



Mr. Tom Nies
Executive Director
New England Fishery Management Council
50 Water Street, Mill #2
Newburyport, MA 01950

November 4, 2019

Dear Tom,

I am writing as a follow-up to my September 12 letter requesting the Council advance the development of a temporary limited access scallop vessel DAS and access area trip leasing pilot project by ranking the project third on the scallop priorities task list for 2020.

We were pleased that the Scallop Advisory Panel (AP) voted 8-2 in New Bedford on October 23 to strongly endorse the leasing pilot project by ranking it just after Amendment 21 (A21) and the Northern Edge Access Habitat amendment, which will be led by the Habitat Committee, with involvement from the Groundfish and Scallop Committees. These top three priorities are separate from the required regulatory work on the 2021 specifications package.

The Council's Scallop AP is a remarkably knowledgeable group, broadly representing the entire fishery from Maine to Virginia, and their discussion of the leasing project was quite informative. From one-boat owners to multi-vessel owners, leasing can provide operational flexibility and resiliency that does not exist in the Fishery Management Plan (FMP). Under the current all-in or all-out system, vessel owners have no operational flexibility, no way to reduce fishing capacity or streamline their operations, and no way to improve or grow their fishing operations other than by purchasing a permit and vessel at the \$6 to \$7 million range.

With this in mind, I am writing to clarify what we are proposing. We are asking the Council to prioritize the initial steps, including developing and refining scoping documents, for a voluntary limited access scallop leasing pilot project that would be time-limited and subject to Council review. We anticipate that the amendment would emerge from the Council process with either a sunset provision or a set of frameworkable mechanisms that would allow the Council to modify, end, or extend the program based on its performance.

The fleet is aware that scallop surveys have indicated low recruitment for at least the past three years, and that the PDT has observed no significant recruitment events since the 2012 and 2013 year classes. Because of this extended period of low recruitment, the Scallop PDT has recommended significant reductions in the ABC and OFL for 2020 and 2021. Further underscoring uncertainties regarding future yields, sea scallop biomass in the DELMARVA has declined by an order of magnitude since 2017.

DAS usage has now decreased to the point that dedicated LA scallop boats are at the dock 78 percent of the year, with no ability to improve their fishing operations. These looming challenges have led to a significant and increasing number of limited access vessels to support moving forward with the development of a temporary leasing pilot project. A voluntary leasing alternative would bring flexibility

and resilience to the fishery that would allow every sector of the fleet to mitigate variability in future quotas and weather future storms.

Unfortunately, the Scallop Committee rejected the AP's recommendations and subordinated the AP's recommended priorities on a 4-3 vote that demoted the leasing project to sixth and likely below the line. The Committee's decision to subordinate the AP recommendations turned, in large part, on arguments that there is already too much work for Council staff in 2020 and that this initiative is similar to previous efforts the Council passed by. *These arguments missed the mark.* As we have stated in previous correspondence, this initiative stands apart from what has been brought to the Council before and includes principled commitments to conservation neutrality and protecting non-participants. We've also been clear and cooperative in our request that the Council begin the initial scoping work in 2020 only as time and resources allow, without displacing the important work needed on the 2021 Specifications Framework or A21.

The time is right to begin work on this project and proactively position the fleet for a strong future. We appreciate there will be concerns regarding the details of any significant amendment to such an important management plan. However, the Council amendment process provides the ideal forum for identifying and addressing any concerns through the development and evaluation of goals, objectives, management alternatives, and impacts. We ask that the Executive Committee respect the overwhelming support for a leasing pilot project by endorsing the rankings of the AP.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey R. Pike". The signature is fluid and cursive, with the first name "Jeffrey" and last name "Pike" clearly legible.

Jeffrey Pike