



# **Northern Red Urchin Fishery Disaster Relief: Proposed Spending Plan**

**California Department of Fish and Wildlife  
Public Webinar  
April 17, 2020**

# Topics Covered in this Presentation

1. Disaster relief steps
2. NOAA and CDFW Spending Plan guidance
3. Considerations for developing a Spending Plan
  1. Proposed allocation of funds
    - Mitigation/Restoration
    - Direct payments to fishermen and buyers (processors/receivers)
  2. Qualifications of individuals and calculating direct payments
4. Next steps

# Disaster Relief Steps - Completed

- ✓ Request for disaster relief for statewide fishery rejected (Sept 2018)
- ✓ Submitted request for disaster relief funds for northern fishery (Feb 2019)
- ✓ NOAA approved disaster request for northern fishery (Oct 2019)
- ✓ Disaster award announced for northern fishery (Feb 2020) - **\$3,329,343**
- ✓ CDFW provided overview on disaster funds to California Sea Urchin Commission (March 2020)

# Disaster Relief Steps - In Progress

- CDFW prepare Spending Plan with public input by **April 22, 2020**
- Submit Spending Plan by May 1, 2020
- Spending Plan Approval
- Fund award released with disbursement through PSMFC
  - Applications sent via PSMFC
  - Payment of completed applications

# NOAA and CDFW Guidance on Disaster Relief Funds

## National Oceanic and Atmospheric Administration (NOAA)



Address range of fishery impacts

Encourages use of funds for MITIGATION  
(activities that restore the fishery or prevent  
a similar future failure)

Assist fishing communities affected by failure

Strengthen long-term economic and  
environmental sustainability of the fishery  
(e.g., habitat restoration, research, capacity  
reduction, etc.)

## California Department of Fish and Wildlife (CDFW)



Emphasis on funding MITIGATION

If direct payments to divers and businesses,  
use the most simplified calculation possible

- Ensure better chances for approval by PSMFC/NOAA
- Will help streamline the spending process and expedite payments

# Key Questions for Industry

1. What proportion of disaster funds should be allocated between mitigation and direct payments?
2. How should payments be divided between fishing sectors (fishermen versus buyers)?
3. What criteria should be used to determine eligibility?
4. How to split up the money within sectors?

# Department of Fish and Wildlife Proposal

## Allocation of Funds

Category	Percentage	Amount
Mitigation/Restoration	30%	\$998,803
Direct Payments	69%	\$2,297,247
PSMFC Overhead	1%	\$33,293
		Total=\$3,329,343

## Breakdown of Direct Payments

Category	Percentage	Amount
Fishermen	66%	\$1,516,183
Buyers	34%	\$781,064
		Total=\$2,297,247

# Proposals for Mitigation/Restoration

**Spending plan must include general theme for how these funds will be used**

- Specific projects not required in spending plan

## **Kelp Forest Restoration Possibilities:**

- Funding commercial fishermen to remove purple urchins
- Testing methods for urchin removals (e.g., purple urchin trapping)
- Continuing yearly urchin larvae brush studies and/or adding more sites in northern California
- Establishing water quality monitors (i.e. temperature, oxygen, etc.)
- Others?

# Determining Qualification for Direct Payments

## Qualification Criteria for Fishermen (n=53):

- 1) Held a sea urchin diver permit in **2016 or 2017**
- 2) Made minimum landings of **1,000 cumulative pounds** of red sea urchin at **northern** California ports (north of Monterey/San Luis Obispo county line) from **2011-2015**

## Qualification Criteria for Buyers (n=9):

- 1) Held a fish business license in **2016 or 2017**
- 2) Received minimum of **1,000 cumulative pounds** of red sea urchin at **northern** California ports (north of Monterey/San Luis Obispo county line) from **2011-2015**

