To: Cate O'Keefe New England Fishery Management Council 50 Water Street, Mill 2 Newburyport, MA 01950

Re: Support for Prioritizing Scallop Permit Stacking in 2026 Priorities

Dear Cate, and Members of the Council,

On behalf of the Sustainable Scallop Fund (SSF), I am writing to express our strong support for the New England Fishery Management Council to prioritize scallop permit stacking in its upcoming 2026 management priorities. Permit stacking represents a critical opportunity to strengthen the long-term sustainability, efficiency, and economic stability of the Atlantic sea scallop fishery and the coastal communities that depend upon it.

As the Council is aware, permit stacking has broad support across the scallop industry and from regional stakeholders who recognize the potential benefits of allowing the consolidation of two limited access permits under a single vessel. This approach would enhance operational flexibility, improve safety at sea, reduce redundant costs, and encourage generational transition within the fishery — all while maintaining appropriate conservation safeguards through existing effort and catch controls.

Enclosed with this email are three letters of support underscoring the depth of regional commitment to advancing this issue:

- Mayor Jon Mitchell, City of New Bedford
- State Senators Mark Montigny and Bruce Tarr
- State Representatives Antonio Cabral, Christopher Hendricks, Mark Sylvia, and Steve Ouellette

These letters reflect a unified recognition — across municipal, state, and industry leadership — that permit stacking is an important management tool for securing the economic future of the region's most valuable fishery while promoting innovation and sustainability.

The Sustainable Scallop Fund urges the Council to formally include scallop permit stacking among its 2026 priority actions and to initiate a process as soon as practicable. We and our members stand ready to assist the Council and its staff in developing a practical and responsible approach to implementing this measure.

Thank you for your attention and for your continued leadership in ensuring the health and prosperity of the scallop fishery.

Sincerely,

### **Drew Minkiewicz**

# Attorney for the Sustainable Scallop Fund

#### Attachments:

- 1. Letter from Mayor Jon Mitchell, City of New Bedford
- 2. Letter from State Senators Mark Montigny and Bruce Tarr
- 3. Letter from State Representatives Antonio Cabral, Christopher Hendricks, Mark Sylvia, and Steve Ouellette

## **Drew Minkiewicz**

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# THE GENERAL COURT OF MASSACHUSETTS STATE HOUSE, BOSTON 02133-1053

September 22, 2025

National Marine Fisheries Service Office of Sustainable Fisheries NOAA Fisheries 1315 East-West Highway Silver Spring, MD 20910

Re: Support for Permit Stacking on Limited Access Scallop Vessels

To whom it may concern:

As members of the Massachusetts Legislature, we write to express our strong support for allowing *permit stacking* on Limited Access scallop vessels. This commonsense policy is critical to sustaining the long-term health of the scallop fishery, while ensuring the continued prosperity of the Port of New Bedford and the broader South Coast region.

The scallop fishery is the backbone of New Bedford's economy and a vital part of the Commonwealth's maritime heritage. For more than two decades, the Port of New Bedford has been the most valuable fishing port in the United States, due in large part to the success of the scallop fleet. The benefits of this fishery reach far beyond vessel owners and crews — supporting shipyards, processing facilities, supply businesses, and thousands of jobs across Massachusetts.

Permit stacking offers several key advantages to the industry, such as economic stability, regional competitiveness, industry unity and safety and sustainability. By allowing permit stacking, economic stability will see improvement as vessel owners will be able to consolidate operations, since permit stacking ensures that vessels remain viable, adequately capitalized, and better able to withstand regulatory and market pressures. Additionally, fewer and stronger vessels with sufficient quota could operate more safely, efficiently, and in alignment with conservation measures that safeguard the resource under permit stacking. The scallop industry has worked collaboratively to reach consensus on this issue, demonstrating broad support and a shared commitment to responsible management. In the end, permit stacking will only help Massachusetts vessels remain competitive in a challenging environment, securing New Bedford's place as a leader in the U.S. fishing industry.

For these reasons, we respectfully urge NMFS to take the necessary steps to authorize permit stacking for Limited Access scallop vessels. Doing so will strengthen the fishery, protect jobs, and ensure the continued success of an industry that is vital to both Massachusetts and the nation.

Thank you for your consideration and for your ongoing work to ensure the sustainability of our fisheries.

