

To: Pat Murdo  
Legislative Services  
Staff for the Economic Affairs Committee  
[pmurdo@mt.gov](mailto:pmurdo@mt.gov)

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From: Pat Tabor  
Board Member, Montana Board of Outfitters

Re: Board Member Notice - Opportunity to comment to Economic Affairs Interim Committee RE: SB 390 Study

**The following comments are in response to a request Board members received October 19, 2015 soliciting comments on charges assessed to licensing Boards/programs by the Department as identified in SB 390. I am forwarding my comments to you for compilation and distribution to the members of the Economic Affairs Interim Committee.**

### **Background**

The 2015 Legislature passed SB 390, which directed the Economic Affairs Interim Committee (EAIC) to study the charges applied to Boards by the Department of Labor and Industry.

### **Comments and Recommendations**

#### Recommendation 1: Consider a reduction in Fees Charged for Licensing Outfitters and Guides

##### Justification/rationale

- 1) Administrative costs have been reduced with the passage of HB 274. The 2013 Montana State Legislature passed HB 274 coined the Paperwork Reduction Act. This legislation was supported by a very large majority and enjoyed significant bipartisan support and provided sweeping reforms in reporting requirements and administrates functions for the first time in 30 years. HB 274 materially reduced the reporting, collection, filing and management of non-essential information being required by licensees.

##### Key features included in HB274 follow:

- Reduction of year-end reports required in the form of logs and statistics, and the use of a streamlined reporting system that can be completed and submitted utilizing an on-line form. This will replace previous logs used for the submittal of fishing and hunting clients served, and eliminate the requirement of the submittal of statistic sheets. Eventually, these logs will be fully automated and will be accessible to outfitters to update daily online.
- Elimination of the approval process of transfer of NCHU between licensees replaced with a simplified one-page form that the Department will process to track holders of NCHU on record.
- Substantial simplification of both the Outfitter and Guide initial license applications reducing number of pages materially. Additionally, the application process was has been streamlined Department wide as a pathway to fully automated online initial license application processing in the future.

- Materially revamped the Operations Plan Form resulting in fewer pages, and eliminating much of the detail replaced with affidavits. The most significant change will be the completion of a section of the Operations Plan by the licensee indicating the various Land Use Approval Forms (L-1s) and Public Land Permits the licensee both holds and is authorized to use. By shifting the reporting of these elements of the outfitter's operations to the licensee in one specific area of a report, the need to submit individual L-1s and copies of Federal or State public land permits or licenses will no longer be necessary. It should be noted that the outfitter must retain the signed originals of all L-1s and permits/licenses and be prepared to make them available for inspection or audit at any time.
- Revision of the data submitted for private land authorized for hunting/fishing use by indicating areas on Operations Plan using GIS Codes versus Township/Range/Section

The Board and Department believe that these changes will ultimately reduce the administrative burden on outfitter and guide licensees. Additionally, over time this will enable the Department to migrate towards a fully automated online license application and record keeping process. The end result of reducing the amount of physical records submitted, processed by specialists and retained in storage should lead to costs savings in the long run as a means to contain and perhaps reduce costs to the pool of licensees in the future. I believe these savings should be passed along to the licensees in the form of fee reductions.

- 2) The current balance in the Board of Outfitters budget is approximately 2 times the current operating budget and is nearly to the point that will exceed the Boards authority to withhold those reserves.

This indicates that current fee schedules are resulting in the collection of fees in excess of expenditures and have been for several years. With the realized cash savings from HB 274 (detailed description above) it is logical that the current fee structure should be revisited and reduced.

- 3) Current fees, particularly those related to Guide Licensing may be too high and are creating an artificial barrier to entry and industry participation.

Employment as a Montana hunting or fishing guide is seasonal business providing seasonal part-time and season full-time employment for 1,800 licensed guides. The non-refundable application fee of \$150 is appropriate for longer term employees, however, many guides, particularly in the hunting industry may work as little as a few days in the six week general season. For these people the \$150 fee cuts in significantly to what they will actually see as take home pay at the end of service. A fee reduction for guides would result in lowering the financial hurdle and increasing the opportunity for a person to work as a seasonal part-time guide employee.

Recommendation 2: Consider substituting full-time attorney hours with Para-legal level employees.  
Justification/rationale

Each Board has access to legal support. In the case of the Board of Outfitters we have the services of a highly qualified and competent attorney. While the services of a professional and licensed attorney are

needed occasionally more often the work he is engaged in could be completed by a lower level employee operating at the para-legal level with supervision by the Board attorney.

A great deal of the work currently being performed by the Board attorney involves basic review and research in support of the Boards disciplinary charge. Complaints rendered to the Board of Outfitters are frequently of the minor clerical errors nature and seldom has the more serious issued that jeopardized the heath safety and welfare of clients. In the former situation the assistance of a para-legal operating at a reduce pay level with appropriate over sight would likely accomplish the legal support necessary at a reduced cost.

Recommendation 3: Mandate and fully support automated licensing and reporting systems.

Justification/rationale

It is well beyond time to have a fully automated and online solution for simple Guide and Outfitter Licensing and annual reporting. As the 2015 season comes to a close thousands of pages of handwritten reports are being submitted to the Board of Outfitters in preparation for license renewal. These reports may be scanned and electronically filed, or may simply be filed. In either case the data contained within them is rendered inaccessible electronically and any report summaries needed for enforcement actions of simply to report on the nature of the industry are consequently a product of tedious and error prone hand tabulated summaries.

The cost of a new modernized system of online reporting could certainly be recovered by eliminating recurrent annual costs associated with this arcane system/process in a few short years. I strongly urge the committee to examine what barriers exist to moving to an automated licensing and reporting system and take steps to and to remove them and provide the necessary support through a one-time appropriation if necessary to ensure this is done.so this