Scallop Report
Jonathon Peros & Sam Asci

Scallop Report
September 27, 2022
Hybrid Meeting – Gloucester, MA & Webinar
Today’s Meeting:

- Part 1: Final report of the Scallop Survey Working Group
- Part 2: Framework 36 Update – Surveys and projections, management measures
- Part 3: LA DAS & AA Leasing – Recommend whether the Council should develop an amendment to consider leasing in the LA component

Anticipated Action:

- Motion with a recommendation on whether to develop an amendment for LA DAS and AA leasing
2020 Management Track Assessment

Two assessment models reviewed.

Stock status as of 2019:

- Not overfished
- Overfishing not occurring

Reference points:

- OFL: F=0.61
- ABC: F=0.45
- ACT: F=0.40
2022 Surveys – GB and Mid-Atlantic

RSA survey coverage

Legend
- SMAST Drop Cam
- CFF HabCam
- VIMS Dredge
- Scallop Rotational Areas (FY2022)
- NGOM Management Area

Date: 3/8/2022
Georges Bank and Mid-Atlantic Biomass Estimates (2015 – 2022)
Mid-Atlantic Biomass Estimates (2015 – 2022) By Region

Mid-Atlantic Access Area

Mid-Atlantic Open Bottom
2023 Exploitable Biomass Projections @F=0.45 (lbs) by SAMS areas, GB and MA

- **Georges Bank Areas**
- **Habitat Closed Area**
- **Mid-Atlantic Areas**

### Pounds

#### Georges Bank
- CAII-EXT
- CAII-SE
- CAII-SW
- CAI-Middle
- CAI-Silver
- GSC
- NF
- SF
- NLS-N
- NLS-S
- NLS-W
- CAI-North

#### GB-Open
- DMV
- HCS
- LI
- MA-inshore
- NYB
- VIR
- ET

#### MA
- MA-Open
- MA-Closed

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**Georges Bank**
- MA-inshore
- NYB
- VIR
- ET
- MA-Closed

**Mid-Atlantic**
- MA-Open
- MA-Closed
Outlook for the Scallop Resource

- Biomass in 2022 was the lowest observed since 1999, less than a quarter of its peak 2017 peak.
  - Extended stretch of below average recruitment after 2013.
- The 2023 ABC will likely be less than 44 million pounds, ABC > 100 million pounds from 2017 – 2020, ~45 million in 2014.
- Scallop forecasts have been overly optimistic in recent years, particularly in areas that are being fished.
- Recruitment in 2022 is the best since 2015. Earliest incoming year classes will be available to the fishery is 2024 or 2025.
FW34 Estimate: 2,410 pounds per day

As of Sept 15, 2022
FY2022
Open Area Fishing:
• 11,006,576 lbs
• 5,152 DAS used
• LPUE: 2,136
Elephant Trunk

- 2+ year old recruits observed in HabCam and Dredge
- 2023: Likely a closure to protect small scallops
- Biomass projected to double from 2022 → 2023

Figure 2.7. The number of 35-75 mm scallops observed on the 2022 NEFSC and CFF Habeam surveys, along with 2022 Habeam biomass estimates for 40+ mm scallops for Mid-Atlantic.
NYB Closure

- Committee tasking: Keep area closed next season.
- Research suggests scallops in NYB may be seedings areas to the south.
- Multiple cohorts in the area with growth potential.

![NYB Closure Diagram](image)

**NYB Closure Dredge Length Frequencies**

- **Average Length:**
  - Survey: 97 mm
  - Commercial: 116 mm
- **Survey:**
  - Commercial n= 19,007
  - Mean Length = 116.06 mm
  - Survey n= 17,608
  - Mean Length = 96.68 mm

**Prediction:** mt per km² for shell height 40+ mm
**Observation:** # per m² for shell height 35-75 mm
### Nantucket Lightship

<table>
<thead>
<tr>
<th>Sub-Area</th>
<th>2023 Landings at F=0.45</th>
<th>Ycs in the Area</th>
<th>Recruitment?</th>
<th>Average Size (2022 Dredge surveys)</th>
<th>Density (per m²)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NLS-North</td>
<td>456k Lbs (207 mt)</td>
<td>2</td>
<td>No</td>
<td>Survey: 85mm Comm: 130mm</td>
<td>~0.04</td>
</tr>
<tr>
<td>NLS-South</td>
<td>720k Lbs (327 mt)</td>
<td>2, mostly 2012 YC</td>
<td>Limited</td>
<td>Survey: 99mm Comm: 118mm</td>
<td>~0.33</td>
</tr>
<tr>
<td>NLS-West</td>
<td>940k lbs (103 mt)</td>
<td>Pre-recruits (Again)</td>
<td>Yes</td>
<td>Survey: 28mm Comm: 123mm</td>
<td>~0.01</td>
</tr>
</tbody>
</table>

