March 25, 2020

The Honorable Nancy Pelosi Speaker of the House U.S. House of Representatives Washington, DC 20515

The Honorable Kevin McCarthy Minority Leader U.S. House of Representatives Washington, DC 20515 The Honorable Mitch McConnell Majority Leader U.S. Senate Washington, DC 20510

The Honorable Chuck Schumer Minority Leader U.S. Senate Washington, DC 20510

Re: Domestic Seafood Infrastructure

Dear Leader McConnell, Leader Schumer, Speaker Pelosi, and Leader McCarthy:

We write as participants in America's seafood supply chain, a critical component of the country's domestic food infrastructure and one of the major economic drivers in our country's coastal communities and states.

Empty restaurants, cafes, and dining halls are a visible reminder of the ongoing, unprecedented public health efforts to blunt the spread of COVID-19. The livelihoods of the chefs, cooks, servers, and other staff are obvious and direct casualties of those government efforts. The economic disruption caused by forced restaurant closures and active encouragement for Americans to "shelter in place," however, extend far beyond the food service sector.

There is a direct line from those temporarily shuttered businesses to the food distribution chain that supports them; the companies and workers who harvest, farm, prepare, process, package, and distribute the food products that we produce in our country. The Department of Homeland Security rightly recognized in its March 19 memorandum that seafood workers are "essential critical infrastructure workers" that warrant prioritization in government support to help protect and maintain our role in food security.

In the case of seafood, more than two-thirds (68%) of the \$102.2 billion that consumers paid for U.S. fishery products in 2017 was spent at food service establishments (as opposed to home consumption). As a result, in many fisheries, the sudden near shutdown of restaurants and other storefronts has caused demand to evaporate overnight, threatening the continued economic viability of the entire supply chain. This could mean the loss of tens of thousands of well-paying jobs. In those fisheries where demand remains intact, the greatest ongoing challenge will be to make sure employers have state and local support for undergoing testing, screening, and potential quarantine protocols needed to ensure a healthy workforce. Without workers, healthy and sustainable fisheries would produce only a fraction of their potential. Congress and the Administration must work with state and local governments in that regard.

As you have heard from other industries, supply chains cannot be turned on and off like a light switch. Once lost, a supply chain and the infrastructure that supports it can be exceptionally difficult and costly to restart. Failure to act boldly now to preserve our country's domestic seafood infrastructure will impose far greater costs on our economy and cause permanent damage to our nation's ability to harvest, farm, process, and distribute seafood products.

Though we write specifically on behalf of our country's seafood infrastructure, we expect that the bold actions we are suggesting would help stave off disaster for food supply industries as a whole. Our domestic food distribution network produces nearly \$700 billion in revenue annually, and employs nearly 1.5 million workers. The value of specialty crops annually is about \$65 billion, and the value of processed fish products is about \$12 billion annually. Food manufacturing tends to have relatively high payments to salaries and benefits compared with other food sector industries, with salaries and benefits accounting for half of the value added in food manufacturing.

Bipartisan efforts to keep Americans safe from COVID-19 and to deliver much-needed assistance to the most vulnerable among us are absolutely appropriate. We applaud the efforts of Congress to extend unemployment insurance and to address the needs of seniors, children, and other vulnerable Americans. However, with an uncertain timeline ahead of us in this crisis, we must also take additional bold action to preserve the operating liquidity of the food production employers who provide and support domestic food infrastructure and the millions of jobs it supports. Failure to do so risks unprecedented decline in essential economic activity that will severely affect both workers and our nation's ability to continue feeding itself.

To mitigate the impacts of the public health response to COVID-19 and maintain our critical industry, we call on Congress to take the following actions. To be clear, suggested dollars amounts should be considered a starting point to address the still unknown impacts of this evolving crisis:

1. Ensure USDA's Section 32 funding levels are maintained (regardless of whether tariff revenues are diminished) and expand to include an additional appropriation of at least \$2.0 billion for Section 32 activities that directly support the supply chain of domestically produced seafood to end consumers. This existing mechanism could keep workers employed, supply chains operating, employers open, and nutritional needs met. The program provides for the government purchase of food for consumers, starting with kids and vulnerable families. For over 80 years, the Section 32 program has provided assistance to food products, the production and distribution of which is generally not supported by larger price support programs.

