please take extra care to make sure you have correctly entered your current mailing address. If you qualify, you should receive your first check within 8 - 10 weeks of submitting your application.

## **If I harvest using a license I have leased from someone else, can I apply?**

Yes, anybody who leased a license issued by Maryland issued by Maryland from someone or leased a license issued by Maryland issued by Maryland to someone can apply if they have qualifying harvest on the books in at least one of the years 2017, 2018, and 2019 and can certify a loss of greater than 35% compared to the most recent

5-year average. The person who leased the license to someone would be potentially eligible to have all fees that were paid to Maryland DNR for the 2019-2020 fishing year. The person who leased the license from someone would be potentially eligible to be reimbursed for the amount DNR charges for the type of license that was leased. This means that the cost of a single license could be reimbursed to two people -- when applying, you will need to know the DNR ID of both individuals. Reimbursement will not cover the cost of private transactions between individuals; the only amount reimbursed is the amount DNR would charge for a license.

### **How is my revenue loss calculated?**

The application will calculate your revenue loss for you. You can pick any time period that is at least four consecutive weeks but you may not include projected future losses. For example, you may want to certify that your revenue between April 1, 2020 and May 30, 2020 was more than 35% less than your average April and May revenue for the 5 previous years: 2015 – 2019. You will enter your average revenue for the time period and then enter your revenue for the same time period in 2020. Your percent loss will be calculated using this formula:

$$(5\text{-year average revenue} - 2020 \text{ revenue}) / 5\text{-year average revenue} \times 100$$

For example, if your 5-year average revenue for April and May was \$20,000 and your 2020 revenue for April and May was \$12,000, then your loss would be:  $(\$20,000 - \$12,000) / \$20,000 \times 100 = 40\%$

### **Do I need any financial documents to support my claim of revenue loss?**

No documents are needed to apply -- you will sign a legal affidavit testifying to your loss. DNR will not accept or review any of your financial information; however, all applicants will be subject to audit by NOAA, the Office of the Inspector General, or other entities.

### **What happens after I submit my application?**

You will receive an email confirming the receipt of your application. Maryland DNR will review your application and confirm that you have reported harvest, dealing activity, aquaculture activity in at least one of the 3 years: 2017, 2018, 2019. DNR will also confirm that you have paid all relevant fees for the 2019-2020 fishing year. If no record of activity is found, you will receive an email notifying you that your application did not qualify. If your application is confirmed to qualify, your information will be securely forwarded to the Atlantic States Marine Fisheries Commission (ASMFC) who will send

your check. Applications should be verified and forwarded to ASFMC within 30 days and you should receive your first check within 8 – 10 weeks.

**What happens if my 2020 revenue is greater than my average revenue in 2015-2019?**

Under Section 12005 of the CARES Act, NOAA is requiring fishery participants receiving Section 12005 CARES Act assistance to affirm that they are not making themselves “more than whole” as a result of the combination of financial assistance from Section 12005, other programs in the CARES Act (e.g., Payment Protection Program, CFAP 2), and their traditional revenue stream as compared to their total average annual revenue from the previous five years.

In plain language, this means that NOAA might ask you to pay back money if they determine that your 2020 revenue was higher than your 5-year (2015-2019) average. All applicants will be subject to audit by NOAA, the Office of the Inspector General or other entities.

To be safe, make sure your annual revenue for 2020 is lower than your 5-year average. We’ve provided an optional question on the application where you can cap the amount of your second payment if you think it will be close.