

# CORRESPONDENCE



## New England Fishery Management Council

50 WATER STREET | NEWBURYPORT, MASSACHUSETTS 01950 | PHONE 978 465 0492 | FAX 978 465 3116

John F. Quinn, J.D., Ph.D., Chairman | Thomas A. Nies, *Executive Director*

September 18, 2020

Mr. Charles Keith  
New England Fisheries Science Center  
166 Water Street  
Woods Hole, MA 02543

Dear Chad:

This letter is to acknowledge receipt of correspondence to our office that you will no longer be providing technical assistance to our Scallop Plan Development Team.

On behalf of the Council, I would like to thank you for your service to the management process as a member of the Scallop PDT for over seven years. The Center's observer program is an important partner in scallop fishery management, and your knowledge and expertise supported the Council's decision-making process during a run of record landings. My staff appreciated your analytical contributions on a wide range of issues, and willingness coordinate the car-pool from Woods Hole to countless PDT meeting. Over your seven years on the PDT, you supported the development of accountability measures, and worked to expand data collected by observers to meet management needs such as tracking nematodes and scallop meat quality.

We wish you the best in your new role as Shellfish Program Lead in the Ecosystems Surveys Branch, and look forward to working with you in the future.

Sincerely,

A handwritten signature in cursive script that reads "Thomas A. Nies".

Thomas A. Nies  
Executive Director

cc: Jon Hare, NEFSC

Charles (Chad) Keith  
166 Water Street  
Northeast Fisheries Science Center  
Woods Hole, MA 02543  
September 17, 2020

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

Dear Tom:

I have accepted a new position within the Northeast Fisheries Science Center in Woods Hole (June 2020) and I am no longer able to represent the Northeast Fisheries Observer Program as a member of the NEFMC Scallop Plan Development Team. I am very grateful and would like to thank the NEFMC for the opportunity to work with NEFMC staff, PDT scientists and fishing industry members for the last seven years. It has been a great learning experience for me and I hope to continue collaborations with the Scallop PDT as the NEFSC, Ecosystems Surveys Branch, Shellfish Survey Lead in the future and at future meetings. Please reach out to me if you have any questions or need more information.

Sincerely,

Chad Keith



## New England Fishery Management Council

50 WATER STREET | NEWBURYPORT, MASSACHUSETTS 01950 | PHONE 978 465 0492 | FAX 978 465 3116  
John F. Quinn, J.D., Ph.D., *Chairman* | Thomas A. Nies, *Executive Director*

June 26, 2020

Dr. Jonathan Hare  
Science and Research Director  
Northeast Fisheries Science Center  
166 Water Street  
Woods Hole, MA 02543

Dear Jon:

On June 24, 2020 the Council discussed research priorities for the next Scallop Research Set-Aside (RSA) announcement. The attached list includes the Council's recommendations for Scallop RSA research priorities for the 2021/2022 award cycle. This year, the Council recommended resource surveys as the highest priority. The Council also identified two research areas as high priority (sea turtle and scallop biology), and three general research needs (scallop recruitment supplementation, bycatch, gear). The general research needs are not listed in rank order and are of equal importance. The Scallop Plan Development Team, Advisory Panel, and Oversight Committee all provided input to the Council ahead of the June 2020 meeting.

Thank you for considering this input. Please contact me if you have questions.

Sincerely,

Thomas A. Nies  
Executive Director

cc: Michael Pentony, GARFO

## Attachment

### SURVEYS (Highest Priority)

#### 1. Survey Related Research

Survey results must be available by early August of the year in which the survey is conducted (e.g., survey results that would inform 2022 fishing effort decisions must be available by mid-August 2021). The survey or surveys do not need to be carried out by a single grant recipient. Survey data will be used to develop estimates of total and exploitable biomass to be used for setting fishery catch limits and allocations. Successful projects may be asked to provide data in a standardized format. The primary objective of these surveys would be to provide additional biomass estimates in addition to the federal survey to improve the overall precision of the scallop biomass estimate produced by the Scallop Plan Development Team.

Due to the COVID-19 pandemic, some survey projects that were funded for the 2020 field season may be delayed for a year. Delays in previously funded survey work 2020 should be considered in the evaluation of proposed surveys for 2021.

1a. An intensive industry-based survey of each of the relevant scallop rotational areas (Closed Area II, Closed Area I, Nantucket Lightship, Elephant Trunk and Hudson Canyon) that will provide estimates of total and exploitable biomass to be used for setting fishery catch limits under the rotational area management program.

1b. an intensive industry-based survey of areas of importance (i.e., open areas with high scallop recruitment or areas of importance to the fishery). For 2021, the priority areas are where scallop recruitment was observed during 2020 surveys, and areas of the Gulf of Maine that have recently been or are likely to be fished (Stellwagen Bank).

1c. a resource wide industry-based survey of scallops within Georges Bank and/or Mid-Atlantic resource areas.

#### High Priority Non-survey research (in ranked order)

2. Turtles: Research to support the investigation of turtle behavior in the Mid-Atlantic and Georges Bank (via satellite tagging or other means). This could include, but is not limited to, research to understand their seasonal movements, vertical habitat utilization, and the status and range of the population in response to climate change. This research could assist in the collection of data that may be required by current or future biological opinions.

3. Scallop Biology: Research on scallop biology, including studies aimed at understanding recruitment processes (reproduction, timing of spawning, larval and early post-settlement stages, age and growth, and yield), examination of environmental stressors on reproduction and growth, and mass mortality event, i.e. the disappearance of 50 million pounds of scallops in NLS-W. This priority also includes research on natural mortality, such as scallop predation (e.g., starfish, crab, snails, and dogfish), discard mortality, and juvenile mortality events.

## General Research Needs (not in rank order)

4. Scallop Recruitment Supplementation: Research to develop the tools, such as spat collection, grow out of juvenile scallops, predator control, and offshore seeding, to supplement natural recruitment of scallops.

5. Bycatch: Identification and evaluation of methods to reduce the impacts of the scallop fishery with respect to bycatch of small scallops and non-target species. This would include projects that determine seasonal bycatch rates of non-target species, characterize spatial and temporal distribution patterns, collect and analyze catch and bycatch data on a near-real time basis, as well as the associated discard mortality rates of key bycatch species. Research efforts focusing on non-target bycatch should provide results that would help the scallop industry avoid pending or potential implementation of accountability measures. Projects should consider the enforceability and feasibility of regulations in the commercial fishery.

6. Gear: Commercial dredge research to improve scallop catch efficiency, improve scallop size selectivity, reduce scallop damage, reduce non-target species bycatch, and to reduce fuel consumption.



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John F. Quinn, J.D., Ph.D., *Chairman* | Thomas A. Nies, *Executive Director*

June 30, 2020

Ms. Kelly Whitmore  
Fishery Policy Analyst  
Massachusetts Division of Marine Fisheries  
251 Causeway Street, Suite 400  
Boston, MA 02114

Dear Kelly:

Dan McKiernan has recommended you represent the Massachusetts DMF on the Council's Scallop Committee's Plan Development Team (PDT). The PDT is currently supporting the Council's work on several management priorities, including the development of Amendment 21 to the Scallop FMP. The Council will also begin the process of developing specifications for the 2021/2022 fishing years later this summer. Your expertise and experience in the scientific and management process will be very valuable to the PDT.

PDT members are expected to contribute to discussion, analysis, and document preparation, often under difficult timelines. I appreciate your willingness to assist in these tasks. Further, PDTs are tasked with providing objective analyses to the Council. For this reason, PDT members are not allowed to address the Committee or Council in order to advocate for any specific Council decisions unless they are presenting a PDT position. This task is normally the responsibility of the PDT Chair.

Jonathon Peros, Scallop PDT Chair, will be contacting you shortly with more information. Feel free to contact him at your convenience by email ([jperos@nefmc.org](mailto:jperos@nefmc.org)) or telephone: 978-465-0492, ext.117.

I am pleased to appoint you to the Scallop PDT. Please contact me if you have any additional questions or concerns.

