

Montana Department of Fish, Wildlife and Parks
Fish and Wildlife Licensing and Funding Advisory Council
Meeting Summary, October 18, 2013

Council Members Present: Mark Aagenes, Tim Aldrich, Robin Cunningham, Bob Gilbert, Art Hayes, Ed Hammer, Jim Olson, Debby Perry, Brett Todd, Representative Jeff Welborn. Not present: Ed Beall, Kendall VanDyke, and Dan Vermillion

Fish, Wildlife and Parks: Quentin Kujala, Kathy Reilly, Bobbi Rognrud, Paul Sihler, Charlie Sperry, Neal Whitney, Hank Worsech

Environmental Quality Council: Hope Stockwell

Facilitator: Barb Beck, Beck Consulting

Public: Two individuals

Welcome and Introductions

Facilitator Barb Beck reviewed the agenda. The meeting documents were posted on the webpage prior to the meeting as per Council members' request and a hard copy of the documents was handed out.

The Billings Gazette, Bozeman Chronicle, and Missoulian have all printed articles about the work of the council. The Gazette also ran an ad marketing elk hunting in Saskatchewan. The Gazette had one letter to the editor about the work of the council. All were passed around. The council's only concern is that information be accurate. There were no representatives of the media present at this meeting.

Council members were given the opportunity to report on any comments they had received between the two meetings. Council members passed along the following input received in informal discussions;

- general funds from the state should support the Department,
- licenses are confusing, people would appreciate a neater package,
- like ala carte choices but some said this was confusing,
- nonresidents are being priced out, don't raise fees on them,
- should look at both expenditures and revenues,
- like the refunds required under HB607,
- predators have an effect on game populations,
- education is a large piece of this process—many people indicate they would support increased license prices once they understand the situation,
- free and discounted licenses discriminate against those who are not in one of the categories,
- some don't trust the legislature to set fees, some prefer the legislature set the fees,
- don't like the idea of tying license prices to the Consumer Price Index (CPI),
- do like the idea of tying license prices to the CPI, and
- find additional revenue from people who do not hunt and fish.

Charlie Sperry handed out copies of the public comments the Department has received. The volume is light so far. He will provide copies at each meeting unless higher volumes make that too difficult.

Feedback from September Environmental Quality Meeting (EQC)

Hope Stockwell, EQC Research Analyst reported on the September EQC meeting. She reminded the council that EQC has a parallel study process that to date is mostly represented by their review of and input on the council's work. Hope, Hank Worsch, and Sue Daly provided an overview of the council's work to the EQC and asked for feedback. The feedback was limited yet helpful. EQC discussion points supported raising the age threshold for senior license discounts to 70 years, suggested that the licensing system not be too complicated to burden license vendors, and didn't believe that military discounts should include family members. Representative Welborn (who sits on the EQC and chairs this council) spoke individually with many of the EQC members following the meeting. He heard them say the current licensing system is too complicated and that simplifying the free and discounted licenses is the place to start in terms of shoring up revenue. The EQC members he spoke with were against raising fees for nonresidents. As requested by the council, Hope provided a handout that showed when each of the states she has used for comparison last changed their fees. For most it has been 4-6 years. It appears most of these states fund their fish and game departments under multi-year budget cycles just as Montana does.

License Structure

This topic was introduced at the September meeting. Facilitator Beck explained that the council had already generated several ideas, that the Department had looked at a number of ideas, and new ideas could be added. The first step in the process is to develop a list of all possibilities the council wishes to evaluate, then to prioritize those, and then to systematically evaluate each idea. Paul Sihler explained that pricing would be looked at separately later, once the license structure discussion has taken place. Adding price to the structure discussion would make it too complicated and the ideas for structure should probably be considered on their own merits first.

All ideas were put up on flip charts in the front of the room, along with the evaluation criteria developed at the September meeting. Overlapping ideas were combined and then eliminated and then the council members voted with dots to prioritize the ideas for discussion. The preliminary ideas were as follows:

Idea for modifying license structure	Number of votes	Rank
Establish a nonresident single-day fishing license for one day selected at time of purchase.	8	1 (tie)
Establish a base conservation license to include an array of items (which items not yet determined.)	8	1 (tie)
Establish a menu of ala carte items for nonresident hunters.	6	3
Require purchase of an archery license as a pre-requisite for an archery elk or deer permit.	4	4
Change business practices such as refund policy.	2	5
Offer bonus points for purchasing licenses in successive years or sponsoring new license buyer over 18 years old.	1	6 (tie)

Offer trophy area opportunities.	1	6 (tie)
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Additional ideas that did not receive votes included adding bear, wolf, and lion to the sportsman's package; offering bonus points for resident sportsman and nonresident big game combination licenses; and establishing a multi-year hunting license. No bonus points offered with a free or discounted license.

