



GUIDELINES OVERVIEW

Louisiana Fisherman Recovery Grant Program

Eligibility

Location

Resides in Acadia, Allen, Ascension, Assumption, Avoyelles, Beauregard, Calcasieu, Cameron, Catahoula, Concordia, East Baton Rouge, East Carroll, East Feliciana, Evangeline, Franklin, Grant, Iberia, Iberville, Jefferson, Jefferson Davis, Lafayette, Lafourche, LaSalle, Livingston, Madison, Morehouse, Orleans, Ouachita, Plaquemines, Pointe Coupee, Richland, Rapides, Sabine, St. Bernard, St. Charles, St. Helena, St. James, St. John the Baptist, St. Landry, St. Martin, St. Mary, St. Tammany, Tangipahoa, Terrebonne, Tensas, Union, Vermilion, Vernon, Washington, West Baton Rouge, West Feliciana, West Carroll and Winn Parishes.

Individuals

Louisiana resident 2008 and 2010 commercial fishing license holders and / or Louisiana resident 2008 and 2010 vessel license holders

Application Period

Open enrollment period until June 30, 2010 at 4:30 pm.

Single Employee Firms

Eligible

Minimum Size – Pre-storms

\$15,000 annual gross pre-storm receipts and sales in 2006, 2007 or 2008 (pre-storm)

Financial or tangible loss

\$5,000 and/or business experienced a decline in gross receipts and sales in 2006, 2007 or 2008 (pre-storm) versus 2008 or 2009 (post-storm)

Individuals or businesses currently in bankruptcy proceeding are **NOT** eligible.

Documentation:

Commercial Fishermen

Louisiana Drivers License or Louisiana issued picture ID
Federal Tax Returns including all schedules for 2006, 2007, 2008 and 2009
2008 Louisiana Resident Commercial Fishing License and
2010 Louisiana Resident Commercial Fishing License

Vessel Owner

Louisiana Drivers License or Louisiana issued picture ID
Federal Tax Returns including all schedules for 2006, 2007, 2008 and 2009
2008 Louisiana Resident Vessel License and
2010 Louisiana Resident Vessel License

Awards

Grant

100% grant

Amounts

up to \$100,000 based on approval and availability of funds. If, after the close of the application period, the total request for funds exceeds the program allocation, the state will use a pro-rata allocation process to make individual awards that is based on applicants' income that is earned from commercial fishing.

If a pro-rata allocation is necessary, applicants that earn 50% or more of their income from commercial fishing will be placed into a pool that receives a minimum of 75% of the total allocation. Applicants earning less 50% of their income from commercial fishing will be placed in into the 2nd pool and receive the remaining allocation.

Based on program demand at the close of the application process, the state will announce the final pro-rata formula and allocation between the groups if it is found to be necessary.



2010 Louisiana Department of Wildlife & Fisheries Commercial Fisherman and Vessel Owner Recovery Program

Process

Disbursement

Single payment

Method

Digitally transferred – (EFT) or check



GUIDELINES LOUISIANA FISHERMAN RECOVERY GRANT PROGRAM

Description

The commercial fishing industry has one of the highest input-output job multipliers of any industry sector in the nation. Louisiana’s fishing industry needs additional post-storm economic assistance, so that these small rural businesses can continue to provide jobs and income to its residents. These program funds are expected to directly benefit many low-to-moderate income fishermen and to create or retain jobs within the rural economies. For businesses that do not meet the low to moderate income requirement, the State will use the national objective of urgent need as many of these persons and businesses are still recovering from the 2008 events. Taking into account the large multiplier effect that the commercial fishing industry has, these funds will provide a much needed stimulus and assist other local and regional rural businesses that are involved with or provide services or goods to the commercial fishing industry. These actions, in turn, will assist local, parish and State governments with revenue collections.