Sincerely,

Thomas A. Nies  
Executive Director

cc: Daniel McKiernan, MA DMF



## New England Fishery Management Council

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John F. Quinn, J.D., Ph.D., *Chairman* | Thomas A. Nies, *Executive Director*

July 6, 2020

Mr. Michael Pentony  
Regional Administrator  
NMFS, Northeast Regional Office  
55 Great Republic Drive  
Gloucester, MA 01930

RE: Comments on the Coonamesset Farm Foundation Compensation Fishing Gear Research EFP

Dear Mike:

The New England Fishery Management Council has no objection to experimental fishery proposal that would allow commercial fishing vessels to fish outside of scallop regulations in support of research conducted by the Coonamessett Farm Foundation, as published in the *Federal Register* on July 2, 2020.

If you have any questions, please contact me.

Sincerely,

A handwritten signature in cursive script that reads "Thomas A. Nies".

Thomas A. Nies  
Executive Director



July 14, 2020

I, William E. Nelson own four Limited Access Scallop Permits and Fishing Vessels as listed below:

F/V Relentless, Fulltime Double Dredge

Lost: 5.3 Open Days

Still on the books: 2 Trips in the Nantucket West Closed Areas (18,000 lbs each trip plus additional 1860 lbs for a total of 37,860 lbs) (2019)

F/V Diligence, Fulltime Small Dredge

Still on the books: 28,486 lbs in the Nantucket West Closed Area (2019)

F/V Providence, Fulltime Small Dredge

Lost: 1.95 Open Days

626 lbs Limited Access General Category

F/V Fortitude, Part time Small Dredge

Lost: 3.67 Open Days

Still on books: 1 Nantucket West 17,000 lbs plus 800 lbs

On March 17, 2020 the Captain and crew of the F/V Relentless and the F/V Providence were going out to fish their remaining open bottom days when the mate of the F/V Providence got ill. He went to his primary care physician who immediately advised him to get tested for Covid-19 (attached test results). Upon hearing this, the remaining crew of the F/V Providence self-quarantined for approximately 2 weeks and waited for the test results. With that said we were in April 2020 before fishing resumed and as a result we lost all remaining open bottom days because of the ramifications of the Covid-19 pandemic.

The F/V Relentless and F/V Fortitude captain and crew were going out at the same time in March. Upon hearing about illness of mate on F/V Providence the captain and crew on both vessels did not fish due to family concern over exposure to Covid-19. The captain and crew live in the states of Virginia, West Virginia, New Jersey, and Pennsylvania which were experiencing outbreaks of the Covid-19. Fear of contracting the disease was high. We were not able to resume fishing until mid April. Town Dock in Narragansett, Rhode Island where we unload also closed down completely during this same time period.

On 3 of our 4 vessels I as owner and our crew members lost revenue due to the ramifications of the Covid-19 pandemic.

A second major issue of concern is the allocated fishing in the closed area of Nantucket West. Due to the drop off of yield in this area we waited through the winter and early spring hoping that the yield would come back. In April 2020 the F/V Diligence made a closed area trip in the MidAtlantic Access area to give the boat and crew much needed revenue. In May, the same fishing vessel F/V Diligence fished in the Nantucket West closed area. The captain made 15 tows over a 16 hour period all across the area. He caught only 50 lbs in total weight. (see attached log). Due to virtually no yield in the area, he came in and stopped the trip. Our captain on the F/V Relentless was about to go into the same area but I made the decision to halt that trip due to the none existent yield in the area. My question to the council is "Would you go to your job, work 8 plus hours each day and then have to pay your employer to cover the expenses?" That's exactly what my captain and crew would be doing by fishing in the Nantucket West.

It is important that the members of the Council be aware of the impact Covid-19 and the lack of yield contained in the Nantucket West closed area has had for our company and crew. I would highly recommend the Council return the lost open days from the 2019/2020 fishing season with a timeframe of 2 months for completion. In addition, I would like to see the Council authorize those that have fishing left from the previous season in the Nantucket West closed access area to be able to fish that poundage in another closed area and close the Nantucket West immediately.

Your attention to these matters is highly appreciated and we in the industry await your decisions.

William E. Nelson

Owner, B&C Scallop Co., Inc. (F/V Relentless)

B&C Fisheries LLC (F/V Diligence)

B&C Marine LLC (F/V Fortitude)

B&C Seafaring LLC (F/V Providence)



**UNITED STATES DEPARTMENT OF COMMERCE**  
**National Oceanic and Atmospheric Administration**  
NATIONAL MARINE FISHERIES SERVICE  
Northeast Fisheries Science Center  
166 Water Street  
Woods Hole, MA 02543-1026

July 17, 2020

Mr. Thomas A. Nies  
Executive Director  
New England Fishery Management Council  
50 Water Street  
Newburyport, MA 01950

Dear Tom:

Thank you for your letter of June 26, 2020, regarding the 2021/2022 Atlantic Sea Scallop Research Set Aside (RSA) Program announcement.

I have forwarded the information you have provided regarding the Council's priorities for this year's award cycle to our NEFSC/GARFO staff managing our Research Programs Set-Aside Programs.

I appreciate the Council's interest in, and support of, the RSA programs. If you have questions or would like to discuss this further, please don't hesitate to give me a call.

Sincerely,

Science and Research Director

cc: M. Pentony  
S. Bland  
A. McCarty





Mr. Thomas A. Nies  
Executive Director  
New England Fishery Management Council  
50 Water St., Mill 2  
Newburyport, MA 01950

July 24, 2010

Dear Mr. Nies,

As the New England Fishery Management Council (Council) prepares for its upcoming priority-setting process, the Scallopers Campaign requests the Council to include the development of a leasing program for the Limited Access (LA) sea scallop fishery in its 2021 priorities. A leasing program would improve operational and economic flexibility and enhance the fleet's ability to withstand future variability and contingencies in the fishery.

### **Challenges Facing the Industry**

The Atlantic sea scallop fishery is a modern success story, at least in terms of stock rebuilding and biological sustainability. From an economic perspective, however, the fishery has not been managed to its fullest potential. The current management approach for the LA scallop fleet of **one boat-one permit-one allocation** has forced vessel owners to operate their vessels inefficiently. This misalignment of economic inputs and scallop harvesting allocations has led to substantial excess fishing capacity and prevents the fleet from improving its economic resiliency.

A typical full-time LA scallop vessel harvests its annual scallop allocation in approximately 70 days, leaving vessels inactive and tied to the dock more than 80 percent of the year. The only growth option is to buy another permit, which means buying another vessel. This forces the permit holder to take on the initial capital costs and ongoing maintenance expenses of a second, redundant vessel. **Although one vessel could easily harvest the allocation of two LA permits, the fleet has no flexibility to do so.** In the absence of a leasing program, smaller, independent owner/operators are not able to grow their operations in reasonable increments.

### **Benefits of Leasing**

Based on discussions with industry members and other stakeholders, we strongly believe a leasing program within the LA scallop fishery would improve operational flexibility and create opportunities for the fishery to achieve its economic potential.

- A program establishing leasing mechanisms would enable LA vessel owners to grow their operations incrementally, giving them more options and flexibility.

- Leasing would provide vessel owners the flexibility to align their harvesting capacity with harvestable allocations. This would improve economic efficiency and enhance conservation of economic inputs in the operation of the fishery, consistent with National Standard (NS) 5.
- Through improved economic efficiency and operational flexibility, the LA fleet would have improved resilience to withstand variability and contingencies in the future performance of the fishery, positioning it for the future.
- Safety at sea in the fishery would benefit from improved crew continuity on scallop vessels and by eliminating impediments to vessel modernization and replacement.

### **Industry Input and Support**

As we mentioned in our previous correspondence, the Scallopers Campaign is conducting a survey of LA vessel owners, posted on our website, [www.scalloperscampaign.org](http://www.scalloperscampaign.org). The purpose of the survey is to collect information to inform the development of a leasing program. We will compile the results and share them with the Council in August.

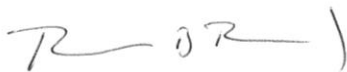
Meanwhile, support for leasing within the LA fleet continues to grow; flexibility is needed now more than ever. With **70% of LA vessels in support** of the Council prioritizing the development of a voluntary leasing program, the LA scallop fleet is clearly ready to engage in this process.

