

STATE OF ALASKA
BIG GAME COMMERCIAL SERVICES BOARD



Teleconference Meeting
of June 23, 2016
Juneau, Alaska

Board Packet

BIG GAME COMMERCIAL SERVICES BOARD
REVISED FEE AND BUDGET SUBCOMMITTEE

TELECONFERENCE

June 23, 2016
Roll Call

Board Member	Present	Absent
Kelly Vrem		
Thor Stacey		
Rolan Ruoss		
Dick Rohrer		
James (David) Jones		
Henry D. Tiffany IV		

**STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT
DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING
ALASKA BIG GAME COMMERCIAL SERVICES BOARD**

Board Members:

**Kelly Vrem, Chair,
Master Guide-
Outfitter**

**Karen Polley, Vice
Chair, Public
Member**

**Michele Metz,
Private Landholder**

**James (David)
Jones, Transporter**

**James (Tom) Atkins,
Transporter**

**Gene Peltola, Public
Member**

**Nicholas Jackson,
Private Landholder**

**David Brown, Board
of Game**

**Henry D. Tiffany IV,
Master Guide-
Outfitter**

**REVISED FEE AND BUDGET SUBCOMMITTEE
TELECONFERENCE AGENDA
9:00A.M.-12:00NOON JUNE 23, 2016
333 Willoughby Avenue SOB 9th Floor
C-West Conference room
1-800-315-6338
Access Code: 24272**

<u>TIME</u>	<u>TOPIC</u>	<u>LEAD PERSON</u>
1. 9:00A.M.	Call to Order/Roll Call	Chairman Vrem
2. 9:05A.M.	Public Comment	Chairman Vrem
3. 9:10A.M.	Fee Change Options/Proposals	
4. 11:00A.M.	SB254 Legislative Report Requirement	
5. 12:00P.M.	Adjournment	Chairman Vrem

Big Game Commercial Services

Analysis last updated: 05/10/2016
 Effective dates: PROPOSAL for 06/15/2016 Meeting
 Presented to Board:

Fee Type	Current fee schedule			Proposed by board				Proposed by Transporter Subcommittee				Adjustments			FY2015 License Statistics	
	Current Fee	Projected Units	Projected Revenue	Fee Adjustment	Fee with Recommended Adjustment	Projected Revenue after Adjustment	% Change	Fee Adjustment	Fee with Recommended Adjustment	Projected Revenue after Adjustment	% Change	Fee Adjustment for Estimated Prorated Renewals	Projected Units	Projected Revenue Loss		
Application Fee	200	320	\$ 64,000		\$ 200	\$ 64,000	0%		\$ 200	\$ 64,000	0%				Application Fee	160
Guide Exam or Retake	125	36	4,500		125	4,500	0%		125	4,500	0%				Guide Exam or Retake	18
Game Management Exam	400	88	35,200		400	35,200	0%		400	35,200	0%				Game Management Exam	44
Hunt Record Filing**	50	5922	296,100		50	296,100	0%		50	296,100	0%				Hunt Record Filing**	2961
Transporter Activity Report Filing**	50	2024	101,200		50	101,200	0%	(45)	5	10,120	-90%				Transporter Activity Report Filing**	1012
Guide Use Area Registration*	100	662	66,200		100	66,200	0%		100	66,200	0%				Guide Use Area Registration*	331
Transporter Use Area Registration*	-	662	-		-	-	0%		-	-	0%				Transporter Use Area Registration*	331
New Master Guide (Resident)	850	10	8,500		850	8,500	0%		850	8,500	0%	(425.00)	2	(850.00)	New Master Guide (Resident)	5
New Master Guide (Non-Resident)	1,700	0	-		1,700	-	0%		1,700	-	0%	(850.00)	0	-	New Master Guide (Non-Resident)	0
Renew Master Guide (Resident)	850	118	100,300		850	100,300	0%		850	100,300	0%				Renew Master Guide (Resident)	113
Renew Master Guide (Non-Resident)	1,700	11	18,700		1,700	18,700	0%		1,700	18,700	0%				Renew Master Guide (Non-Resident)	11
New Registered Guide (Resident)	850	26	22,100		850	22,100	0%		850	22,100	0%	(425.00)	9	(3,825.00)	New Registered Guide (Resident)	13
New Registered Guide (Non-Resident)	1,700	0	-		1,700	-	0%		1,700	-	0%	(850.00)	2	(1,700.00)	New Registered Guide (Non-Resident)	0
Renew Registered Guide (Resident)	850	360	306,000		850	306,000	0%		850	306,000	0%				Renew Registered Guide (Resident)	347
Renew Registered Guide (Non-Resident)	1,700	62	105,400		1,700	105,400	0%		1,700	105,400	0%				Renew Registered Guide (Non-Resident)	62
New Class-A Asst Guide (Resident)	410	14	5,740		410	5,740	0%		410	5,740	0%	(205.00)	5	(1,025.00)	New Class-A Asst Guide (Resident)	7
New Class-A Asst Guide (Non-Resident)	820	2	1,640		820	1,640	0%		820	1,640	0%	(410.00)	0	-	New Class-A Asst Guide (Non-Resident)	1
Renew Class-A Asst Guide (Resident)	410	95	38,950		410	38,950	0%		410	38,950	0%				Renew Class-A Asst Guide (Resident)	88
Renew Class-A Asst Guide (Non-Resident)	820	12	9,840		820	9,840	0%		820	9,840	0%				Renew Class-A Asst Guide (Non-Resident)	11
New Assistant Guide (Resident)	410	112	45,920		410	45,920	0%		410	45,920	0%	(205.00)	30	(6,150.00)	New Assistant Guide (Resident)	56
New Assistant Guide (Non-Resident)	820	64	52,480		820	52,480	0%		820	52,480	0%	(410.00)	14	(5,740.00)	New Assistant Guide (Non-Resident)	32
Renew Assistant Guide (Resident)	410	461	189,010		410	189,010	0%		410	189,010	0%				Renew Assistant Guide (Resident)	405
Renew Assistant Guide (Non-Resident)	820	338	277,160		820	277,160	0%		820	277,160	0%				Renew Assistant Guide (Non-Resident)	306
New Small Transporter (Resident)	850	28	23,800		850	23,800	0%		850	23,800	0%	(425.00)	9	(3,825.00)	New Small Transporter (Resident)	14
New Small Transporter (Non-Resident)	1,700	2	3,400		1,700	3,400	0%		1,700	3,400	0%	(850.00)	0	-	New Small Transporter (Non-Resident)	1
New Large Transporter (Resident)	850	0	-		850	-	0%		850	-	0%				New Large Transporter (Resident)	0
New Large Transporter (Non-Resident)	1,700	0	-		1,700	-	0%		1,700	-	0%				New Large Transporter (Non-Resident)	0
Renew Small Transporter (Resident)	850	135	114,750		850	114,750	0%		850	114,750	0%				Renew Small Transporter (Resident)	121
Renew Small Transporter (Non-Resident)	1,700	4	6,800		1,700	6,800	0%		1,700	6,800	0%				Renew Small Transporter (Non-Resident)	3
Renew Large Transporter (Resident)	850	12	10,200		850	10,200	0%		850	10,200	0%				Renew Large Transporter (Resident)	12
Renew Large Transporter (Non-Resident)	1,700	0	-		1,700	-	0%		1,700	-	0%				Renew Large Transporter (Non-Resident)	0
Exam Prep Packet	100	0	-		100	-	0%		100	-	0%				Exam Prep Packet	0
Retired Master/Reg Guides	300	6	1,800		300	1,800	0%		300	1,800	0%				Retired Master/Reg Guides	3
Retired Class-A Asst Guides	175	0	-		175	-	0%		175	-	0%				Retired Class-A Asst Guides	0
Licensee Surcharge***	-	1404	-		-	-	0%		-	-	0%				Licensee Surcharge***	702
Centralized Fees	9,891	1	9,891		9,891	9,891			9,891	9,891						
			\$ 1,919,581			\$ 1,919,581				\$ 1,828,501				\$ (23,115)		

