

Connecticut DEEP Marine Fisheries Program
Connecticut Cares Act Aid to Fishery Participants (CAAFP) Round 2
Frequently Asked Questions

This document is intended to address anticipated questions regarding the Connecticut CAAFP Round 2 aid process and is tailored to the sectors regulated by DEEP (commercial fishing, for-hire fishing, and seafood dealing/wholesaling/processing). The first two sections of the document provide general information about the second round of the CT CAAFP aid program and the application process. The remaining sections address specific sections of the aid application. We hope this will be a useful reference for you as you complete your CT CAAFP Round 2 application.

General Information

1. *What was the total amount of aid allocated to Connecticut in the second round of CAAFP?*

The total second round CAAFP allocation to CT was \$3,000,000.00. NOAA and ASMFC will retain 1.125% (\$40,388) for overhead costs associated with administration of the funds, yielding a revised total of \$2,959,612 for disbursement to qualified CT aid recipients. DEEP and DOAG have instructed ASMFC to hold 5% (\$147,981) of the revised aid total in reserve to cover any appeals (any of the funds set aside for appeals that are not ultimately used for that purpose will be distributed to second round aid recipients; see pg. 16 of the spend plan for more details). After accounting for the appeals set-aside, a total of \$2,811,631 is available for immediate disbursement to qualified applicants.

2. *Where can I find the second round CT CAAFP spend plan and application materials?*

The second round spend plan and application materials can be found on the CT DEEP CARES web page: <https://portal.ct.gov/DEEP/Fishing/Commercial/CT-CARES-Act-Assistance-to-Fisheries-Participants>

3. *What changes were made for the second round of the CT CAAFP aid program relative to the first round in 2020?*

Five primary changes were made for the second round:

- The second round of the CAAFP aid program will allow applicants greater flexibility in choosing the period over which they claim losses. Applicants may claim losses during Feb. 1 – Dec. 31, 2020 and/or Jan. 1 – Sept. 30, 2021; applicants may also claim losses over only a subset of months within those periods rather than the whole period if they desire (note: this is for commercial fishing, for-hire fishing, and seafood dealing/wholesaling/processing sectors only; aquaculture applicants will be able to claim losses during March 1 – Dec. 31, 2020 and must consider revenues/losses over that entire period). See page 7 of the second round spend plan for more details.
- DOAG chose to use a substantially revised approach for allocation and distribution of second round CAAFP aid for the aquaculture sector, while DEEP chose to use the same allocation/distribution process as in the first round for the commercial fishing, for-hire

fishing, and seafood dealing/wholesaling/processing sector. To facilitate this divergence in approach, the overall pool of available aid funds was split “up front” between the aquaculture vs. commercial/for-hire/seafood dealing sectors. A total of \$750,000 of available funds was allocated to the aquaculture sector; the remaining \$2,061,631 was allocated to the commercial fishing, for-hire fishing, and seafood dealing/wholesaling/processing sectors. See pages 9-16 of the second round spend plan for more details.

- For the second round, aquaculture applicants will use a dedicated application form for that sector. Applicants for the commercial fishing, for-hire fishing, and seafood dealing/wholesaling/processing sectors will use another application form that accommodates all three sectors. Any applicants applying for aid under the aquaculture sector in addition to one or more of the other three sectors will need to fill out both application forms. All applicants will only need to complete one application affidavit, regardless of which/how many sectors they are applying for.
- For the second round, qualified commercial fishing, for-hire fishing, and seafood dealing/wholesaling/processing applicants can choose to have their aid disbursement made out/sent to a business that they own/operate, rather than to them in name.
- DEEP has implemented an exception to the qualifying history requirement for the commercial fishing sector. If an applicant under the commercial fishing sector meets the qualifying license and income requirements but not the qualifying history requirement, and owns a commercial fishing vessel that held a Connecticut Commercial Fishing Vessel Permit and landed seafood in Connecticut in at least three of the five years during 2015-19, then they may qualify for CAAFP aid. See page 6 of the spend plan for more details.

