

## **HB 254**

An Act extending the termination date of the Big Game Commercial Services Board; and providing for an effective date.

**Status:** (H) FIN : 2016-03-24

Dear Legislator,

March 30, 2016

A million-dollar subsidy of a self-regulating program dependent on taking public wildlife resources for personal profit should not be construed to be a board capable of serving “the public interest”.

A review of the last 6 years of audits of this self-regulating board revealed recommended increased licensing fees. The Board failed; for 6 years, to adequately increase licensing fees. As a result, it became incumbent on the Department of Commerce to unilaterally move to raise program licensing fees. Absent that unilateral action and the impending sunset of this board it is likely guides would still be refusing to comply with the statutory requirement to fund its program. A willingness; at the 11th hour, to step up and be professionally responsible for the privilege of continuing this self-regulating board is too little too late. And, certainly this is not the year for the legislature to risk continued deficits going forward.

Neither Transporters or resident hunters experience positive benefits from this self-regulating board.

While collection of “transporter licensing” fees contributes to paying down the deficit of this board now, there is no legal provision that would require any transporter to maintain their participation with this board. On the one hand, of the 100 or more annual investigations of misconduct of persons regulated by this board, less than 1% (one percent) of the total cases have ever been related to a violation of the single “transporter” statute or regulations. On the other hand, approximately 80% or more of transporter clients annually are resident hunters.

“Transporters” are not in any way shape or form responsible for one dime of the guide board debt. It is without question that ‘transporters’ and resident hunters should not be put in the position of making financial contributions to the bail-out of this self-regulating guide board.

There are 26 pages of statutes and regulations applying to “guide-outfitters”. The equivalent of one single page within the 26-page collection of rules applies to “transporters”. Within the next year all air taxis may simply choose not to put themselves in a position to continue to be regulated by guides. The conditions of probation to erase the deficit of this self-regulating board; if accepted and extended to the guide board by this legislature, will likely not be met.

There are less than 300 active contracting guides; who by statute and regulation are the responsible party for violations by “assistant guides”. 49 guides are on probation. 51 cases against guides have recently been closed by agreeing to some sort of plea bargain. Many of the causes for all of these investigations and negotiated settlements are related to the taking of sub-legal animals. There are an undisclosed number of open cases which could include investigation of Board of Game member and guide Nate Turner’s guiding practices. Extending this board on the basis that the Board functions and contributes to resource conservation and consumer protection due to its high standards of Professional and Ethical conduct promoted by its vetting of individual guides is not all that believable when 40% or so of licensed guides are somehow related to a case that ended up with someone who is now on probation, or now under investigation or recently agreed to a plea bargain deal.

It is not true that guiding would decline and that would result in a negative economic impact when sunseting this board. Nonresidents make up nearly 100% of guided clients. The Board of Game annually authorizes an unlimited number of nonresidents to take Alaska's game resources. Annually there are on average 15,000 nonresidents coming to take Alaska's game resources. Currently about 300 guides contract less than 1,200 hunts leaving a huge untapped economic opportunity (roughly 13,000 potential nonresident clients) for guides. Sunseting of this board; the right thing to do, has less economic impact on guiding than continuing to subsidize this Board would have on the public.

The Department's emphasis and reliance on the Alaska Professional Hunters Assn. sponsored McDowell Report known as *The Economic Impacts of Guided Hunting in Alaska* as justification to extend this board is misguided if for no other reason than APHA shamelessly hangs it hat on guiding being a 78-million-dollar business but its membership (guides) cannot afford to pay for the function of its own self-regulating board. These are grossly inconsistent realities the Department seems oblivious to.

As for the 2,210 jobs produced the Department says are a result of guiding the jobs are very temporary low paying seasonal jobs. Most if not practically all of those hired are probably not even on a payroll and covered by workman's compensation (the guide board exempted themselves from Work Comp compliance standards). Guiding per se does not really seem to be an economic windfall for the people of Alaska.

The facts are McDowell used very little verifiable data to "make up" this report. The two primary sources were 1) guided hunt records (according to statute only law enforcement has access to those records) and 2) a "survey" of registered hunting guides. 111 registered guides responded to the survey. Only 75 of those guides actually signed a hunt contract. This survey; anecdotal information from 75 guides, is where McDowell got the information used to extrapolate (a dangerous practice when asking the fox how things are in the hen house) price of hunts, number of hunters, number of employees, business revenues and expenses etc. to make and then publish its conclusions on *The Economics of Guided Hunting in Alaska*. Hardly a document the Department should be touting as providing justification for extending this board.

BGCSB is not essential to the safety of hunters or truly connected to the management of a resource as the Department would have us believe. We do not read in the papers that nonresident hunting with a next-of-kin Alaskan relative are falling off mountains, getting eaten by bears, making illegal kills or lost requiring search and rescue missions to be put into play. What we read about are guides taking game illegally. Guides trespassing on private property. Guides falsifying records. Guides appointed to the board of game and violating ethics standards. What we are dealing with today is the question of whether a self-serving board that does not honor its obligation to the public to be self-funding should be allowed the continued privilege of regulating its own. It should be clear the Department may be overselling the value to the public of this self-regulating board.

Sincerely,

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