* Fee - Based on 2015/16 GUA registration expirations, assuming they renew for only one year; TUA requires board to propose regulations to create it
 ** New Fee - Number based on data between 06/01/2015 and 04/08/2016 HR/TARs
 ***Two year - Annual Surcharge for only Contracting Licensees
 Beginning Cumulative Surplus must be from FY2014

Initial: PY new applications x 2
 New: PY new applications x 2
 Renewal: PY renewed + PY new
 Temporary: PY temporary x2
 Courtesy: PY courtesy x 2
 Centralized: PY revenue x .01
 Inactive: Equals PY inactive

Revenues and Expenditures	CALCULATIONS BASED ON CURRENT FEES					
	FY2012/2013 Actuals	FY2014/2015 Actuals	Projected	FY2016/2017 Projected	FY2018/2019 Projected	FY2020/2021 Projected
Revenue	735,399	989,098		1,919,581	1,919,581	1,919,581
Expenses	(1,166,017)	(1,067,881)				
Adjustments						
Expenses adjusted for 2% biennial increase				(1,089,239)	(1,111,023)	(1,133,244)
Fee adjustment for pro-rated renewal				(23,115)	(23,115)	(23,115)
Projected Net		(78,783)		807,227	785,443	763,222
Beginning Cumulative Surplus (Deficit)		(1,041,267)		(1,120,050)	(312,823)	472,620
Ending Cumulative Surplus (Deficit)		(1,120,050)		(312,823)	472,620	1,235,842

Revenues and Expenditures	CALCULATIONS BASED ON BOARD'S PROPOSAL				
	FY2014/2015 Actuals	Projected FY2016/2017	Projected FY2018/2019	Projected	FY2020/2021 Projected
Revenue	989,098	1,919,581	1,919,581		1,919,581
Expenses	(1,067,881)				
Adjustments					
(1,089,239)			(1,111,023)		(1,133,244)
(23,115)			(23,115)		(23,115)
Projected Net	(78,783)	807,227	785,443		763,222
Beginning Cumulative Surplus (Deficit)	(1,041,267)	(1,120,050)	(312,823)		472,620
Ending Cumulative Surplus (Deficit)	(1,120,050)	(312,823)	472,620		1,235,842

Revenues and Expenditures	CALCULATIONS BASED ON SUBCOMMITTEE'S PROPOSAL				
	FY2014/2015 Actuals	Projected FY2016/2017	Projected FY2018/2019	Projected	FY2020/2021 Projected
Revenue	989,098	1,828,501	1,828,501		1,828,501
Expenses	(1,067,881)				
Adjustments					
(1,089,239)			(1,111,023)		(1,133,244)
(23,115)			(23,115)		(23,115)
Projected Net	(78,783)	716,147	694,363		672,142
Beginning Cumulative Surplus (Deficit)	(1,041,267)	(1,120,050)	(403,903)		290,460
Ending Cumulative Surplus (Deficit)	(1,120,050)	(403,903)	290,460		962,602

12 AAC 02.230. BIG GAME COMMERCIAL SERVICES BOARD. (a) The following fees are established for registered and master guide-outfitters:

- (1) nonrefundable application fee for initial license, \$200;
- (2) initial registered guide-outfitter qualification examination or retake examination fee, \$125;
- (3) game management unit examination fee for taking initial examination, retaking examination, or adding game management units, \$400 per game management unit;
- (4) registered or master guide-outfitter license fee, for all or part of the biennial license period, \$850;
- (5) biennial registered or master guide-outfitter license renewal fee, \$850;
- (6) examination preparation packet for registered guide-outfitter, \$100;
- (7) retired status license fee, \$300;
- (8) hunt record filing fee, \$50;
- (9) guide use area registration fee, \$100.

(b) The following fees are established for Class-A assistant and assistant guides:

- (1) nonrefundable application fee for initial license, \$200;
- (2) Class-A assistant and assistant guide license fee for all or part of the initial biennial license period, \$410;
- (3) Class-A assistant and assistant guide biennial license renewal fee, \$410;
- (4) retired status license fee, \$175.

(c) The following fees are established for transporter licenses:

- (1) nonrefundable application fee, \$200;
- (2) transporter license fee, for all or part of the biennial license period, \$850;
- (3) biennial transporter license renewal fee, \$850;
- (4) transporter activity report filing fee, \$50.

(d) Under AS 08.54.770(e), the license fees for nonresidents are double the license fees established in (a) – (c) of this section.

Big Game Commercial Services

Analysis last updated: 05/10/2016
 Effective dates: PROPOSAL for 06/15/2016 Meeting
 Presented to Board:

