# STATE OF ALASKA

# DEPARTMENT OF FISH AND GAME

BOARD of GAME

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Dan Sullivan, Commissioner Alaska Department of Natural Resources 550 W. 7th Avenue, Suite 1400 Anchorage, AK 99501

Dear Commissioner Sullivan,

The Alaska Board of Game (BOG) thanks you for the opportunity to address the proposed development and administration of the Guide Concession Program (GCP) here in Alaska. As you are aware, the BOG has previously written two letters of support requesting the development of this Guide Concession Program to be administered by the Department of Natural Resources (DNR) on state lands to address our concerns related to wildlife and habitat conservation issues, industry stewardship, social considerations, and public safety considerations. We recognize that this is a new field of oversight that your department is moving into and that there are many challenges in creating a system that can comprehensively address our concerns in these areas, as well as the concerns of the big Game Commercial Services Board, public concerns, and the industry itself.

The stated DNR mission of the GCP program is to encourage land stewardship, support wildlife conservation, and to promote a healthy guiding industry to benefit the people of Alaska. The Board of Game is supportive of these goals as we believe they will benefit all Alaskans while recognizing that the development of a comprehensive program to address these concerns has the potential to both impact and be affected by the decisions we make as a board. During our review of this most recent draft version of the proposed program, and through public and industry comment to our board, we have noted a number of areas that we feel the need to address and offer suggestions to improve the administration of this program as well as how this program will ultimately address our concerns and the final utilization of the resources themselves.

The DNR GCP program more specifically attempts to address overcrowding of guide operations, land and wildlife conservation concerns, user conflict concerns, and to provide a measure of economic remuneration to the State from both professional hunters and their clients. Many of these areas of concern are directly linked to our responsibilities at the Board of Game and, in some cases, are issues that our board has the sole authority to manage. The development of this program will have much bearing on our work and decisions in future years. We believe it is in the interest of the board to again offer our input where it is appropriate to ensure that our concerns regarding user conflicts and conservation issues are being met, while also ensuring that

non-resident access is not unduly restricted or relegated to very limited guided hunt opportunities. The guiding industry has historically provided important valuable returns to our state through a variety of economic benefits to the state economy, seasonal employment opportunities for both rural and urban Alaskans alike, substantial meat sharing opportunities in rural communities, the value-added harvest of wildlife itself, and the expectation of a high level of ethics and professionalism while providing hunting services to visitors to our state.

DNR has so far released two draft versions of this proposed program and scoring criteria and both times the proposed administration of this program appears to have not been well received by the Industry and the public itself, while broad general support for the need for this program itself continues. At a number of our meetings in various parts of the state we received testimony from both the public and members and representatives of the guide industry that there was widespread concern for what appeared to be a lack of in-depth understanding on DNR's part, concerning the various elements involved with viably running a successful guide business in Alaska. If true, this should not be surprising, since DNR is moving into a new arena entirely and consequentially dealing with issues that have never been part of its administrative responsibility before (such as determining appropriate levels of wildlife harvest on state lands, addressing hunter conflicts, and defining what resource dependent stewardship means as it relates to the guiding industry). We believe that many of these concerns could have been reduced or eliminated had there been opportunity provided for advance review of these efforts by the appropriate boards most directly affected by these developments. Both the Big Game Commercial Services board and the Board of Game have long experience with this industry. We both create regulations that very substantially impact this industry, have created regulations in response to industry related concerns, and will continue to do so for years to come.

Some of the following comments address topics that do not appear directly related to the areas of authority for our board but, in a number of areas, the current draft of the GCP has the potential for unintended or secondary consequences that will ultimately have the effect of prompting or even directing future BOG action. The economic viability of this industry, for example, is an important consideration for our board when you consider that, beyond the more recognized roles this industry has in our state, the guiding industry has historically been used as a management tool by this board. Non-resident harvest of predators plays an important role in conservation goals throughout most of the state, and this board has often encouraged the participation of guided hunters to aid in maintaining population objectives in areas affected by ungulate overpopulation as well. The important role that non-resident hunters, many of which are required to be guide accompanied, have in providing the majority of funding for our wildlife management programs is often understated.

While it is clear that the Board of Game does not have regulatory oversight of the guiding industry we recognize BOG decisions have for years essentially shaped it through regulation to ensure that it is conducting itself in alignment with our management objectives. In most cases we have limited guided use through drawing permits, shortened nonresident seasons, and created specific trophy harvest limits such as the 50 inch minimum or specific brow tine requirements for non-resident moose harvest across most of the state, and the industry has responded by adjusting the type, quantity, and quality of services it provides clients.