The Louisiana Commercial Fisherman Grant Program (CFG) is a further refinement of the Louisiana Economic Development Business Recovery Grant and Loan Programs (BRGL), initially created under the Katrina and Rita Community Development Block Grant Program (CDBG) to assist all sectors of the small business economy impacted by the hurricanes of 2005. The BRGL programs saw very high requests for funds from the fishery sector in both the initial round in 2006 and in the 2nd round of the program in 2008. After Hurricanes Gustav and Ike, in the fall of 2008, the Louisiana Recovery Authority (LRA), the Office of Community Development (OCD) and the Louisiana Department of Agriculture & Forestry (LDAF) modified the BRGL model to address Louisiana’s rural business recovery needs; specifically targeting impacted farms and agribusinesses. The Louisiana Department of Wildlife and Fisheries (LDWF) working with LDAF, and the LRA-OCD and LSU will develop and launch a commercial fisheries recovery program that closely models the LDAF farm recovery program.

This program will provide grants to assist commercial fisherman and vessel owners impacted by the storms that have shown a commitment to remain in the fishery and can prove losses based on the programs design. Funds can be used by eligible fisherman and vessel owners to assist with paying down storm related uninsured and non-covered losses. Funds can be used to reduce payments of storm related fishery losses that are currently being financed at higher interest rates. Funds can be used to repair or replace gear and/ or for other eligible items that were lost or damaged during the 2008 storms.

This program is funded through a grant from the U.S. Department of Housing and Urban Development (HUD) as eligible under Sections 105(a) 17 and 105(a) 14 of the Housing and Community Development Act of 1974. The activities will meet the national objective of urgent need or benefit to persons of low to moderate income.

CDBG Requirements

This program is funded as an eligible activity under the CDBG. All requirements of the CDBG program that relate to the economic development activities are applicable to the CFG program including:

- Benefit to Low and Moderate Income persons – 24 CFR 570.483 (b)(4) as job creation or retention
- Activities which aid in the prevention or elimination of slums or blight 24 CFR 570.483 (c) or designed to meet community development needs having particular urgency 24 CFR 570.483(d).
- Guidelines for evaluating and selecting economic development projects 24 CFR 570.209
- Other program requirements – 24 CFR 570.601 (Sub part K)
- Financial Records – 24 CFR 570.502, 24 CFR 85.20, or 24 CFR 84.21
- 24 CFR 570.603 Labor Standards
- 24 CFR 570.604 Environmental standards
- Disaster Recovery Grant Administration Manual



Program Size

The total amount of Community Development Block Grant (CDBG) funds available for the suite of CDBG fishery recovery programs is \$32,383,297. Of this amount, up to \$9,300,000 is allocated to develop the Commercial Fisherman Grant (CFG) program. The CFG program is only eligible to Louisiana resident commercial fisherman and vessel owners, licensed in 2008 and 2010

Program Elements

The program elements will be administered by Louisiana Department of Agriculture and Forestry (LDAF) through the Louisiana Agricultural Finance Authority, a public agency organized pursuant to Louisiana Revised Statutes 3§264 et al. The CFG program while administered by LDAF will have separate application documents, underwriting requirements and use of funds stipulations.

The LDWF in conjunction with the LDAF set criteria, goals and guidelines for this program. Through its partnership with OCD and LDAF, LDWF will also provide assistance with monitoring and compliance needs of these programs. The LSU Sea Grant agents will assist the LDWF and LDAF with outreach for this program and assist applicants with the application process fielding questions and/or directing the applicants to LDAF for additional assistance.

Program Documents/Manuals

The LDWF and LDAF working with OCD/LRA shall prepare and submit for OCD approval the comprehensive Louisiana Commercial Fisherman Grant (CFG) program manual, which shall include a program documentation guide, forms, grant agreements, and other documents necessary to the implementation of the program. The OCD working with LDAF and LDWF will train LDWF enforcement agents to assist the OCD and LDAF team with monitoring requirements. These procedures, manuals and materials are being prepared and will be provided by OCD to LDWF and LDAF.

