To allocate the Sec. 12005 funds, NOAA Fisheries used readily available multi-year averages to estimate the total average annual revenues from commercial fishing operations, aquaculture firms, the seafood supply chain (processors, dealers, wholesalers and distributors) and charter fishing businesses from each coastal state, Tribe, and territory. Additional details regarding the sources of revenue data are included below:

1) *Commercial fishing revenues*: For most states, five year average commercial fishing revenues from 2014-2018 were based on data obtained from NOAA Fisheries' Office of Science and Technology's commercial landings database. For U.S. territories, five year average commercial fishing revenues from 2014-2018 were obtained from the Fisheries of the United States report.

2) *Aquaculture revenues*: Most aquaculture revenue data was embedded within the commercial landings revenue data used to calculate five year average commercial fishing revenues. Updated USDA Census of Aquaculture data was used to account for aquaculture sales not accounted for within commercial fishing landings data (e.g., oysters, mussels, clams from select states). Multi-year averages were not available for aquaculture sales derived from the USDA Census of Aquaculture data.

3) *Seafood Sector Revenues*: The commercial fishing landings revenue and aquaculture sales (defined as described above) were used to calculate direct value-added estimates for the seafood sector (i.e., processors, dealers, and wholesalers/distributors) using NOAA Fisheries' Commercial Fishing & Seafood Industry Economic Impact Model, while Alaska and West Coast direct value added estimates were calculated from regional models. In layman's terms, direct value added is essentially sales revenue less the cost of seafood inputs. This metric essentially ensures that revenue was not double counted in both the commercial and seafood sectors and that expenditures that flow out of the country from imported seafood products were not included in any revenue estimates.

4) *For-hire fishing revenues*: For most states, average for-hire fishing revenues from 2015-2019 were based on angler payments to for-hire operations for fishing trips. Data on angler payments were based on NOAA Fisheries' Angler Expenditures Surveys and data on directed for-hire fishing trips were derived from NOAA Fisheries' Marine Recreational Information Program. For Hawaii, Alaska and the Caribbean territories, NOAA Fisheries used charter vessel cost earnings surveys.

Additional notes: All sales and value added data was converted into 2019 dollars. Several additional adjustments were made to the data described above in order to accommodate the unique needs of allocating Sec. 12005 funds. For example:

- *Homeporting Adjustment*: Average annual landings revenue data from Alaska, New England, and Mid-Atlantic states were adjusted to attribute landings in those regions to a vessel owner's state of residence to better reflect where fishing income accrues. These adjustments were made by determining the proportion of landings in a particular state attributed to vessel owners residing in another state and distributing revenue accordingly. A similar adjustment was also applied to at-sea processors on the West Coast.

- *Ceremonial, Subsistence, Cultural Fisheries Multiplier:* A multiplier was also applied to available multi-year averages of Tribal and territorial commercial and for-hire fishing revenues to account for subsistence, cultural, and ceremonial fisheries.

Proportional Allocation Formula: NOAA Fisheries proportionally allocated Sec. 12005 based on the total average annual revenues from coastal states, Tribes, and territories. The general formula used is included below. However, NOAA Fisheries also applied a minimum and maximum funding level ($1M and $50M, respectively).

$$300{,}000{,}000 \times \frac{State/Territory/\ Tribes\ Total\ Average\ Annual\ Revenue\ (all\ sectors)}{Total\ Average\ Annual\ Revenue\ across\ all\ States/Territories/\ Tribes}$$