Prediction: mt per km² for shell height 40+ mm  
Observation: # per m² for shell height >75 mm

#### Committee Tasking
- Evaluate NLS-N & NLS-S (including Triangle) as open bottom.
- Evaluate NLS-N & NLS-S with RSA and LAGC IFQ AA fishing.
- NLS-West closed in both scenarios.
Eastern Georges Bank – Closed Area II Region

- Several Year Classes in region, mixed in some areas.
- Highest biomass "region"
- Candidate areas to open, close

Closed Area II – North "Northern Edge"

Closed Area II East

CAII - Southwest

Closed Area II Extension

CAII-SE
Closed Area II Region

- Rotational fishing in CAII AA since 2020, different configurations.
- CAII-N (aka Northern Edge) – Multiple cohorts in the area, especially 3yo YC.

Prediction: mt per km2 for shell height 40+ mm
Observation: # per m2 for shell height >75 mm

Fished in 2021 & 2022

<table>
<thead>
<tr>
<th>Access</th>
<th>Georges Bank</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAII-SW</td>
<td>Bms 2022</td>
</tr>
<tr>
<td>CAII-EXT</td>
<td>Bms 2023</td>
</tr>
<tr>
<td>CAII-SE</td>
<td>Bms 2022</td>
</tr>
<tr>
<td>CAII-North</td>
<td>Bms 2023</td>
</tr>
</tbody>
</table>
Closed Area II

- 2022 Survey Data – Multiple cohorts in the area, especially to the east.
- Committee runs combine 3 SAMS areas one larger access area (re-open CAII-SE)

**Landing at F=0.45, Mil. lbs.**

<table>
<thead>
<tr>
<th>Georges Bank</th>
<th>CAII-SW</th>
<th>CAII-SE</th>
<th>CAII-EXT</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1.36</td>
<td>4.14</td>
<td>4.71</td>
</tr>
</tbody>
</table>

**Committee Tasking – Closed Area II Options**

<table>
<thead>
<tr>
<th>Run</th>
<th>Trip Limit</th>
<th>Trips</th>
<th>Total Harvest</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>18,000 lbs</td>
<td>1</td>
<td>~6 million lbs</td>
</tr>
<tr>
<td>2</td>
<td>10,000 lbs</td>
<td>2</td>
<td>~6.5 million lbs</td>
</tr>
<tr>
<td>3</td>
<td>12,000 lbs</td>
<td>2</td>
<td>~7.8 million lbs</td>
</tr>
</tbody>
</table>

>75mm

Scallop densities per m²:
- < 0.09
- 0.09-0.17
- 0.18-0.70
- 0.71-1.34
- > 1.34

Scale: 50 km
### Sub-Area Projection of Biomass 2022

<table>
<thead>
<tr>
<th>Sub-Area</th>
<th>Projection of Biomass 2022</th>
<th>Year Classes in the Area</th>
<th>Recruitment?</th>
<th>Average Size (dredge)</th>
<th>Density - Num/m²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Closed Area I Sliver</td>
<td>7.65 Mil. Lbs. (3470 mt)</td>
<td>1 strong cohort</td>
<td>Yes</td>
<td>50.7mm</td>
<td>2.9</td>
</tr>
<tr>
<td>Closed Area I Middle</td>
<td>~608k Lbs. (278 mt)</td>
<td>No</td>
<td>No</td>
<td>102.7mm</td>
<td>0.003</td>
</tr>
</tbody>
</table>

SAMS run tasking closes CAI to protect strong cohort detected in CAI Sliver.
Northern Gulf of Maine

- Majority of biomass in NGOM on Stellwagen Bank north of 42 20’.
- Committee recommends target F for NGOM at F=0.15 and F=0.18 for 2023.

