**CITY OF NEW BEDFORD**
JONATHAN F. MITCHELL, MAYOR

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, 13th 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. **Legal Curbs on Consolidation.** 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

cc: 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