We also request that you consider granting authority to the Departments of Agriculture and Commerce to expedite purchases with such additional funds by temporarily suspending federal contracting rules and regulations so as to facilitate immediate assistance to a broader cross section of U.S. businesses, free from bureaucratic red tape that might otherwise delay relief.

- 2. Provide an initial \$1.5 billion to the Department of Commerce to provide direct relief for fishery disasters caused by Federal, State, and Local government responses to COVID-19. Sections 312(a) and 315 of the Magnuson Stevens Fishery Conservation and Management Act (MSA) and the Sections 308(b) and 308(d) Interjurisdictional Fisheries Act (IFJ) empower the Secretary of Commerce to provide multiple forms of relief to businesses and fishing communities impacted by certain harms—including natural and man-made causes. We request that Congress appropriate and permit the Secretary to make funding available as soon as practicable to fishery and seafood businesses uniquely impacted by closure of restaurant and food service industries, and specifically designate the spread and impact of COVID-19 as a natural and man-made cause eligible for fishery disaster assistance. To ensure funding can be distributed quickly, we also request that Congress allow the Secretary to waive certain requirements under MSA and IFJ for this funding, so that injured businesses can quickly access needed aid. Congress should also direct administrative agencies to immediately release all previously appropriated disaster relief funds so as to inject direct liquidity to coastal employers.
- 3. Appropriate a minimum of \$500 million for the Secretary of Commerce, in consultation with the Department of Agriculture, to purchase surplus commercial seafood that can be shipped overseas or supplied to domestic organizations. These organizations could include assisted living communities, hospitals, as well as State and Local government programs, among others. Facilitating direct government purchase of products that have gone unsold due to the government's unprecedented response to the COVID-19 crisis would both ensure stability in this key sector and provide healthy proteins for Americans.

Thank you for your attention to these well-intended policy recommendations. We will continue to offer suggestions to promote economic security and stability for America's food production infrastructure as the current health situation abates. Commercial fishing and seafood interests are highly diverse between

regions, so additional assistance may be needed to address near-term critical needs for some parts of the seafood value chain.

Please do not hesitate to contact the signatories below if we can be of additional assistance in our nation's effort to combat this crisis, while preserving the essential infrastructure that underlies our economy.

Sincerely,



Anthony J. Dal Ponte General Counsel Pacific Seafood Group



Bob Vanasse Executive Director Saving Seafood







Paul Zajicek Executive Director National Aquaculture Association John Connelly
President
National Fisheries Institute

Chris Barrows
President
Pacific Seafood Processors Assoc.







Stephanie Quah Managing Director Cargill Bill DiMento VP Sustainability & Gov. Affairs High Liner Foods Joe Bundrant CEO Trident Seafoods







Randy Rhodes President Harvest Select

Roger A. O'Brien President & CEO Santa Monica Seafood

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Matt Roach
Director of Corp. Business Alignment
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ALASKA
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Michael Merrifield Owner Cape Canaveral Shrimp Company



Jeff Michels President Cascade Organics LLC



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Joe Cappuccio President Del Mar Seafoods



Kurt Englund President Englund Marine & Supply



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David Kelly CEO Innovasea



Craig Jacobs Owner OC Wild Seafood



Sean Ferguson President Oceanic Logistics



George Lay President Ocean King Fish



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F. Joseph Bersch III President of General Partner Phoenix Processor Limited Partnership



Phil Gibson CEO Resiliensea Group LLC



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Meghan Lapp Fisheries Liaison Seafreeze Ltd. and Seafreeze Shoreside



Derek Figueroa President & CEO Seattle Fish Company



James D. Busse President Seafood Atlantic Inc.