Figure 5. Average recruited scallop (> 75 mm shell height) density at stations from the 2022 SMAST Drop Camera survey.
### Amendment 21 Measures

<table>
<thead>
<tr>
<th>LAGC CAI AA trips</th>
<th>NGOM</th>
</tr>
</thead>
<tbody>
<tr>
<td>- New for 2022: 800-pound access area trip limit in access areas.</td>
<td>- NGOM Set-aside: 621k pounds</td>
</tr>
<tr>
<td>- ~68% of trips used → 230 available as of 9/14/22</td>
<td>- Area open 56 days (Closed May 26)</td>
</tr>
<tr>
<td>- Vessels landing around 800-pound limit.</td>
<td>- Average catch per trip close to 200 lbs – data includes observed trips</td>
</tr>
<tr>
<td>- Majority of trips ~ a day (24 hours)</td>
<td>- 106 vessels took trips this season, was expected and consistent with A21 rationale.</td>
</tr>
<tr>
<td></td>
<td>- 4 LA vessels with GC permits that took trips in 2022</td>
</tr>
</tbody>
</table>
Committee Tasking for FW36 Specifications

Three F rates: 0.39, 0.45, 0.52

Area I Closure

NLS-N & NLS-S:
Options as open bottom or RSA/IFQ AA trips

Area II Access Area:
Options 6-7.8 mil lbs.

NYB Closure

ET Closure
Scoping for Limited Access Scallop Leasing
Summary Report

Council staff
Limited Access Leasing – Scoping Results

- Scoping for LA leasing completed over 9 meetings, accepted written comments through July 5, 2022

Goal for today:

1. Review summary of comments received during scoping (see Doc.2a-2c)
2. Decide on whether to initiate leasing amendment
Scoping Efforts

- Gloucester, MA
- New Bedford, MA
- Point Judith, RI
- Manahawkin, NJ
- Hampton, VA
- New Bern, NC
Tally of comments/commenters

- **Scoping meetings:**
  - Total attendance = 397 people
  - 77 unique commentors

- **Written comments**
  - 228 comments received
  - Signed by 235 people

- **Grand total:**
  - 305 comments from 286 people

<table>
<thead>
<tr>
<th>Date</th>
<th>Location</th>
<th>Attendees</th>
<th>Speakers</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 27</td>
<td>Gloucester, MA</td>
<td>13</td>
<td>7</td>
</tr>
<tr>
<td>May 11</td>
<td>New Bedford, MA</td>
<td>160</td>
<td>23</td>
</tr>
<tr>
<td>May 19</td>
<td>Manahawkin, NJ</td>
<td>30</td>
<td>7</td>
</tr>
<tr>
<td>May 25</td>
<td>New Bedford, MA</td>
<td>80</td>
<td>22</td>
</tr>
<tr>
<td>May 26</td>
<td>Point Judith, RI</td>
<td>14</td>
<td>5</td>
</tr>
<tr>
<td>June 1</td>
<td>New Bern, NC</td>
<td>24</td>
<td>15</td>
</tr>
<tr>
<td>June 2</td>
<td>Hampton, VA</td>
<td>17</td>
<td>10</td>
</tr>
<tr>
<td>June 17</td>
<td>webinar</td>
<td>32</td>
<td>5</td>
</tr>
<tr>
<td>June 24</td>
<td>webinar</td>
<td>27</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>397</strong>a</td>
<td><strong>77</strong>b</td>
</tr>
</tbody>
</table>

\[a\] Includes duplicates.  
\[b\] Duplicates removed.

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1 written comments received during scoping period from Dec 9, 2021 to July 5, 2022

2 ten (10) written comments (4%) were signed with illegible signatures, included in this summary
What should comments address?

1. In your opinion:
   - Is a leasing program needed in the LA fishery? Why or why not?

2. Who/what would be affected by a leasing program?

3. If a leasing program were developed:
   - What should the program consider?
Results

- Majority of commenters opposed to leasing (78%)
- 20% in favor
- 2% uncertain neutral

Table 5. Overview of stakeholder comments on scallop leasing, all commenters

<table>
<thead>
<tr>
<th>Topic</th>
<th>Commenters</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Individuals</td>
<td>Organizations</td>
<td>Elected</td>
<td>Total</td>
</tr>
<tr>
<td>Against leasing</td>
<td>214</td>
<td>1(1)</td>
<td>9</td>
<td>224</td>
</tr>
<tr>
<td>Uncertain or neutral</td>
<td>6</td>
<td>0</td>
<td>0</td>
<td>6</td>
</tr>
<tr>
<td>Supports leasing</td>
<td>49</td>
<td>6(3)</td>
<td>1</td>
<td>56</td>
</tr>
<tr>
<td>Total</td>
<td>269</td>
<td>7(4)</td>
<td>10</td>
<td>286</td>
</tr>
</tbody>
</table>

a (x) notes the number of organizations represented.
Views by stakeholder type

- **Owners/managers** – 55% in favor, 44% opposed
- **Captains/crews** – 99% opposed to leasing, largest group of commenters
- **Shoreside support** – 56% in favor, 38% opposed
- **Elected officials** – 9 of 10 opposed

