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Big Game board ups hunting guide fees, hoping to eliminate \$1 million deficit

Pat Forgey

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JUNEAU -- Alaska hunting guides are being hit with new fees as the state tries to cope with big budget deficits, but the higher fees would have come anyway, says the chairman of the Big Game Commercial Services Board. [2]

The new fees [3] will raise \$1 million to pay off an operating deficit of the board that the state has been subsidizing, hopefully within two years, said chairman Kelly Vrem, who's also a Sutton-based guide. The highest fees after the adjustment will be \$1,700 for nonresident guide and transporter licenses, an increase of \$400. A full list is here [3]. According to the state, in 2013 there were 132 licensed master guides, 462 guides, 1,031 assistant guides and 158 transporters working in Alaska.

"We, the industry as a whole, we are not looking for any subsidies, and we certainly are not looking for a freebie," he said. "We understand the obligation to pay our way."

State law says the Big Game Board and others like it should be self-supporting, funded by fees. But that has not always been the case. With the state's current fiscal situation, Vrem said the board understood deficits couldn't continue and it supported fee increases.

Current fees for the guides, assistants, transporters and others the board regulates cover administration costs, but haven't been enough to cover the cost of investigations and the attorneys that prosecute cases. That's where most of the \$1 million deficit comes from, Vrem said, adding that just a few cases make up the bulk of the shortfall.

"We're frustrated that the overwhelming majority of guides don't get into any trouble, it's a tiny minority that cause these investigative and legal costs that we're saddled with paying," he said.

And it's difficult to estimate the costs of investigations in advance, Vrem said, because that depends on numbers of violations and how aggressively accused guides choose to fight.

"It just depends on how good our licensees have been or if they want to lawyer up and fight something, or sign a consent agreement and get it behind them," he said.

The board is part of the Department of Commerce, Community and Economic Development, and is under the Division of Corporations, Business and Professional Licensing[4].

Vrem said the responsibility for the deficit began years ago, when the division failed to provide the board with an accurate accounting of its costs.

That's true, said Sara Chambers, the division's operations manager.

"It's from the mid-90s, it predated anybody who's here now, but it appeared there was really a lack of administrative oversight or checks and balances, over the documentation that was being provided to the board" about costs, Chambers said.

It has taken several audits, the most recent last month by the Division of Legislative Audit, to clear up the amount and responsibility for the debt.

Chambers said all the fees collected were appropriately spent on managing the guide program, but not enough was being collected to cover costs.

Vrem said the new fee structure, which he termed an "extraordinary measure," will be implemented in November. It should cover the ongoing costs and pay down the deficit. The fee increase is likely to raise more than \$500,000 per year from guides and transporters.

"These fees aren't designed to be permanent, and we've told that to the guide community," Vrem said. "We hope this isn't going to develop a life of its own." Chambers said the department supports reviewing the fee schedule after the deficit is eliminated.

The Big Game Board is scheduled to sunset on June 30 of next year unless renewed by the Legislature. The most recent audit division report was to determine whether the board should keep operating. Legislative Auditor Kris Curtis noted a previous recommendation from her office that fees be increased enough to cover costs had not been implemented.

She recommended that the Legislature renew the board for only three years while monitoring whether the recommendations are followed.

Setting fees is the responsibility of the division, not the board, Chambers said, though the division seeks feedback from the board on fee increases. A fee increase in 2014 helped close some of the gap, she said.

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