Fee Type	Current fee schedule			Proposed by board				Proposed by Transporter Subcommittee				Adjustments			FY2015 License Statistics	
	Current Fee	Projected Units	Projected Revenue	Fee Adjustment	Fee with Recommended Adjustment	Projected Revenue after Adjustment	% Change	Fee Adjustment	Fee with Recommended Adjustment	Projected Revenue after Adjustment	% Change	Fee Adjustment for Estimated Prorated Renewals	Projected Units	Projected Revenue Loss		
Application Fee	200	320	\$ 64,000		\$ 200	\$ 64,000	0%		\$ 200	\$ 64,000	0%				Application Fee	160
Guide Exam or Retake	125	36	4,500		125	4,500	0%		125	4,500	0%				Guide Exam or Retake	18
Game Management Exam	400	88	35,200		400	35,200	0%		400	35,200	0%				Game Management Exam	44
Hunt Record Filing**	50	5922	296,100	(50)	-	-	-100%		50	296,100	0%				Hunt Record Filing**	2961
Transporter Activity Report Filing**	50	2024	101,200	(50)	-	-	-100%	(45)	5	10,120	-90%				Transporter Activity Report Filing**	1012
Guide Use Area Registration*	100	662	66,200		100	66,200	0%		100	66,200	0%				Guide Use Area Registration*	331
Transporter Use Area Registration*	-	662	-		-	-	0%		-	-	0%				Transporter Use Area Registration*	331
							0%				0%					
New Master Guide (Resident)	850	10	8,500		850	8,500	0%		850	8,500	0%	(425.00)	2	(850.00)	New Master Guide (Resident)	5
New Master Guide (Non-Resident)	1,700	0	-		1,700	-	0%		1,700	-	0%	(850.00)	0	-	New Master Guide (Non-Resident)	0
Renew Master Guide (Resident)	850	118	100,300		850	100,300	0%		850	100,300	0%				Renew Master Guide (Resident)	113
Renew Master Guide (Non-Resident)	1,700	11	18,700		1,700	18,700	0%		1,700	18,700	0%				Renew Master Guide (Non-Resident)	11
New Registered Guide (Resident)	850	26	22,100		850	22,100	0%		850	22,100	0%	(425.00)	9	(3,825.00)	New Registered Guide (Resident)	13
New Registered Guide (Non-Resident)	1,700	0	-		1,700	-	0%		1,700	-	0%	(850.00)	2	(1,700.00)	New Registered Guide (Non-Resident)	0
Renew Registered Guide (Resident)	850	360	306,000		850	306,000	0%		850	306,000	0%				Renew Registered Guide (Resident)	347
Renew Registered Guide (Non-Resident)	1,700	62	105,400		1,700	105,400	0%		1,700	105,400	0%				Renew Registered Guide (Non-Resident)	62
New Class-A Asst Guide (Resident)	410	14	5,740		410	5,740	0%		410	5,740	0%	(205.00)	5	(1,025.00)	New Class-A Asst Guide (Resident)	7
New Class-A Asst Guide (Non-Resident)	820	2	1,640		820	1,640	0%		820	1,640	0%	(410.00)	0	-	New Class-A Asst Guide (Non-Resident)	1
Renew Class-A Asst Guide (Resident)	410	95	38,950		410	38,950	0%		410	38,950	0%				Renew Class-A Asst Guide (Resident)	88
Renew Class-A Asst Guide (Non-Resident)	820	12	9,840		820	9,840	0%		820	9,840	0%				Renew Class-A Asst Guide (Non-Resident)	11
New Assistant Guide (Resident)	410	112	45,920		410	45,920	0%		410	45,920	0%	(205.00)	30	(6,150.00)	New Assistant Guide (Resident)	56
New Assistant Guide (Non-Resident)	820	64	52,480		820	52,480	0%		820	52,480	0%	(410.00)	14	(5,740.00)	New Assistant Guide (Non-Resident)	32
Renew Assistant Guide (Resident)	410	461	189,010		410	189,010	0%		410	189,010	0%				Renew Assistant Guide (Resident)	405
Renew Assistant Guide (Non-Resident)	820	338	277,160		820	277,160	0%		820	277,160	0%				Renew Assistant Guide (Non-Resident)	306
New Small Transporter (Resident)	850	28	23,800		850	23,800	0%		850	23,800	0%	(425.00)	9	(3,825.00)	New Small Transporter (Resident)	14
New Small Transporter (Non-Resident)	1,700	2	3,400		1,700	3,400	0%		1,700	3,400	0%	(850.00)	0	-	New Small Transporter (Non-Resident)	1
New Large Transporter (Resident)	850	0	-		850	-	0%		850	-	0%				New Large Transporter (Resident)	0
New Large Transporter (Non-Resident)	1,700	0	-		1,700	-	0%		1,700	-	0%				New Large Transporter (Non-Resident)	0
Renew Small Transporter (Resident)	850	135	114,750		850	114,750	0%		850	114,750	0%				Renew Small Transporter (Resident)	121
Renew Small Transporter (Non-Resident)	1,700	4	6,800		1,700	6,800	0%		1,700	6,800	0%				Renew Small Transporter (Non-Resident)	3
Renew Large Transporter (Resident)	850	12	10,200		850	10,200	0%		850	10,200	0%				Renew Large Transporter (Resident)	12
Renew Large Transporter (Non-Resident)	1,700	0	-		1,700	-	0%		1,700	-	0%				Renew Large Transporter (Non-Resident)	0
Exam Prep Packet	100	0	-		100	-	0%		100	-	0%				Exam Prep Packet	0
Retired Master/Reg Guides	300	6	1,800		300	1,800	0%		300	1,800	0%				Retired Master/Reg Guides	3
Retired Class-A Asst Guides	175	0	-		175	-	0%		175	-	0%				Retired Class-A Asst Guides	0
Licensee Surcharge***	-	1404	-	700	700	982,800	700%		-	-	0%				Licensee Surcharge***	702
Centralized Fees	9,891	1	9,891		9,891	9,891			9,891	9,891						
			\$ 1,919,581			\$ 2,505,081				\$ 1,828,501				\$ (23,115)		

* Fee - Based on 2015/16 GUA registration expirations, assuming they renew for only one year; TUA requires board to propose regulations to create it
 ** New Fee - Number based on data between 06/01/2015 and 04/08/2016 HR/TARs
 ***Two year - Annual Surcharge for only Contracting Licensees (Projected FY2018/2019 has Surcharge total deducted for future years)
 Beginning Cumulative Surplus must be from FY2014

Revenues and Expenditures	CALCULATIONS BASED ON CURRENT FEES					
	FY2012/2013 Actuals	FY2014/2015 Actuals	Projected	FY2016/2017 Projected	FY2018/2019 Projected	FY2020/2021 Projected
Revenue	735,399	989,098		1,919,581	1,919,581	1,919,581
Expenses	(1,166,017)	(1,067,881)				
Adjustments						
Expenses adjusted for 2% biennial increase				(1,089,239)	(1,111,023)	(1,133,244)
Fee adjustment for pro-rated renewal				(23,115)	(23,115)	(23,115)
Projected Net		(78,783)		807,227	785,443	763,222
Beginning Cumulative Surplus (Deficit)		(1,041,267)		(1,120,050)	(312,823)	472,620
Ending Cumulative Surplus (Deficit)		(1,120,050)		(312,823)	472,620	1,235,842

Create a one-time surcharge of \$1400 with 2 installments of \$700 for Reg./Master Guides and Transporters.

FY2014/2015 Actuals	CALCULATIONS BASED ON BOARD'S PROPOSAL			
	Projected FY2016/2017	Projected FY2018/2019	Projected	FY2020/2021
989,098	2,505,081	1,522,281		1,522,281
(1,067,881)				
	(1,089,239)	(1,111,023)		(1,133,244)
	(23,115)	(23,115)		(23,115)
(78,783)	1,392,727	388,143		365,922
(1,041,267)	(1,120,050)	272,677		660,820
(1,120,050)	272,677	660,820		1,026,742

FY2014/2015 Actuals	CALCULATIONS BASED ON SUBCOMMITTEE'S PROPOSAL			
	Projected FY2016/2017	Projected FY2018/2019	Projected	FY2020/2021
989,098	1,828,501	1,828,501		1,828,501
(1,067,881)				
	(1,089,239)	(1,111,023)		(1,133,244)
	(23,115)	(23,115)		(23,115)
(78,783)	716,147	694,363		672,142
(1,041,267)	(1,120,050)	(403,903)		290,460
(1,120,050)	(403,903)	290,460		962,602

Initial: PY new applications x 2
 New: PY new applications x 2
 Renewal: PY renewed + PY new
 Temporary: PY temporary x2
 Courtesy: PY courtesy x 2
 Centralized: PY revenue x .01
 Inactive: Equals PY inactive

12 AAC 02.230. BIG GAME COMMERCIAL SERVICES BOARD. (a) The following fees are established for registered and master guide-outfitters:

- (1) nonrefundable application fee for initial license, \$200;
- (2) initial registered guide-outfitter qualification examination or retake examination fee, \$125;
- (3) game management unit examination fee for taking initial examination, retaking examination, or adding game management units, \$400 per game management unit;
- (4) registered or master guide-outfitter license fee, for all or part of the biennial license period, \$850;
- (5) biennial registered or master guide-outfitter license renewal fee, \$850;
- (6) examination preparation packet for registered guide-outfitter, \$100;
- (7) retired status license fee, \$300;
- (8) hunt record filing fee, \$50;
- (9) guide use area registration fee, \$100.

(b) The following fees are established for Class-A assistant and assistant guides:

- (1) nonrefundable application fee for initial license, \$200;
- (2) Class-A assistant and assistant guide license fee for all or part of the initial biennial license period, \$410;
- (3) Class-A assistant and assistant guide biennial license renewal fee, \$410;
- (4) retired status license fee, \$175.

(c) The following fees are established for transporter licenses:

- (1) nonrefundable application fee, \$200;
- (2) transporter license fee, for all or part of the biennial license period, \$850;
- (3) biennial transporter license renewal fee, \$850;
- (4) transporter activity report filing fee, \$50.

(d) Under AS 08.54.770(e), the license fees for nonresidents are double the license fees established in (a) – (c) of this section.

