STATE ADMINISTRATION 2

Exhibit No. 2

Date 2-2-15

Bill No. SB 191

SB 191 Senate Committee Brief

For the
State Administration Committee

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Past President – Professional Wilderness Outfitters Association
Owner Swan Mountain Outfitters – Horseback Concessionaire in Glacier National Park

History

I apologize for not being able to attend in person; I'm currently on the road marketing our services to hopeful Montana visitors. As a horseback outfitter, I operate both in Glacier National Park and the Flathead National Forest. I am the lead for all federal land management issues for Montana Outfitters and Guides Association and was materially involved at a national level in agency promulgation changes for their concession management programs. In each instance, both the NPS and USFS recently changed their rules extending the life of concession contracts.

Salient Facts

1. Certain types of Concessions require significant investment by the prospective concessionaire. As a result it is only sensible to create a contract length that enables a business to earn a recoup of the initial investment and a reasonable profit thereafter.
2. If a contract is deemed too short, savvy businessmen will simply not respond to requests for proposals leaving the awards to businesses less capable of understanding the financial difficulties they are to encounter. The end result is poor performance on the contract and to the public. This poor performance and lack of viable contenders for concession opportunities in both the NPS and USFS was the main driver for their respective policy changes.
3. Contract length and quality are features lenders look to when making credit decisions for businesses. A short-life contract is deemed a risk by most lending institutions, and makes it difficult for prospective concessionaires to obtain the necessary financing for expanding their businesses for concession opportunities as they arise.

Conclusion

The changes requested in the Bill are sensible and will attract superior service providers and enable the State to manage the Parks professionally. The Parks will see a greater pool of competitive bidders and the public will benefit in the long-run.

Please support SB191!