# Options Considered for Calculating Disbursement of Direct Payments

Activity Baseline	CDFW Decision	Reasoning
Use disaster years 2016-2017 landings	NO	May not reflect pre-disaster activity and individuals affected by the disaster
Best two years of landings for 3- or 5-year span	NO	More complicated and may not represent loss to individuals more dependent on the fishery for consecutive years
Cumulative landings from 2013-2015	NO	Excludes individuals that were active prior to loss of kelp starting in 2013 -2014
Cumulative landings from 2011-2015	YES	More representative and inclusive of fishermen. Similar baseline to other fishery disasters

# Options Considered for Calculating Disbursement of Direct Payments

- Definitions of Options

- 1. Equal Sharing**-each individual gets the exact same amount regardless of landings history. Could include setting aside a portion to reimburse permit fees.
- 2. Proportional Sharing**-individual's proportion of landings compared to group. This ratio is used in the final calculation to determine dollar amount. For example, fisherman #1 landed 2.2% of all sea urchin landings during qualification years. This individual would receive 2.2% of the direct payment funds allocated to fishermen (2.2% of \$1,500,000=\$33,000).
- 3. Weighted Tiers**-individuals are grouped in tiers based on a shared range of landings and everyone in that group receives the same amount.

# CDFW Proposal for Sharing Options

## Fishermen

Sharing Option	CDFW Decision	Reasoning
(1) Equal	NO	Inequity of funds for individuals with higher participation in fishery during disaster years
(2) Proportional	NO	Funds skewed to top producers and does not maintain diversity of fleet or benefit fishery as a whole
(3) Weighted Tiers	YES	Funds distributed more uniformly and will help to maintain fleet diversity
(1c) Permit Reimbursement	YES	Reimbursing 2 years of sea urchin dive permit will give some relief to active divers in the northern fishery

## Buyers

Sharing Option	CDFW Decision	Reasoning
(1) Equal	NO	Top businesses received most of the red sea urchin
(2) Proportional	YES	Only reasonable option based on the small number of buyers
(3) Weighted Tiers	NO	Weighted tiers unreasonable due to small number of businesses receiving significant poundage of red sea urchin

## Estimated Disbursement using Weighted Tiers for FISHERMEN (Permit Reimbursement not included)

Cumulative Landings (lbs.) (2011-2015)	Qualified Permits (n=53*)	Disbursement per Permit
≥900,000	3	\$106,169
600,000-899,999	5	\$60,306
500,000-599,999	6	\$53,417
350,000-499,999	5	\$43,782
250,000-349,999	5	\$30,275
150,000-249,999	7	\$18,915
90,000-149,999	4	\$10,410
45,000-89,999	3	\$5,591
10,000-44,999	5	\$2,022
≥1,000-9,999	10	\$443

\*Qualifying permits subject to change

# Proportional Sharing for BUYERS

<b>Proportion (n=9)*</b>	<b>Disbursement per Permit</b>
Maximum (65.3%)	\$510,634
Minimum (0.01%)	\$49

**\*Qualifying buyers are subject to change**

# Department Seeking Feedback On....

- Percentages to mitigation (30%) and direct payment (69%)
- Qualification Criteria
  - Minimum poundage requirement (1,000 lbs. cumulative over 5 years)
  - Qualification years (2011-2015)
- Disbursement Options
  - Fishermen
    - Equal sharing of permit renewal fees
    - Weighted by Tier
  - Processors
    - Proportional by landings

# Next Steps

- **Potential Eligible Permittees, Individuals and Businesses:**
  - Ensure that CDFW contact information is up to date in permitting/licensing database. Marine Region staff can verify information, but individuals must contact License and Revenue branch staff to update information.
- **Deadline to submit comments on CDFW's proposed spending plan is  
April 22, 2020**

# Questions?

- Visit Sea Urchin Webpage for more information:

<https://wildlife.ca.gov/Conservation/Marine/Invertebrates/Sea-Urchin>

- Email comments and questions to [urchindisaster@wildlife.ca.gov](mailto:urchindisaster@wildlife.ca.gov)