Sincerely,

Rep. Christopher Hendricks

11<sup>th</sup> Bristol District

Rep. Antonio F.D. Cabral 13<sup>th</sup> Bristol District

Vony Cabral

Rep. Mark Sylvia 10<sup>th</sup> Bristol District

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Rep. Steve Ouellette 8<sup>th</sup> Bristol District

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October 16, 2025

By email: eugenio.e.pineirosoler@noaa.gov
Eugenio Pineiro Soler
Assistant Administrator for Fisheries
National Oceanic and Atmospheric Administration
1315 East-West Highway, 13<sup>th</sup> Floor
Silver Spring, MD 20910

Re: Proposal to Allow Scallop Permit Stacking

Dear Assistant Administrator Piñeiro Soler:

I write to set forth my position on a proposed rule that would allow full-time, limited-access scallop permit holders to "stack" two permits on a single vessel. The proponents of the rule are a group of scallop boat owners based largely in the Port of New Bedford. I understand that they have discussed their proposal with your staff as well as that of the New England Fisheries Management Council, and they will seek to initiate a rule-making process soon. As the Atlantic sea scallop fishery is one of America's highest grossing commercial fisheries and is concentrated in New Bedford, we have a singular interest in policies that govern the allocation of scallop permits.

The idea of combining more than one fishing permit on a single vessel is hardly new. The groundfish industry and other fisheries of course moved away from the traditional one-boat-one-permit framework long ago. They now are governed by catch-share regimes that set the rules for the leasing of permits among vessels. The rationale for leasing is that it tends to promote operational efficiency by allowing a vessel to catch more fish than it could under a single permit, obviating the need for more trips to sea. As early as the 1990s, members of the scallop industry, concerned that days-at-sea limitations forced them to leave their boats increasingly unutilized at the docks, began to argue that they, too, should be able to transfer their permits. Their arguments were validated by the National Marine Fisheries Service in a 2008 report that found the scallop fleet was among the country's most over-capitalized, and that the same level of landings could be achieved with fewer boats.

Since then, proposals to establish a permit transfer system for the scallop industry have failed in the face of concerns about the risk of industry consolidation and job loss. In testimony before the Council three years ago, I opposed the most recent proposal that would have authorized the *leasing* of limited-access scallop permits. In my view, the proposal went further than necessary to address the over-capitalization of the fleet, and it would have led to the inexorable consolidation of the

industry, resulting in job losses to shore side businesses and diminished returns to single-boat owners and their crews. I also was troubled that in formulating their proposal, the proponents failed sufficiently to engage the small businesses who stood to lose the most. I am grateful that as reflected by its nearly unanimous vote to reject the proposal, the Council saw it the same way.

Changing circumstances have prompted me to revisit my position. The continued decline in available days-at-sea and closed area trips for limited-access permit holders has forced a broad reckoning in the industry that the traditional assignment of one permit per boat is antiquated. It has resulted in scallopers remaining in port for nearly eleven months a year on average – hardly an efficient use of a multi-million-dollar business asset. It has led to considerable congestion on our municipal piers, which makes them less safe for fishermen. Moreover, by reducing the revenue of the average boat, it also has inhibited the ability of owners to reinvest in their boats, which has raised still other safety concerns.

The new proposal is being advanced by a different group of proponents, who went back to the proverbial drawing board to fashion a more measured approach. In its broadest terms, the proposal would not allow the leasing of permits, but it instead would allow the transfer of permits between two vessels of similar size and common ownership. In practice, this would enable one boat to fish for approximately twice as long in any given year. In my view, these changes to the last proposal will mitigate the risk of industry consolidation.

Earlier objections to permit stacking are not triggered by the new proposal. The consolidation of two permits will not likely result in the loss of crew jobs. The reality is that on account of the days-at-seas caps, it is now common for scallop fishermen to serve on multiple vessels. It is also not likely for scallop stocks to grow to a point that could support a significantly greater number of fishing days for the current fleet. New equipment technology and fishing techniques have made scallop fishing much more efficient than it was in the 1990s, when the current permitting regime was instituted.

It also should be noted that the process used to fashion the new proposal was more open than last time. At my urging, the proponents have actively sought to understand the concerns of boat owners and shore-side businesses. In my estimation, there is broader understanding and support in New Bedford for the new proposal.

While it would be premature for me to explicitly endorse the proposal, as the precise language has yet to be settled on, it is clear that the status quo is untenable. In general, I believe that the stacking of permits between two vessels of common ownership would be an appropriate way of addressing the mounting pressures on the industry, with the following caveats:

1. Expansion of the resource. The Management Council should expand the biomass available for fishing. It would tend to mitigate pressures on smaller fishing and shore side businesses, as it could increase the fishing days or access-area trips for all permit holders. In particular, the implementation of a permit stacking regime would make it even more important that the Council revisit its decision not to reopen the Northern Edge to scalloping, as I have long advocated.