Program Administration

- Program administered by the LDAF through the Louisiana Agricultural Finance Authority, a public agency organized pursuant to Louisiana Revised Statutes 3§264 et al..
- LDAF will consult with LDWF and LRA-OCD on policy questions that relate to the fishing industry and the program including additions, revisions, and changes to program policies.
- LDAF will consult with OCD on questions relating to CDBG eligibility, monitoring and compliance.
- LDWF, LDAF, LRA-OCD and LSU Sea Grant will conduct orientation and application workshops for commercial fishermen and vessel owners throughout Louisiana.
- Commercial fishermen and vessel owners may also receive assistance and may apply on an appointment basis.
- Monitoring of the awards shall be performed by the LDAF with the assistance of LDWF enforcement division as requested and detailed below.
- All parties shall comply with the anti-fraud measures detailed on page, which shall not be construed to be an exclusive listing.

Process Flow

- Applicant attends information session about the program in a local region
- Applicant obtains application from information session, by mail, or from the Web site
- Applicant self-assesses eligibility
- Applicant contacts LDAF/LDWF via phone or e-mail with questions
- Applicant can make appointment with LDAF/LDWF for assistance if necessary
- If applicants believes he/she is eligible, applicant completes application
- Signed and completed application is mailed to LDAF
- LDAF reviews application for completeness and initial eligibility
- LDAF enters information into data base



- LDAF conducts detailed review of application for eligibility
- If eligible, LDAF contacts applicant to inform of additional information needed (if any) for complete underwriting
- LDAF will obtain necessary information from appropriate agency to conduct external reviews as needed (ex: NOAA funds, SBA loans, Insurance documents)
- After all grants have been underwritten, applications and staff recommendations are presented to the Grant Committee
- After the Grant Committee reaches consensus on all applications, grants are reduced to a pro-rata share if over subscription exists
- Applicants are alerted to funding status
- LDAF closes with awardees
- LDAF requests funds per applicants' award
- OCD transmits funds based on closing figures requested for that week
- LDAF transmits funds to grantee based on request and funds availability

Application Review Process and Program Status Reporting

Commercial fishermen and vessel owners submit applications directly to LDAF.

During the application period, the LDAF staff will enter submitted applicant information and begin the application verification process. LDAF will not begin determinations of financial eligibility until the program closes. During the application period as applications are entered the LDAF and LDWF will check on the potential of duplication of benefits regarding other federal recovery funds or private insurance dollars. Federal programs that may present a possibility for duplication of benefits include, but are not limited to the National Oceanic and Atmospheric Administration (NOAA) funded Gustav and Ike Reimbursement program administered by LDWF, funds from the Small Business Administration and any other disaster recovery funds. The LDWF, LDAF and LRA-OCD all share a goal of minimizing document production requirements on applicants for those items that can be gained electronically from existing databases, recovery programs and systems.

At the end of the application period (June 30, 2010), the programs' senior staff representing LRA-OCD, LDAF, and LDWF will meet to determine if the application period should be extended based on the current total request for funds and demand for the program and professional knowledge. If the program allocation has been exceeded, the programs' senior staff will announce the closure of the application process and will publicly release rationale and plans on how pro-rata allocations will be made.

If a pro-rata allocation is necessary, applicants that earn 50% or more of their income from commercial fishing will be placed into a pool that receives a minimum of 75% of the total allocation. Applicants earning less 50% of their income from commercial fishing will be placed in the 2nd pool and receive the remaining allocation.

Closing Process – Dry Closing

Grant closings will occur after the eligibility review and underwriting processes have been completed. LDWF, LDAF and OCD staff will then report program subscription figures, and if prorated or full awards will be disbursed. Award letters will be mailed that instruct the eligible applicants on the closing process and items needed at the closing. At the grant closing, the applicant will sign paperwork for the grant and complete the HUD LMI (low-to-moderate income) form and other paperwork that is required by the program and HUD CDBG regulations. For applicants that do not meet the low-to-moderate income requirement, the State will process the applicant under the national objective of urgent need.