The following list outlines some of the most widely recognized issues with the currently proposed program;

#### The anticipated annual budget of \$1,000,000 for administration of this program:

DNR has built into the proposed budget the concept of remuneration to the State, per addressing the Owsichek decision, anticipated loss of revenue from existing permits, among other important factors, with DNR and / or the General Fund being the sole recipients of these funds. The proposed fee structure relies on a substantial annual concession fee and differing client fees for guide-required and non-guide required clients in addition to maintaining existing fees for base camp permits, etc.

The currently proposed fees will be from 2 to 4 times what many guides are currently paying for land use fees, with DNR being the primary recipient of funds. Many guides have expressed a willingness to pay more for use, but at the currently proposed levels that they would find it hard to stay economically viable.

It seems prudent that a guide operation be charged for a moderate annual Guide Concession fee, and a secondary tier of fees based on either client numbers and/or harvested animals and that camp related fees be included as part of this program. We recognize the need for DNR to be fiscally responsible and self sustaining in the administration of this program, yet believe that any funds in excess of actual administrative needs should be applied directly toward the conservation and enhancement of the affected resources rather than submitted to the state General fund.

#### Financial remuneration expectations:

We recommend that the GCP should be administered pay for its own functions, with an appropriate buffer on top for unanticipated financial burdens, and the remaining funds go directly into wildlife research programs identified by the BOG and administered by the Department of Fish and Game (ADF&G).

Reinvesting in these resources through this program will help us maintain the viability of these wildlife populations and provide an opportunity for the guiding industry to directly contribute to important conservation concerns in a meaningful manner. Dall sheep research would be a fitting example, as it is an area that has needed additional funding for research for many years and is important to both resident and nonresident hunters alike. All Alaskans will benefit from such programs, and seems the most appropriate manner to provide remuneration to the state since the funds generated will benefit the very resources that are being harvested.

These programs should be administered by ADF&G, rather than a staff DNR biologist, for several reasons; the most important of which being that the funds will be more fully utilized in existing research projects, which are currently limited by funding issues, and also by avoiding the creation of repetitive research and administrative burdens. ADF&G has identified a number of important areas of concern and needed research related to Dall sheep populations, and our board has often been frustrated by the lack of funding opportunity for this important work.

## Multiple Land Ownership Patterns:

We understand that there has been discussion with the Bureau of Land Management (BLM) and other agencies for potential cooperation through a MOU for incorporating BLM lands into the administration of this program. It is also our understanding BLM will very likely need to continue to charge their annual land use fees, regardless of whether or not they cooperatively work with DNR administration of hunts on their lands. DNR has not addressed this resulting "double charging" aspect, nor addressed the potential benefit of funding and staff that might be provided by BLM if they do choose to work with DNR on the program through a MOU. We understand that these more detailed discussions are pending BLM approval of this program.

We encourage the further development of the DNR / BLM MOU regarding this program since, in its absence, it very likely will develop that substantially concentrated wildlife conservation and user conflict issues will develop on BLM lands and some of the initial goals of this program will be negated from the start. If a MOU is reached with BLM and other agencies, we recommend that a concession permit holder be permitted to conduct their hunts on all lands within each concession area that are to be offered as part of the Concession Program. Land ownership patterns in much of Alaska are at times random in regards to the actual lay of the land, and oftentimes do not readily lend themselves to use by a guide operation without multiple land use authorizations. Wherever possible, these authorizations should be consolidated into one program and administered through one permit.

Additionally, if a MOU is reached with BLM and other agencies, we would advise that part of DNR's administrative responsibility should be to allocate these funds to the appropriate agency according to the actual land use during each hunt; if a guide and client are hunting on both State and BLM lands, for example, the guide would continue pay the appropriate payments to BLM for client use days and the State would then retain the client use and harvest fees for animals taken on these lands. DNR should initially gather all funds as part of this program and then make the appropriate payment to BLM for client use days on BLM lands in each concession. It unnecessarily burdens these small businesses to add one more level of permitting requirements to an already extensive paperwork load when operating on more than one agency's lands. If DNR is able to reduce the extensive administrative burden that guides have in regards to permitting and reporting when operating on lands in mixed ownership scenarios, they will very likely find the program to be a welcome help.

