

EXHIBIT 6  
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HB 274

# HB 274 House Committee Brief

For the  
House Business & Labor Committee

## Purpose

Identify opportunities for legislative relief to reduce regulation, administrative burden, and cost to the outfitting industry.

## Premise

For the outfitting industry there is currently not only a high cost of regulation as measured by fees but equally a heavy administrative burden placed on the industry for compliance in submitting paperwork, reports and other requirements. The end result is the average licensee is subject to an unsustainable and undue burden.

## Parties Represented

Process to date has involved the three major outfitting industry associations of Montana, namely: Montana Outfitters & Guides Association (MOGA); Fishing Outfitters Association of Montana (FOAM), and; Professional Wilderness Outfitters Association (PWOA). Between the three associations, more than 80% of the licensed outfitters/guides are represented. Additionally the previous and residing Chairman of the Board of Outfitters, as well MBO staff have been integrally involved.

## Salient Facts

1. Outfitters & Guides account for a substantial contribution to the tourism economy of Montana. A University of Montana study credits outfitting with annually delivering \$167 million to Montana's economy, providing \$51 million in payroll for nearly 2,600 full-time or seasonal jobs, and \$11.6 million to state and local taxes for road, schools and police.
2. Over the last 20 years there have been several amendments to MCA TITLE 37 CHAPTER 47 or complimentary law that have rendered the surviving elements in the code confusing, contradictory or at times irrelevant
3. There has been an ongoing trend by the DLI and various sitting Boards to increase interpretive and often restrictive administrative rules in an attempt to codify or clarify vagaries in the statute. Unfortunately much of this increased administrative rules have often not improved in any way the achievement of the overriding purpose of the Board...the protection of the health, safety and welfare of the public.
4. Per the minutes of the Legislative Economic Affairs Interim Committee from the January 2012 meeting:
  - a) The Board of Outfitters has the third highest cost per licensee and has the highest indirect payment percentage
  - b) Licensee total number have dropped from 2,462 FY 2010 to 1,671 FY 2011 or 32%

- c) With the drop in licensees combined with projected increase in budget for the Board of Outfitters for FY 2012, average price per licensee will increase from \$268 to \$385 or a 44% increase making it the 2nd highest license cost only behind CPAs
  - d) The survey conducted by the Legislative Committee in preparation of the review revealed a resoundingly high level of dissatisfaction with the amount or overregulation of the industry
5. What the many oversight groups do not likely know, of all the licensed industries under DLI jurisdiction, the Outfitting Industry must have amongst the lowest per capita income with an estimated 80% of the 1,671 licensees making less then \$20,000 from outfitting/guide revenue sources

### **Conclusion**

The industry is seeking relief:

- Materially reduce amount and level of paperwork
- Eliminate "hassle" enforcement for petty administrative and unfounded complaints
- Materially reduce MBO budget and therefore hold or reduce license fees

It is sensible and appropriate to bring the language and intent of Title 37 back into alignment with other licensed industries to improve efficiency, avoid unnecessary governmental administration and right size cost to the cost of licenses for other professions.