

Summary of RFA's discussions with DOC/FHC members and individuals in the wider sectors

March – May 2025

Number of meetings: Alongside our monthly engagement with NOAA and BOEM, we have held 19 meetings with 43 people, including meetings with 4 DOC members (primary and alternates) and 4 FHC members. In addition, we have held 1 DOC meeting, 1 FHC meeting, 1 sector (developer) meeting including representatives from the DOC, 1 fishery caucus meeting, 2 public events, including an in-person meet-and-greet at the International Partnering Forum (IPF) offshore wind conference and a virtual presentation at the Responsible Offshore Science Alliance (ROSA) Advisory Council meeting. DOC and FHC were informed of the dates for in-person meetings and supported in making connections, and helped facilitate gatherings. Meetings were held with people in Hatteras, NC; Lewes, DE; Cape May and Sea Isle City, NJ; Shinnecock and Montauk, NY; Stonington, CT; and New Bedford, MA. Thank you to all who helped us organize, connect with fishermen, and participate with us.

Objectives of these meetings: Introductions, overview of the RFA Project scope, outline of activities and future schedule, discussion of concerns, and initial thoughts on design components linked to the development of the compensation fund with focus on *claimant eligibility* to a future regional compensation fund.

Summary of emerging themes: The following topics have emerged as key discussion points throughout this phase of engagement (focusing on *claimant eligibility*). These topics will help guide discussions and option development for the structuring of the fund. This summary is not exhaustive and complements the previous stakeholder memo. This summary is intended to provide context and direction for the initial phase of fund development.

1. General

- There is support for transparent and comprehensive stakeholder engagement. There is also support for the RFA to develop a Design Component Approach document based on feedback, which will facilitate more specific and targeted conversations. The Design Component Approach document will outline an initial approach for a certain aspect of the fund design (for example, *claimant eligibility*), the rationale for that approach, as well as potential alternatives. The aim of the Design Component Approach document is to enable a more focused discussion and is intended to provide a “starting point” rather than a “final” approach.
- The RFA team continued to hear discussions around voluntary buy-outs to support sector consolidation and providing an option for those unable or unwilling to continue fishing. The RFA team noted that this is outside of the RFA's scope and organized buy-out conversations would have to happen separately with a different audience. However, the RFA's scope does include certain considerations around the transfer of fishing businesses to new owners/operators and whether the selling business's fishing history transfers with the vessel and/or permit to the new owner/operator.
- There is a diversity of business operation and ownership models across the fishing industry: There is a need to balance flexibility with simplicity. Compensation must account for the variation in the fishing industry.
- There is acknowledgement of the complexity on the discussions around claimant eligibility, including how fishermen adapt, seasonal variability, and annual trends in fishery movement.

2. Eligibility

- *Loss Coverage:* Conversations around *claimant* eligibility (*i.e.*, who is eligible to submit a claim) very often included stakeholder feedback regarding *claim* eligibility (*i.e.*, what losses are eligible for compensation). While the current engagement cycle has focused on the former, the RFA, has collected input on the latter when provided as part of future colleagues. Most stakeholders agreed that compensation should address tangible losses related to wind farm development, such as reduced landings, lost bookings, fuel costs, gear losses, and potentially increases in insurance costs. Fishermen regularly highlighted the need to include disruptions linked to the survey period in addition to the construction phase. Some fisheries industry stakeholders voiced concern that knock-on effects of loss of access to fishing grounds, like devaluation of existing permits over time and long-term business disruption, could cause further economic loss.
- *Crew Compensation:* There is a general consensus among vessel owners that crew will be less impacted than owner/operators, as crew members tend to be more transient and potentially have more opportunities to transition to different industries without income loss, whereas vessel owners or owner-operators have a greater investment (capital, time and experience, etc.) and do not have the same options to adapt. Crew members typically change vessels more frequently, although occasionally crew members stay with one vessel/owner for extended periods. There is difficulty in tracking crew assignments to specific vessels and wind lease areas due to their mobility and lack of recorded vessel time. Nevertheless, it was acknowledged that crew could be affected, and some form of compensation should be considered (either through direct eligibility or flow-down of funds from owners/operators). Generally, stakeholders highlighted that if crew are eligible to apply to the fund, there needs to be evidence of a time commitment to a vessel or area. There was some discussion regarding how crews are paid now and how this could affect how compensation is calculated and paid (*e.g.*, crews are paid in different ways, from catch share to other means; some costs, like food and fuel, are deducted from pay checks, but others are not). Crew members have not yet been engaged on this matter.
- *Active Participation Criteria:* Eligibility should be limited to active fishermen and directly related businesses. Dormant permits, retired individuals, or diversified businesses with minimal reliance on fishing should largely be considered ineligible (with potential extenuating circumstances).
- *Permit and Ownership Complexities:* Views diverge on whether compensation should follow permits through ownership transfers. Permit and vessel ownership structures complicate eligibility, with some advocating for vessel-specific claims and others supporting claims at the business entity level. Some suggested that there should be different options to apply.
- *Shoreside Businesses:* Stakeholders generally agree to include businesses one transaction removed from fishermen (*e.g.*, ice houses, wholesale fish buyers), while excluding less dependent operations such as restaurants or general service mechanics who are not primarily dependent on fishing.
- *How Business Entities File a Claim:* Options should be considered to file for compensation on multiple vessels or allow each vessel to file separately. Vessels often operate under

different ownerships, necessitating individualized compensation assessments. Consider that many vessels file their own tax returns.

- *Geographic Area:* There was conversation about how to potentially consider cumulative impacts from multiple windfarms. These were varied discussions on a potential buffer zone around the lease area, transit corridors, and cable corridors.

3. Documenting loss (data) and application

- *Mechanisms to Prove Claims:* Further discussions are required, but some stakeholders wanted to explore whether there were ways to avoid the burden of proof falling on the claimant. To support claims, some combination of data sources should be accepted: trip bookings, VTR data (concerns about the limitations of this data for some fisheries), AIS tracking, catch per unit effort (CPUE), and redacted tax returns. Stakeholders emphasized the need for flexibility and low administrative burden. Federal partners signaled the significant challenge, if not impossibility, of third-party data-built claims due to data scarcity, barriers to accessing what data are available, and other considerations. Additional emphasis was placed on the consideration of *how* a claimant will prove their eligibility (*i.e.*, claimant eligibility rules should be developed around what reliable data/proof is available to prove claimant eligibility).
- *Administrative Support and Simplicity:* There is widespread support for simplified forms, dockside assistance, and help with paperwork. A low-barrier entry process should be paired with robust support systems.
- *Tax Filing:* Tax information was widely accepted as a data point, although it may not accurately reflect fishing-specific losses due to direct cash payments, as well as other income streams.
- *Ongoing Eligibility and Appeals:* Continued activity in the industry should be a required condition for year-over-year participation in a regional compensation program. Some fishing community members indicated the need for a transparent, well-supported appeals process.

Next steps:

- RFA to circulate the Design Component Approach document on *eligibility* to DOC and FHC;
- RFA to discuss feedback with caucus groups and with the wider DOC/FHC to agree in principle to an approach on *eligibility*;
- RFA to develop the next design component and related Design Component Approach document to use for discussion with stakeholders over the next three months.