



UNITED STATES DEPARTMENT OF COMMERCE  
**National Oceanic and Atmospheric  
Administration**  
ACQUISITION AND GRANTS OFFICE

December 4, 2024

Robert Beal  
Executive Director  
Atlantic States Marine Fisheries Commission  
1050 N. Highland Street, Suite 200 A-N  
Arlington, VA 2220

Subject: Extension Request to Provide a Response to the Audit Resolution Determination Letter issued October 2, 2024

Dear Mr. Beal:

The National Oceanic and Atmospheric Administration Grants Management Division (NOAA GMD) has reviewed the Atlantic States Marine Fisheries Commission (ASMFC) extension request submitted on October 22, 2024, to allow ASMFC the necessary time for:

- The State of New Jersey's Department of Environmental Protection to compile the necessary documentation to address the findings in the State of New Jersey audit.
- The State of New Jersey to conduct multiple adjudication hearings regarding the direct assistance payments.
- ASMFC to compile additional information requested on the payments that have already been returned to NOAA, allowing these payments to be attributed to specific assistance recipients.
- The States of New Jersey and Florida have additional time to engage with their fishery assistance recipients and potentially recoup some of the funds deemed unallowable.
- ASMFC and NOAA Fisheries to work together to address the partnership's impacts in support of shared fishery management and science goals.

NOAA would like to address the following comments issued in the extension request letter:

*The Commission is startled by the tone of the Letter, which was an overwhelming departure from the decades-long partnership between the Commission and NOAA Fisheries. The Commission values this partnership, however, there is concern among our 45 Commissioners, representing the 15 member states, that NOAA's support for this partnership may be diminishing.*

NOAA included as a part of the Audit Resolution Determination letter the required language to address the demand for payment following 31 CFR 901.2; written demand shall be made promptly upon a debtor of the United States in terms that inform the debtor of the consequences of failing to cooperate with the agency to resolve the debt. According to 31 CFR 901.2(b), demand letters shall inform the debtor of the basis for the indebtedness and the rights the debtor may have to seek review within the agency; the applicable standards for imposing any interest, penalties, or

administrative costs; the date by which payment should be made to avoid late charges (i.e. interest, penalties, and administrative costs) and enforced collection, which generally should not be more than 30 days from the date that the demand letter is issued.

Additionally, NOAA, as a part of its demand for payment, must follow 31 CFR 901.2(g) before referring a debt to litigation ; agencies should advise each person determined to be liable for the debt that, unless the debt can be collected administratively, litigation may be initiated. This notification should comply with Executive Order 12988 and may be given as part of a demand letter. The demand for payment included the following statement: payment of this debt is entitled to priority treatment following 31 U.S.C. § 3713, that the United States government will be paid first, and failure to satisfy NOAA's claims before paying the claims of other creditors may result in the personal liability of one or more of the ASMFC's officers, employees, or other ASMFC representatives.

NOAA values its long-established relationship of working cooperatively with ASMFC to administer federal financial assistance awards. NOAA acknowledges the commission's central role in administering the Atlantic Coastal Fisheries Cooperative Management Act and the efforts to promote federal-state cooperation in fisheries management and looks forward to ASMFC resolving the findings identified in the audit reports as quickly as possible.

Your request for an extension to December 4, 2025, to respond to the Audit Resolution Determination letter is granted. During the 12-month extension period, ASMFC will submit reports updating the status of the cases for the state of New Jersey, as well as the progress of the documentation submission and payment collection for both Florida and New Jersey. The progress reports should contain supporting documentation for the progress report. The deadlines to submit progress reports will be January 15, 2025, April 15, 2025, July 15, 2025, and October 15, 2025. Documentation should be submitted to the Grants Management Division, Lead Audit Specialist Andrea Sexton, at [Andrea.Sexton@NOAA.gov](mailto:Andrea.Sexton@NOAA.gov).

The request to pause the accrual of interest, penalties, and fees associated with the CARES Act and CAA unallowed costs is also granted, following 15 CFR § 19.5 (c). Department of Commerce entities may suspend the accrual of any or all of these charges when accrual would be against equity and good conscience or not in the United States' best interest.

If you have any questions, please contact Arlene Simpson Porter, Director, Grants Management Division at 301-628-1314 or [Arlene.S.Porter@NOAA.gov](mailto:Arlene.S.Porter@NOAA.gov) or Andrea Sexton, Lead Audit Specialist, at (240) 621-0292 or [Andrea.Sexton@NOAA.gov](mailto:Andrea.Sexton@NOAA.gov).

Sincerely,

PORTER.ARLENE.SIM  
PERSON.1365896824

Digitally signed by  
PORTER.ARLENE.SIMPSON.13658  
96824  
Date: 2024.12.04 12:26:48 -05'00'

Arlene Simpson-Porter  
Director, Grants Management Division  
NOAA Acquisition and Grants Office