Matthew Kilfoil VP of Business Performance The Fish Company - Miami



Tom Enlow President Unisea



Heather S. Donnell Office Manager Ventura Harbor Marina & Yacht Yard, Inc.



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Mark JoHahnson President Westward Seafoods, Inc.



Vincent Bryan III CEO Whooshh Innovations, Inc.



Jeanna Merrifield Owner Wild Ocean Seafood



Jonathan P Davis President Baywater Shellfish Farms



Todd Madsen President Blue Ocean Mariculture



Brian Menke Owner Cascade Aqua Farms



Dave Rudie Catalina Offshore Products



Kyle Lentz & Shina Wysocki President & Vice President Chelsea Farms



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Raz Halili Vice President Prestige Oysters Inc.



William Taylor Executive Management Taylor Shellfish Farms



The Noble Oyster HC Snail

Daniel Hanson Owner HC Snal, LLC



Amy Daugherty Executive Director Alaska Trollers Association



Kathy Fosmark
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Marissa Wilson Interim Executive Director Alaska Marine Conservation Council



Ben Platt President California Coast Crab Association



David Goldenberg Executive Director California King Salmon Council



David Goldenberg **Executive Director** California Sea Urchin Commission



Diane Pleschner-Steele **Executive Director** CA Wetfish Producers Association



Phillip Lestenkof President Central Bering Sea Fishermen's Association



Kim Selkoe **Executive Director** Commercial Fishermen of Santa Barbara



Robert D. Alverson Manager Fishing Vessel Owners Association



Chad See **Executive Director** Freezer Longline Coalition



Eric Brazer, Jr. Deputy Director Gulf of Mexico Reef Fish Shareholders' Alliance



Bonnie Brady **Executive Director** Long Island Commercial Fishing Association



Heather Mann **Executive Director** Midwater Trawlers Cooperative



Morro Bay Commercial Fishermen's Organization

Tom Hafer President Morro Bay Commercial Fishermen's National Association of Charterboat Organization



Captain Bob Zales II President Operators



Kurt Grinnell Owner/CEO Native Trust LLC



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Noah Oppenheim **Executive Director** Pacific Coast Fed of Fishing Assoc



Jana Hennig **Executive Director** Positively Groundfish



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Laurie Stevens Executive Director Southeastern Fisheries Association



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Brent Paine Executive Director United Catcher Boats



Mike Conroy President West Coast Fisheries Consultants



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Conservation District



Sherry Flumerfelt Executive Director Monterey Bay Fisheries Trust



Dwayne Oberhoff
Executive Director
Morro Bay Community Quota Fund



Kristin Decas CEO & Port Director The Port of Hueneme



Blake Anderson Harbormaster Santa Cruz Port District

Andria's Seafood Restaurant & Market

Michael J Wagner Owner

Arcadia Point Seafood

Vicki & Steve Wilson Owners

B.P fishing Inc.

Burlin Phillips Owner

Cape Cod Commercial Fishermen's Alliance. Inc.

John Pappalardo CEO

Capt. Mike's Seafood

Mike Fitzpatrick Owner/Operator

Cascade Aqua Farms

Brad Mencke Manager

Charter Fisherman's Association

Gary Jarvis Mayor - City of Destin, Florida

Colosse Inc.

Stacy Lutz President

Denotta Seafood Co

Caron Denotta Owner

Drayton Harbor Oyster Company

Steve Seymour Owner

Elston's Clam & Oyster Co.

L. Michael Elston President

Michael Black President

Floribbean Wholesale Florida Quality Seafood

Jesse Flowers President

Fernandina Seafood Company

Jesse Flowers President/Owner

Fisherman's Wharf

Christopher Shepperd CEO

Fisherman's Wharf

Christopher Shepperd **CEO**

Frost Fisheries, LLC

Dean Frost Owner

Gulf Fresh Inc.