The Scallopers Campaign strongly believes the Plan Development Team (PDT), Scallop Advisory Panel (AP), and Scallop Committee—with the support and expertise of Council staff—are well suited to develop a leasing program for the LA scallop fishery. Should the Council rank leasing “above the line” for 2021, we would anticipate these three bodies will identify opportunities and concerns, and develop strategies and mechanisms to ensure the development of a successful program through an amendment to the Sea Scallop Fishery Management Plan (FMP). To assist in that work and based on many discussions with industry members, we wanted to share with the Council some possible issues it may want to consider. [see attachment]

Thank you and best regards,



Jeffrey R. Pike



Rick Robins



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## Toward a Leasing Option for the Limited Access Scallop Fleet

July 24, 2020

If the Council selects leasing as a priority for 2021, the PDT, AP, and Committee will need to develop goals and objectives for the action, identify opportunities and concerns, and develop strategies and mechanisms to ensure the development of a successful program through an amendment to the Sea Scallop Fishery Management Plan (FMP). Through discussions with industry over the past 12 months, the Scallopers Campaign has received a number of questions, concerns, and possible objectives for a leasing program that we wanted to share with the Council. We have synthesized these issues as follows:

### Proposed Principles

In our view, the leasing program should:

- Promote flexibility and fairness for the benefit of the sea scallop fleet;
- Improve the economic performance and resiliency of the fishery;
- Include a commitment and measures (e.g. sideboards) to protect other fisheries from negative impacts of any approved program;
- Improve crew safety in the scallop fishery;
- Position the fleet to respond to future resource challenges;
- Ensure conservation neutrality;
- Include a commitment and measures to ensure “No Harm” to non-participating scallop vessels;
- Recognize and address the diversity and characteristics of the LA scallop fleet, including multi-fishery vessels; and
- Reflect and include the existing caps on ownership and control.

### Proposed Objectives

- 1) Consider providing flexibility to the LA scallop fleet for the efficient utilization of resources through a voluntary LA leasing program for days at sea (DAS) and access area trips.
- 2) Consider measures that address excess fishing capacity in the LA scallop fishery, including allowing vessel owners to eliminate vessels while retaining their permit and the allocation associated with that permit.
- 3) Consider measures to improve the economic performance of the LA fishery (NS 5), while taking into account the importance of the fishery resources to fishing communities by:

- a. Providing for the sustained participation of such communities, and
  - b. Minimizing adverse economic impacts on such communities (NS 8).
- 4) Consider measures to ensure that the action is conservation neutral in terms of harvest levels.
- 5) Consider measures to minimize cost and unnecessary duplication (NS 7).
- 6) Consider measures, such as sideboards or other restrictions, so as not to disadvantage other fisheries.
- 7) Consider measures to ensure that LA scallop permits retain their individual identity and allocation.
- 8) Consider measures to ensure the voluntary leasing program does not reduce fishing allocations to non-participating LA scallop vessels.
- 9) Consider frame-workable measures that will enable the Council and the NMFS Regional Director to make adjustments to the leasing program to ensure its consistency with the goals and objectives of the amendment on an ongoing basis.

***You can learn more about the Scallopers Campaign and our efforts at  
<http://scalloperscampaign.org>.***



## New England Fishery Management Council

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John F. Quinn, J.D., Ph.D., *Chairman* | Thomas A. Nies, *Executive Director*

July 29, 2020

Dr. Jonathan Hare  
Science and Research Director  
Northeast Fisheries Science Center  
166 Water Street  
Woods Hole, MA 02543

Dear Jon:

The Scallop PDT met on July 28<sup>th</sup>, 2020 and discussed the outlook for 2020 survey coverage. With the R/V Sharp not sailing this season, there will be gaps in survey coverage of the scallop resource. The PDT evaluated data needs for the 2021/2022 specifications cycle, and recommends that the following areas be surveyed in 2020, if possible (ranked):

1. Dredge survey of the Great South Channel SAMS area.
  - a. *Rationale: There are multiple reports of scallop seed in this area. It is important to collect biological data for the year classes present in this area. The GSC is an important area for the fishery, particularly if a larger proportion of landings come from open areas in the coming years.*
2. Optical surveys in open areas of the Mid-Atlantic, particularly the Long Island and New York Bight SAMS areas.
  - a. *Rationale: There are reports of scallop recruitment in open areas of the Mid-Atlantic. With fewer access area trips expected in 2021, a larger proportion of landings are likely to come from the open bottom over the next two fishing years. Optical data for these areas will be used with dredge survey data for projections.*

Based on this input, I recommend that the Center continue to work with survey groups funded through the 2020/2021 Scallop RSA (i.e., CFF, SMAST, and VIMS) to survey the areas recommended by the Scallop PDT. We appreciate the work that the Center has already done to expand coverage of the SMAST drop camera system to the Great South Channel SAMS area, and hope that further arrangements can be made with RSA survey partners to address the above recommendations.

Thank you for considering this input. Please contact me if you have questions.

Sincerely,

Thomas A. Nies  
Executive Director



Attachment: Scallop PDT evaluation of likely survey coverage from 2020 survey season on Georges Bank and the Mid-Atlantic.

**Table 1 - Overview of expected 2020 survey coverage for Georges Bank SAMS areas including areas the Scallop PDT recommends expanding dredge coverage to.**

<b>GB</b>	<b>Dredge</b>	<b>Optical</b>	<b>Total Surveys</b>	<b>Notes</b>
<b>CL1-Access</b>			0	Not likely to be fished as AA
<b>CL1-Sliver</b>	VIMS		1	Not likely to be fished as AA
<b>CL1-South</b>			0	
<b>CL2-North</b>			0	HAPC area
<b>CL2-Southeast</b>	VIMS	SMAST, CFF	3	
<b>CL2-Southwest</b>	VIMS	SMAST, CFF	3	
<b>CL2-Ext</b>	VIMS	SMAST, CFF	3	
<b>NLS-North</b>	VIMS	SMAST	2	
<b>NLS-South-Shall</b>	VIMS	SMAST, CFF	3	
<b>NLS-South-Deep</b>	VIMS	SMAST, CFF	3	
<b>NLS-West</b>	VIMS		1	Not likely to be fished
<b>NF</b>			0	
<b>GSC</b>	<i>RECOMMEND</i>	SMAST	1	SMAST surveying, Reports of seed
<b>SF</b>	VIMS (some)	CFF	1, VIMS partial	Reports of seed

**Table 2 - Overview of expected 2020 survey coverage for Mid-Atlantic SAMS areas including areas the Scallop PDT recommends expanding optical coverage to.**

<b>MidAtlantic</b>	<b>Dredge</b>	<b>Optical</b>	<b>Total Surveys</b>	<b>Notes</b>
<b>BI</b>	VIMS		1	
<b>LI</b>	VIMS	<i>RECOMMEND</i>	1	
<b>NYB</b>	VIMS	<i>RECOMMEND</i>	1	
<b>MAB-Nearshore</b>	VIMS		1	
<b>HCS</b>	VIMS	CFF	2	
<b>ET Open</b>	VIMS	CFF, SMAST	3	
<b>ET Flex</b>	VIMS	CFF, SMAST	3	
<b>DMV</b>	VIMS		1	

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August 13, 2020

By Email

Mr. Chris Oliver  
Assistant Administrator  
NOAA Fisheries  
1315 East-West Highway  
Silver Spring, MD 20910

Re: Addressing Liability Risks Relating to Observer Program Resumption

Dear Assistant Administrator Oliver:

We write on behalf of the Fisheries Survival Fund (“FSF”) regarding your notice announcing the August 14, 2020, resumption of observer programs in the Northeast Region fisheries. As you know, FSF represents the significant majority of full-time Limited Access permit holders in the Atlantic scallop fishery. Our members are home-ported along the Atlantic Coast from Massachusetts through North Carolina.

The scallop industry recognizes the value of observers, as well as the difficulty of decisions NMFS is confronting during the COVID-19 pandemic. However, FSF still does not understand why NMFS cancelled unique fishery-independent surveys critical to resource management yet is reinstating less critical fishery-dependent data collected by observers when other options (VTRs, vessel tracking, and electronic monitoring) are available.

Further, while we recognize and appreciate that the observer program is required to follow state quarantine laws under the NMFS observer resumption notice, NMFS may not understand the complicated situation that will be created in, for instance, New England. Many states are closely packed together and all impose differing quarantine laws. For instance, today, under Massachusetts gubernatorial orders, an observer would have to quarantine for 14 days if he or she goes from Rhode Island to Massachusetts for a trip. And, an observer can come down from Maine to Massachusetts for a trip, but then would need to quarantine for 14 days upon returning to Maine. The situation from state to state is seemingly changing daily.