MONITORING

Note: The monitoring process detailed below generally describes currently anticipated monitoring processes, and shall not limit the LDAF, LDWF, OCD, their monitors, the Louisiana Legislative Auditor, HUD or federal auditors in the scope of any monitoring which any of them may deem prudent to perform. This monitoring process may change.

- 1) Initially 5% of awarded grants will be monitored. If prevalent issues of non-compliance are found, the monitoring will be extended to other awardees as appropriate using similar methods to the State and LDAF run farm recovery program.
- 2) Additional or other monitoring may also be performed from time to time at the discretion of either LDWF, the Office of the Governor, the Division of Administration, HUD or the Legislative Auditor.
- 3) Samples will be randomly selected
- 4) There will be two levels of monitoring
 - a. Monitoring of application and data entry
 - i Applications will be checked for completeness
 - ii Applications will be checked for accuracy
 - iii Application back up materials will be checked
 - iv Data entry of application information in to data base or CRM program
 - v Adherence to underwriting procedures will be verified
 - b. Monitoring of appropriate use of funds
 - i Award recipients will be visited on site
 - ii Evidence of use of funds will be verified via:
 - aa. Visual inspection of assets
 - bb. Review of supporting documentation
 - cc. Review of overall company or data, including financial records
 - dd. Review of compliance with environmental clearance, if required
 - ee. Review of compliance with labor standards, if required
 - c. Monitoring of job creation and job retention (if applicable)

Monitoring findings

All monitor findings shall be recorded in detail by LDAF/LDWF, and shall detail both compliance of application and use of funds. Issues of non-compliance shall be categorized as either material or administrative. Awardees found to be in material non-compliance, or which received funds in error, may be required to repay grant funds to the State, as per the Terms and Conditions agreement.

Awardees found to be willfully fraudulent will be prosecuted by the Louisiana Attorney General’s Office.



A. Verification options for business and/or individual eligibility

As part of their application to the LDAF/LDWF, applicants will be required to submit from the following as appropriate in order to establish eligibility:

<u>Category</u>	<u>Required Items</u>
Application	<ul style="list-style-type: none"> ▪ Application form, completed, signed by all owner(s) $\geq 20\%$ share and notarized <i>Note: One owner may sign with Board resolution</i>
Proof of Identity of Owner(s)	<ul style="list-style-type: none"> ▪ Current government issued photo ID
Proof of Address in Louisiana (1 required)	<ul style="list-style-type: none"> ▪ 2010 Louisiana resident commercial fishing license or 2010 Louisiana resident vessel license
Proof of involvement in fishing industry	<ul style="list-style-type: none"> ▪ 2008 and 2010 Louisiana resident commercial fishing license or ▪ 2008 and 2010 Louisiana resident vessel license
Proof Annual Gross Receipts and or Sales $\geq \$15,000$	<ul style="list-style-type: none"> ▪ Appropriate Federal 2006, 2007, 2008 and 2009 tax forms with all Schedules
Proof of financial or tangible loss $\geq \$5,000$	<ul style="list-style-type: none"> ▪ Appropriate Federal 2006, 2007, 2008 and 2009 tax forms with all Schedules or; ▪ LDWF trip tickets 2006, 2007, 2008, and 2009 or ▪ Insurance claim forms ▪ Photos may be used as supporting evidence only ▪ Receipts for eligible items purchased from September 1, 2008 through June 30, 2009
Proof of Business currently operating (1 required)	<ul style="list-style-type: none"> • 2010 Louisiana resident commercial fishing license or • 2010 Louisiana resident vessel license • Receipts, invoices or trip ticket landings from 2010 that demonstrate fishing activity • Other information may be required



B. State of Understanding, Signed attestation of truth on grant application

In order for an application to be complete, applicants are required to sign/ initial the attestation declaring they have read and understand the following statements. **Please read and initial next to each line, this is required:**