4. *Does the “35% rule” still apply for the second round of CAAFP aid?*

Yes. All applicants must self-certify by completing and signing the application affidavit that they have incurred a revenue loss greater than 35% in the 2020 and/or 2021 loss period, relative to average revenue during the same period in 2015-19. For example: if a for-hire fisherman earned on average \$60,000 in revenue during May 1 – Nov. 30 in 2015-19, they would not qualify for aid to offset losses during May 1 – Nov. 30 2020 if they earned \$39,000 or more in revenue during that period ($\$60,000 - \$39,000 = \$21,000$, $\$21,000 = 35\%$ of \$60,000, loss must be greater than \$21,000 to qualify for aid).

5. *Do applicants have to consider their first round CAAFP aid payment as “revenue” for 2020 when determining whether they incurred a revenue loss greater than 35% in 2020?*

No. Per NOAA guidance, any federal COVID-19 related aid that an applicant received/receives in 2020 or 2021, including first round CAAFP aid payments, is not considered “revenue” for purposes of determining whether an applicant has incurred a revenue loss greater than 35% relative to 2015-19. However, any federal COVID-19 related aid received (including CAAFP aid payments) must be considered when an applicant determines whether they have been made “more than whole” for a calendar year (see #6 below).

6. *Does the “more than whole” restriction still apply for the CAAFP aid program?*

Yes. Per NOAA guidance, no CAAFP aid recipient may be made “more than whole” in 2020 and/or 2021 by COVID-19 related federal aid programs, relative to their average annual sector revenue from 2015-2019. For example: if a commercial fisherman earned on average \$80,000 in annual revenue from commercial fishing in 2015-19, but earned \$30,000 in 2020, any federal COVID-19 related aid they receive in excess of \$50,000 to offset 2020 revenue losses would make them “more than whole” for 2020. The responsibility for determining whether a federal aid recipient has been made “more than whole” for a calendar year falls on the aid recipient themselves. Any CAAFP aid recipient who determines that they have been made “more than whole” for 2020 or 2021 by virtue of receiving CAAFP aid should contact ASMFC for information on how they can return CAAFP aid funds. Note that any first round CAAFP aid payments, even if they were received in 2021, constituted aid to offset 2020 losses and should therefore be considered as part of a 2020 “more than whole” calculation.

In an attempt to minimize the probability of making second round applicants “more than whole” for 2020 by virtue of receiving second round CAAFP aid payments, DEEP may subtract first round CAAFP aid payments from 2020 losses claimed by a second-round applicant before determining the amount of their second-round aid payment (see pg. 7 of the spend plan for more details, also see #16 below for an example).

7. *Are CAAFP aid funds I receive considered taxable income?*

Yes. Any aid disbursement you receive as part of the CAAFP aid program is considered taxable income by the federal government. Aid recipients will receive a 1099 tax form from ASMFC ahead of next year’s tax filing deadline.

Application Process

8. *How do I apply for second round Connecticut CAAFP aid?*

If you are applying under the commercial fishing, for-hire fishing, or seafood dealing/wholesaling/processing sector(s), obtain the application for these three sectors and application affidavit from the CT DEEP CARES web page at: <https://portal.ct.gov/DEEP/Fishing/Commercial/CT-CARES-Act-Assistance-to-Fisheries-Participants>. Complete the application, complete and sign the application affidavit, and provide the required supporting documentation (see Section 6 of the application for details on supporting documents).

If you are applying under the aquaculture sector, obtain the aquaculture sector application and application affidavit from the CT DEEP CARES web page at: <https://portal.ct.gov/DEEP/Fishing/Commercial/CT-CARES-Act-Assistance-to-Fisheries-Participants>. Complete the application, complete and sign the application affidavit, and provide proof of CT residency.

9. *What if I am applying for the aquaculture sector in addition to one or more other sectors?*

You will need to complete an aquaculture sector application (which will be processed by DOAG) as well as an application for the other sector(s) (which will be processed by DEEP). You are only required to submit one application affidavit (i.e., there is not a separate/distinct application

affidavit for aquaculture vs. the other three sectors; all four sectors are using the same application affidavit document).