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Mr. Chris Oliver  
August 13, 2020  
Page Two

FSF further appreciates the waiver options that were added to the observer requirements, but they are insufficient as a practical and legal matter. The government should not be imposing additional potential COVID-19 liability on a vessel owner due to a regulatory requirement.

More specifically, we respectfully request that NMFS amend the observer resumption notice to state that an observer be deemed “not available” if the observer’s employer fails to indemnify a fishing vessel owner against the risk that the observer transmits COVID-19 to the captain and/or crew. Further, the observer and his or her employer must waive liability in advance to the vessel owner, captain and crew in the event the observer contracts COVID-19.

As to the former, at this juncture, vessel owners are unable to obtain insurance against the risks of COVID-19 for those on their vessels. If an observer transmits COVID-19 to the captain and/or crew, then the vessel owner should not be liable for being forced to take an observer who, in turn, brought COVID-19 aboard the vessel. NMFS’s notice indicates that observer companies are working with NMFS to design safety protocols. NMFS’s notice does not explain what these safety protocols are, or how they will be enforced.

At present the COVID-19 testing regime is not sufficiently reliable to ensure that a contagious observer — particularly an asymptomatic one — does not come aboard a vessel. As you know, the situation with testing on a national and regional basis is, at best, one step forward, one step back. Sometimes tests with prompt results are available, sometimes they are not.

Further, the rapid tests have only moderate reliability. An owner may be willing to take a chance on the vessel with a captain and crew of whom the owner has knowledge and over whom the owner is able to exert some influence. For an observer, by contrast, an owner has no knowledge of his or her travels, social interactions, prior vessel postings, living situations, overall health situation, and other variables that go into COVID-19 transmission. Would you want to be forced into the shared quarters and work environment on a fishing vessel with someone whom you didn't know, whether the outsider was rapid-tested or not? And, conversely, what are the liability risks to an owner and the independent contractor crew if somehow an observer gets infected at sea?

As a practical matter, scallop vessels are required to call in to determine whether a trip will be observed three days before sailing. That leaves precious little time for the observer to meet any vessel testing protocol. In New Bedford, for instance, arrangements were in place for rapid testing by a hospital van at the waterfront at regular intervals. That program is expiring, and New Bedford is the port with the most resources. Vessel owners are often seeking tests on a one-off basis, with no reliable on-going source, especially in more regional ports.

We understand NMFS is confronting a fluid situation, especially with infections on the rise in many states and regions of the country, individual states imposing their own mandates, gaps in testing and test reliability and, frankly, human nature amidst the pandemic. The

**KELLEY DRYE & WARREN LLP**

Mr. Chris Oliver  
August 13, 2020  
Page Three

permutations are too great for NMFS simply to proceed with the observer program, and hope for the best, even with the waiver regime in place. While NMFS must keep in mind its programmatic requirements, it should also be cognizant of the safety and health risk it is imposing on fishing captains and crews, and the liability risk it is imposing on vessel owners. Vessel owners deserve to be protected against these new and uninsurable sources of liability the government is imposing.

And, finally, it is important to recognize from a liability perspective, that NMFS is imposing these requirements full well knowing the risks of liability. While governmental liability extends broadly, it has its limits in situations where the government knowingly imposes risks. It is unclear how far the plaintiffs' bar's net may try to sweep if, as is the case, owners are being denied COVID-19 coverage by the insurance companies.

For these reasons, FSF urges you to defer the observer program until the COVID-19 situation and the various governmental responses are more stable. Thank you very much for your consideration of the scallop industry's views.

Respectfully submitted,

**KELLEY DRYE & WARREN LLP**

A handwritten signature in black ink, appearing to read 'D. Frulla', with a long horizontal flourish extending to the right.

David E. Frulla  
Andrew E. Minkiewicz  
Bret Sparks

cc: Mr. Michael Pentony, Regional Administrator  
Mr. Tom Nies, Executive Director, NEFMC  
Dr. Chris Moore, Executive Director, MAFMC



**Mid-Atlantic Fishery Management Council**

800 North State Street, Suite 201, Dover, DE 19901  
Phone: 302-674-2331 | FAX: 302-674-5399 | [www.mafmc.org](http://www.mafmc.org)  
Michael P. Luisi, Chairman | P. Weston Townsend, Vice Chairman  
Christopher M. Moore, Ph.D., Executive Director

August 21, 2020

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

Dear Tom:

During the August 2020 MAFMC meeting, the Council passed the following motion: “Move to support sending a letter to NEFMC asking them to prioritize in 2021 an amendment to address leasing in the full-time limited access sea scallop fishery.”

Please include this communication in briefing materials as the NEFMC develops priorities for 2021. It is our understanding that consideration of leasing enjoys broad support in the limited-access scallop fleet, and that an amendment could best address the various provisions that would be part of a leasing program.

Please contact me if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "C. Moore".

Christopher M. Moore, Ph.D.  
Executive Director

cc: M. Luisi, W. Townsend, J. Didden

**From:** Joe Gilbert <[hiddenemp@aol.com](mailto:hiddenemp@aol.com)>  
**Sent:** Tuesday, August 25, 2020 2:56 PM  
**To:** Jonathon Peros <[jperos@nefmc.org](mailto:jperos@nefmc.org)>  
**Subject:** NLS West position

Dear Jonathan,

I wish to bring to your attention my position on Nantucket Access Area West.

We have exercised our best efforts to fish our remaining pounds from NLS West.

Our twin rake vessel worked hard on diminishing catch rates until no longer viable to fish.

Our single rake vessels were thwarted by lack of resource much sooner. I cannot definitively say what happened that resource was not present resulting that not everyone could get their trip from the area.

The extension of time, while appreciated by the fleet, in my opinion yielded mixed results. Yes some vessels did access the remaining resource. However, this occurred at diminished or no profitability. We also achieved greater carbon footprint, more swept area, more bycatch/bykill per pound of scallops harvested. It was bad for crew and good fishing was missed elsewhere while scratching away in NLS west .We went backwards and should take the lessons available to us. We need to recognize the signs and take action for flexibility sooner, so as not to put some permits in the above noted bad scenario.

I believe at this time the vessels with remaining allocation in NLS West need relief. The unharvested pounds should be worked into a plan to carry forward for future harvest as was done with CA I a few years back.

Please share my letter as appropriate.  
Best regards,  
Joe Gilbert



New England Fishery Management Council

50 WATER STREET | NEWBURYPORT, MASSACHUSETTS 01950 | PHONE 978 465 0492 | FAX 978 465 3116

John F. Quinn, J.D., Ph.D., *Chairman* | Thomas A. Nies, *Executive Director*

August 25, 2020

Mr. Michael Pentony  
Regional Administrator  
Greater Atlantic Regional Fisheries Office  
National Marine Fisheries Service  
55 Great Republic Drive  
Gloucester, MA 01930

Dear Mike:

In 2018, the Council worked to address monitoring and catch accounting in the scallop fishery. Over the course of the year I sent you several letters on this topic. New VMS pre-landing reporting requirements have been implemented since that time. We would like to know whether these regulations are being followed.

One recommendation from the 2018 effort was to expand the VMS pre-landing requirement to Limited Access open area days-at-sea (DAS) fishing to create consistency in reporting requirements in the scallop fishery and eliminate any uncertainty on whether a VMS pre-landing notification is required. This requirement became effective on February 14, 2020 for all Limited Access vessels. With VMS pre-landing notifications now required for all directed scallop trips, we request that the NMFS provide the Council with pre-landing compliance for both Limited Access and Limited Access General Category fishing, broken out by access area and open area trip declarations, including the Northern Gulf of Maine management area.

As stated in my June 18, 2018 letter, the VMS pre-landing requirement provides managers and enforcement entities with information on when and where valuable scallop trips are returning to port, and holds vessels accountable for reported catch while they transit to port and sell to a dealer. The collection and use of this information aligns with the Council's goal of full compliance with scallop regulations.

Thank you for considering this request. Please have your staff contact Jonathon Peros if there are questions.

Sincerely,

A handwritten signature in cursive script that reads "Thomas A. Nies".