LDWF- NOAA Statement of Benefits. The State will review all grant recipients for “Duplication of Benefits.” As part of this application process the State is working closely to coordinate the use of both the LDWF administered Gustav and Ike Reimbursement Program (NA09NMF4520024) funds and these CDBG funds. Some applicants will receive funds from both programs, for damages caused by Hurricanes Gustav and Ike. The LDWF and LDAF strive to assist the applicant to avoid a duplication of benefits issue or a request of CDBG grant funds to replace items previously reimbursed by the Gustav and Ike Reimbursement Program. If it is determined that you or your business received reimbursement from the Gustav and Ike Reimbursement Program for the same purposes as the CDBG grant funds, you will be required to repay some or all of your CDBG grant funds. This repayment will be made to the LDAF and you will then receive the net proceeds, along with information about your Duplication of Benefit. The State will make every attempt to work with the applicant to minimize duplication of benefit issue and mitigate against initiating recapture process.

SBA Statement of Benefits. The Small Business Administration will review all award recipients for “Duplication of Benefit.” If it is found that you received an SBA loan for your business for the same purpose covered by this application, and that you are now receiving an award for the same purpose, you will be required to use some or your entire award to repay your SBA loan. This repayment will be made up-front by the LDAF and you will then receive the net proceeds, along with information about your Duplication of Benefit.

Income Tax Reporting: The undersigned understands that an IRS 1099G will be issued to grant award recipients. Award recipient understands that all or a portion of the grant funds may be treated as taxable income for U.S. or State income tax purposes.

Public Announcements: If the award recipient wishes to issue a public announcement concerning this award, the text of the proposed announcement must be submitted to LDWF communications for coordination. The LDWF will then coordinate calls with fellow communications staff so that all parties can assist and are aware of the announcement. The LDWF has final review and approval prior to the release date. The United States Department of Housing and Urban Development (HUD), the Louisiana Department of Wildlife & Fisheries, Louisiana Department of Agriculture and Forestry, the Louisiana Recovery Authority and the Office of Community Development must be mentioned in any public announcements.

Insurance Disclosure: All business related insurance information and/or claims should be submitted with this application.

No Right of Assignment or Delegation: The award recipient may not assign or otherwise transfer its rights or delegate any of its obligations under this letter unless expressly approved by LDAF/LDWF and OCD.

Revocation: LDAF/LDWF reserves the right to revoke this award if the funds are not used for the stated purpose. The award recipient understands and agrees that revocation of this award will require the return of all funds disbursed. The recipient will be obligated to repay some or all funds received under this program in the event that (a) its application including any information provided therewith or thereafter contains any material misrepresentations; or (b) the award was made in error and the applicant is not entitled to some or all assistance under the Program Guidelines.



Monitoring & Records:

- a) This award may be used only for the purposes stated herein. Documents providing evidence of the use of the funds from this award shall be retained by award recipient for five years after the close out of the program.
- b) LDAF reserves the right to monitor usage of award funds. Such monitoring will include review that the entire amount of the award was used only for the expenses as specified above in accordance with your proposal. LDAF will direct LDWF to undertake the random inspections using forms and training to be provided by OCD.
- c) LDWF may, during regular business hours and on reasonable notice to award recipient, inspect, audit, or copy records pertaining to this award. It is further agreed that the LDWF, Legislative Auditor of the State of Louisiana, the Office of Community Development (OCD), Disaster Recovery Unit (DRU), Louisiana Recovery Authority (LRA), Division of Administration (DOA), and/or the U.S. Department of Housing and Urban Development (HUD) auditors or auditors contracted by them, shall have the option of auditing all records and accounts of award recipient that relate to this grant at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data.
- d) Awardees' failure to cooperate in such review will result in forfeiture of the award amount and awardees will be responsible for repaying the full amount of funds disbursed.

Information Access Authorization: For determination of eligibility, the applicant shall submit information requested in the Application Checklist.