Facilitator Beck then offered and explained a process to use to structure the evaluation of the ideas. The process is called the Six Thinking Hats and consists of parallel rather than oppositional thinking. Using the Six Hats method, each participant in the discussion figuratively puts on one of the six different hats (different colors) and then the whole group looks at the idea from that perspective together. The process helps simplify the thinking process, make it more productive, and also provides clear tracks supporting the ultimate results of the discussion. The council agreed to try this process with the first idea—establishing a base license. The facilitator was responsible for the blue hat—the process.

Increase what is included in the conservation license to simplify the various costs for the public.	
Hat Color	Comments
White Hat—facts	<ul style="list-style-type: none"> • Montana currently has a conservation license. • Montana has fees for use of state land, hunting access, search and rescue, fishing access sites, and archery. • A conservation license is required for hunting and fishing. • State lands fee is included in the conservation license. • Access enhancement fee is required for hunting. • The archery license is the only one not required for every hunter. • Last year the Department sold 465,000 conservation licenses. • Montana's conservation license is \$8 for a resident and \$10 for a nonresident. • Other states don't include fishing in the base license. • The big game resource is finite. • License agents receive \$.50 for each license they process.
Red Hat—feelings, emotions	<ul style="list-style-type: none"> • It feels unfair if hunters are paying an access fee and anglers are not. • People will like this because it's simpler, more clear. • People would no longer be upset about being nicked and dimed. • More people potentially benefit.
Yellow Hat—benefits	<ul style="list-style-type: none"> • Simpler for the public and the license agents. • Reduce complaints. • If people see all that's included they will be OK with it. • This should reduce the amount of time spent by license agents. • License holders will feel fairly treated. • FWP would pay less commission to agents. • Non anglers and hunters could purchase this license and support FWP.
Green Hat—creativity	<ul style="list-style-type: none"> • Consider archery-only and rifle-only for two separate licenses. • Could adjust commission, increase commission to license agents. • Archery license could be part of base license to verify education. • Could split out the base for archery, rifle, or fishing. • Design base license to help collect data on numbers of archers, rifle

	hunters or both. Get at effort and participation at the statewide level.
Black Hat—cautions, risks	<ul style="list-style-type: none"> • License agents' revenues could be reduced. • It would be difficult to administer requirement to turn in archery license if unsuccessful. • It's a change. • More complexity to go back and add more licenses. • May reduce, but doesn't eliminate variety of fees that are collected. • If cost is increased, people won't like that.

Paul Sihler clarified that anglers are paying an access fee that is imbedded in the fishing license fee.

Public Comment

The council's agenda allows for public comment during their lunch break.

Joe Perry from Conrad presented the results of a survey conducted by the Montana Sportsman's Alliance (MSA.) The MSA surveyed their members asking questions that could lead to recommendations for this council. Prior to the meeting MSA provided the results of their survey, their recommendations, and the actual comments submitted to the Department who then forwarded those out to the council. Joe began his remarks by thanking the council for its work which will benefit sportsmen. He explained that FWP gave a presentation on its funding situation to the MSA several years ago and he encouraged council members to have FWP do the same for groups they may represent. The sample size of MSA's survey was 52 although some submitted comments but did not answer the questions. Joe went through the recommendations. The recommendations included set amounts for license prices, the use of bonus points vs. discounts, the relationship between nonresident and resident license pricing, and other items. MSA believes that resident sportsmen do not owe any users, the system is too complicated, and the council should "clear the table and start over." The Department's funding should be regular and sustainable. MSA wants to help sell this need. MSA believes hunting in Montana is a good deal at good prices with incredible wildlife resources.

Jerry Davis (bowhunter) advised FWP to get the story out to the public about the budget situation, including both the revenue needs and what the Department is doing to scrutinize expenditures.

License Structure

(Council returned to this discussion after the break for public comment and lunch.)

Establish a single-day nonresident fishing license where the date(s) are selected on the date of purchase. Eliminate nonresident 2- and 10-day options. Retain the annual nonresident license.	
Hat Color	Comments
White Hat—facts	<ul style="list-style-type: none"> • FWP sold 28,000 nonresident licenses. • FWP sold 26,000 nonresident 10-day licenses. • FWP sold 135,000 nonresident 2-day licenses. • FWP doesn't know how many nonresidents buy multiple 2-day licenses.
Red Hat—feelings,	<ul style="list-style-type: none"> • People want licenses tailored to their situation. • Customers want incremental options.