Big Game Commercial Services

Analysis last updated: 05/10/2016
 Effective dates: PROPOSAL for 06/15/2016 Meeting
 Presented to Board:

Fee Type	Current fee schedule			Proposed by board				Proposed by Transporter Subcommittee				Adjustments			FY2015 License Statistics	
	Current Fee	Projected Units	Projected Revenue	Fee Adjustment	Fee with Recommended Adjustment	Projected Revenue after Adjustment	% Change	Fee Adjustment	Fee with Recommended Adjustment	Projected Revenue after Adjustment	% Change	Fee Adjustment for Estimated Prorated Renewals	Projected Units	Projected Revenue Loss		
Application Fee	200	320	\$ 64,000		\$ 200	\$ 64,000	0%		\$ 200	\$ 64,000	0%				Application Fee	160
Guide Exam or Retake	125	36	4,500		125	4,500	0%		125	4,500	0%				Guide Exam or Retake	18
Game Management Exam	400	88	35,200		400	35,200	0%		400	35,200	0%				Game Management Exam	44
Hunt Record Filing**	50	5922	296,100	(50)	-	-	-100%		50	296,100	0%				Hunt Record Filing**	2961
Transporter Activity Report Filing**	50	2024	101,200	(50)	-	-	-100%	(45)	5	10,120	-90%				Transporter Activity Report Filing**	1012
Guide Use Area Registration*	100	662	66,200		100	66,200	0%		100	66,200	0%				Guide Use Area Registration*	331
Transporter Use Area Registration*	-	662	-		-	-	0%		-	-	0%				Transporter Use Area Registration*	331
							0%				0%					
New Master Guide (Resident)	850	10	8,500		850	8,500	0%		850	8,500	0%	(425.00)	2	(850.00)	New Master Guide (Resident)	5
New Master Guide (Non-Resident)	1,700	0	-		1,700	-	0%		1,700	-	0%	(850.00)	0	-	New Master Guide (Non-Resident)	0
Renew Master Guide (Resident)	850	118	100,300		850	100,300	0%		850	100,300	0%				Renew Master Guide (Resident)	113
Renew Master Guide (Non-Resident)	1,700	11	18,700		1,700	18,700	0%		1,700	18,700	0%				Renew Master Guide (Non-Resident)	11
New Registered Guide (Resident)	850	26	22,100		850	22,100	0%		850	22,100	0%	(425.00)	9	(3,825.00)	New Registered Guide (Resident)	13
New Registered Guide (Non-Resident)	1,700	0	-		1,700	-	0%		1,700	-	0%	(850.00)	2	(1,700.00)	New Registered Guide (Non-Resident)	0
Renew Registered Guide (Resident)	850	360	306,000		850	306,000	0%		850	306,000	0%				Renew Registered Guide (Resident)	347
Renew Registered Guide (Non-Resident)	1,700	62	105,400		1,700	105,400	0%		1,700	105,400	0%				Renew Registered Guide (Non-Resident)	62
New Class-A Asst Guide (Resident)	410	14	5,740		410	5,740	0%		410	5,740	0%	(205.00)	5	(1,025.00)	New Class-A Asst Guide (Resident)	7
New Class-A Asst Guide (Non-Resident)	820	2	1,640		820	1,640	0%		820	1,640	0%	(410.00)	0	-	New Class-A Asst Guide (Non-Resident)	1
Renew Class-A Asst Guide (Resident)	410	95	38,950		410	38,950	0%		410	38,950	0%				Renew Class-A Asst Guide (Resident)	88
Renew Class-A Asst Guide (Non-Resident)	820	12	9,840		820	9,840	0%		820	9,840	0%				Renew Class-A Asst Guide (Non-Resident)	11
New Assistant Guide (Resident)	410	112	45,920		410	45,920	0%		410	45,920	0%	(205.00)	30	(6,150.00)	New Assistant Guide (Resident)	56
New Assistant Guide (Non-Resident)	820	64	52,480		820	52,480	0%		820	52,480	0%	(410.00)	14	(5,740.00)	New Assistant Guide (Non-Resident)	32
Renew Assistant Guide (Resident)	410	461	189,010		410	189,010	0%		410	189,010	0%				Renew Assistant Guide (Resident)	405
Renew Assistant Guide (Non-Resident)	820	338	277,160		820	277,160	0%		820	277,160	0%				Renew Assistant Guide (Non-Resident)	306
New Small Transporter (Resident)	850	28	23,800		850	23,800	0%		850	23,800	0%	(425.00)	9	(3,825.00)	New Small Transporter (Resident)	14
New Small Transporter (Non-Resident)	1,700	2	3,400		1,700	3,400	0%		1,700	3,400	0%	(850.00)	0	-	New Small Transporter (Non-Resident)	1
New Large Transporter (Resident)	850	0	-		850	-	0%		850	-	0%				New Large Transporter (Resident)	0
New Large Transporter (Non-Resident)	1,700	0	-		1,700	-	0%		1,700	-	0%				New Large Transporter (Non-Resident)	0
Renew Small Transporter (Resident)	850	135	114,750		850	114,750	0%		850	114,750	0%				Renew Small Transporter (Resident)	121
Renew Small Transporter (Non-Resident)	1,700	4	6,800		1,700	6,800	0%		1,700	6,800	0%				Renew Small Transporter (Non-Resident)	3
Renew Large Transporter (Resident)	850	12	10,200		850	10,200	0%		850	10,200	0%				Renew Large Transporter (Resident)	12
Renew Large Transporter (Non-Resident)	1,700	0	-		1,700	-	0%		1,700	-	0%				Renew Large Transporter (Non-Resident)	0
Exam Prep Packet	100	0	-		100	-	0%		100	-	0%				Exam Prep Packet	0
Retired Master/Reg Guides	300	6	1,800		300	1,800	0%		300	1,800	0%				Retired Master/Reg Guides	3
Retired Class-A Asst Guides	175	0	-		175	-	0%		175	-	0%				Retired Class-A Asst Guides	0
Licensee Surcharge***	-	1404	-	400	400	561,600	400%		-	-	0%				Licensee Surcharge***	702
Centralized Fees	9,891	1	9,891		9,891	9,891			9,891	9,891						
			\$ 1,919,581			\$ 2,083,881				\$ 1,828,501				\$ (23,115)		

* Fee - Based on 2015/16 GUA registration expirations, assuming they renew for only one year; TUA requires board to propose regulations to create it
 ** New Fee - Number based on data between 06/01/2015 and 04/08/2016 HR/TARs
 *** Four year - Annual Surcharge for only Contracting Licensees
 Beginning Cumulative Surplus must be from FY2014

Revenues and Expenditures	CALCULATIONS BASED ON CURRENT FEES					
	FY2012/2013 Actuals	FY2014/2015 Actuals	Projected	FY2016/2017 Projected	FY2018/2019 Projected	FY2020/2021 Projected
Revenue	735,399	989,098		1,919,581	1,919,581	1,919,581
Expenses	(1,166,017)	(1,067,881)				
Adjustments						
Expenses adjusted for 2% biennial increase				(1,089,239)	(1,111,023)	(1,133,244)
Fee adjustment for pro-rated renewal				(23,115)	(23,115)	(23,115)
Projected Net		(78,783)		807,227	785,443	763,222
Beginning Cumulative Surplus (Deficit)		(1,041,267)		(1,120,050)	(312,823)	472,620
Ending Cumulative Surplus (Deficit)				(1,120,050)	(312,823)	1,235,842

Create a one-time surcharge of \$1600 with 4 installments of \$400 for Reg./Master Guides and Transporters.