In the event that additional information not included with the initial application checklist is required to obtain an approval of the application, the undersigned agrees to provide the requested information in a timely manner to the grant officer processing the request.

The undersigned gives permission to LDAF/LDWF to use its name in LDAF/LDWF's mandated reports to the OCD, LRA and/or HUD. No financial details will be released, except possibly the award amount, as this is considered public record.

The undersigned authorizes LDAF/LDWF to exchange and obtain information relevant to the applicants' commercial fishery license status and to review the applicants' status regarding any NOAA funds from LDWF Gustav-Ike reimbursement program that the applicant may have been paid or is eligible to receive. The undersigned also acknowledges that all information relative to the grant request, including these related documentation checks, becomes the property of LDAF/LDWF and will not be returned to the applicant.

The undersigned authorizes LDAF/LDWF to obtain personal credit reports and business credit reports, and also acknowledges that all information relative to the grant request, including the application and related documentation, becomes the property of LDAF/LDWF and will not be returned to the applicant.

Affirmation of Information Provided in Application: By the applicant's signature below, the applicant represents and warrants that he/she has read this application and Statement of Understanding and attests that all information and documentation furnished in connection with the application is true, accurate and complete to the best of his/her knowledge and that any regulations relative to the grant and program will be followed. Individuals and/or businesses found to be willfully providing fraudulent information may be prosecuted.



Program Definitions

Commercial Fisherman - is one who engages, as an occupation, in the harvesting or capturing of wild marine and/or commercially viable freshwater species in Louisiana. The person must have a 2008 and 2010 commercial fishing license issued by the Louisiana Department of Wildlife and Fisheries.

Vessel Owner - an individual who owns a commercial fishing vessel and possesses a 2008 and 2010 vessel license issued by the Louisiana Department of Wildlife and Fisheries that allows that vessel to harvest commercially viable marine species.

Recreational fisherman and or recreational license holders are not eligible for this program.

General Eligibility

In order to be eligible for the benefits under the program, applicants must meet the following requirements:

- Must have had a 2008 and 2010 resident commercial fishing license or 2008 and 2010 resident vessel license
- Must be a Louisiana resident
- Sole proprietorships, partnerships (general, limited or LLP), corporations (S Corps, C Corps and LLCs), cooperatives, joint ventures, and other entities may participate
- Involved in the fishery in 2008 and still in operation
- Minimum \$15,000 annual gross pre-storm receipts and sales derived from commercial fishing
- Experience a minimum storm related loss of \$5,000

Miscellaneous Eligibility

- Common ownership of different organizations: If two or more organizations with common ownership have an owner with greater than 50% ownership in each, only one may qualify for an award. Owners with a $\geq 50\%$ share in two or more businesses may only qualify for one award
- Applicants who hold both commercial fisherman license and wholesale dealer licenses can only apply for funds from one program, not both.
- Applicants who hold a commercial fishing license and a vessel license can only apply for funds once, not based on both licenses
- Applicants who have received a grant and own a minority share in another fishing enterprise, do not disqualify that fishing enterprise by their ownership
- Applicants that have received assistance from the LDWF administered Gustav and Ike reimbursement program, SBA loans or have been reimbursed from private insurance for costs can not be compensated for the same loss twice.
- Eligibility and policy issues that arise during the course of program will be decided by continued communications between LDWF, LDAF and LRA-OCD.



UNDERWRITING GUIDELINES FISHERMAN GRANT PROGRAM

Award

- Awards will be 100% grant
- Total awards up to \$100,000 depending on the availability of funds. Based on the final demand at closing the state will announce a final pro-rata formula and allocation between the pools. If the program is undersubscribed after the application period ends, grant requests will be analyzed and all applications received after this date will be reviewed by date of receipt until funds are expended. In this case there will not be any pro-rata allocation process.
- Pro-rata Process - If requests for funds exceed the dollars available at the close of the application period, applicants will be put into two groups, based on the percentage of an applicants' income that is earned from commercial fishing activities and use a pro-rata distribution strategy. All applicants who applied and were found to be eligible for the program will be placed into one of two pools.
 - Applicants that earn 50% or more of their income from commercial fishing will be placed into a pool that receives a minimum of 75% of the total allocation.
 - Applicants earning less 50% of their income from commercial fishing will be placed into the 2nd pool and receive the remaining allocation.