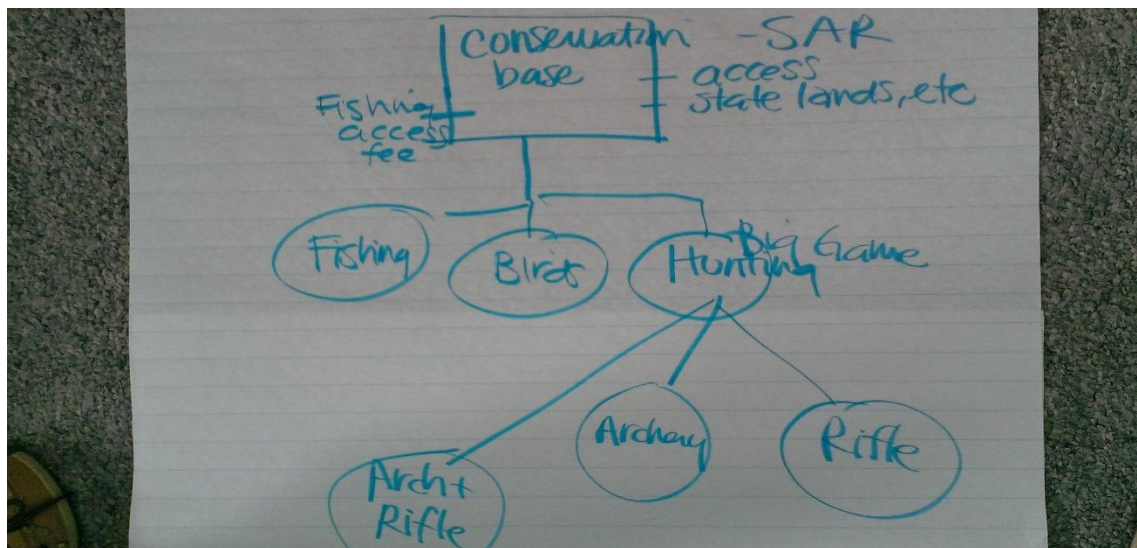
emotions	<ul style="list-style-type: none"> • Seems more fair.
Yellow Hat—benefits	<ul style="list-style-type: none"> • More options. • Consumer friendly. • Perceived additional value. • No added cost to administer. • Increase revenue to license agents.
Green Hat—creativity	<ul style="list-style-type: none"> • Look also at single-day resident option. • Offer reduced price for subsequent days after first day. • Must select day(s) at time of purchase.
Black Hat—cautions, risks	<ul style="list-style-type: none"> • Negative effect on Department revenue to offer single-day resident fishing license.

Additional information requested from FWP: What is the number of people buying multiple 2-day licenses? Generate several scenarios to help understand economic impacts.

Establish an “ala carte” system for nonresidents. Eliminate fishing and upland game bird (UGB) from B-10 (deer and elk) combination. Continue to offer separate fishing and UGB licenses.	
Hat Color	Comments
White Hat—facts	<ul style="list-style-type: none"> • There are 17,000 B-10 licenses available annually. • Can currently opt for only elk license (B-10.) • FWP can sell unused deer licenses as B-11 combination (2476 of these) • Under HB 607, if unsuccessful with elk permit, can keep deer license and FWP can sell unused elk license (2029 of these.)
Red Hat—feelings, emotions	<ul style="list-style-type: none"> • If there is no price reduction, nonresidents may feel slighted losing fishing and UGB licenses which they did not have to pay for before. • If the price is reduced, some will like it better. • More transparent, offers more choice.
Yellow Hat—benefits	<ul style="list-style-type: none"> • Easier for hunters to compare with other states. • May sell more licenses if price goes down. • Simplifies license structure. • Treats license buys fairly. • Could increase license agent revenue to sell separate fishing and UGB licenses.
Green Hat—creativity	<ul style="list-style-type: none"> • Could change or eliminate requirement tying to CPI. • Could either hold the price (minus fishing and UGB) or reduce price. • Could do this for B-10 and B-11?
Black Hat—cautions, risks	<ul style="list-style-type: none"> • There could be a perception of shifting more burden to residents. • Increases burden on nonresident, not palatable to EQC/legislature. • If price is not decreased, people are getting less for the same cost. • If price is decreased, appears to go against voters’ wishes. • Could jeopardize block management funding. • If fishing is eliminated, it could affect FWP’s eligibility for Dingle-

	Johnson funds from federal excise tax.
Note: The council will revisit this idea when discussing pricing in November.	
Require an archery license as a prerequisite for residents and nonresidents for an archery permit (for deer, elk, antelope) Note: This idea will be affected by decisions on the base license issue.	
Hat Color	Comments
White Hat—facts	<ul style="list-style-type: none"> Changing this rule is within the Commission's authority. About 1200 should have gotten archery licenses (for elk) but did not. FWP sells approximately 45,000 archery licenses/year. There is a high rate of non-compliance (15-20%) of resident and nonresident archery hunters that fail to purchase an archery license.
Green Hat—creativity	<ul style="list-style-type: none"> If base license includes archery then this will have been addressed. Education about the existing requirement would help. New idea: require license purchaser to indicate archery only, rifle only, or both. If only archery—could add both or rifle at half price at any time. If buyer indicates archery, must have completed education.

