

(A) Unless the provisions of paragraphs (b)(1)(ii)(C) or (D) of this section apply, if the current 3-year running average of the NMFS fall trawl survey biomass index is below the annual index target, the target TAC for the subsequent fishing year shall be set equivalent to the monkfish landings for the previous fishing year, minus the percentage difference between the 3-year average biomass index and the annual index target.

(B) If the 3-year running average of the NMFS fall trawl survey biomass index is above the annual index target, and the current estimate of F is below $F_{\text{threshold}} = F_{\text{max}}$, the target TAC for the subsequent fishing year shall be set equivalent to the previous year's landings, plus one-half the percentage difference between the 3-year average biomass index and the annual index target, but not to exceed an amount calculated to generate an F in excess of $F_{\text{threshold}}$. If current F cannot be determined, the target TAC shall be set at not more than 20 percent above the previous year's landings.

(C) If the current estimate of F exceeds $F_{\text{threshold}}$, the target TAC shall be reduced proportionally to stop overfishing, even if a reduction is not called for based on biomass index status as described in paragraph (b)(1)(ii)(A) of this section. For example, if $F = 0.24$, and $F_{\text{threshold}} = 0.2$, then the target TAC shall be reduced to 20 percent below the previous year's landings.

(D) If the 3-year average biomass index is below the annual index target, and F is above $F_{\text{threshold}}$, the method (F -based or biomass index based) that results in the greater reduction from the previous year's landings shall determine the target TAC for the subsequent fishing year.

(E) If the observed index is above the 2009 index targets, the target TAC for the subsequent fishing year shall be based on the ratio of current F to $F = 0.2$, applied to the previous year's landings. If current F cannot be determined, the target TAC shall be set at not more than 20 percent above previous year's landings.

(F) If landings decline from the previous year and the current 3-year average biomass index is above the annual index target, whether or not F can be determined, the MFMC shall include in its report, prepared under paragraph (a) of this section, after taking into account circumstances surrounding the landings decline, a recommendation to the Councils on whether the target TAC should be set at the previous year's landings or previous year's target TAC. The Councils shall consider the MFMC recommendation, and then recommend

to the Regional Administrator whether the target TAC should be set at the previous year's landings or previous year's target TAC. If such a recommendation is made, the Regional Administrator must decide whether to promulgate measures consistent with the recommendation as provided for in paragraph (b)(4) of this section.

(2) *Setting trip limits for the SFMA.* (i) Under the method described in paragraph (b)(1)(ii) of this section, if the SFMA target TAC is set at 8,000 mt or higher, the Regional Administrator shall adjust the trip limits according to the method described in paragraph (b)(2)(ii) of this section.

(ii) *Trip limit analysis procedures.* Trip limits shall be determined annually by the process specified in Appendix II of Framework Adjustment 2 to the Monkfish FMP, using information from the mandatory fishing vessel trip reports (FVTR). This process is summarized in paragraphs (b)(2)(ii) (A) through (C) of this section.

(A) The 1999 fishing year shall be used as the baseline year for this analysis, since it represents monkfish landings under relatively unconstrained conditions. The first step shall be to calculate the expected distribution of monkfish landings from the SFMA by permit category group (A and C, and B and D) under the proposed target TAC for the SFMA for the upcoming fishing year. This calculation shall be based on the distribution of monkfish landings for the most recent fishing year for which there is complete FVTR information (most recent fishing year). For example, for each permit category group, the distribution of landings under the proposed target SFMA TAC for the 2004 fishing year would be based on the distribution of landings from the SFMA for the 2002 fishing year, the most recent fishing year for which complete FVTR would be available.

(B) The second step shall be to compare the monkfish landings for the SFMA from the baseline year, assuming a trip limit was in place that is identical to the trip limit in the most recent fishing year, to the monkfish landings for the most recent fishing year, and to calculate a ratio estimator for each permit category group. This ratio shall then be multiplied by the trip level monkfish landings from the SFMA for the baseline year for each permit category group to simulate the monkfish landings that would have occurred during the most recent fishing year under an unconstrained landings-per-DAS limit. For example, the ratio calculated by comparing the SFMA monkfish landings by permit category group for the 1999 fishing year to the

most recent fishing year, fishing year 2002, would be applied to the SFMA trip level monkfish landings for the 1999 fishing year to produce estimated trip level monkfish landings for the 2002 fishing year under an unconstrained landings-per-DAS limit.

(C) Using the estimated trip level monkfish landings for the most recent fishing year, expected monkfish landings under a range of potential trip limits shall be calculated for each permit category group for the upcoming fishing year as follows: Trips that landed monkfish from the SFMA in excess of a particular potential trip limit shall have monkfish landings reduced to that trip limit, and trips that landed monkfish from the SFMA in an amount equal to or lower than that particular trip limit shall remain at the actual amount of monkfish landed. Expected monkfish landings under each potential trip limit shall then be calculated for each permit category group by summing the adjusted monkfish landings of all trips that exceeded the potential trip limit and the monkfish landings of all trips that did not exceed the potential trip limit. The resulting data shall then be used to determine a functional relationship between potential trip limits and expected monkfish landings for each permit category group. These empirical functions shall then be used to calculate a landing-per-DAS limit for each permit category group for the upcoming fishing year, based on the expected distribution of monkfish landings by permit category group for the upcoming fishing year, as calculated under paragraph (b)(2)(ii)(A) of this section.

(3) *Setting DAS allocations for the SFMA.* Under the method described in paragraph (b)(1)(ii) of this section, if the SFMA target TAC is set below 8,000 mt, the Regional Administrator shall set the trip limits as specified in paragraphs (b)(3)(i) and (ii) of this section, and adjust the DAS allocations according to the method described in paragraph (b)(3)(iii) of this section.

(i) *Category A and C vessels.* Category A and C vessels fishing under the monkfish DAS program in the SFMA may land up to 550 lb (249 kg) tail-weight or 1,826 lb (828 kg) whole weight of monkfish per DAS (or any prorated combination of tail-weight and whole weight based on the conversion factor for tail-weight to whole weight of 3.32).

(ii) *Category B and D vessels.* Category B and D vessels fishing under the monkfish DAS program in the SFMA may land up to 450 lb (204 kg) tail-weight or 1,494 lb (678 kg) whole weight of monkfish per DAS (or any