



July 19, 2018

Randy Fisher
Executive Director
Pacific States Marine Fisheries Commission
205 SE Spokane Street, Suite 100
Portland, OR 97202

Dear Mr. Fisher,

The State of California has developed a proposed spending plan for the distribution of the disaster funds allocated by Congress for the 2015/2016 fishery disasters for Dungeness and rock crab due to a harmful algal bloom. The proposed spending plan is based on, and consistent with, the guidance provided by NOAA in their notification letter dated June 21, 2018. The proposal was created with significant input by the impacted fisheries and is outlined below:

- 10% for mitigation. This portion of the fund will be used for competitive research grants and to expand capabilities and infrastructure for monitoring and testing for harmful algal blooms. The competitive research grants will be aimed at strengthening our understanding of the ecology and environmental dynamics of harmful algal blooms, with particular focus on *Pseudo-nitzschia* spp. The development and implementation of a robust testing program will help ensure safe crab enter the market and minimize loss of fishing grounds and impacts to the fisheries. The State will also consider funding a fishing industry organization to provide guidance and communication with the fleets to better prepare for, and respond to, future issues related to harmful algal blooms. Included in this allocation is the recovery of lost landing fees to the State, which would be no more than 0.1% of the total disaster fund.
- 89% for direct payments to impacted fishermen, processors/buyers, and commercial passenger fishing vessels (CPFV). These direct payments will help support struggling fishing families and communities that were not able to foresee, and therefore plan for an unexpected fishery closure. Direct payments will help with debt management and build resiliency within these local fishing communities that are recognized by NOAA as being at risk¹. Allocations between sectors will predominantly be based on an economic analysis of available data. Minimum

¹ www.pcouncil.org/wp-content/uploads/2018/05/E4_Att5_App_B_YE_June2018BB.pdf (pg. 89-91, 98)

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qualifying criteria for payments will be established by those either holding a Dungeness or rock crab fishing permit, processor/buyer license, or a CPFV license during the 2015/2016 fishing season. Informed by feedback from the industries, direct payments will be calculated using some combination of landing receipts, CPFV logs, and/or percentage allocation among qualifying individuals.

- 1% for PSMFC overhead.

The Department looks forward to assisting you with this process and any other information needs you have. If you have any questions or comments, please contact Dr. Craig Shuman, Marine Regional Manager, at (916) 445-6459 or by email at Craig.Shuman@Wildlife.ca.gov.

Sincerely,



Charlton H. Bonham
Director

ec: Craig Shuman, D. Env. Regional Manager
Marine Region
Craig.Shuman@Wildlife.ca.gov

Sonke Mastrup, Environmental Program Manager
Marine Region
Sonke.Mastrup@Wildlife.ca.gov