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Bannister  
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**CS FOR HOUSE BILL NO. 160(EDT)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

**BY THE HOUSE SPECIAL COMMITTEE ON ECONOMIC DEVELOPMENT, TRADE, AND TOURISM**

**Offered:**

**Referred:**

**Sponsor(s): HOUSE SPECIAL COMMITTEE ON ECONOMIC DEVELOPMENT, TRADE, AND TOURISM**

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to state tourism marketing contracts with qualified trade associations;  
2 creating and relating to the Alaska Promotion and Marketing Task Force; and  
3 providing for an effective date."

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 \* **Section 1.** AS 44.33.125(a), as amended by sec. 2, ch. 103, SLA 2008, is amended to  
6 read:

7 (a) Subject to appropriations for the purpose, the Department of Commerce,  
8 Community, and Economic Development shall, on or before June 1 [APRIL 1] of  
9 each fiscal year, contract with a single qualified trade association for the purpose of  
10 planning and executing a destination tourism marketing campaign during the next  
11 fiscal year. The state shall pay two-thirds of the costs of the contract, and [MAY  
12 BE AWARDED ONLY IF] the qualified trade association shall pay one-third  
13 [PROVIDES MATCHING FUNDS EQUAL TO AT LEAST 50 PERCENT] of the  
14 costs of the [MARKETING CAMPAIGN DESCRIBED IN THE] contract. The state

1                   **money used for the contract may not exceed \$12,000,000.** The marketing campaign  
2 may promote distinct segments of tourism, such as highway tourism, seasonal tourism,  
3 ecotourism, cultural tourism, regional tourism, and rural tourism. Before the contract  
4 is executed, the marketing campaign plan must be approved by the department. **A**  
5 **qualified trade association may satisfy its one-third payment of the costs of the**  
6 **contract by providing in-kind contributions. In this subsection, "in-kind**  
7 **contributions" includes fees for services, partnership contributions, event**  
8 **participation, research, brochure placement, cooperative advertising, loaned**  
9 **employee value, discounted services, free services, radio airtime, television**  
10 **airtime, print space promotions, Alaska-specific travel advertising, and items**  
11 **contributed for use in promotions.**

12 \* **Sec. 2.** AS 44.33.125(a) is repealed and reenacted to read:

13                   (a) Subject to appropriations for the purpose, the Department of Commerce,  
14 Community, and Economic Development shall, on or before April 1 of each fiscal  
15 year, contract with a single qualified trade association for the purpose of planning and  
16 executing a destination tourism marketing campaign during the next fiscal year. The  
17 contract may be awarded only if the qualified trade association provides matching  
18 funds equal to at least 50 percent of the costs of the marketing campaign described in  
19 the contract. The marketing campaign may promote distinct segments of tourism, such  
20 as highway tourism, seasonal tourism, ecotourism, cultural tourism, regional tourism,  
21 and rural tourism. Before the contract is executed, the marketing campaign plan must  
22 be approved by the department.

23 \* **Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section to  
24 read:

25                   TASK FORCE. (a) The Alaska Promotion and Marketing Task Force is created in the  
26 legislative branch.

27                   (b) The task force consists of 11 members, as follows:

28                   (1) three members appointed by the Speaker of the House of Representatives;  
29                   (2) three members appointed by the President of the Senate; and  
30                   (3) five members appointed by the governor who are involved in an industry  
31 located in the state.

- (c) The members of the task force shall select a chair from the task force's members.
- (d) Task force members do not receive compensation but may receive travel and per diem expenses authorized for boards and commissions under AS 39.20.180.
- (e) The task force shall meet during and between legislative sessions to accomplish its duties.
- (f) The task force shall develop and recommend model legislation to market and promote activities to support the state's economy. The proposed model legislation must include, to the extent constitutionally permissible,
  - (1) a board to
    - (A) evaluate project proposals by entities, including government entities, for activities to promote and market the industries and economy of the state; and
    - (B) make recommendations annually to the legislature for funding of the recommended proposals;
  - (2) a fund, including the endowment and contents of the fund, to fund projects for marketing and promoting activities to support the state's economy; the fund may not be a dedicated fund;
  - (3) a methodology for determining the order for recommending projects to receive funding;
  - (4) requirements for monetary matching by entities that receive project funding;
  - (5) a process for application for funding.
- (g) The task force shall provide to the legislature, by January 30, 2012, a final report with the task force's recommendations on model legislation, including draft model legislation for consideration.
- (h) The chair of the task force shall be available for legislative hearings on its recommendations.
- (i) The task force shall terminate on the first day of the First Regular Session of the Twenty-Eighth Alaska State Legislature.
- (j) In this section, "task force" means the Alaska Promotion and Marketing Task Force.

1       \* **Sec. 4.** Section 3 of this Act is repealed on the first day of the First Regular Session of the  
2 Twenty-Eighth Alaska State Legislature.

3       \* **Sec. 5.** The uncodified law of the State of Alaska is amended by adding a new section to  
4 read:

5            CONDITIONAL EFFECT. Section 2 of this Act takes effect only if the Twenty-  
6 Seventh Alaska State Legislature does not pass legislation that is based on the model  
7 legislation recommended to the legislature by the Alaska Promotion and Marketing Task  
8 Force created by sec. 3 of this Act.

9       \* **Sec. 6.** Section 1 of this Act takes effect July 1, 2011.

10       \* **Sec. 7.** If, under sec. 5 of this Act, sec. 2 of this Act takes effect, it takes effect on the first  
11 day of the First Regular Session of the Twenty-Eighth Alaska State Legislature.

12       \* **Sec. 8.** Section 3 of this Act takes effect immediately under AS 01.10.070(c).