



Janet T. Mills
GOVERNOR

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March 20, 2020

The Honorable Donald J. Trump
President of the United States
1600 Pennsylvania Ave., NW
Washington D.C. 20500

Dear Mr. President,

I am writing today to ask for your immediate assistance in support of Maine's iconic seafood industry. The COVID-19 pandemic is taking a substantial toll on Maine's independent fishermen, aquaculturists, wholesale dealers, and seafood processors. The markets for their products are collapsing both globally and locally. The men and women who ply our waters harvesting lobster, groundfish, herring, shellfish, countless other species, and farming aquacultured products are the very backbone of our rural coastal economy.

In the short-term, harvesters have only limited opportunities within their communities to sell small quantities of product in hopes to earn just enough money to buy weekly necessities. None of these self-employed harvesters are eligible for unemployment. In the long-term, it is clear that the collapse of the international and larger domestic markets will devastate Maine's commercial fisheries.

Similarly, dealers and processors are also calling to tell me there are no markets for the product already in inventory. I appreciated your recent acknowledgement of the critical importance that food supply industries, such as Maine's seafood industry, have during this tumultuous time. Our seafood harvesters and processors want to help ensure the nation continues to have access to the exceptional, healthy seafood harvested from Maine's waters. However, as traditional seafood markets become depressed, Maine's coastal communities face great economic peril, and the nation's access to safe, sustainably-caught seafood will be significantly reduced. These businesses need your help.

Maine's iconic lobster fishery is the economic and social pillar of many coastal communities. American lobster is the most valuable single-species fishery in the country. In 2019, the ex-vessel revenue for Maine's lobster fishery was \$485 million—revenue that was shared amongst nearly 5000 harvesters. The associated supply chain provided an additional \$1 billion in economic impact to the state.

Lobstermen are experiencing reduced prices and severely depressed markets. Some harbors are reporting that dealers will not accept the landing of any product, and those that are buying are paying as little as \$2.00 per pound, reflecting a 75% reduction in price over just four



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weeks. As of yesterday, only a handful of lobster boats were out tending their gear, when there are typically hundreds fishing in March.

These disruptions to the lobster industry will be exacerbated, as the mild winter indicates, by an early start to the summer season resulting in higher than normal landings flooding the market. This would have widespread economic repercussions along Maine's coast as, by June, a few thousand boats are typically fishing. Given landings in the first half of the year have recently been over 10 million pounds annually, continued lack of markets could result in a roughly \$50 million loss in fishery value for that period alone; greater losses are expected in the future due to depressed prices.

Similarly, our groundfishermen have already leased hundreds of thousands of dollars of quota to access the spring fishery, which is usually one of the more lucrative and productive times of year for groundfish. If this quota is not utilized, it will not be available to them after the end of this fishing year on April 30th. Average prices at the Portland auction, already depressed for years, are down 30% compared to February and March of 2019.

Shellfish aquaculturists are also being heavily impacted as the vast majority of their product is consumed in restaurants. We anticipate revenue losses of at least 50% in this sector. This is also true for Maine's softshell clam industry, which was valued at \$18 million in 2019. The price of clams has dropped as much as 75% as this industry also depends heavily on the restaurant market which is rapidly closing.

We also anticipate a significant price decrease this year for our \$20 million elver, or glass eel, fishery whose live product is shipped to Asia for grow out in aquaculture facilities. While in 2019 the price per pound of elvers topped \$2000, early projections suggest the price in 2020 may drop as low as \$200 per pound. If true, this would result in an over a 90% decrease in the value of this lucrative spring fishery.

These very real economic reverberations place greater pressure on other fisheries. The Northern Gulf of Maine scallop fishery is scheduled to open April 1st. We expect this fishery will experience the same challenges as those facing the lobster industry. The price is currently projected to be 50% less than what was realized last year. This will jeopardize the financial stability of many fishermen as, in 2018, those who participated in the Northern Gulf of Maine scallop fishery earned on average 23% of their total annual revenue from this activity.

These are but a few examples of the dire situation of Maine's hardworking men and women in our seafood industries. I hope you can appreciate how reliant our coastal communities are on the revenues these resources produce. It is the lifeblood of our rural coastline, and these individuals have no other options to sustain their way of life.

My administration has urged fishermen to work closely with their buyers, but the fact remains that we have no financial resources to assist these businesses. Existing authorities for relief address problems within the fishery, but not the broader market forces which impact the value of the product.



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We strongly urge you to marshal the resources of the federal government and work with our Congressional delegation to provide tools that will help our seafood industry survive this unprecedented moment. This includes, but is not limited to:

- Direct financial assistance
- Subsidies,
- Operating loans or loan deferment,
- Modifications to existing programs to make them more accessible to fishing and seafood businesses.

The Maine Department of Marine Resources is ready to provide any additional information needed to consider this request. Department of Marine Resources Commissioner Patrick Keliher may be reached at 207-624-6553 or by email at: Patrick.Keliher@maine.gov.

Sincerely,



Janet T. Mills
Governor

Cc: The Honorable Steven T. Mnuchin
The Honorable Wilbur Ross



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