

## **SPEND PLAN FOR AMERICAN SAMOA CARES ACT ASSISTANCE**

GOAL: To provide guidance and administrative support for the distribution of the Cares Act P.L. 116-136 Section 12005 funding issued to American Samoa (AS) for eligible fishery participants in response to the COVID-19 pandemic.

The methodology in the following Detailed Spend Plan, once reviewed and approved by NOAA, may be used for any future funds appropriated by Congress for the same purpose.

### **BACKGROUND**

In light of the COVID-19 pandemic, American Samoa received notification of financial assistance available through the CARES Act. After administrative fees are applied, a total of \$2,524,607 remains for AS fishery participant direct payment. This assistance is for commercial fishing businesses, charter/for-hire fishing businesses, aquaculture operations as allowable under section 12005 of the CARES Act, processors, dealers, wholesalers and distributors. The process to develop a plan for eligible participants to apply and utilize the funds was given to the American Samoa Department of Marine & Wildlife Resources (DMWR) with assistance from NOAA and the Pacific States Marine Commission who will distribute the assistance.

Given the nature of the assistance and the wide spectrum of eligible fishery participants and impacts, DMWR is proposing a general allocation based on the overall sector contribution to American Samoa's economy. For example, based on the Census 2010 products, the Star Kist cannery generates about 40% of the AS economy. The cannery is heavily supported by the longline fleet that creates part of its fisheries sector. The fisheries have many aspects that contribute to the economy from the vessels, the cannery, and all the supporting companies including but not limited to fuel, food to required maintenance. All of these factors play a role in the success of the American Samoa economy. One of the economic contributors to American Samoa fisheries is the US Albacore Fleet. Fish caught by the US Albacore Fleet is considered US fish and used to fulfill US contracts for school lunch and military programs.

In response to the global pandemic, the American Samoa Government declared a state of health emergency in February 2020 to protect its citizens. Subsequent to the declaration of a health emergency, additional safety declarations have been issued including the closure of AS borders till today. It is unknown at this time, when this closure will change to allow outgoing and incoming passengers.

This has impacted travellers in and out of the territory creating issues for some of the fishing businesses. Local fishing business owners employ fishermen from neighboring Samoa and many other countries outside of AS. As a result of the closure, fishing crews have been limited causing fishing trips to be delayed and in some cases cancelled.

Based on the CARES Act eligibility requirements, this plan identifies potential fishery participants by fisheries sector, develops a general allocation per sector based on its contribution to the AS economy, details criteria for eligibility and lists requirements for application requirements for proposals.

## GENERAL ALLOCATION

CATEGORY	Original Allocation	Proposed/Amended re-allocation
Fish Processors	\$ 800,000	0
Fishing Businesses - (Longline, Alias)	\$ 1,300,000	\$ 1,970,000
Subsistence Fishermen	\$ 200,000	\$ 415,000
Fish Dealers	\$ 73,507	\$ 0
Charter Fishing	\$ 50,000	\$ 50,000
Aquaculture	\$50,000	\$ 0
IDC 2%	\$ 51,100	\$ 51,100
Administrative Cost	\$ 0	\$ 38,507

**Table 1.** Original allocation and the new allocation of Funds per Category.

The general allocation illustrated above is based on the general contribution of each sector to American Samoa's economy. The allocation provides guidance needed to ensure each participant eligible in each sector is able to receive financial assistance once all requirements are satisfied. These numbers are subject to change based on the amount of assistance requested by each of the eligible participants.

CATEGORY	Spend Plan	Funds Spent based on submissions	Proposed/Amended re-allocation (Unspent funds)	Variance
Fish Processor	800,000	0	0	0
Fishing Businesses; Longliners/Alias	1,300,000	900,000	1,070,000	1,970,000
Subsistence Fishermen	200,000	200,000	215,000	415,000
Fish Dealer(s)	73,507	0	0	0
Charter Fishing	50,000	50,000	0	0
Aquaculture	50,000	0	0	0
IDC 2%	51,100	51,100	0	0
Admin costs (supplies, labor etc.)	0	0	38,507	38,507
<b>TOTALS</b>	<b>2,524,607</b>	<b>1,201,100</b>	<b>1,323,507</b>	

**Table 2.** Re-allocation proposal for unspent funds per category after submissions were made by the deadline for submissions.