Thomas A. Nies  
Executive Director

cc: Timothy Donovan, GARFO OLE



**UNITED STATES DEPARTMENT OF COMMERCE**  
**National Oceanic and Atmospheric Administration**  
NATIONAL MARINE FISHERIES SERVICE  
GREATER ATLANTIC REGIONAL FISHERIES OFFICE  
55 Great Republic Drive  
Gloucester, MA 01930

September 2, 2020

Thomas A. Nies  
Executive Director  
New England Fishery Management Council  
50 Water Street  
Newburyport, MA 01950

Dear Tom:

In a letter dated August 25, 2020, you requested that my staff provide vessel monitoring system (VMS) pre-landing compliance data for the Atlantic sea scallop limited access and limited access general category fisheries. The intent of the request is to share this information with the Council to ensure the collection and use of this information fulfills the Council's goal of full compliance with scallop pre-landing reporting regulations.

In response to this request, my staff worked closely with Jonathon Peros of your staff to identify the specific information that you are seeking. The information is attached. My staff is also available should you need any follow-up information.

If you have any questions or would like additional information, please contact David Gouveia at (978) 281-9280 or [David.Gouveia@noaa.gov](mailto:David.Gouveia@noaa.gov).

Sincerely,

Michael Pentony  
Regional Administrator

cc: David Gouveia  
Sarah Bland  
Timothy Donovan

Attachment





TABLE 1: NUMBER OF SCALLOP VESSELS BY 2020 PERMIT GROUP\*:

PERMIT YEAR	SCALLOP PERMIT GROUP	NUMBER OF VESSELS
2020	LAGC ONLY	363
2020	LAGC IFQ	169
2020	LAGC NGOM	81
2020	LAGC INCIDENTAL	113
2020	LA ONLY	305
2020	LA FULL TIME	281
2020	LA PART TIME	24
2020	LA AND LAGC IFQ	40

\* Please note: permit categories are not always exclusive. In example, some LAGC NGOM permitted vessels have LA category permits as well.

Source: GARFO's Permit database  
Run by Alison Ferguson on 9/1/2020

SCALLOP LIMITED ACCESS GENERAL CATEGORY IFQ TRIP COMPLIANCE,  
3/1/2010-8/25/2020

TABLE 2a: SCALLOP LAGC IFQ ACCESS AREA TRIP COMPLIANCE:

FISHING YEAR	#TRIPS	# COMPLIANT TRIPS	# NON-COMPLIANT TRIPS	% COMPLIANT	% NON-COMPLIANT
2010	1,274	951	323	74.65%	25.35%
2011	753	617	136	81.94%	18.06%
2012	171	155	16	90.64%	9.36%
2013	76	70	6	92.11%	7.89%
2014	425	382	43	89.88%	10.12%
2015	2,081	1,837	244	88.27%	11.73%
2016	2,558	2,482	76	97.03%	2.97%
2017	1,732	1,639	93	94.63%	5.37%
2018	2,633	2,223	410	84.43%	15.57%
2019	2,268	1,924	344	84.83%	15.17%
2020	2,014	1,929	85	95.78%	4.22%

Source: GARFO's APSD Data Matching & Identification System  
Run by Alison Ferguson on 9/1/2020

TABLE 2b: SCALLOP LAGC IFQ OPEN AREA TRIP COMPLIANCE:

FISHING YEAR	#TRIPS	# COMPLIANT TRIPS	# NON-COMPLIANT TRIPS	% COMPLIANT	% NON-COMPLIANT
2010	5,381	3,940	1,441	73.22%	26.78%
2011	6,140	5,051	1,089	82.26%	17.74%
2012	6,003	4,782	1,221	79.66%	20.34%
2013	5,122	3,943	1,179	76.98%	23.02%
2014	4,436	3,684	752	83.05%	16.95%
2015	3,335	2,998	337	89.90%	10.10%
2016	4,851	4,648	203	95.82%	4.18%
2017	3,320	2,905	415	87.50%	12.50%
2018	2,762	2,421	341	87.65%	12.35%
2019	2,933	2,596	337	88.51%	11.49%
2020	928	865	63	93.21%	6.79%

TABLE 2c: SCALLOP LAGC IFQ TRIP COMPLIANCE, ACCESS & OPEN AREAS:

FISHING YEAR	#TRIPS	# COMPLIANT TRIPS	# NON-COMPLIANT TRIPS	% COMPLIANT	% NON-COMPLIANT
2010	6,655	4,891	1,764	73.49%	26.51%
2011	6,893	5,668	1,225	82.23%	17.77%
2012	6,174	4,937	1,237	79.96%	20.04%
2013	5,198	4,013	1,185	77.20%	22.80%
2014	4,861	4,066	795	83.65%	16.35%
2015	5,416	4,835	581	89.27%	10.73%
2016	7,409	7,130	279	96.23%	3.77%
2017	5,052	4,544	508	89.94%	10.06%
2018	5,395	4,644	751	86.08%	13.92%
2019	5,201	4,520	681	86.91%	13.09%
2020	2,942	2,794	148	94.97%	5.03%

Source: GARFO's APSD Data Matching & Identification System

Run by Alison Ferguson on 9/1/2020

SCALLOP LIMITED ACCESS TRIP COMPLIANCE, 3/1/2015-8/25/2020

TABLE 3a: SCALLOP LA ACCESS AREA TRIP COMPLIANCE:

FISHING YEAR	#TRIPS	# COMPLIANT TRIPS	# NON-COMPLIANT TRIPS	% COMPLIANT	% NON-COMPLIANT
2015	1,284	1,040	244	81.00%	19.00%
2016	1,442	1,364	78	94.59%	5.41%
2017	1,818	1,744	74	95.93%	4.07%
2018	2,618	2,508	110	95.80%	4.20%
2019	2,904	2,712	192	93.39%	6.61%
2020	1,452	1,387	65	95.52%	4.48%

TABLE 3b: SCALLOP LA OPEN AREA TRIP COMPLIANCE:

FISHING YEAR	#TRIPS	# COMPLIANT TRIPS	# NON-COMPLIANT TRIPS	% COMPLIANT	% NON-COMPLIANT
2015	1,305	163	1,142	12.49%	87.51%
2016	1,512	412	1,100	27.25%	72.75%
2017	1,427	451	976	31.60%	68.40%
2018	1,122	431	691	38.41%	61.59%
2019	994	528	466	53.12%	46.88%
2020	459	376	83	81.92%	18.08%

TABLE 3c: SCALLOP LA TRIP COMPLIANCE, ACCESS & OPEN AREAS:

FISHING YEAR	#TRIPS	# COMPLIANT TRIPS	# NON-COMPLIANT TRIPS	% COMPLIANT	% NON-COMPLIANT
2015	2,589	1,203	1,386	46.47%	53.53%
2016	2,954	1,776	1,178	60.12%	39.88%
2017	3,245	2,195	1,050	67.64%	32.36%
2018	3,740	2,939	801	78.58%	21.42%
2019	3,898	3,240	658	83.12%	16.88%
2020	1,911	1,763	148	92.26%	7.74%

Source: GARFO's APSD Data Matching & Identification System  
 Run by Alison Ferguson on 9/1/2020

SCALLOP LIMITED ACCESS GENERAL CATEGORY NORTHERN GULF OF MAINE  
TRIP COMPLIANCE, 3/1/2010-8/25/2020

TABLE 4: SCALLOP LAGC NGOM TRIP COMPLIANCE:

FISHING YEAR	#TRIPS	# COMPLIANT TRIPS	# NON-COMPLIANT TRIPS	% COMPLIANT	% NON-COMPLIANT
2010	116	89	27	76.72%	23.28%
2011	100	85	15	85.00%	15.00%
2012	96	56	40	58.33%	41.67%
2013	564	384	180	68.09%	31.91%
2014	612	385	227	62.91%	37.09%
2015	874	578	296	66.13%	33.87%
2016	983	807	176	82.10%	17.90%
2017	1,009	643	366	63.73%	36.27%
2018	1,573	1,098	475	69.80%	30.20%
2019	1,489	1,111	378	74.61%	25.39%
2020	1,055	975	80	92.42%	7.58%

Source: GARFO's APSD Data Matching & Identification System  
Run by Alison Ferguson on 9/1/2020



Mr. Thomas A. Nies  
Executive Director  
New England Fishery Management Council  
50 Water St., Mill 2  
Newburyport, MA 01950

September 11, 2020

Dear Mr. Nies;

We are writing to follow-up on our July 24, 2020 letter concerning the Scallopers Campaign request that the Council identify a voluntary leasing program in the LA scallop fishery as a high priority for 2021.