<table>
<thead>
<tr>
<th>Primary stakeholder type</th>
<th>Against leasing</th>
<th>Uncertain or neutral</th>
<th>Supports leasing</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner or manager, LA scallop fishery</td>
<td>24</td>
<td>1</td>
<td>30</td>
<td>55</td>
</tr>
<tr>
<td>Captain or mate, LA scallop fishery</td>
<td>36</td>
<td>0</td>
<td>2</td>
<td>38</td>
</tr>
<tr>
<td>Crew, LA scallop fishery</td>
<td>123</td>
<td>0</td>
<td>0</td>
<td>123</td>
</tr>
<tr>
<td>Unspecified, LA scallop fishery</td>
<td>12</td>
<td>0</td>
<td>1</td>
<td>13</td>
</tr>
<tr>
<td>Other scallop fishermen</td>
<td>1</td>
<td>4</td>
<td>2</td>
<td>7</td>
</tr>
<tr>
<td>Other fisheries (non-scallop)</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Shoreside support services</td>
<td>6</td>
<td>1</td>
<td>9</td>
<td>16</td>
</tr>
<tr>
<td>Fishing organization representatives</td>
<td>1</td>
<td>0</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>Elected Officials</td>
<td>9</td>
<td>0</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>Other interested public</td>
<td>3</td>
<td>0</td>
<td>4</td>
<td>7</td>
</tr>
<tr>
<td>Unknown affiliation</td>
<td>7</td>
<td>0</td>
<td>1</td>
<td>8</td>
</tr>
<tr>
<td><strong>Total commenters</strong></td>
<td><strong>224</strong></td>
<td><strong>6</strong></td>
<td><strong>56</strong></td>
<td><strong>286</strong></td>
</tr>
</tbody>
</table>
Comments by state

- **Massachusetts** – most commenters, 88% of MA against leasing
- **New Jersey** – 53% against, 42% in favor
- **North Carolina** – 100% of commenters in support of leasing
- **“Unknown”** – 99% opposed to leasing
  - mostly crew, captain, or other LA affiliation
- **“Uncertain/neutral”** – 6 total, from Maine, NJ, and VA
Efficiency and Flexibility

Support

- Vessel/business operations could be more flexible and efficient
- Captains/crews already working on two vessels, wouldn’t need to switch platforms during season
- Retiring older vessels for newer, more efficient vessels
- No more loss of allocation when vessel has catastrophic failure

“...we’ve been working through insurance for a boat that was on the beach in January, and we left quota in the water, which is a living example of the need for more flexibility.” – vessel manager

“...we are a small family-owned business ...insurance, fuel, steel, services, prices across the board in the industry have gone up, and the scallop prices this week are as low as they were in 2020. It is not sustainable from an economic standpoint. It will give boat owners, and especially small boat owners, flexibility, and it will be a positive thing for the industry.” – vessel owner

Opposition

- Maximizing vessel efficiency could have negative impacts to resource
- There is enough time in year to maintain vessels, owners should already be investing in maintenance

“If an owner is stocking millions of dollars and is not able to keep their boats in good shape, that is their problem.” – vessel owner and captain

“I don’t see a reason to do this, other than to reduce operational expenses for owners, which isn’t a good enough reason.” – vessel captain
Safety

Support
- Get older boats out of fishery, invest in safer platforms
- Reduce port congestion (i.e., fewer boats to cross at dock)

“...more vessels are operating out of northern ports such as New Bedford, where vessels are tied up six to seven deep at the dock. This creates a great hazard for crews as they move across vessels to get to shore.” – vessel owner

Opposition
- Fishing more on one vessels means less time for maintenance
- Adding cost of leasing → less money for maintenance

“Our season currently allows for a healthy balance between fishing and non-fishing time that has allowed the vessel owners to keep their vessels up to date and a leasing program may introduce a new time constraint...less flexibility to schedule repairs.” – crew member
Employment, Crew, Consolidation

Support

- Same amount of work, just fewer boats
  - Many crews already working on multiple boats
- Fewer boats, less operating cost, less gear work
- Could help entry of new owners

“We do not anticipate any change to our total crew size needed to prosecute the fishery under a leasing program, as currently they all work on two vessel allocations per year.” – shoreside employee of fishing company

Opposition

- Crew paying for lease costs, lost wages
- Consolidation only benefiting larger fleet owners, potential for job loss
- Concern of private equity buying up fishery, loss of community
- Undermining competitive nature (e.g., best captains/crews → best boats → best settlements)

“The leasing program creates an unequal playing field whereas the larger, well financed organizations are able to enjoy the economic benefits of the economy of scale the leasing program offers while the smaller fleet and individual boat owners are unable to participate in any economic savings. Over time, this inequality will force the family run scallop boats and businesses to sell out to the larger corporations and private equity firms.” – vessel owner
Shoreside Support & Fishing Community