- 2. <u>Legal Curbs on Consolidation</u>. To protect against the risk of consolidation, the five percent ownership cap of scallop permits must remain sacrosanct. Moreover, before the inevitable future demands to allow three or more permits to be stacked are entertained, the Council should allow ample time to understand the effects of the current proposal. The Council should remain leery of allowing stacking rules to slide down a slippery slope toward open-ended leasing and even the commodification of permits.
- 3. Preventing the Abandonment of Vessels. The stacking of permits will lead owners not to use their less productive vessels. So that the unpermitted vessels are not abandoned and thereby take up limited dock space and pose safety risks on publicly-owned piers, permit holders must make certain accommodations. This could include a prohibition on the stacking of a permit if the vessel with which it is associated has remained dormant at a public facility for an unreasonably long time.
- 4. Robust Engagement. All relevant voices need to be heard on this issue. Before implementing the proposal, the Council should ensure that the interests of smaller fishing and shore side businesses are fully considered. Given its status as the epicenter of the scallop industry and America's leading fishing port, New Bedford should be the focal point of these efforts.

Thank you for your consideration.

Sincerely

Jon Mitchell

oc:

Senator Elizabeth Warren

Senator Edward Markey

Congressman William Keating

New Bedford state legislative delegation

Gordon Carr, Executive Director, New Bedford Port Authority

Commissioners of the New Bedford Port Authority

John Bullard, Chairman, New Bedford Ocean Cluster

New Bedford City Council

Daniel Salerno, Chairman, New England Fisheries Management Council

Michael Pentony, Regional Administrator, Greater Atlantic Regional Field Office

Kate O'Keefe, Executive Director, New England Fisheries Management Council



# THE GENERAL COURT OF MASSACHUSETTS STATE HOUSE, BOSTON 02133-1053

October 16, 2025

Eugenio Piñeiro Soler Assistant Administrator, NOAA Fisheries 1315 East-West Highway, 13<sup>th</sup> Floor Silver Spring, MD 20910 eugenio.e.pineirosoler@noaa.gov

# **RE:** Limited Access Scallop Vessel Permit Stacking

Dear Assistant Administrator Piñeiro Soler:

As bipartisan leaders in the Massachusetts State Senate who represent the oldest and one of the most lucrative fishing ports in the United States, we are writing to express our support for the authorization of so-called permit stacking on Limited Access scallop vessels. The sea scallop industry has a long and storied history in Massachusetts, and it remains one of the most lucrative landings for our commercial fishermen. To ensure the continued prosperity of this industry in New Bedford, Gloucester and other ports along Massachusetts and the Eastern seaboard, we urge you to support the industry's most recent effort to allow permit stacking.

To be clear, commercial fishing, and the scalloping industry in particular, provides thousands of jobs in our communities and along the Eastern seaboard as captains, crews, processors, welders, ice plants, marine suppliers, fuel operators, truckers, and much more. For our fishermen to remain competitive in this global market, we must provide them with the appropriate tools to maximize efficiency. Too many of our boats sit idle on our docks, going out to sea for just 35 days per year. Additionally, this overcapitalization of the fleet presents a safety risk. The average scallop boat is currently more than 30 years old, and current conditions do not support the building of multiple million-dollar vessels. Instead, scallopers should be allowed to consolidate operations on their best vessels to increase safety and efficiency. The number of crew, gear, and supplies would remain steady.

Scallopers, boat owners, and industry stakeholders have worked collaboratively to reach consensus on this issue. The current proposal would allow a Limited Access scallop vessel to carry up to two permits so that those vessels could fish the allocations for both permits. Each permit would be of a similar permit category as well. For example, a full-time single dredge permit could be combined with another full-time single dredge permit. Additionally, no individual could own a stake in more than 5 percent of the total permits allocated to the fishery.

Limited Access Scallop Vessel Permit Stacking, NOAA Fisheries October 16, 2025 Page 2 of 2

With this in mind, we respectfully urge NMFS to take the necessary steps to authorize permit stacking for Limited Access scallop vessels. Doing so will strengthen our scalloping industry and ensure the continued success of American seafood production and local economic prosperity.

Thank you,

Mark Montigny

Senator, Second Bristol and Plymouth

Bruce Tarr

Senator, First Essex and Middlesex