In that letter, we mentioned we were conducting a survey of LA scallop vessel owners to obtain baseline information that wasn't available to the Council or NMFS. To inform Council and staff, this survey addressed two basic issue areas: how do LA vessel owners currently operate their vessels, and how would they adjust their business operations under a voluntary leasing program.

From May-August 2020, the Campaign conducted an online survey using Google forms. We posted the survey on our website, encouraged our contacts to take it and share with others, and announced it via email newsletters, and at the May and June meetings of the Scallop Advisory Panel and Committee. Half of the fleet, represented by 29 LA vessel owners holding 172 permits, took the survey.

The results of the survey are insightful and compelling. Here are a few examples: 90% of the respondents currently use their crews to manage more than one scallop vessel per crew, and the survey results indicate that crew employment will remain largely constant under a leasing program. Additionally, respondents unanimously indicated that a leasing program would eliminate redundancies and economic waste in the fishery. Fully 97% indicated that they would participate in a leasing program. Over 90% indicated that they would upgrade or replace vessels under a leasing program, and 85% of the respondents believe a leasing program will improve safety at sea in the fishery.

Included with this letter are the survey's key findings and the full survey results, which can also be accessed at our website ([www.scalloperscampaign.org](http://www.scalloperscampaign.org)). We believe the Council and staff will find this information useful, and we would be happy to discuss it or any related issue with Council staff or members.

Thank you and best regards,

Jeff Pike

Rick Robins



## Limited Access Scallop Vessel Owner Survey

### *Key Findings*

September 11, 2020

From May-August 2020, the [Scallopers Campaign](#) conducted an online survey of vessel owners in the limited access (LA) Atlantic scallop fleet. In all, 29 LA vessel owners—holding 172 permits, or 50% of the LA fleet—took the survey, yielding detailed and relevant information that will inform discussions of the Scallop Advisory Panel, Scallop Committee, and the New England Fishery Management Council regarding the creation of a voluntary leasing program for the LA scallop fishery. Here are the most important findings from this survey:

**1) *The overwhelming majority of vessel owners would participate in leasing.***

The idea of leasing is strongly supported: 97% of respondents indicated they would participate in a leasing program in the fishery, including both small and large operators.

**2) *Vessel owners see a wide range of benefits from a leasing option.***

- An overwhelming majority (90%) of respondents indicated that leasing would improve the flexibility in their businesses, allowing them to more efficiently manage their vessels and providing a safety net in the event of vessel, captain, or crew breakdown or illness.
- Respondents unanimously indicated that a leasing program would eliminate redundancy, inefficiencies, and wasteful expenses in the fishery.
- Under a leasing program, vessel owners would be more likely to invest in vessel replacement and/or upgrades, which would likely lead to more work at shipyards. The majority of respondents (93%) indicated they would invest in replacement and/or upgrades, and 76% said they would plan to sell their oldest boats.
- Several owners offered in a free response that facilitating transitions in ownership to captains and flexibility in retirement were additional benefits of a leasing program.

**3) *Vessel owners would continue to employ the same number of captains and crew.***

The majority (90%) use their crews to operate more than one scallop vessel: 69% operate two LA scallop vessels per crew, and 21% operate 1.5 LA scallop vessels per crew. Under a voluntary leasing program, the survey results suggest crew employment would mostly stay the same: 83% of respondents indicated they would employ the same number of captains and crew. At either end of the spectrum, 7% indicated they would hire more captains and crew, and just 10% indicated they would reduce employment.

**4) *Leasing would improve safety at sea.***

The majority of survey respondents (85%) indicated that leasing would improve crew and vessel safety in the sea scallop fishery. The average age of respondents' oldest vessels is 37 years; the majority of respondents (19 owners, or 66%) cited economic factors as current impediments to replacing older vessels in the fishery. If leasing were an option, 22 owners (76%) would sell their oldest boat, and 27 owners (93%) would invest in vessel replacement and/or upgrades. This suggests that under leasing, the overall fleet age would go down significantly.

**5) *Vessel owners believe that the scallop fishery should have the same options as other fisheries.***

The majority of vessel owners (93%) indicated that it would be fair to provide the LA fleet with the same flexibility that the general category fleet has through their leasing program.

**About the Survey**

The [Scallopers Campaign](#) was organized to encourage the New England Fishery Management Council to create more flexibility in the LA sea scallop fishery through the development of a voluntary leasing program for Days at Sea (DAS) and access area (AA) trips. As the Campaign began its efforts, it became clear there was a need for baseline information that wasn't available to the Council or NMFS.

To inform Council and staff, the Campaign developed an online industry survey that addressed two basic issue areas: how do LA vessel owners currently operate their vessels, and how would they adjust their business operations under a voluntary leasing program. We posted the survey on our website, encouraged our contacts to take it and share with others, and announced it via email newsletters, bulletins, and at the May and June meetings of the Scallop Advisory Panel and Committee. The full set of results is available at our website, <http://scalloperscampaign.org>.



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## Limited Access Scallop Vessel Owner Survey

*Methods and Results Summary*

September 9, 2020

The [Scallopers Campaign](#) was organized over a year ago to encourage the New England Fishery Management Council (Council) to create more flexibility in the Limited Access (LA) Sea Scallop fishery through the development of a voluntary leasing program for Days at Sea (DAS) and access area (AA) trips. Since September 2019, support for the discussion and development of such a program within the fleet has increased steadily; currently, an overwhelming 70% (247 out of 345 of LA permits) of the LA fleet supports the Council initiating that action.

As the Campaign began its outreach efforts, it became clear there was a need for baseline information that simply wasn't available to the Council or NMFS. There were also questions about how the fleet would react if a leasing program were available to them. To inform the Council and staff, the Campaign developed an online industry survey that addressed two basic issue areas. First, how do LA vessel owners currently operate their vessels—including information on captains, crew, and the communities where they live and operate? Second, how would owners adjust their business operations under a voluntary leasing program?

The Scallopers Campaign developed approximately 30 questions for its survey and made it available online using Google forms. The next step was contacting LA vessel owners, informing them of the survey and urging them to take it. We used a range of channels to contact vessels owners to request they take the survey. We emailed our contacts and encouraged them to reach out to others on a peer-to-peer basis. We posted the survey on our website and emailed newsletters and bulletins encouraging all boat owners to take the survey and share the link with others. In addition, we announced the survey at the May and June Scallop Advisory Panel (AP) and Committee meetings, where we publicly encouraged all vessel owners to participate.

As a result of these efforts, LA vessel owners representing 172 permits—fully half of the fleet—took the survey between May and August 2020. These 29 owners provided detailed and relevant information that can inform the discussion during the Council process.



## Survey Results

### Part I: Information about Participating Vessel Owners

Twenty-nine owners participated in the survey between May and August 2020. These respondents represent 172 permits, or 50%, of the LA fleet. The average fleet size for the respondents is six vessels, with a range from one to 17 vessels.

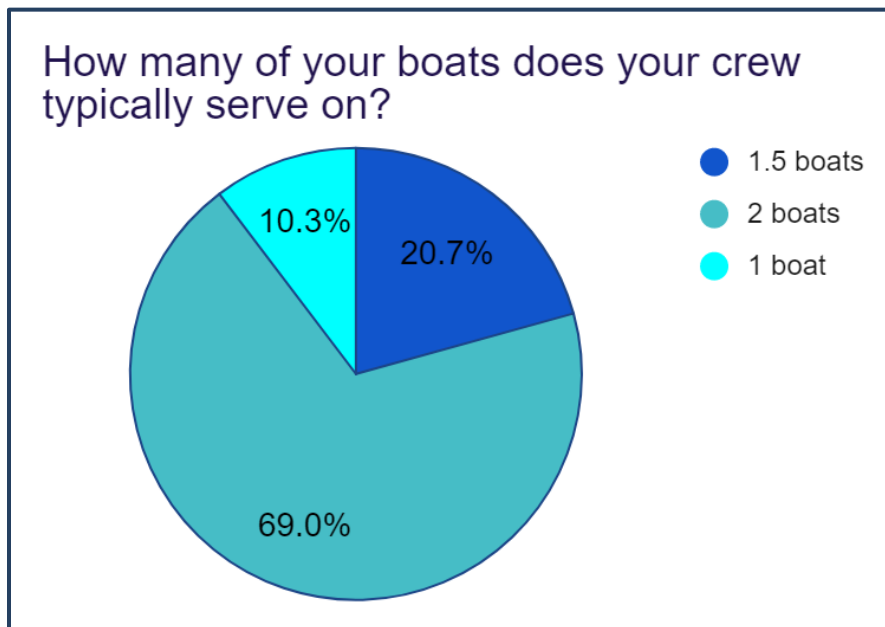
The majority of the respondents operate out of the ports of New Bedford and Fairhaven, MA, followed by Newport News, VA, and Cape May, NJ.