**Support**
- Same amount of fuel, ice, repair work needed, just on fewer vessels
- Fewer vessels, less port congestion
- Feeling that leasing would not impact shoreside support or fishing communities

“...the same amount of supplies such as ice and fuel and food is going to be needed whether one crew is fishing two boats or one boat with two allocations.” – vessel owner

**Opposition**
- More vertical integration means less need for independent shoreside operators (e.g., gear suppliers, welders, electricians, etc.)
- Grow a few businesses larger at expense of community
- Shifting ownership to corporate entities
- Importance of scallop fishery as economic driver

“If it does move forward, it will take even further away from the family and community dynamic that fishing is. I don’t want to be a corporate Wal-Mart fisherman.” – vessel captain
Scallop Resource & Environment

Support

- Fewer boats could slow rate of fishing
- Transition to newer efficient boats could reduce emissions
- Same amount of DAS/access area trips being fished, just on fewer vessels

Opposition

- Leasing not driven by economics, not conservation
- Path to increased fishing capacity/mortality as older vessels phased out
- Lease fees on crew may incentivize high grading

“We are being managed into smaller and smaller sectors, and I think we need some flexibility so that we can slow down, have fewer boats operating in small areas, and lessen the impact.” – scallop vessel owner

“Leasing and stacking of trips or permits are not conservation measures and do nothing to benefit the resource. To the contrary they will probably cause overfishing.” – vessel captain
Effort in Other Fisheries

Support

- Measures should be developed to prevent shift of effort into other fisheries (i.e., “arresting permits”)
- Cost of switching gear prohibitive to entering other fisheries
- Incentive to shift effort if a leasing program isn’t developed due to current lack of flexibility

“Anyone who does try to get into these other fisheries will spend a week down south landing $1 fluke and they will be put off pretty quickly ... people will come to their senses when they realize how involved it is, between maintenance and gear.” – vessel owner

Opposition

- Concern that vessels will lease out scallop allocation, shift effort into other fisheries
- Displacement of effort could have negative impacts to other fisheries
  - Little room for more effort in many other fisheries – squid, fluke, etc.
  - Also concerns around movement into other parts of scallop fishery (i.e., NGOM)

“Allowing the leasing of scallop effort from a vessel with other limited access permits will have the effect of shifting that vessel’s effort into other limited access fisheries, most of which are already struggling under limited quotas and other restrictions.” - shoreside employee of fishing company
Support

- Additional flexibility of leasing seen in other fisheries seen as positive – e.g., LAGC IFQ component, surfclam, groundfish, etc.
- Suggestion that Scallop RSA is quasi-leasing program already

“Many fisheries on the east coast already successfully participate in quota leasing and have for years, for example groundfish, general category sea scallop, sea bass, surf clam, and area 3 lobster permits.” – vessel owner

Opposition

- Concerns based on past experiences of consolidation, lost jobs and wages – e.g., groundfish
- Lease costs shouldered by crew – e.g., LAGC IFQ component, groundfish, etc.

“In my previous fishery, the management style changed to IFQ causing consolidation which put me out of a job. I believe a leasing program in this fishery will cause the same consolidation as the IFQ program and put a lot of smaller guys out of business.” – crew member
What should leasing look like?

Goals to consider
- Voluntary
- Fair and simple
- Prevent displacement of effort
- Conservation neutral
- Increase flexibility for business owners

Measures to consider
- Allow transfers between similar size vessels, permits of like categories
- Keep ownership caps (i.e., 5%)
- Temporary only (though some comments in support of permanent)
- Cap transfers at two vessel’s worth of allocation per vessel
Rather than leasing...

- Concerns that leasing amendment would consume substantial time & resources, with little benefit to scallop stock or fishery as a whole
  - Focus on consensus driven issues
- Instead of leasing, Council should focus on:
  - Promote scallop recruitment
  - Address concerns around fishing practices (e.g., high-grading, deck loading)
  - Improve rotational management program
  - Access to Northern Edge
  - Address inconsistencies between surveys and fishery yield
- Create review process to consider transfers for vessels with catastrophic failure
Decision point for today

- Seeking motion on how to proceed

**Options:**

- Stop work on leasing, do not initiate action to develop leasing program
  - Any continued work on leasing would need to be prioritized by Council in future

  **OR**

- Initiate amendment to develop leasing program
  - Goals & objectives, range of alternatives would be developed by CTE in future (i.e., not today)
  - Results of scoping would be used to shape alternatives