

## AK CARES Guide for Commercial Fishermen

### Do AK CARES funds need to be paid back?

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No. AK CARES is a grant program established to provide economic relief to small Alaskan businesses, including commercial fishermen, impacted by the COVID-19 public health emergency. Funds are disbursed as a grant, not a loan, and therefore do not need to be paid back.

### Where do I start?

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1. Determine eligibility (see below)
2. Review checklist and sample application (<https://www.commerce.alaska.gov/web/ded/AKCARESGrant>)
3. Gather supporting documentation for eligible expenses
4. Gather other required items (driver's license, permit card or CFEC printout, voided check)
5. Highlight eligible expenses to be claimed
6. Scan all documents to create digital files
7. Complete online application (paper application recently became available but severely slows the approval process; highly suggest seeking assistance with the online option)
8. Save completed application and supporting documentation for your records

### Am I eligible?

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Commercial fishermen impacted by COVID-19 who held and fished a Limited Entry Permit or Interim Use Permit issued by the Commercial Fisheries Entry Commissioner (CFEC) and meet the following criteria:

- Fishermen who held a Limited Entry Permit or Interim Use Permit in 2019 and 2020, including an embossed gear card, and participated in an open fishery that produced income in 2019.
  - 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.
  - Exception: Card holders who emergency transferred their permit in 2019, and are actively fishing in 2020 are eligible.
  - Exception: The temporary permit holder who held Limited Entry Permit(s) by emergency transfer are eligible.
- Fishermen who engage primarily in Alaskan fisheries.
- Fishermen whose primary business is commercial fishing. (*Modification is pending to lift this restriction as of 08/20/20; applications being accepted for those with commercial fishing as a secondary business, but will not be processed until the change is approved.*)
- Fishermen with, on average, 50 or fewer full-time equivalent employees.
- Fishermen that received a total of \$5,000 or less from the U.S. Small Business Administration (SBA) Paycheck Protection Program (PPP) or the SBA Economic Injury Disaster Loans (EIDL). (*Modification is pending to lift this restriction as of 08/20/20; applications being accepted for those over the limit, but will not be processed until change is approved.*)

#### **Not Eligible**

- Commercial fishermen who did not actively fish in 2019.
- Commercial fishermen that did not renew their permit and did not receive a gear card for 2020.

- Commercial fishermen who hold a permit for a fishery that was closed in 2019 and 2020.
- Commercial fishermen that emergency transferred their permit and did not actively fish themselves in 2019 and 2020.

## What documents do I need?

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### Fishing Expense Documentation

- 2019 Schedule C (pages 1 and 2) – used to document crew shares and net profit
  - Crew shares is an eligible expense
  - Net profit (captain income) is an eligible expense
  - Net loss is not an eligible expense
- 2020 settlement sheet
- 2020 out of pocket expenses
  - Credit card statements
  - Bank statements
  - Invoices/receipts
  - Expenses \$2,500 and greater must have accompanying invoice/receipt
- 2020 lender statement for fishing loan (vessel, permit, etc.)
  - PLP/VAP participants should use invoice from lender with full payment amount
- 2020 unpaid store accounts for fishing expenses
- 2020 estimates for unpaid fishing expenses

### General Items

- Copy of permit embossed gear card or CFEC printout (evidence of permit)
- Copy of driver's license
- Copy of a voided check

## What expenses are eligible?

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- Payroll
  - Crew shares (use larger amount paid 2019 or 2020; must be documented)
  - Net profit (2019 Schedule C)
- Short Term Debt – 2020 fishing expenses
  - Fuel
  - Food
  - Vessel repairs (maybe)
  - Supplies
  - Travel
  - Cell Phone (business expense)
  - Maintenance
  - Vessel launch/haul out
- Rent or Mortgage
  - Vessel or permit loan payments
  - Vessel or permit lease payments
  - Vessel moorage, dunnage or storage
- Equipment
  - Equipment vital to continue standard operation of business as it was before COVID-19, or necessary for adapting to amended business operations during or after COVID-19
- Ineligible expenses
  - Insurance premiums
  - Fish company advances
  - Government fees such as CFEC renewal fees, property tax and income tax
  - Business expenses claimed or paid by other assistance programs