CALCULATIONS BASED ON BOARD'S PROPOSAL					
FY2014/2015 Actuals	Projected	Projected	Projected	FY2020/2021	
989,098	2,083,881	2,083,881		1,522,281	
(1,067,881)					
	(1,089,239)	(1,111,023)		(1,133,244)	
	(23,115)	(23,115)		(23,115)	
(78,783)	971,527	949,743		365,922	
(1,041,267)	(1,120,050)	(148,523)		801,220	
(1,120,050)	(148,523)	801,220		1,167,142	

CALCULATIONS BASED ON SUBCOMMITTEE'S PROPOSAL					
FY2014/2015 Actuals	Projected	Projected	Projected	FY2020/2021	
989,098	1,828,501	1,828,501		1,828,501	
(1,067,881)					
	(1,089,239)	(1,111,023)		(1,133,244)	
	(23,115)	(23,115)		(23,115)	
(78,783)	716,147	694,363		672,142	
(1,041,267)	(1,120,050)	(403,903)		290,460	
(1,120,050)	(403,903)	290,460		962,602	

Initial: PY new applications x 2
 New: PY new applications x 2
 Renewal: PY renewed + PY new
 Temporary: PY temporary x 2
 Courtesy: PY courtesy x 2
 Centralized: PY revenue x .01
 Inactive: Equals PY inactive

12 AAC 02.230. BIG GAME COMMERCIAL SERVICES BOARD. (a) The following fees are established for registered and master guide-outfitters:

- (1) nonrefundable application fee for initial license, \$200;
- (2) initial registered guide-outfitter qualification examination or retake examination fee, \$125;
- (3) game management unit examination fee for taking initial examination, retaking examination, or adding game management units, \$400 per game management unit;
- (4) registered or master guide-outfitter license fee, for all or part of the biennial license period, \$850;
- (5) biennial registered or master guide-outfitter license renewal fee, \$850;
- (6) examination preparation packet for registered guide-outfitter, \$100;
- (7) retired status license fee, \$300;
- (8) hunt record filing fee, \$50;
- (9) guide use area registration fee, \$100.

(b) The following fees are established for Class-A assistant and assistant guides:

- (1) nonrefundable application fee for initial license, \$200;
- (2) Class-A assistant and assistant guide license fee for all or part of the initial biennial license period, \$410;
- (3) Class-A assistant and assistant guide biennial license renewal fee, \$410;
- (4) retired status license fee, \$175.

(c) The following fees are established for transporter licenses:

- (1) nonrefundable application fee, \$200;
- (2) transporter license fee, for all or part of the biennial license period, \$850;
- (3) biennial transporter license renewal fee, \$850;
- (4) transporter activity report filing fee, \$50.

(d) Under AS 08.54.770(e), the license fees for nonresidents are double the license fees established in (a) – (c) of this section.

Big Game Commercial Services

Analysis last updated: 05/10/2016
 Effective dates: PROPOSAL for 06/15/2016 Meeting
 Presented to Board:

Fee Type	Current fee schedule			Proposed by board				Proposed by Transporter Subcommittee				Adjustments			FY2015 License Statistics	
	Current Fee	Projected Units	Projected Revenue	Fee Adjustment	Fee with Recommended Adjustment	Projected Revenue after Adjustment	% Change	Fee Adjustment	Fee with Recommended Adjustment	Projected Revenue after Adjustment	% Change	Fee Adjustment for Estimated Prorated Renewals	Projected Units	Projected Revenue Loss		
Application Fee	200	320	\$ 64,000		\$ 200	\$ 64,000	0%		\$ 200	\$ 64,000	0%				Application Fee	160
Guide Exam or Retake	125	36	4,500		125	4,500	0%		125	4,500	0%				Guide Exam or Retake	18
Game Management Exam	400	88	35,200		400	35,200	0%		400	35,200	0%				Game Management Exam	44
Hunt Record Filing**	50	5922	296,100	(40)	10	59,220	-80%		50	296,100	0%				Hunt Record Filing**	2961
Transporter Activity Report Filing**	50	2024	101,200	(40)	10	20,240	-80%	(45)	5	10,120	-90%				Transporter Activity Report Filing**	1012
Guide Use Area Registration*	100	662	66,200		100	66,200	0%		100	66,200	0%				Guide Use Area Registration*	331
Transporter Use Area Registration*	-	662	-		-	-	0%		-	-	0%				Transporter Use Area Registration*	331
New Master Guide (Resident)	850	10	8,500		850	8,500	0%		850	8,500	0%	(425.00)	2	(850.00)	New Master Guide (Resident)	5
New Master Guide (Non-Resident)	1,700	0	-		1,700	-	0%		1,700	-	0%	(850.00)	0	-	New Master Guide (Non-Resident)	0
Renew Master Guide (Resident)	850	118	100,300		850	100,300	0%		850	100,300	0%				Renew Master Guide (Resident)	113
Renew Master Guide (Non-Resident)	1,700	11	18,700		1,700	18,700	0%		1,700	18,700	0%				Renew Master Guide (Non-Resident)	11
New Registered Guide (Resident)	850	26	22,100		850	22,100	0%		850	22,100	0%	(425.00)	9	(3,825.00)	New Registered Guide (Resident)	13
New Registered Guide (Non-Resident)	1,700	0	-		1,700	-	0%		1,700	-	0%	(850.00)	2	(1,700.00)	New Registered Guide (Non-Resident)	0
Renew Registered Guide (Resident)	850	360	306,000		850	306,000	0%		850	306,000	0%				Renew Registered Guide (Resident)	347
Renew Registered Guide (Non-Resident)	1,700	62	105,400		1,700	105,400	0%		1,700	105,400	0%				Renew Registered Guide (Non-Resident)	62
New Class-A Asst Guide (Resident)	410	14	5,740		410	5,740	0%		410	5,740	0%	(205.00)	5	(1,025.00)	New Class-A Asst Guide (Resident)	7
New Class-A Asst Guide (Non-Resident)	820	2	1,640		820	1,640	0%		820	1,640	0%	(410.00)	0	-	New Class-A Asst Guide (Non-Resident)	1
Renew Class-A Asst Guide (Resident)	410	95	38,950		410	38,950	0%		410	38,950	0%				Renew Class-A Asst Guide (Resident)	88
Renew Class-A Asst Guide (Non-Resident)	820	12	9,840		820	9,840	0%		820	9,840	0%				Renew Class-A Asst Guide (Non-Resident)	11
New Assistant Guide (Resident)	410	112	45,920		410	45,920	0%		410	45,920	0%	(205.00)	30	(6,150.00)	New Assistant Guide (Resident)	56
New Assistant Guide (Non-Resident)	820	64	52,480		820	52,480	0%		820	52,480	0%	(410.00)	14	(5,740.00)	New Assistant Guide (Non-Resident)	32
Renew Assistant Guide (Resident)	410	461	189,010		410	189,010	0%		410	189,010	0%				Renew Assistant Guide (Resident)	405
Renew Assistant Guide (Non-Resident)	820	338	277,160		820	277,160	0%		820	277,160	0%				Renew Assistant Guide (Non-Resident)	306
New Small Transporter (Resident)	850	28	23,800		850	23,800	0%		850	23,800	0%	(425.00)	9	(3,825.00)	New Small Transporter (Resident)	14
New Small Transporter (Non-Resident)	1,700	2	3,400		1,700	3,400	0%		1,700	3,400	0%	(850.00)	0	-	New Small Transporter (Non-Resident)	1
New Large Transporter (Resident)	850	0	-		850	-	0%		850	-	0%				New Large Transporter (Resident)	0
New Large Transporter (Non-Resident)	1,700	0	-		1,700	-	0%		1,700	-	0%				New Large Transporter (Non-Resident)	0
Renew Small Transporter (Resident)	850	135	114,750		850	114,750	0%		850	114,750	0%				Renew Small Transporter (Resident)	121
Renew Small Transporter (Non-Resident)	1,700	4	6,800		1,700	6,800	0%		1,700	6,800	0%				Renew Small Transporter (Non-Resident)	3
Renew Large Transporter (Resident)	850	12	10,200		850	10,200	0%		850	10,200	0%				Renew Large Transporter (Resident)	12
Renew Large Transporter (Non-Resident)	1,700	0	-		1,700	-	0%		1,700	-	0%				Renew Large Transporter (Non-Resident)	0
Exam Prep Packet	100	0	-		100	-	0%		100	-	0%				Exam Prep Packet	0
Retired Master/Reg Guides	300	6	1,800		300	1,800	0%		300	1,800	0%				Retired Master/Reg Guides	3
Retired Class-A Asst Guides	175	0	-		175	-	0%		175	-	0%				Retired Class-A Asst Guides	0
Licensee Surcharge***	-	1404	-	350	350	491,400	350%		-	-	0%				Licensee Surcharge***	702
Centralized Fees	9,891	1	9,891		9,891	9,891			9,891	9,891						
			\$ 1,919,581			\$ 2,093,141				\$ 1,828,501				\$ (23,115)		

