

D R A F T



# United States Department of the Interior



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In Reply To:

2930 (924) P

EMAIL TRANSMISSION -  
Instruction Memorandum No. MT-2008-  
Expires: 09/30/09

To: Field Managers  
Attention: Outdoor Recreation Planners

From: Deputy State Director, Division of Resources

Subject: Implementation of Recommendations from the BLM Montana/Dakotas  
2006-2007 Audit of Commercial Special Recreation Permits

**Purpose:** The purpose of this IM is to provide statewide policy resulting from the recommendations made in the 2006-2007 Special Recreation Permit (SRP) Audit for the BLM Montana/Dakotas. This policy will assure that the public receives fair market value from the commercial use of its public land, and that the BLM Montana/Dakotas office continues to issue, administer, and collect fees in a standard manner and in accordance with the BLM's SRP Handbook, H-2930-1 - Recreation Permit Administration and federal regulations.

**Background:** The rationale for this change is to strengthen and correct the administrative operations of the BLM Montana/Dakotas program. The audit showed discrepancies between the field offices in regard to forms issued to applicants, determining gross revenues, discounts using BLM-administered lands, insurance requirements, billings, and evaluations.

**Policy/Action:** The following items establish policy or require action:

**1. Method of Determining Percentage of BLM Discounts for Commercial SRP Land Use (Audit Recommendation #4):**

Field Offices are currently using two methods of determining the discount percentage for non-BLM land use by Outfitters and Guides: 1) Percentage of BLM land versus total land involved in the activity and 2) Time on/time off BLM land discount. The time on/time off method resulted in variations that gave rise to subjectivity on the part of the permittee and field office personnel. **Field offices implementing new outfitter and guide permits or renewals will use the percentage of BLM land encompassed within the total plan of operation and submitted permit map.** This concept of acreage has been used in Montana since 2001 (MT-2001-001). The calculation will be:

$$\frac{\text{acres of BLM land}}{\text{total acres in plan of operation}} = \% \text{ BLM fee discount adjustment}$$

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## **2. Gross Revenue Definition and Calculation (Audit Recommendations Nos. 1 and 2):**

There were discrepancies in the amounts and activities that were recognized as "gross revenues" for BLM fee calculations. As field offices issue or renew permits, gross revenue will be defined as: a total of all payments received by the permittee, their employees, or agents for goods or services provided in connection with the entire trip/activity authorized by the SRP on public lands or waters. The basic method for calculating gross revenue was also inconsistent; with some offices using a total revenue amount and other offices using the "per day" method. In some cases, the "per day" method resulted in a double fee reduction for permittees; adding another deduction in addition to standard BLM discounts. **As new permits are issued or renewed, the total gross revenue concept will be used, as per BLM policy and the Handbook, H-2930-1 - Recreation Permit Administration.** This method removed the subjectivity of the permittee and field office personnel in regard to determining inclusion or exclusion of a certain amount of income.

## **3. Insurance (Audit Recommendation No. 7):**

The audit indicated a wide variance in insurance coverage and a need to improve insurance documentation. Field offices will ensure and document the current BLM Handbook, H-2930-1 - Recreation Permit Administration minimum insurance requirements in the permittee files on an annual basis. Field offices will determine the permittees' actual insurance coverage amounts as obtained from the Certificate of Insurance provided by the permittee annually.

## **4. Standardization (Audit Recommendation Nos. 3, 6, 8, and 9)**

Standard forms for uniform fee calculations, standard permit conditions and stipulations, trip log forms, evaluation forms, and sample operating plans are attached. These forms should be used for any new SRP.

**Timeframe:** Effective immediately for any new or reissued permits, concerning fee payments, gross revenue, insurance, and standardized forms.

**Budget Impact:** None.

**Manual/Handbook Sections Affected:** H-2930-1 - Recreation Permit Administration

**Contact:** If you have questions or concerns regarding this IM, contact Christina Miller, (406) 896-5038.

Signed by:

Authenticated by:

1 Attachment

1-VariouS SRP Forms ( pp)

Distribution w/Attm.

Assistant Field Manager, Havre Field Station - 1

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Attachment 1-2