\*\* Based on approved applications submitted per category, a total of \$1,323,507.00 was deemed unspent and the table above illustrates DMWR's proposal to reallocate this amount. About 81% of the unspent funds will be reallocated to the Fishing Business category (\$910,000 for Longliners: \$160,000 for Alias), about 16% is proposed for the Subsistence Fishermen category and the remaining 3% is proposed for administrative costs acquired by DMWR essential to completing the application process for these funds.\*\*

The DMWR is proposing the Administrative costs to cover additional expenses and labor that was vital to effectively facilitating the CARES Act application process from start to end.

## **MECHANISM FOR DISBURSING OF FUNDS**

All applications for assistance will be reviewed by a Review Committee. The committee will be made up of representatives from the American Samoa's Governor's Office, the American Samoa Fishery Task Force, AS Department of Commerce and the AS Department of Marine and Wildlife Resources.

All assistance will be disbursed to eligible participants in the form of Direct Payment. Each participant's actual losses will be divided by the total economic loss in a particular sector to determine the percentage they can receive from the total sector allocation.

For eligible fish processors, dealers, fishing businesses, charter fishing and aquaculture operations, direct payments will be proportionately based on the claim as identified in their application. For all subsistence and cultural ceremonial applicants, direct payment will be split evenly. Eligible participants can only apply to one sector.

Individuals will not be made more than whole when the combination of their traditional revenue, 12005 assistance, and any other COVID related assistance is compared to their previous 5 year average annual revenue

After Direct payments are distributed, DMWR will not monitor any spending activities of these funds.

Once all applications have been reviewed by the Review Committee, it will take up to 22 business days after the deadline to process the decision and make the recommendation to the Pacific States Marine Fisheries Commission for fund disbursement. The recommendation will be made to the Pacific Commission to ensure all requirements of the CARES Act P.L. 116-136 section 12005 are fully satisfied. The Commission will endorse the recommendations or make the necessary changes as they deem appropriate and notify the Review Committee based in AS. The Committee will notify DMWR who will then notify the successful participants via email contact information provided in the application.

All funds will be disbursed by the Pacific States Marine Fisheries Commission, along with associated tax records. The information on the application of each successful participant will be provided to the Commission to assist in the disbursement of the funds.

## **FISH PROCESSOR CRITERIAL FOR ELIGIBILITY**

For this sector, the amount of direct payment received will be proportionately based on a participant's total losses compared to the total sector economic loss. After identifying potential fish processors, DMWR determined that the maximum amount that can be requested by the participant is about \$800,000. To be fully eligible as a fish processor, documentation that supports the following is needed:

- ✓ Verification of any COVID-assistance received and the amount.
- ✓ Verification that the business incurred greater than 35% or greater fishery-related economic loss in the period between April – September 2020 as compared to the previous 5-year period

- ✓ Annual Financial Fishery-related Revenue from October 2015 to September 2020
- ✓ Copy of the Business License
- ✓ Proof of Residency

## **FISHING BUSINESS CRITERIA FOR ELIGIBILITY**

For this sector, the amount of direct payment received will be proportionately based on a participant's total loss compared to the total sector economic loss. After identifying potential fishing businesses, DMWR determined that the maximum amount that can be requested per participant is \$80,000 for Longline businesses and \$20,000 for the Alia businesses (less than 40ft fishing vessels). This cap is based on the total allocation for this sector divided by the potential number of local longliners and alia businesses eligible.