* Fee - Based on 2015/16 GUA registration expirations, assuming they renew for only one year; TUA requires board to propose regulations to create it
 ** New Fee - Number based on data between 06/01/2015 and 04/08/2016 HR/TARs
 ***Two year - Annual Surcharge for only Contracting Licensees (Projected FY2018/2019 has Surcharge total deducted for future years)
 Beginning Cumulative Surplus must be from FY2014

Revenues and Expenditures	CALCULATIONS BASED ON CURRENT FEES					
	FY2012/2013 Actuals	FY2014/2015 Actuals	Projected	FY2016/2017 Projected	FY2018/2019 Projected	FY2020/2021 Projected
Revenue	735,399	989,098		1,919,581	1,919,581	1,919,581
Expenses	(1,166,017)	(1,067,881)				
Adjustments						
Expenses adjusted for 2% biennial increase				(1,089,239)	(1,111,023)	(1,133,244)
Fee adjustment for pro-rated renewal				(23,115)	(23,115)	(23,115)
Projected Net		(78,783)		807,227	785,443	763,222
Beginning Cumulative Surplus (Deficit)		(1,041,267)		(1,120,050)	(139,263)	472,620
Ending Cumulative Surplus (Deficit)		(1,120,050)		(312,823)	472,620	1,235,842

Create a one-time surcharge of \$700 with 2 installments of \$350 for Reg./Master Guides and Transporters.

Revenues and Expenditures	CALCULATIONS BASED ON BOARD'S PROPOSAL				
	FY2014/2015 Actuals	Projected FY2016/2017	Projected FY2018/2019	Projected	FY2020/2021
Revenue	989,098	2,093,141	1,601,741		1,601,741
Expenses	(1,067,881)				
Adjustments					
(1,089,239)		(1,111,023)			(1,133,244)
(23,115)		(23,115)			(23,115)
(78,783)		980,787	467,603		445,382
(1,041,267)		(1,120,050)	(139,263)		328,340
(1,120,050)		(139,263)	328,340		773,722

Revenues and Expenditures	CALCULATIONS BASED ON SUBCOMMITTEE'S PROPOSAL				
	FY2014/2015 Actuals	Projected FY2016/2017	Projected FY2018/2019	Projected	FY2020/2021
Revenue	989,098	1,828,501	1,828,501		1,828,501
Expenses	(1,067,881)				
Adjustments					
(1,089,239)		(1,111,023)			(1,133,244)
(23,115)		(23,115)			(23,115)
(78,783)		716,147	694,363		672,142
(1,041,267)		(1,120,050)	(403,903)		290,460
(1,120,050)		(403,903)	290,460		962,602

Initial: PY new applications x 2
 New: PY new applications x 2
 Renewal: PY renewed + PY new
 Temporary: PY temporary x 2
 Courtesy: PY courtesy x 2
 Centralized: PY revenue x .01
 Inactive: Equals PY inactive

12 AAC 02.230. BIG GAME COMMERCIAL SERVICES BOARD. (a) The following fees are established for registered and master guide-outfitters:

- (1) nonrefundable application fee for initial license, \$200;
- (2) initial registered guide-outfitter qualification examination or retake examination fee, \$125;
- (3) game management unit examination fee for taking initial examination, retaking examination, or adding game management units, \$400 per game management unit;
- (4) registered or master guide-outfitter license fee, for all or part of the biennial license period, \$850;
- (5) biennial registered or master guide-outfitter license renewal fee, \$850;
- (6) examination preparation packet for registered guide-outfitter, \$100;
- (7) retired status license fee, \$300;
- (8) hunt record filing fee, \$50;
- (9) guide use area registration fee, \$100.

(b) The following fees are established for Class-A assistant and assistant guides:

- (1) nonrefundable application fee for initial license, \$200;
- (2) Class-A assistant and assistant guide license fee for all or part of the initial biennial license period, \$410;
- (3) Class-A assistant and assistant guide biennial license renewal fee, \$410;
- (4) retired status license fee, \$175.

(c) The following fees are established for transporter licenses:

- (1) nonrefundable application fee, \$200;
- (2) transporter license fee, for all or part of the biennial license period, \$850;
- (3) biennial transporter license renewal fee, \$850;
- (4) transporter activity report filing fee, \$50.

(d) Under AS 08.54.770(e), the license fees for nonresidents are double the license fees established in (a) – (c) of this section.

Rolan Ruoss' Draft Proposal #1

Proposal to amend 12 AAC 75.450 Transporter Contract Requirements to exempt Part 135 air taxis from the contract requirement.

Proposed change:

Amend 12 AAC 75.450 Transporter Contract Requirements by adding the following:

- (d) A transporter is exempt from the requirement to complete a contract if
- 1) the transporter is an on-demand Part 135 air taxi, and
 - 2) the transporter does not charge more than the usual tariff or charter rate for transporting big game hunters, and
 - 3) the transport to the field originates in a community where the transporter has a permanent business office (staffed at least 6 months per year), and
 - 4) the transporter posts at the location where the transport originates a notice to the public that includes the following statement: "A big game transporter may provide transportation services only, and may not accompany or remain in the field with a big game hunter, or provide big game guide services in the field, or provide fuel, vehicles, or equipment to big game hunters in the field. It is the hunter's responsibility to salvage all meat and follow all hunting regulations."

Who is likely to benefit? The fixed-base on-demand air taxis who provide charter services to a variety of clients including big game hunters, for which services those air taxis do not and would not write contracts with clients as a normal business practice. A transporter that chooses to write contracts with its clients is free to do so, but will not be required to. Clients of transporters who charge more than the usual tariff or charter rate for the transport of big game hunters will still be protected by the contract requirement of 12 AAC 75.450, as amended.

Who is likely to suffer? No one. Supporters of the current contract requirement explain that written contracts protect clients against failure to provide agreed services by itinerant "gypsy" air taxis who operate temporarily out of bush communities. Itinerant air taxis who do not operate from a fixed base will still be required to write contracts. Established fixed-base on-demand air taxis are not creating the problem that the current regulation is intended to address.

What will happen if nothing is done? Fixed-base on-demand air taxis and their charter clients will continue to be unnecessarily burdened by a regulation that provides little practical benefit.

Discussion: The current regulation requires a transporter to deliver a written contract to the client within 90 days of receiving a deposit or as soon as possible before transporting. The contract must include: names, signatures type of game, price, weight limits, refund policy, communication method while in the field, a statement that the services are transportation only and that the Transporter may

not provide guiding services or equipment in the field, and a statement that the client is responsible for salvage of meat. Transporter must keep contract copies for 4 years.

Fixed base Part 135 air taxis have transported hunters for decades without written contracts, a successful business practice with very few complaints. The transporter contract requirement of AAC 75.450 is widely ignored and not enforced because it is impractical and unnecessary - a clear example of a solution for a problem that doesn't exist. If there is a problem that this regulation is intended to address, it is not being caused by fixed base operators. Fixed base air taxis are visible established businesses who are motivated to provide quality service in order to maintain a positive reputation or risk losing future customers. They are mostly small to medium sized operations that don't have the staff or time to generate more needless paperwork. If there is a proven service advantage in written contracts, the most successful operators in the industry will adopt them. If and when contracts become a standard in the industry, then it would be appropriate for regulation to require them.