10. *Where do I send my application materials?*

Application materials should be e-mailed to CTCARES@asmfc.org

Alternately, if you are unable to submit your application materials by e-mail, you may send them via U.S. mail to:

Atlantic States Marine Fisheries Commission
ATTN: Laura Leach
1050 N. Highland Street, Suite 200A-N
Arlington VA 22201

HOWEVER - we strongly encourage applicants to submit their application materials via e-mail.

Applications submitted via U.S. mail were problematic during the first round CAAFP aid process (delayed delivery, applications lost in the mail). If you choose to submit your application via U.S. mail, please contact the DEEP Marine Fisheries Program to let us know, so that we can let ASMFC know to expect your application. You can reach us at 860-434-6043, Mon-Fri, 8:30 - 4:30.

11. *When is the application deadline?*

All applications must be received or postmarked **BY NOVEMBER 19, 2021.**

12. *Can I apply as a business instead of an individual?*

Applicants for the commercial fishing, for-hire fishing, and seafood dealing/wholesaling/processing sectors must apply as an individual but may choose to have their aid disbursement made out/sent to a business they own/operate, rather than to them in name.

13. *What if I have a Connecticut commercial fishing license, and own a commercial fishing vessel that lands seafood in Connecticut, but I have not landed seafood in Connecticut under my commercial fishing license in recent years?*

To address this situation, DEEP has added an exception to the qualifying history requirement under the commercial fishing sector. If an applicant under the commercial fishing sector meets the qualifying license and income requirements but not the qualifying history requirements, and owns a commercial fishing vessel that held a Connecticut Commercial Fishing Vessel Permit and landed seafood in Connecticut in at least three of the five years during 2015-19, then that applicant may qualify for CAAFP aid. See page 6 of the spend plan for more details.

14. *Can I apply for aid for both the 2020 and 2021 loss periods?*

Yes. Applicants can apply for aid for one or both of the loss periods in 2020 and 2021 and may choose a subset of the months during each loss period rather than considering the whole period if they wish (commercial fishing, for-hire fishing, and seafood dealing/wholesaling/processing sectors only).

15. *Do I include aid I received during the first round of CAAFP when calculating my 2020 revenue?*

No. If an applicant received a first round CAAFP aid disbursement(s), the applicant does **not** need to consider first round CAAFP aid disbursement(s) as "revenue" when calculating their

fishery-related revenue loss in 2020 (but please see #6 above concerning the annual “more than whole” restriction).

16. *Can I apply for aid to offset losses during Feb. 1 – July 31, 2020 in the second round if I received a first-round CAAFP aid disbursement to offset losses during that same period?*

Yes. You may apply for aid in the second round to offset 2020 losses incurred during a period that overlaps with the first-round CAAFP loss period (Feb. 1 – July 31, 2020). However, the amount of your first-round disbursement(s) will be deducted from your stated loss before determining the second-round disbursement you qualify for.

For example: if a second-round applicant claims a loss of \$50,000 during February 1 – December 31, 2020 (which overlaps with the first-round CAAFP loss period) and they previously received a first-round CAAFP aid disbursement of \$20,000, the maximum second-round aid disbursement they could receive would be \$30,000. If a second-round applicant applies for aid to offset losses incurred during a 2020 period that only partially overlaps with the first-round loss period (e.g. if a second-round applicant applies to offset losses incurred during June 1 – Dec. 31, 2020, which only overlaps the first round loss period by two months), the amount of their first-round disbursement will be deducted from their stated loss on a per-month pro-rated basis (e.g. for a two-month overlap, 1/3 of their first round aid payment would be deducted from their stated loss, as two months = 1/3 of the 6-month first round loss period).

17. *What do I need to submit in addition to my completed application?*

Applicants must submit a completed application, a completed and signed application affidavit, as well as the supporting documents listed in Section 6 of the application.