Based on discussion under the green hat for creativity, the original idea changed significantly and was not fully evaluated with the six hats. The following graphic illustrates the new idea.



Meeting time ran out before the new idea could be evaluated by the full group. Small group assignments were made to take three of the above ideas and evaluate them further between this meeting and the November meeting. Small group assignments for November are to validate/refine the recommendation as described above, use the six hats for each, and report back to the full council in November. The FWP member of each group will set up a call for the members.

Group One: Base License and Archery Prerequisite (two ideas that are related): Brett Todd, Mark Aagenes, Robin Cunningham, and Hank Warsech

Group Two: Ala Carte Licenses: Tim Aldrich, Jim Olson, Debby Perry, Quentin Kujala

Free and Discounted Licenses

The council developed options on free and discounted licenses at its September meeting. Members wanted input from the EQC before finalizing these recommendations. Considering the EQC's feedback, input from the MSA, facts about the revenue implications, and informal input received by council members between the September meeting and this meeting, the council made the following decisions.

The council recommends by consensus:

1) Retain the following free and reduced cost licenses in recognition of service:

- Free and reduced cost licenses for military service members and disabled veterans,
- Free big game combination/sportsman licenses for landowners participating in the block management program, and
- Agreement allowing the Confederated Salish and Kootenai Tribes (CSKT) to retain license fees paid on the reservation to fund the CSKT tribal wildlife management program (87-1-228, MCA.)

2) Alter youth license pricing.

- Consolidate youth pricing from three age groups to two age groups. New age groups will be under 12 and 12-17.
- Fishing licenses for resident and nonresident youth—under 12 free, 12-17 discounted at fixed % of adult license.
- Hunting licenses for residents and nonresidents—under 12 not applicable, 12-17 discounted at fixed % of adult license.
- Repeal free sportsman's license for first-time resident youth hunters.

3) Alter senior license pricing.

- Raise the age to qualify for a senior license discount from 62 to 70 years.
- Discount the senior license price at the same fixed % of full price as the youth licenses.

4) Alter disabled license pricing.

- Charge the same fixed percent of full price for disabled licenses as for senior and youth licenses.

Still under consideration for future decision related to Free and Discounted Licenses are 1) setting the fixed percent of discount from a full price license for all of the above discounted licenses, 2) deciding whether to recommend that the Fish, Wildlife and Parks Commission review and consider making changes to the definition of "disabled" in agency rule, and 3) deciding whether to recommend that FWP charge a fee for the permit to hunt from a vehicle. #3 will be discussed again when fees are considered.

Council members agreed that between this meeting and the November meeting they would discuss setting the fixed discount percentage at 50% and bring back informal comments on that proposal.

Wrap-up

The discussion highlights from this meeting are:

- The council had a presentation from the MSA and listened to their recommendations.
- The council is considering standardizing the percent of full price for discounted licenses at 50%.
- The council decided to recommend raising the age for senior discounted licenses to 70.
- The council decided upon youth license categories of under 12 and 12-17.
- The council began evaluating changes to the license structure.
- The council will propose establishing an option of a single-day fishing license for nonresidents.
- The council will be evaluating a licensing structure at its November meeting that would require a base license with potential add-ons to include fishing, upland game bird hunting, and then a choice of archery and rifle, archery only, or rifle only for big game. The base license could include any of the following fees--fishing and hunting access, search and rescue, and state lands.

The next meeting, November 5, will be held at Montana Wild starting at 9:00 a.m. Agenda items will include additional work on license structure modifications (with reports from the small groups working between meetings), making a decision on the standard percentage to apply to all discounted licenses, and variations to the 10-year funding model to address the goal of sustainable funding for the Department. Paul and the FWP team will flesh out several funding cycle options for the council's consideration including Commission authority to raise prices, reducing the length of the funding cycle from 10 years to 4-6 years, and tying license prices to the Consumer Price Index.

During the meeting evaluation, council members appreciated the use of the Six Hats as a way to order their thinking on complex issues.

Council members selected meeting dates for January-March, 2014. The dates are Friday, January 17, Wednesday, February 19, and Tuesday, March 18. These dates were selected in consideration of the EQC meeting dates in January (8-9) and March (19-20) so that additional input can be gathered from EQC before the council finalizes its recommendations to FWP's Director in the spring.