To be fully eligible as a fishing business, documentation that supports the following is needed:

- ✓ Verification of any COVID-assistance received and the amount.
- ✓ Verification that the business incurred greater than 35% fishery-related economic loss in April – September 2020 as compared to the previous 5-year period
- ✓ Annual Financial Fishery-related Revenue from October 2015 to September 2020.
- ✓ Copy of the Business License, boat registration, and fishing license
- ✓ Proof of fishing activity at least once every year within the last 3 years
- ✓ For longline boats, a copy of the US Federal Permit
- ✓ Proof of Residency

## **SUBSISTENCE/CULTURAL/CEREMONIAL FISHERMEN CRITERIA FOR ELIGIBILITY**

For this sector, DMWR is proposing direct payment evenly split to eligible participants. There are two categories in this sector – Individual and Group. Some of the subsistence and cultural fishing practices are done in groups. For example the gathering of the akule (bigeye scad) in some villages are conducted by the whole village. Below are the criteria for eligibility.

Individual - \$1000.00

- ✓ Proof of Residence
- ✓ Written testament of the negative impacts on subsistence/ceremonial fishing activities due to COVID-19
- ✓ 2 notarized letters of support for subsistence fishing activities

Group (more than 5 individuals) – \$2000.00

- ✓ Photos of fishing activities at least once every year in the last 3 years

- ✓ Written testament of negative impacts on subsistence/ceremonial fishing activities due to COVID-19
- ✓ 2 notarized letters of support for fishing activities

### **FISH DEALER CRITERIA FOR ELIGIBILITY**

For this sector, the amount of direct payment received will be proportionately based on a participant's total losses compared to the total sector economic loss. To be fully eligible as a fish dealer, documentation that supports the following is needed:

- ✓ Verification of any COVID-assistance received and the amount.
- ✓ Verification that the business incurred greater than 35% fishery-related economic loss in April – September 2020 as compared to the previous 5-year period
- ✓ Annual Financial Fishery-related Revenue from October 2015 to September 2020.
- ✓ Copy of the Business License
- ✓ Proof of Residency

### **CHARTER FISHING BUSINESS CRITERIA FOR ELIGIBILITY**

For this sector, the amount of direct payment received will be proportionately based on a participant's total losses compared to the total sector economic loss. To be fully eligible as a charter fishing business, documentation that supports the following is needed:

- ✓ Verification of any COVID-assistance received and the amount.
- ✓ Verification that the business incurred greater than 35% economic loss in April – September 2020 as compared to the previous 5-year period
- ✓ Annual Financial Revenue from October 2015 to September 2020.
- ✓ Copy of the Business License
- ✓ Proof of Residency

### **AQUACULTURE OPERATIONS**

For this sector, the amount of direct payment received will be proportionately based on a participant's total losses compared to the total sector economic loss. To be fully eligible as an aquaculture operation, documentation that supports the following is needed:

- ✓ Verification of any COVID-assistance received and the amount.
- ✓ Verification that the business incurred greater than 35% economic loss in April to September 2020 as compared to the previous 5-year period
- ✓ Annual Financial Revenue from October 2015 to September 2020.
- ✓ Copy of the Business License
- ✓ Proof of Residency

### **APPLICATION REVIEW AND APPROVAL**

Applications need to be submitted to DMWR by 4:00pm December 31 , 2020. Submissions will be accepted and stamped for verification purposes. Applications will be reviewed and ranked by a Review Committee based on the requirements listed in each sector section a participant is applying as. The participant can only apply under one sector for assistance.

Required documents needed for submission are official documents issued by the government including ID's, business licenses etc. DMWR will be able verify official stamps and signatures from relevant ASG issuing agencies.

ALL APPLICATIONS SHOULD BE SUBMITTED BY DECEMBER 30, 2020.

ABSOLUTELY NO APPLICATIONS WILL BE ACCEPTED AFTER THE DESIGNATED DEADLINE.

### **APPLICATION DEADLINES**

Call for Application: October – December 2020

Application Review: December – January 2021

Appeals Process and Response: January 2021

#### Application Timeline

- Application Review process 22 business days after deadline
- Applicants have 7 business days from disapproved date to appeal.
- Appeal Review within 7 business days from date stamped received.
- Decision is rendered depending on review.
- **Applications submitted after the deadline will not be considered.**

#### Appeal process

- All appeals should be addressed to DMWR Director
- Applicants have 7 business days from the date of application disapproval to respond in writing addressing reasons why application was disapproved.
- **Appeals submitted after the deadline will not be considered.**