### Part II: Information about Respondents' Vessels and Crew

According to the survey results, the average age of the respondents' oldest vessel is 37 years, with a range of 16 to 52 years. The average age of the youngest vessel is 17 years, with a range of 1 to 40 years.

On average, respondents employ three captains and 32 crew members for their operations. Two respondents employ between 11-15 captains and 125-150 crew members. At the other end of the spectrum, several respondents have just one captain and between 3-10 crew members.

With the exception of three smaller operators, all respondents use their crew to run more than one boat. Most (69%) typically use their crew to operate two vessels:



Less than one-third (31%) of respondents consider their captains and crew to be “local.” The majority of vessel owners who participated in the survey have at least some crew members who travel to operate their vessels—either within the state or across state lines.

When asked what is the most significant obstacle to improving, modernizing, or replacing their oldest vessel, nearly 66% (19 respondents) identified economic factors: 45% (13 respondents) cited cost restrictions, largely just cost in general, while one respondent specifically cited the cost to meet new USCG Class requirements. The other six respondents (20.7%) cited low return on investment due to a lack of time on the water/in the fishery and other restrictions. Another three owners (10.3%) cited inflexible regulations and ongoing uncertainties in the fisheries regarding scallop permits and future landings. One respondent cited the amount of time (18-24 months) it would take to rebuild an older vessel. Three respondents (10.3%) said there was no obstacle. Notable open-ended responses include:

- *Repairs and maintenance expenses along with seasonal restrictions stop us from investing into newer vessels. The time it takes fishing one permit also makes the investment in a new vessel unreachable.*
- *Replacement cost for new (vessels); finding suitable used vessel (for) replacement; and justification of spending funds vs. actual time spent in the fishery each year.*

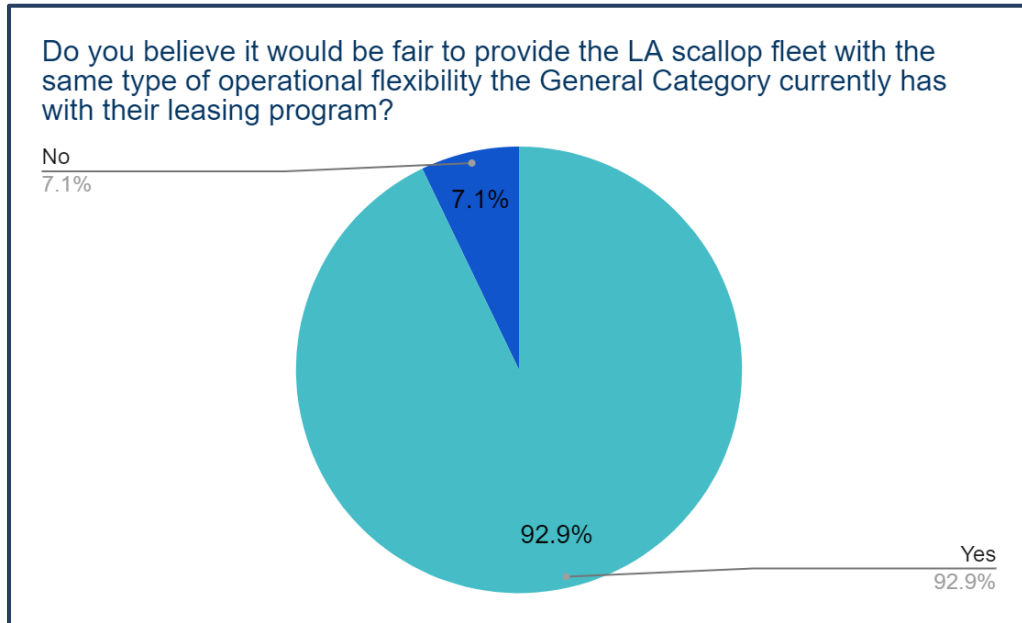
### **Part III: Views on a Proposed Leasing Program**

*The following questions all pertain to decisions and actions LA vessel owners would expect to make if they were able to participate in a voluntary DAS/AA trip leasing program.*

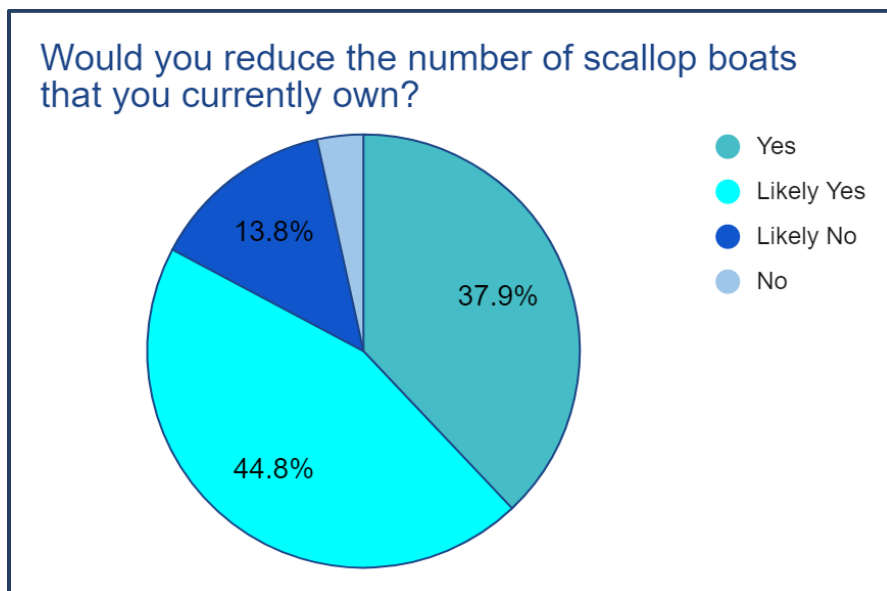
When asked about the benefits of leasing, respondents selected from the following list of non-exclusive options:

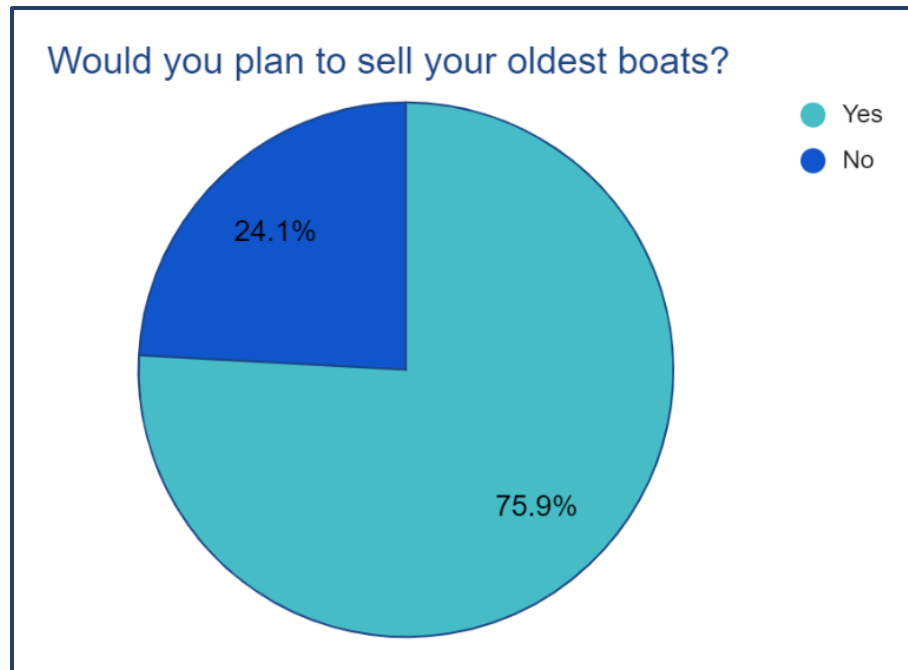
- Eliminate redundancy and expenses: 29 out of 29 (100%)
- Improved ability to sell, replace, and/or modernize boats: 26 out of 29
- Flexibility in my business and economics: 26 out of 29
- Flexibility in scalloping operations: 25 out of 29 respondents
- Improved safety for captains and crew: 23 out of 29
- Improved ability to withstand variabilities and contingencies in the fishery: 21 out of 29
- Other (please provide explanation): 5 out of 29
  - *Provide existing operators with a revenue stream if they choose not to fish but choose to lease their access therefore enabling transition to retirement, etc.*
  - *Allow a platform to allow growth within the industry. Example: Owner being able to give a Captain opportunity to becoming an owner/operator.*
  - *Could help others use their quota if they cannot, on account of tragedy.*
  - *One vessel doesn't sit for months rotting at the dock*
  - *Retirement income*

A strong majority of respondents (93%, or 27 respondents) believe it would be fair to provide the LA fleet with the same operational flexibility currently enjoyed by the General Category sector through its leasing program.



