



Federal Lands Interim Committee
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Testimony
By
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Thank you Committee for this opportunity to present testimony. My name is Grant Simonds and I have been associated with the Idaho Outfitters and Guides Association (IOGA) since 1985. IOGA is a statewide business trade organization.

The Idaho Outfitters and Guides Licensing Board (IOGLB), not to be confused with IOGA, licenses approximately 400 outfitter businesses annually. Licensing is a state requirement. Nearly all of these licensed outfitter businesses operate on public lands and waters managed by either the U.S. Forest Service or the Bureau of Land Management. Outfitter businesses must have a federal special use permit in order to provide services to the public that desires an outfitted adventure. According to the Idaho Department of Lands, 23 outfitters either lease or are permitted to operate on Idaho endowment lands. Several handfuls of outfitters operate solely on private lands and must be licensed, but do not have to be permitted.

The underpinnings of a successful outfitter business are the following: Clean free-flowing streams; quality and quantity of wildlife populations; reasonable regulation and most importantly, appropriate access.

Idaho's licensing law and associated rules are nationally known and most likely are the oldest in the nation as the licensing law came into being in 1961. As I mentioned, all legal outfitters must

be state licensed. Licensing costs \$400 annually. For the record, outfitters are the owner employers and guides, who also must be licensed, must be employees of outfitters. Overall, IOGA considers Idaho's licensing law and fees as reasonable.

Let's stick with the topic of fees for the moment. Outfitters pay 3 percent of gross revenue to the federal government for the privilege of operating on public lands. For a six day \$2,000 rafting trip for one person, the federal government use fee is \$60. For a \$5,000 hunt for one person, the federal use fee is \$150. Let's say that the average small Idaho outfitter that operates exclusively on federal public lands grosses \$100,000. Fees paid to the federal government amount to \$3,000 annually. This does include fees for grazing livestock on public lands associated with a hunt operation. And, this does not include federal recreation fees that outfitters collect from each person who floats or powerboats a river where these fees are collected. Nor does it include the 6 percent sales tax that land based outfitters collect. Economic studies indicate that the average Idaho outfitter business nets less than 5 percent after all the bills are paid.

I mentioned earlier that 23 of the 400 licensed outfitters are operating on endowment lands. Nine of these outfitters have what is called a Land Use Permit (LUP) and the annual rent fee has been \$250. These nine outfitters have been paying the State a range of \$.01 to \$25.00 per acre. LUP's range from 6 acres to over 156,000.

The 14 outfitters who have a lease permit for endowment lands have been paying an annual rent fee ranging from \$250 to over \$2,000 and the per acre cost has ranged from .01 to \$738 for these 14 outfitters.

A State Land Use Permit (LUP) is exclusive to the individual (entity) that it was issued to. It cannot be assigned and is not exclusive for that use. They are temporary in nature and can be cancelled within 30 days. The LUP can be issued by the Area office and doesn't have to go to the Land Board. LUP terms are normally developed at the Area office. Although this provides

the Area flexibility, there is no consistency between the LUPs issued for this use around the state. The Lease can provide exclusive use rights. The lease provides for cancellation with 180 days advanced notice. A lease can be assigned with IDL's concurrence. For Outfitters and Guides, both instruments are normally issued for 5 years. If there are no improvements associated with the lease, an inspection may not occur during the term of the instrument issued. The Lease terms are standardized. An outfitter in the north part of the state will have pretty much the same terms as an outfitter in the south.

The State has proposed the per acre fee for all 23 outfitters be increased to \$.05. For the outfitter that leases in excess of 174,000 acres in the Priest Lake supervisory area, this would amount to \$8,700 annually.

Earlier I mentioned that the average Idaho outfitter business nets 5 % on a \$100,000 gross after all the bills are paid. I also mentioned that the average outfitter that operates exclusively on federal public lands is then paying \$3,000 in use fees to the federal government.

Let's look at fees from the perspective that the average operating area of a hunt outfitter is 150 square miles of federal public lands. At \$.05 per acre, the proposed State Lands fee per acre for the average hunt outfitter hunt area on public lands would be \$4,800, a substantial increase in this particular operating fee.

Keep in mind that approximately one-half of the state's 400 licensed outfitters operate on rivers and streams currently managed by the USFS or BLM. What would the state fee be for these outfitters should the State take over management of outfitters who operate on rivers and streams for floating, jetboating or fishing? What happens to those outfitters who operate on federally designated Wild and Scenic Rivers such as the Middle Fork of the Salmon, the Main Salmon, the Snake River in Hells Canyon, the Selway, the St. Joe, the Bruneau and Owyhee and so on?

I can see some advantages to state permitting of outfitters on either lands or waters in that the permit terms will be less onerous by far and away. In the same breath, how will the State afford permit management for 400 licensed and permitted outfitters? How will permitting and fees be affected should the federal lands be transferred to the State regarding outfitters who operate in both designated Wilderness and federal public lands adjacent to Wilderness?

Access is the name of the game for our industry. If you can't get there, then the outfitted public, most of which is non-resident, is diminished. Fire is a huge issue for our industry. The Forest Service closed the Main Salmon, Middle Fork Salmon and the Frank Church Wilderness in both 2000 and 2007 because of fire. Other areas outside of wilderness have been closed for periods of time since 1988 because of fire related issues. How will the State afford the huge cost of fire suppression and rehabilitation after fires?

Another growing access issue for our industry is trail management and maintenance both within and outside of designated wilderness. For instance, the Forest Service is able to maintain 20 percent of the 2,500 miles of trail annually in the Frank Church River of No Return Wilderness. The annual percentage of trail maintenance outside of wilderness is not much better. Boots on the ground in this day and age is a fraction of what it was when many of these trails and associated infrastructure such as bridges were built by the 87,000 persons employed by the Civilian Conservation Corps in Idaho during the 1930's depression.

Finally, despite the travails that outfitters face with federal use permit management, the potential sale of public lands is a non-starter.

Thank you for the opportunity to provide testimony.