18. *What are acceptable forms of proof of CT residency?*

A photocopy of your Connecticut Driver’s License or other state-issued photo identification, or a photocopy of your U.S. passport. If you do not possess one of these forms of identification, please contact the DEEP Marine Fisheries Program at deep.marine.fisheries@ct.gov to discuss other means of proving state residency.

Top Section of Application: Personal and Business Information

19. *Why am I being asked for the Federal Employer Identification Number (EIN) for my business?*

If you wish to have your aid payment made out/sent to your business, per NOAA you must provide the Federal EIN for your business for tax purposes (see #7 above). If you do not wish to have your aid payment made out to your business, but rather to you personally, then you do not need to provide your business’s Federal EIN.

Section 1a of Application: Revenue Loss in 2020

20. *Do I have to claim revenue losses over the whole loss period in 2020 (Feb. 1 – Dec. 31)?*

No. If you wish, you can select a subset of months within the 2020 loss period. For each sector you are applying for, please select the months over which you are claiming an aggregate revenue loss in excess of 35%. For example, if you are applying under the seafood dealing sector, and incurred a total revenue loss in excess of 35% during Feb – Oct. 2020, you would check the boxes for those months in the “Seafood Dealing” row.

21. *How do I determine my average revenue for 2015-2019 for Row A in the table?*

For each sector you are applying under, you will need to determine your average revenue during 2015-2019 for the same months you selected in the area above the table.

To extend the example from #20 above: if you are applying for aid to offset seafood dealing losses incurred during Feb – Oct. 2020, you will need to calculate your total revenue earned during those same months in each year of 2015-19, then take an average of the 5 revenue estimates, and then enter that number under “Seafood Dealing” in Row A of the table. Exceptions apply, see pg. 6 of the spend plan for more details.

22. *Will I qualify for aid to offset 2020 losses?*

To qualify for aid, your revenue loss during the 2020 period you are considering (i.e., the months you checked off above the table) must be greater than 35%.

If you are applying under only one sector, this means that your 2020 revenue loss (Row C in the table) must be more than 35% of your average revenue for the same period in 2015-19 (Row A in the table).

If you are applying under multiple sectors, then your 2020 revenue loss in aggregate across all sectors (the sum of your entries in Row C in the table) must be more than 35% of your aggregate average revenue for the same period in 2015-19 (the sum of your entries in Row A in the table).

Section 1b of Application: Revenue Loss in 2021

23. *Do I have to claim revenue losses over the whole loss period in 2021 (Jan. 1 – Sept. 30, 2021)?*

No. If you wish, you can select a subset of months within the 2021 loss period. For each sector you are applying for, please select the months over which you are claiming an aggregate revenue loss in excess of 35%. For example, if you are applying under the for-hire fishing sector and incurred a total revenue loss in excess of 35% during May – Sept. 2021, you would check the boxes for those months in the “For-Hire” row.

24. *How do I determine my average revenue for 2015-2019 for Row A in the table?*

For each sector you are applying under, you will need to determine your average revenue during 2015-2019 for the same months you selected in the area above the table.

To extend the example from #23 above: if you are applying for aid to offset for-hire fishing losses incurred during May – Sept. 2021, you will need to calculate your total revenue earned during those same months in each year of 2015-19, then take an average of the 5 revenue estimates, and then enter that number under “For-Hire” in Row A of the table. Exceptions apply, see pg. 6 of the spend plan for more details.

25. *Will I qualify for aid to offset 2021 losses?*

To qualify for aid, your revenue loss during the 2021 period you are considering (i.e., the months you checked off above the table) must be greater than 35%.

If you are applying under only one sector, this means that your 2021 revenue loss (Row C in the table) must be more than 35% of your average revenue for the same period in 2015-19 (Row A in the table).

If you are applying under multiple sectors, then your 2021 revenue loss in aggregate across all sectors (the sum of your entries in Row C in the table) must be more than 35% of your aggregate average revenue for the same period in 2015-19 (the sum of your entries in Row A in the table).