When asked how they would manage their vessels under a leasing program, the majority of owners (82.75%) said they either *would* or *likely would* reduce the number of scallop boats. The majority of respondents (76%) said they would plan to sell their oldest boats.

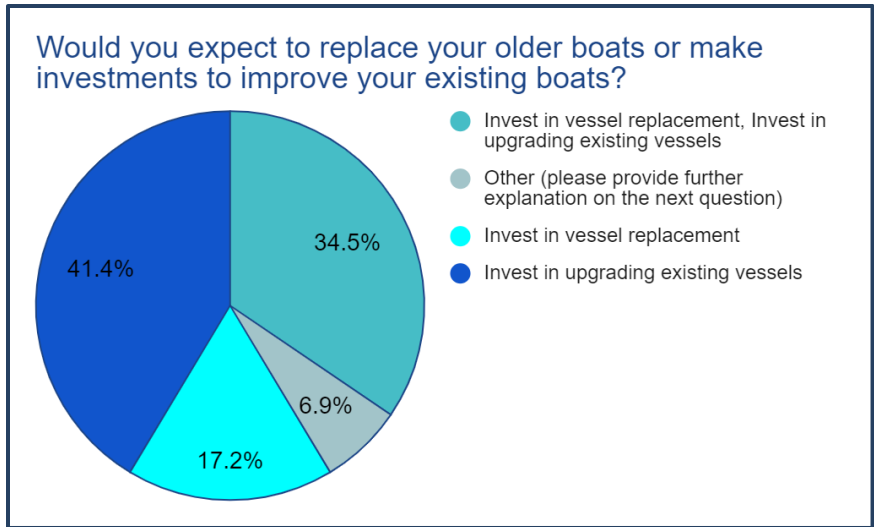




Five respondents (17.24%) indicated they would maintain their current fleet. They offered the following reasoning:

- *Our oldest has recently had +\$1 million complete rebuild and one of our better vessels today even though the original vessel is very old.*
- *I'd be focused on the better operating vessel, with lower cost.*
- *May need a spare.*
- *If I was forced to sell, my oldest boat is only months different in age and is in much better shape.*
- *I own only one vessel.*

We also asked vessel owners if they would plan to replace their older vessels, and/or make investments to improve their existing vessels. The majority of respondents (93%) indicated they would invest in replacement and/or upgrades (next page).

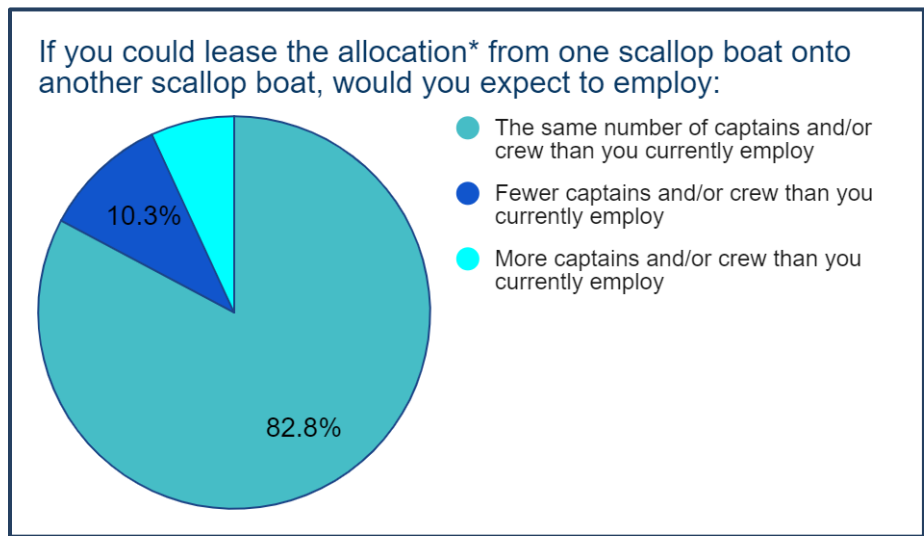


Two respondents (7%) answered “other” and offered the following:

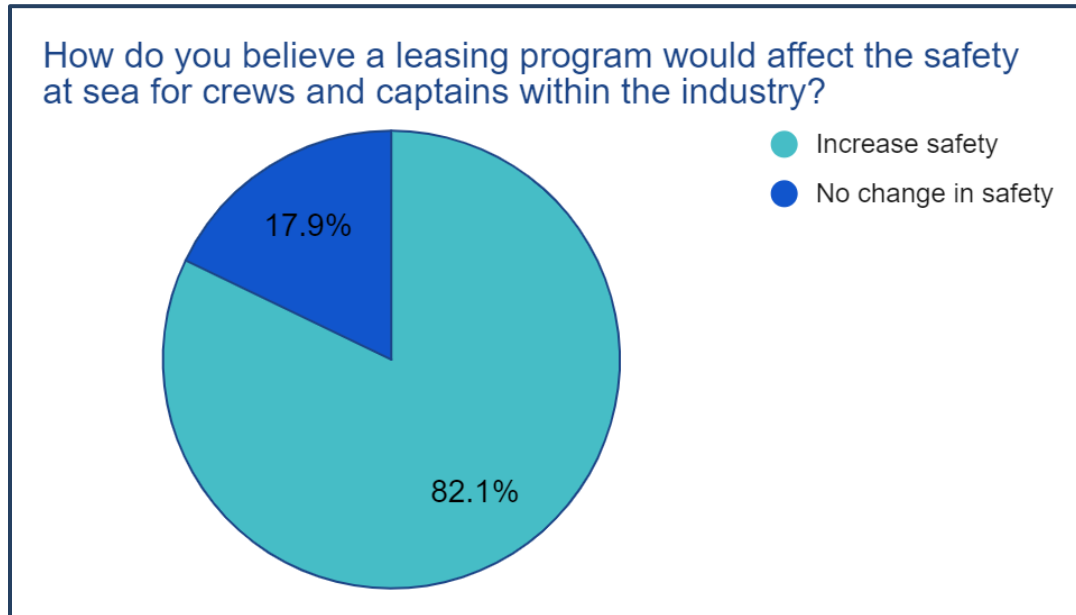
- *I have no need to upgrade or replace at the current time. Repowering may be a consideration, but would happen with or without leasing.*
- *My 4 new boats are 4 to 18 [years old]; they are like new*

If a vessel owner could lease the allocation from one scallop vessel to another, most respondents (83%) said they would employ the same number of captains and crew. Three respondents (10%) said they would expect to hire fewer. Two respondents (7%) said they would hire more for the following reasons:

- *Would have the possibility of leasing additional allocation, which in turn would create employment.*
- *If we could lease permits from other vessels, we would need more crew to operate*



Twenty-three respondents (82%) believe that a leasing program would improve safety at sea for crews and captains within the LA fishery. No one indicated they thought it would decrease safety:



Lastly, we asked the respondents how they would plan to participate in a voluntary leasing program, if given the option. We gave them the following list of nonexclusive options:

- Leasing DAS and/or AA trips between boats that I own
- Leasing **in** DAS and/or AA trips **from** other permit holders
- Leasing **out** DAS and/or AA trips **to** other permit holders
- I would not participate

Eight respondents (27.6%) said they would participate in all three options: leasing internally, leasing in, and leasing out. Another eight respondents (27.6%) would both lease internally and lease in. Eleven respondents (38%) would only lease internally, between boats that they own. One respondent (3.4%) would only lease out, and one respondent (3.4%) said they would not participate (next page).

If a leasing program is developed, would you expect to participate in:

