



Reference Guide: Notice of Commercial Use Permit-Business Transfer

Administrative Rules of Montana [12.14.101-12.14.170](#)

This reference guide provides information for a person or business that is conducting commercial use under authorization of a Fish, Wildlife, and Parks (FWP/Department) Commercial Use Permit (CUP) at FWP sites and [Restricted Use Rivers](#) and wishes to transfer or sell their business.

Note: Permits for commercial operations on the Blackfoot and Madison Rivers are known as a Special Recreation Permits (SRP).

A commercial use permit is not transferable and is void when a business is sold or transferred. Upon the sale or transfer of a permitted business, the person selling the business shall notify the new owner that the new owner is required to obtain a new Commercial Use Permit.

If the recipient of a commercial use permit sells or transfers in entirety the part of his/her business that is operated under that commercial use permit, FWP shall issue a new commercial use permit to the buyer so long as:

- 1) The seller has remitted all fees and records due to the FWP.
- 2) The buyer has obtained all other licenses or permits required by state or federal law.
- 3) The buyer agrees to the terms and conditions of the new CUP.
- 4) The new permit shall have the same expiration date as the seller's CUP.

If the recipient of a commercial use permit sells or transfers in entirety the part of their business that operated under that commercial use permit, any rationed units of use that were previously allocated to the seller may be reallocated to the new owner of that business. Upon the sale or transfer of a permitted business, the person selling or transferring the business shall notify the new owner that the use of rationed units of use is subject to change pursuant to rules adopted by the commission and that no property right attaches to the rationed units of use.

The recipient of a commercial use permit may not sell, lease, rent, or otherwise receive compensation from another person for the opportunity to use client days or other allocated units of use, temporarily, or permanently except that Smith River outfitters may lease, rent, or otherwise receive compensation from another Smith River outfitter for the opportunity to use a Smith River outfitter launch within a single use season. Any commercial launches held by the outfitters currently identified in Appendix A of the State Parks and Recreation Board's Smith River biennial rules that may become available by no longer being allocated to a valid commercial use permit will be made available to all commercial fishing and floating outfitters via a random lottery to be conducted by the department.

Is it necessary to notify FWP about the impending sale of a business?

A person or business conducting commercial use under the authorization of a Commercial Use Permit should notify FWP before transferring or selling their business to another person or business that intends to conduct commercial use under the authorization of a Commercial Use Permit. Upon notifying FWP, submit the [Notice of Commercial Use Permit - Business Transfer Form](#) to FWP. Failure to do so may result in a scenario in which the buyer is unable to obtain a Commercial Use Permit and therefore is not authorized to conduct commercial use on FWP sites.

Note: A water-based service provider conducting commercial use under the authorization Commercial Use Permit with a Fishing Access Site Permit is required to complete the Notice of Commercial Use Permit - Business Transfer Form and notify FWP before transferring or selling their business to another water-based service provider or outfitter that intends to conduct commercial use under the authorization of a Fishing Access Site Permit or CUP that provides angling or hunting services.

What is the process for notifying FWP of an impending sale of a business?

FWP has a Notice of Commercial Use Permit - Business Transfer Form that must be completed by the Seller and the Buyer. The Seller then submits the completed form to FWP. *Note: The buyer must be licensed by the Montana Board of Outfitters specific to the activity at the time they complete the form if they are seeking a Commercial Use Permit and intend to provide hunting or angling services. For example, a buyer planning to provide angling services must be a licensed fishing outfitter.*

What happens after the Seller submits the Notice of Commercial Use Permit - Business Transfer Form?

Upon receiving the Commercial Use Permit Business Transfer Form, FWP will check to make sure that the form was completed properly and signed by the Seller and the Buyer and that the Seller has submitted all fees and records owed to the FWP. FWP will then send a new Commercial Use Permit Application to the Buyer. Upon receiving the signed Commercial Use Permit Application from the Buyer, FWP will issue a new Commercial Use Permit to the Buyer.

Process for Notice of Commercial Use Permit - Business Transfers for Restricted Use Rivers

Step 1. Seller and Buyer complete the Notice of Commercial Use Permit - Business Transfer Form and provide it to FWP.

Step 2. FWP reviews the form and verifies Seller has remitted all fees and records due to the FWP, and (if applicable) verifies Buyer is a licensed State of Montana outfitter for the proposed activity if they intend to provide angling or hunting services.

Step 3. FWP sends a Commercial Use Permit Application to the Buyer.

Step 4. Buyer sends completed Commercial Use Permit Application and other required items (e.g., fees, proof of liability insurance) to FWP.

Step 5. FWP sends Commercial Use Permit (or SRP) to the Buyer, and (*if applicable*) reallocates to the Buyer any client days or launches associated with the Seller's permit.

Step 6. Buyer sends copy of authorized Commercial Use Permit to Montana Board of Outfitters and request, that the Board add the Restricted Use River to the Buyer's Operating Plan.

Step 7. Buyer is now authorized by FWP to conduct commercial use on the Restricted Use River.

Frequently Asked Questions Pertaining to Commercial Use Permit - Business Transfers for Restricted Use Rivers

Is it legal to sell a permit or client days/launches?

No. FWP rules explicitly prohibit the sale of a permit, client days, or launches. It is legal to sell a business. When a business is sold, FWP does not transfer the permit or the client days/launches. Instead, FWP issues a new CUP (or SRP) to the buyer and determines reallocation of client days or launches to the new permit holder, if applicable.

Does the Buyer have to be licensed by the Montana Board of Outfitters before completing the Commercial Use Permit Business Transfer Form if they intend to provide hunting or angling services?

Yes. FWP will not process the form unless the Buyer is licensed by the Montana Board of Outfitters specific to the proposed activity, a buyer planning to provide angling services must be a licensed fishing outfitter.

Is there anything that would prevent FWP from issuing a Commercial Use Permit to the Buyer?

Before issuing a CUP (or SRP) to the Buyer, FWP will check to make sure that the Seller has remitted all fees and records due to FWP, the Buyer has signed the Commercial Use Permit Application and submitted all required items (e.g., fees, proof of liability insurance), and the Buyer has all other licenses or permits required by state or federal law.

If the Buyer is applying for an outfitter license, how do they include their hunting or angling services on a Restricted Use River in their Operating Plan?

In order to include services provided on a Restricted Use River into the Buyer's Operating Plan, the Montana Board of Outfitters will require a copy of the FWP Commercial Use Permit (or SRP) that authorizes them to conduct use on that river. FWP will not issue the permit unless the Buyer is licensed to provide hunting or angling services in Montana. Once they have received their license, the Buyer can apply for the Commercial Use Permit and then, upon receiving the permit and authorization to provide services on the Restricted Use River the buyer can request the services be added to their operating plan with the Montana Board of Outfitters.