Rolan Rouss Draft Proposal #2

Proposal to amend 12 AAC .02.230. Big Game Commercial Services Board, to reduce the transporter activity report filing fee from \$50 to \$5.

Amend 12 AAC .02.230 Big Game Commercial Services Board, as follows:

(c) The following fees are established for big game transporters:

(4) Transporter activity report filing fee, \$5.

Who is likely to benefit? Transporters who comply with the regulation and participate in reporting big game transporting activity will not be subject to unreasonably high fees to pay the cost of the guide license program. The BGCSB program will retain and attract Part 135 air taxis as licensed transporters.

Who is likely to suffer? Guides who will be assessed higher fees to pay their full share of administering their licenses. Division of Licensing employees who will have to take the heat from dissatisfied guides.

What will happen if nothing is done? Transporters will continue to be unfairly charged to subsidize the guide licensing program. Some Part 135 air taxis who currently hold transporter licenses will elect to leave the BGCSB licensing program by utilizing the air taxi exemption, resulting in reduced BGCSB revenue.

Discussion: The Division of Licensing failed to provide sufficient public notice of this new fee that was enacted Nov. 20, 2016. On Aug 25, 2015, Division director Janey Hovenden mailed a letter of notice to licensees announcing the Division's proposal to increase Big Game Commercial Services license fees. Her letter stated "A breakdown of the proposed fees is enclosed and located on the Board's web page at professionallicense.alaska.gov/BigGameCommercialServicesBoard", and "contact information (for public comment) is enclosed on the public notice." The referenced "breakdown of proposed fees" and "contact information" for public comment was not included with the letter, and the referenced web page did not (and still does not) have any information about the proposed fee increase or instructions for public comment to the proposal. Licensees received this notice in the middle of their busy season and apparently everyone, including Div. of Licensing staff, overlooked the omission in the Aug. 25 notice because there was no follow-up communication from the Division to licensees regarding the missing information and it is only just now (Feb & March 2016) becoming apparent that there was a failure in the public notice process.

Beyond the issue of failure to provide required public notice, there is a structural error in the filing fee that would have been identified if there was a thorough public process prior to implementation. There is good reason to set the Transporter Activity Report fee to a lower rate than the Hunt Report fee. Due to significant differences in business models between guides and transporters, applying the same \$50 dollar filing fee to HRs and to TARs delivers a very uneven result. For example: a guide operation that grosses \$400,000 guiding 30 hunts will file 30 Hunt Reports and pay \$1500 in filing fees, whereas a

transporter that grosses \$400,000 transporting 180 groups of hunters will file 180 Transporter Activity Reports and pay \$9000 in filing fees. There is no reasonable justification for such an unbalanced fee structure.

In an attempt to justify the high fees resulting from the \$50 TAR filing fee, some guides state that a transporter using the state's game resources should pay their "fair share" of managing the resource. The fact is, these license fees are not spent on resource management, the entire BGCSB budget is spent administering guide and transporter licenses, and over 90% of that expense is the administration and enforcement of guide licenses.

BGCSB member Dave Jones has recently done an informal budget analysis using materials provided by the Division at the March 2016 board meeting. His analysis shows that transporter license fees already generate revenue in excess of the administrative cost of transporter licensing and record keeping, even without additional revenue from the new TAR filing fee. At its March meeting the board discussed measures intended to increase transporter license purchases by operators not currently in compliance, which, if successful, will increase the gross revenue and the budget surplus attributable to transporters.

Div. of Licensing staff have made it clear that addressing the budget deficit requires a fee increase. BGCSB board members have stated numerous times that they want everyone to pay their fair share. Transporter license fees are already paying more than their share of the BGCSB operating budget. Transporters accept the increase in license fees as a reasonable part of retiring the budget deficit, but the addition of the \$50 TAR filing fee is excessive and unjustified.

Division of Licensing Director Janey Hovenden stated in a Feb. 22, 2016 email: "The Board and the Division, in partnership, have taken the unpopular and difficult steps to increase licensing fees and implement new fees that would be borne by those licensees who enter into contracts and who create the administrative expenses of the program. This protects the non-contracting licensees from having to pay for maintenance of hunt records and transporter activity fees". Her statement clearly acknowledges the responsibility of those who create an expense to pay for it, and an obligation on the Division to fairly distribute the burden. Ms. Hovenden's desire to protect some classes of the licensees from expenses created by others is appropriate and welcome.

BGCSB chairman Kelly Vrem is on the record stating that the cost of enforcing the guide regulations is the cause of the accumulated deficit. Dave Jones' informal analysis of the budget confirms that the revenue from transporter licenses is greater than the cost of administering them and that excess transporter revenue is already contributing to retiring the deficit. Applying Ms Hovenden's fairness philosophy stated above, the BGCSB should be collecting at least 90% of its operating budget through fees on guides, and the Division should enact policy that ensures that result. Perhaps the Division will examine the BGCSB budget to refine Mr. Jones findings. If the Division confirms Mr. Jones' analysis, then transporters deserve protection from guide-created expenses responsible for the BGCSB deficit. A fair and simple way to accomplish this is to reduce or rescind the \$50 TAR filing fee.

Rolan Rouss Draft Proposal #3

Proposal to amend to 12 AAC 75.400. Transporter Activity Report, to simplify the transporter activity report process.

Amend 12 AAC 75.400 Transporter Activity Report, as follows:

(a) Each transporter activity report required by AS 08,54.650 must be on a form provided by the department, titled Transporter Activity Summary Report, dated _____ 2016, and adopted by reference. This form is established by the board for review of the information required by AS 08,54.650.

(b) On the day a client is transported, a transporter shall collect the names and hunting license numbers of each member of each party, and the date and location of the transport activity, and enter that information on a summary form (ref: transporter activity annual summary report form _____ 2016) provided by the department.

(c) Immediately after transporting the client out of the field, the transporter shall complete the applicable remaining portions of the transporter activity report (the date and location).

(d) For the purposes of this report, "a party" is defined as one or more big game hunters traveling together to the same destination. A transporter is not required to report parties transported to/from a camp operated by a big game guide, or parties transported to/from another big game transporter, or parties transported to/from a private property or vessel owned by a member of the party.

(e) The transporter shall retain the transporter activity annual summary report form at the transporter's main business premises and make it available for inspection upon request by an agent of the board or department or any state or federal enforcement agent authorized to enforce guiding, game, or game management statutes or regulations.

(f) The transporter shall file the transporter activity summary report form annually with the department before Jan. 31 of the year following the transport activity.

In adopting this amendment to AAC 75.400 the board will create a new simplified transporter activity report form ("the form titled Transporter Activity Summary Report, dated _____ 2016") that will be a summary of all big game hunting parties transported by a transporter in each calendar year. This amendment eliminates the current policy of completing and filing an individual form for each hunting party. It will not require number of animals harvested or estimated weight of meat to be reported.

This new report form will only be required to be filed annually.

The department may develop an online filing form to further simplify the filing process, improve data entry efficiency, and reduce cost.

Who is likely to benefit?

- 1) Transporters, by reducing unnecessary paperwork.

2) Div. of Licensing staff and the State of Alaska, by reducing unnecessary and redundant paperwork and the associated cost.

3) The BGCSB by more efficient and comprehensive data collection.

Who is likely to suffer? No one. The data that the BGCSB wants to collect will still be collected. Enforcement personnel will still have immediate access to the information they need for their tasks. Big game harvest data is already being collected by ADF&G and is available to other State agencies.