Award Underwriting

Minimum Standard Underwriting – all award applicants must fulfill the following **minimum** standard underwriting criteria ¹

- Personal guarantee

Determination of Satisfaction of the Criteria of 24 CFR 570.209²:

- That the project costs are reasonable
- That all other sources of project financing are committed
- CDBG funds are not substituted for non-Federal financial funding support
- That the project is financially feasible
- That to the extent practicable, the return on the applicant's equity investment will not be unreasonably high
- That to the extent practicable, CDBG funds are disbursed on a pro-rata basis with other finances provided to the project

¹ Unless mitigating circumstances are present and noted in the file

² There are no objective or absolute measures of satisfaction of these criteria.



USE OF FUNDS

The CFG program allows grant and proceeds to be used to pay off storm related fishing debts that were related to the 2008 storms. Funds can also be used to reimburse applicants who had to repair boats; purchase gear and equipment immediately after the storms so that the applicant could return to fishing. Reimburse applicants for operating expenses such as ice, fuel and bait that costs increased due to the 2008 storms so that the applicant could return to the fishery, regain markets and compete during the 2009 and 2010 fishing seasons.

- Grant proceeds may be used to pay for fishing related expenses related to Gustav and Ike from September 1, 2008 through December 31, 2010 as long as expenses are related to the harvesting of, preparing of, or management of commercially landed species that are under the licensure and oversight of Louisiana Department of Wildlife and Fisheries (LDWF) and/or the National Marine Fisheries Service (NMFS). These include but are not limited to commercially important species such as crab, crawfish, shrimp, oyster, and finfish fisheries and these same species were targeted in the 2008 fishery.
- Grant proceeds maybe used to pay down or pay off existing 2008 fall and 2009 fishing seasons as long as the debt was originally incurred for an allowed use of funds and these items were not covered by insurance and/ or other recovery programs.
- Grant and proceeds maybe used to reimburse applicants for items that were purchased or repaired between September 1, 2008 – June 30 2009 as long as the items were lost or damaged in the storms and needed to be replaced or repaired before the fisherman or vessel owner could return to the fishery. The applicant must be able to document the activity. This timeframe is prior to the initiation of NOAA funded LDWF Gustav and Ike Reimbursement Program.
- Invoices & Estimates –Funds can be used to purchase items needed by the applicant to prepare for, manage and be involved in the 2010 commercial fishery which are up to the grant amount as long as estimates and costs for eligible items are provided and shown on the vendors business letterhead. Estimates and invoices must be provided at closing with the dates of the estimates and invoices not being more than 90 days prior to the closing period. Grant recipient must within 90 days of the closing provide a paid receipt for the items to LDAF and/ or contact LDAF if delivery of invoiced item can not be delivered within this time frame.
- Payment of State Bridge loans or Business Recovery Grant and Loans.
- The exception to this use is to pay off existing 2008 and 2009 loans that funded any of the prohibited activities listed below.
- **PROCEEDS MAY NOT BE USED FOR:**
 - To reduce or pay off any existing loan s or debt incurred for the purpose of debris removal, construction, reconstruction, repair or rehabilitation to or for any land based items
 - Acquisition of land or buildings
 - Payments of tax arrearages, government fines or penalties
 - Political or religious activities
 - Buying out any stockholder or equity holder in a business
 - Buying out or reimbursing any family member
 - Funds shall not be invested in instruments or investments for the sole purpose of a return on investment
 - A loss or expense for which insurance benefits has been or is to be paid; or financial assistance has been or is to be provided from federal, state, or other source(s)
 - Individual or “sweat equity” labor