## Limiting the number of GCP concessions to two per guide:

Registered guides have long been allowed to register for use in three Guide Use Areas (GUA) per year in the State. This has been the primary means by which the State has limited the size and scope of individual guide operations, and the industry has adjusted itself to this limitation over the years. The proposed limit to holding only two GCP concessions statewide would very likely have the effect of cutting a number of existing guide operations to 2/3 of their traditional use, regardless of the problems or lack of problems in each area. It seems the intent here is in part to provide more opportunity for all existing guides to stay in operation, with the assumption being

that there aren't enough concessions to go around. The numbers used to assess guide activity have been partly based on the number of guides who have registered to operate in an area on an annual basis. A guide is allowed to register for three GUAs on an annual basis, without cost, and often utilize all three registrations regardless of actual usage each year. These numbers do not necessarily indicate guide usage for this reason, but could indicate relative usage or interest compared to other areas.

The current level of licensed registered guides is a rather recent development, having resulted from the double impact of reduced licensing standards and the loss of the original guide board and area system that resulted from the Owsichek decision. A number of these registered guides are operating on an infrequent basis, as a pastime secondary to regular employment, or under another guide who uses them for "sub-contracting" purposes — which is contrary to the original intent of the limit to three GUAs per registered guide system — and forbidden in relation to federal concessions. It is possible that a number of currently licensed guides will not meet the minimum qualifications for obtaining an area or not be interested in the increased work load related to competing for and maintaining these areas. Natural attrition to the ranks of contracting guides through retirement or other reasons, the relatively low number of newly licensed registered guides, and the return of increasingly more stringent standards for becoming and staying a hunting guide in Alaska may additionally limit the number of guides competing for GCP areas.

There are a number of factors that have yet to be seen in how the implementation of this program will affect the guiding industry, and some of these effects will only be apparent after implementation. Currently it appears that there will continue to be a variety of opportunities available for who are serious about being active in the guiding industry through the proposed number of State concessions, the various federal concession offerings on National Park Service and US Fish and Wildlife Service, and Forest Service lands, and private land hunting opportunities. If this program develops into an effective model, there is also the potential for further private land opportunities as well.

The potential for administrative difficulty in handling a certain number of applications should not justify making this type substantial change to this industry. It is our understanding that the most recent federal USF&WS offerings has had notably fewer applicants than the previous offerings, and it is possible that this program will see a similar results once it is in place.

We recommend that concession holders be allowed to apply for a minimum of five concession offerings, and to be allowed to obtain three GCP areas statewide without consideration of other land use authorizations held. In addition, we recommend DNR provide for reopening or a walk in bid process that will allow guides to apply for any unused areas. This will reduce the potential for underutilization of the resource as well as provide some additional opportunity.

# Limiting the number of employed assistant guides in each concession to three per area, statewide:

This idea seems to be an attempt to reduce user conflict in the field, and potentially limit harvest in areas of concern. These two areas of concern have much bearing on our work within the Board

of Game process, and we suggest that concession area sizes and the final number of concession holders allowed to operate within these areas would be the most appropriate means to address these issues. Guides will be required to propose their maximum levels of use, along with a detailed *Plan of Operations* for a number of years (5-10), in advance of the selection process. They will be required to abide by this plan in the field, and harvest levels and hunter numbers will be known in advance.

Our primary concerns with the proposed assistant guide limitation is that it has the potential to needlessly harm existing operations in areas where there are currently no identified conservation or user conflict issues related to the guide industry, effectively limit non-resident hunting opportunity statewide, reduce all guide operations to being small part-time businesses, and eliminate the traditional training methods by which guides become experienced and competent in the industry. This would also directly oppose another GCP goal of providing opportunity for new entry into the guiding profession since all guides are required to be experienced assistant guides before testing to become a registered guide. It is also very likely that both conservation and quality of service issues would result from this limitation, by creating the incentive to provide short duration two on one (or more) hunt scenarios, and to harvest any 'legal' animal for a client due to the new pressure to have assistants handle as many clients as possible during a limited season. This limitation has the potential to lower the stewardship aspect of guide operations as well as lower professional standards within the industry. It is important to recognize that large regions of this state do not have any identified conflict or conservation concerns related to the guiding industry.

These proposed restrictions should only be used in areas of high conflict or conservation concern after being identified by the Board of Game and with consultation and concurrence of the BGCSB.