Joseph Abdo President

Harbor Pride Seafood

Jeremy A. Streig Founder

Hurricane Pass Seafood

Nick Ruland Manager/Owner

Kamilche Sea Farms

Charles Stephens Co-Owner

Long Fisheries Inc.

Tyler Long President

Lutz Seafood Inc.

Stacey Lutz President

Main Vain Charters LLC

Antonio Giambanco Owner

Mickeys Wild Chinook

Carol Takacs Ritter Owner

Oceanside Bait Co.

James Gardner Owner

Ocean Run Seafoods

Donald Snow President

Oregon's Local Coast Seafood

Kelly Hanson Owner

P.M Fishing inc.

Gideon Mease Owner

ProFish International

Wally Pereyra Owner/Chairman

Rhode Island Fishermen's Alliance

Richard Fuka Rhode Island Fishermen's Alliance

Renewable Resources Group

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Rocky Bay Seafoods

David Barton Shellfish Biologist

Rogue King Seafood

Jeff Werner Co-Owner of Seafood Market

Salty Dog Seafood

Sara Hinton Farm Manager

Saltydos Albacore Tuna

Frank Akers Owner

San Diego Bay Aquaculture & Acacia Pacific Aquaculture

Rebecca Richards & Norm Abell Managing Principal

Sea Spirit

Carl Duwell Owner

Shenanegan Seafood

Harry Allen Owner

The Builders Initiative

Peter Bryan Senior Program Officer

Washington Trollers Association

Guy Lutz Member

Watson Fishery Inc.

Shawn Watson President

Westport Cold Inc.

Michael Cornman Member

Westport Custom Seafood LLC

John C. Galvich General Manager

Westport Seafood Inc.

Michael Cornman President.

Winter Rose Inc.

Gretar Gudmundsson President

Eric Fosmark
 Scott Fosmark
 Sal Mineo

Tim Obert
 Giovanni Pennisi
 Joshua McCoy

7. Jay Lucas8. Harry Allen9. John Alto10. Frank Akers

11. Bryan Craig12. Anthony Cummings

F/V Vinland

F/V Yaznak/Queen Corrine

F/V Mineo Bros. F/V Stacey Jo/Misty Dawn

F/V Irene's Way/Elaine F/V Top Tuna

F/V Casey 's Pride F/V Shenanegan F/V Spring Persuader

F/V LANOLA F/V C-RAE

F/V P.C. Hooker

California

California
California
California
California
Florida
Florida
Oregon
Oregon
Oregon
Oregon

Oregon

13. Henry DeRonden	F/V Newdawn	Oregon
14. Nick Diede	F/V Coolchange II	Oregon
15. Carl Duwell	F/V Sea Spirit	Oregon
16. Gene Fisher	F/V Two Fishers	Oregon
17. Joseph Fiske	F/V Sharon Joe	Oregon
18. James Gagnon	F/V Esperanza	Oregon
19. Eli Icenogle	F/V Ingibjorg K	Oregon
20. Mark Kemmish	F/V Richard H	Oregon
21. Guy Lutz	F/V Jessica A	Oregon
22. Lonnie Marrington	F/V Helen Marie Inc.	Oregon
23. Ray Monroe	F/V Outlaw	Oregon
24. Brett Montague	F/V Jo El	Oregon
25. Jason Prophet	F/V Prophet Fishiser	Oregon
26. Joel Purkey	F/V AliceFaye	Oregon
27. Brad Quinn	F/V Concubine	Oregon
28. Jared Reeves	F/V Restless	Oregon
29. Gary Stevens	F/V Turmoil	Oregon
30. Greg Temple	F/V Infinity	Oregon
31. Matthew Wagner	F/V Tina Lea	Oregon
32. Jeff Werner	F/V Deanna Marie	Oregon
33. Joe Zelfer	F/V Royal	Oregon
34. Gretar Gudmundsson	F/V Provider/Valiant	Washington
35. Burlin Phillips	F/V Melville/Dawn Venture/Glass Slipper	Washington