What will happen if nothing is done? The Div. of Licensing will continue to require, and transporters will continue to complete, unnecessary paperwork and pay unjustifiably high filing fees.

The existing supporting statute is:

AS 08.54.650. Transporter License.

(2)(c) A transporter shall provide an annual activity report on a form provided by the department. An activity report must contain all information required by the board by regulation.

Discussion: Instead of increasing fees across the BGCSB system, the Division ought to be looking for opportunities for cost reduction. Transporter Activity Reports should be evaluated for effectiveness and modified or streamlined to reduce expense. TARs are collecting some resource information from hunters that is already being collected by ADF&G on harvest tags and hunter surveys, and the ADF&G information is available in a searchable database. Coordination and data sharing between Div. of Licensing, AK State Troopers, and ADF&G will save the Division and transporters time and money.

Although some board members state that the TAR information is necessary for “resource management”, in fact, its main use is for enforcement actions. To have value as an enforcement reference, the TAR (which currently is a sworn statement by the transporter) should only include information that is verifiable by the transporter (name, address and hunting license copied from client’s license, dates and location of transport services), not number of animals harvested and estimated weight of meat.

Filling out and filing a TAR for each party is an expensive and time consuming burden for transporters. The real-world value of transporter report data is for occasional use by enforcement personnel. If the BGCSB wants accurate and comprehensive information on hunting activity and insists on making transporters collect it, then they ought to concentrate on making the task less burdensome by developing a simplified report that does not collect what ADF&G is already collecting, and consider making it an online form so the data entry task is done when it is filed.

The new \$50 transporter activity report filing fee is guaranteed to result in fewer reports being filed by transporters. Transporters who are currently reporting all their big game transports will reduce their participation in the TAR reporting system, or drop their transporter license by exercising the air taxi exemption, simply to avoid the abusive cost.

Department of Commerce Community, and Economic Development
Corporations, Business and Professional Licensing

Big Game Commercial Services Board
Schedule of Revenues and Expenditures

	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15	FY16 1st - 3rd Qtr
Licensing Revenue	663,953	151,098	607,464	127,935	791,489	197,231	897,907
Allowable Third Party Reimbursement*	-	-	-	-	-	378	-
Total Revenue	663,953	151,098	607,464	127,935	791,489	197,609	897,907
Direct Expenditures							
Personal Services	252,492	275,544	326,188	298,505	255,997	254,209	170,883
Travel	17,551	22,746	37,059	18,401	22,239	17,474	13,000
Contractual	93,991	100,465	94,595	172,807	188,426	94,833	20,748
Supplies	5,466	719	739	926	653	846	1,518
Equipment	-	-	-	-	-	-	-
Total Direct Expenditures	369,500	399,473	458,581	490,638	467,315	367,361	206,149
Indirect Expenditures**	80,039	90,948	111,156	105,642	122,387	110,819	83,114
Total Expenses	449,539	490,421	569,737	596,280	589,701	478,180	289,263
Annual Surplus (Deficit)	214,415	(339,323)	37,727	(468,345)	201,787	(280,572)	608,644
Beginning Cumulative Surplus (Deficit)	(485,741)	(271,326)	(610,648)	(572,921)	(1,041,267)	(839,480)	(1,120,051)
Ending Cumulative Surplus (Deficit)	(271,326)	(610,648)	(572,921)	(1,041,267)	(839,480)	(1,120,051)	(511,407)

*The allocation of the allowable third party reimbursements, up to \$50,000, will be completed at year-end

**Current year indirect costs are based on the prior fiscal year's total budgeted amount. These costs are averaged over the current fiscal year, then adjusted after the close of the year.

Activity Name	Big Game Commercial Services Board
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Object Code	Object Name	Sum of Expenditures
1011	Regular Compensation	88,401
1014	Overtime	956
1023	Leave Taken	18,052
1028	Alaska Supplemental Benefit	6,598
1029	Public Employee's Retirement System Defined Benefits	21,586
1030	Public Employee's Retirement System Defined Contribution	481
1034	Public Employee's Retirement System Defined Cont Health Reim	306
1035	Public Employee's Retirement Sys Defined Cont Retiree Medical	155
1037	Public Employee's Retirement Sys Defined Benefit Unfnd Liab	1,084
1039	Unemployment Insurance	314
1040	Group Health Insurance	26,376
1041	Basic Life and Travel	66
1042	Worker's Compensation Insurance	1,169
1047	Leave Cash In Employer Charge	2,428
1048	Terminal Leave Employer Charge	1,223
1053	Medicare Tax	1,463
1063	GGU Business Leave Bank Usage	34
1077	ASEA Legal Trust	153
1079	ASEA Injury Leave Usage	19
1080	SU Legal Trst	21
2000	In-State Employee Airfare	1,541
2001	In-State Employee Surface Transportation	712
2002	In-State Employee Lodging	1,362
2003	In-State Employee Meals and Incidentals	1,320
2005	In-State Non-Employee Airfare	206
2007	In-State Non-Employee Lodging	255
2008	In-State Non-Employee Meals and Incidentals	2,116
2010	In-State Non-Employee Non-Taxable Reimbursement	5,484
2036	Cash Advance Fee	4
3035	Long Distance	883
3044	Courier	74
3045	Postage	643
3046	Advertising	2,038
3057	Structure, Infrastructure and Land - Rentals/Leases	5,014
3066	Print/Copy/Graphics	1,439
3067	Honorariums/Stipend	128
3069	Commission Sales	20
3088	Inter-Agency Legal	4,440
3094	Inter-Agency Hearing/Mediation	6,068
4002	Business Supplies	1,518
Grand Total		206,149

Grand Total Equals Direct Expenditures on Board Report



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

**Department of Commerce, Community,
and Economic Development**

DIVISION OF CORPORATIONS, BUSINESS AND
PROFESSIONAL LICENSING

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June 2, 2016

Dear members of the Big Game Commercial Services Board:

On April 17, 2016, the Alaska State Legislature adopted SB 254 reauthorizing the Big Game Commercial Services Board. The text of the bill reads as follows:

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

Section 1. AS 08.03.010(c)(9) is amended to read:

(9) Big Game Commercial Services Board (AS 08.54.591) - June 30, **2019** [2016];

* **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to read:

REPORT. The Big Game Commercial Services Board shall submit to the legislature a written report that outlines in detail the board's plan to be financially solvent by December 31, 2019. The board shall submit the report required under this section not later than October 31, 2016. The board shall deliver the report to the senate secretary and the chief clerk of the house of representatives and notify the legislature that the report is available.

* **Sec. 3.** This Act takes effect immediately under AS 01.10.070(c).

While the bill has not yet been transmitted to the governor, we expect it to be signed within the next month. The timeframe of this board extension will require aggressive action by both the board and division. To be solvent by the time the legislature considers the board's next reauthorization bill in 2019, the program must collect enough revenue by December 31, 2018, to erase the deficit and cover expenses through the renewal of licenses in 2020.

At its June 15 meeting, the board will need to discuss this reporting requirement and make plans to deliver a completed report to the division no later than October 1, 2016. This will allow time for the division to assist the board with any editing and formatting, after which the report will require review by the offices of the commissioner and governor before transmittal to the legislature. The board may need to hold additional teleconferences or assign a member to lead the drafting process since many members will be actively guiding or transporting during these months.

The division advises the board to make a strong recommendation regarding overall fee structure at the June 15 meeting. While the topic has been placed on the agenda by the transporter subcommittee, the timeliness of the legislature's requirement reinforces the need for action.

Sincerely,

A handwritten signature in blue ink that reads "Sara Chambers".

Sara Chambers
Division Operations Manager

CC: Janey Hovenden, Director
Micaela Fowler, Legislative Liaison, DCCED