#### Mapping Issues and Limited Concession concerns:

In 2008 the guiding industry had opportunity to review and adjust the Guide Concession boundaries from the old guide area system, as well as the current Guide Use Area boundaries. During this process, the participants were advised to draw these boundaries in such a manner to allow for one and possibly two guides to operate within each area, maintaining "economically viable" opportunities for the concession holders.

DNR personnel then reviewed the maps and adjusted the boundaries to clean up confusing lines and address several other issues. The decision was made at that time that economic viability for each area was not to be considered, and each area was given at least two concession offerings and a number of them were additionally given a "limited concession" opportunity.

The "limited concession" concept appears to be largely based on the desire to provide new opportunity into the industry. This concept is somewhat problematic as proposed since it introduces additional harvest burdens to areas that were drawn without anticipation of this additional harvest and operating limitations for these additional concession offerings are not well defined in regards to user conflicts. Additionally, the potential that some of these limited

concession offerings may be allocated by lottery seems contrary to basing this system on stewardship principles and the need to reward good conduct by opportunity for advancement. The traditional means by which young guides have acquired valuable experience within the industry, and also within a specific region, is through employment by existing operations. This is an important historical aspect of guide recruitment that has proven to effectively allow less experienced guides to become competent, in both guiding skills and knowledge of a region, to competitively apply for and obtain areas through existing federal offerings. It is very likely that this will prove true for state concessions as well.

The primary problem with these additional concessions, including the limited concessions, is that the maps were drawn in many cases with the idea that only one concession would be available in an area. As it stands now, some areas have potential competition built into them from the start by having a "limited concession" squeezed into an area where one or two guides may have historically operated in a viable manner or, alternately, where these two guides may be competing for two concessions: One full concession and one limited concession. This needlessly jeopardizes one guide's ability to stay in business in areas that may not have conservation or user conflict concerns. The maps may need to be reassessed or concession numbers readjusted entirely, or on a case by case basis.

#### Board of Game and Big Game Commercial Services Board participation:

The currently proposed administration of this proposed Guide Concession Program will involve decisions and actions that have much bearing on the nature of guided hunt opportunity in Alaska as well as the final allocation and utilization of the resource itself. Limiting guide activity through predetermined concession numbers and requiring stewardship based guided hunt opportunities on DNR administered lands will only address a portion of the broader concerns related to user conflicts and maintaining conservation goals in parts of this state, yet we believe these are important first steps to take. Our board will continue to be faced with these challenges in the broader arena, and view this program development as an additional element to be incorporated into our more comprehensive goals of wildlife management.

- We are requesting that our board be allowed opportunity to more directly have input into the development of this program and to be provided opportunity to address aspects of this program that directly have bearing on our management requirements and authority. We are requesting specifically that we be provided opportunity for advance review of the final version of this program before it being released. We suggest that both BOG and BGCSB participation be considered for participation in the selection process for concession areas, through having one or more members of each board sitting on each panel.
- We believe it is important to develop this program in such a manner to allow for participation of a sub-committee made up jointly of Board of Game and Big Game Commercial Services Board members to address specific administrative plans or areas of special concern that relate directly to the authorities vested in these boards. The BOG and BGCSB sub-committee, for example, may be then asked to identify problem areas that may require special limitations to the guide concessions (adjusted number of concessionaires, limited number of clients per concession, etc.) at a future date, if the GCP fails to adequately address the issues it has been

developed for. This could be a standing subcommittee, appointed by the chair of each Board, or alternately be open to any Board member who was interested.

The members of our two Boards are uniquely qualified to address these issues when you consider the areas of oversight that we respectively have and that members of both Boards are made up of a cross section of Alaskan interests, are chosen by the Governor, and approved by the Legislature. It seems prudent that both of these Boards take on the burden of some of these decisions, since the proposed program will potentially have a large impact on both wildlife related issues and the guiding industry itself in many ways. The careful development of this program is important to aid our efforts in maintaining many wildlife management objectives, the continued opportunity for rural employment and meat sharing opportunities, reducing user conflicts associated with certain Big Game populations, and assuring the viability of an historic and valuable industry to our state.

We thank you for providing extended opportunity to gather and submit our comments addressing this important work.

Sincerely,

cc:

Cliff, Judkins, Chairman Alaska Board of Game

> Cora Campbell, Commissioner, Alaska Department of Fish and Game Jeff Jones, Special Assistant, Office of the Governor

Paul Johnson, Chairman, Big Game Commercial Services Board