Section 2 of Application: Qualifying Licenses

26. Do I have a qualifying license?

See pages 3-4 of the spend plan for a list of qualifying licenses under each sector. To apply for aid to offset losses in 2020, you must have held one of these licenses in 2019 and 2020. To apply for aid to offset losses in 2021, you must have held one of these licenses in 2019 and 2021. If you have questions about your commercial fishing, for-hire fishing, or seafood dealing license status in any year, please contact the DEEP Marine Fisheries Program. If you have questions about your aquaculture license status, please contact DOAG Bureau of Aquaculture.

Section 3 of Application: Qualifying History

27. What history of sector activity do I need to qualify for aid?

Commercial fishing: you must have reported fishing effort and landings in Connecticut associated with a qualifying license in at least three years during 2015-2019. Exceptions apply, see page 6 of the spend plan for more details.

Seafood dealing/wholesaling/processing: if you hold a Connecticut Seafood Dealer License, you must have reported the purchase of seafood landed in Connecticut in at least three years during 2015-2019. If you do not hold a Connecticut Seafood Dealer License but own/operate a business that engages in seafood dealing/wholesaling/processing in Connecticut, then you must self-certify by completing and signing the application affidavit that the business you own/operate engaged in seafood dealing/wholesaling/processing in Connecticut in at least three years during 2015-2019. Exceptions apply, see page 6 of the spend plan for more details.

Because there are no fishing effort/landings reporting requirements for for-hire fishing in Connecticut, there is no qualifying history requirement for that sector.

Section 4 of the Application: Qualifying Income

28. What is the qualifying income requirement?

To qualify for CAAFP aid under a given sector, you must have earned at least 20% of your annual personal income (i.e., income reported on your personal federal income tax filing – your gross “take home pay”) from participation in that sector in at least three of the five years during 2015-19. Exceptions apply, see pg. 6 of the spend plan for details. You are required to self-certify your statement that you meet the personal income requirement by completing and signing the application affidavit. No supporting documentation relative to personal income is required.

29. On the application, how do I indicate that I meet the qualifying income requirement?

Under Section 4 (Qualifying Income) on the application, check off the years in which you earned at least 20% of your annual personal income from participating in each sector for which you are applying.

30. *Why is there also a portion of Section 4 asking whether I earned at least 50% of my annual personal income on average from the sector(s) I am applying under?*

The spend plan uses a scaled disbursement approach that will provide larger aid payments to applicants who earned on average 50% or more of their personal income from participation in a sector. So – you are being asked whether you earned at least 20% of your annual personal income from a sector to determine whether you meet the qualifying income requirement, and then being asked if you earned 50% or more of your annual personal income from a sector to see if you qualify for a larger aid disbursement. If you earned on average at least 50% of your annual personal income from a sector that you are applying for, please check “Yes” in the table in Section 4. See page 5 and pages 9-16 of the spend plan for more details.

31. *Do I need to complete both portions of Section 4 if I earned 50% or more of my annual personal income from the sector(s) I am applying for?*

Yes. Please complete both portions of Section 4 even if you fall into the “50% or greater” category (i.e., please check off the years in which you met the minimum 20% personal income requirement in the first table, and also check “YES” as appropriate in the second table).

Section 5 of the Application: Qualifying Vessels

32. *What supporting documentation do I need to provide for my qualifying vessels?*

Commercial fishing: Proof of ownership of vessels that held a 2019 Connecticut Commercial Fishing Vessel Permit as well as a 2020 and/or 2021 Connecticut Commercial Fishing Vessel Permit (depending on whether you are applying for aid to offset losses in 2020, 2021, or both years). DEEP will accept corporate ownership documents, USCG Certificates of Inspection, or CT DMV registration documents as proof of ownership.

For-Hire Fishing: Proof of ownership of vessels that held a 2019 Connecticut Party/Charter Registration as well as a 2020 and/or 2021 Connecticut Party/Charter Registration (depending on whether you are applying for aid to offset losses in 2020, 2021, or both years). DEEP will accept corporate ownership documents, USCG Certificates of Inspection, or CT DMV registration documents as proof of ownership.