



February 28, 2011

Representative Bob Herron, Chair  
House Economic Development  
Trade & Tourism Committee  
Capitol Building  
Juneau, Alaska 99801

Subject: HB 160 Establishing the Alaska Visitor Industry Investment Fund

Dear Representative Herron;

The Alaska Hotel & Lodging Association is extremely appreciative of the House EDDT Committee's introduction of legislation establishing a sustainable funding plan for Alaska's tourism marketing campaign and the goal of reaching a minimum of an annual \$20 million appropriation.

As you are well aware, the State of Alaska benefits from revenues generated by our industry. In recent years those revenues have been as much as \$140 million. It just makes sense to reinvest a percentage of those revenues to sustain a healthy economy for Alaska's tourism industry resulting in jobs for Alaskans and revenues for a variety of state funded programs and services.

Hotel bed tax revenues paid to Alaska's local governments have declined by as much as 22% in recent years. Local governments rely on these funds to keep property taxes low and to deliver other services to local residents. Without these funds, local governments will turn to the state for increased aide.

Alaska has struggled with lost market share in the increasingly competitive global travel marketplace. The additional \$7 million appropriation awarded in FY2011, through early research, has already resulted in an expected 4% increase in visitors to Alaska this summer as compared to a 2% increase in National travel trends.

The Alaska Hotel & Lodging Association appreciates the Legislature's recognition of the need for increased marketing funding by increasing the FY11 budget to 18.7 million. This action has given the industry an opportunity to vastly improve their ability to build awareness and generate more visitors to the state. It is critically important to build on this moment, and to ensure that Alaska's tourism marketing campaign does not take a step backwards.

We applaud the Committee's efforts to create a new Alaska visitor industry investment fund, to replace over 2500 lost jobs, and to build a sustainable economy for Alaska's tourism businesses. On behalf of Alaska's Hotel & Lodging Industry, thank you for your leadership and introduction of HB160. We urge the Legislature's support and quick passage of this long overdue legislation.

Sincerely,

Craig Pester  
Chairman, Alaska Hotel & Lodging Association  
District Manager, Lodging, Retail, Food and Beverage ARAMARK Parks and Destinations Alaska



*United in a common goal to make Alaska the most hospitable place on earth!*

330 E. 4th Avenue, Suite 201 • Anchorage, Alaska 99501 • (907) 272-1229 • Fax: (907) 272-1289 • E-mail: akhla@4aha.org

WHITESTONE FARMS INC.

P.O. BOX 1229  
DELTA JUNCTION, ALASKA USA 99737  
907-895-4201 907-895-4938  
FAX 907-895-4787

February 21, 2011

Representative Eric Feige  
State Capitol, Room 126  
Juneau, AK 99801-1182

Dear Representative Feige,

My name is Dick Wenger and I am from Delta Junction. We met a few months back at the Delta LIO where we had the chance to talk a bit. Which, by the way, I am sorry that I missed you last Saturday (Feb 19<sup>th</sup>) when you were again at the LIO, but I had made previous plans and was out of town. I represent Rika's Roadhouse and as such am requesting your support for HB160. With your long standing affiliation with tourism, I know you can appreciate the value that the industry has for our state. As such, I urge you to consider co-sponsoring the bill to ensure a viable marketing program for the visitor industry. As Co-Chair of the House of Resources Committee, this may be somewhat of a departure from your normal venue. I would like to say, however, that I believe tourism to be one of our most significant resources, and with effective marketing, one that will never be depleted.

I would also like to ask that I be added to your district mailing list.

Thank you for your time and consideration.

Sincerely,



Dick Wenger



*From Rika Wollen's personal studio, 1940*

Concessionaire for  
BIG DELTA STATE HISTORICAL PARK  
at Rika's Roadhouse & Landing  
MILE 275 RICHARDSON HWY.  
BIG DELTA, ALASKA USA 99787  
907-895-4201



February 23, 2011

The Honorable Kyle Johansen  
Alaska State Legislature  
State Capitol Mail Stop #3100  
Juneau, AK 99801-1182

Dear Representative Johansen,

HB160 was introduced last week, and I am writing to ask for your support for this bill that will establish a funding mechanism for marketing Alaska as a tourism destination. As you know, the Alaska Travel Industry Association has long worked to find a solution to sustainable funding. This bill, introduced by the House committee on Tourism and Economic Development is intended to replace the existing funding structure which has become outdated.

As you will recall, when the legislature approved the "millennium plan" in 2000, a matching fund component was part of the legislation, due to concerns that the industry didn't significantly contribute to state revenues. Over the past decade, that has changed. In addition to revenue sources already in existence a statewide vehicle rental tax has been enacted and the various elements of Ballot Measure 2 have substantially increased revenue to the State through cruise passenger fees, ocean ranger fees and corporate income and gambling income taxation. Today it's projected that revenues to the state will total over 111 million in FY2012.

ATIA and various other visitor industry organizations including AKHLA, CHARR, and AlaskaACT have made increased tourism marketing funding high on the list, if not the number one priority for this legislative session. Increased marketing of Alaska was one of two requests made of Governor Parnell when he met with cruise industry representatives last spring in Miami. I thank you for your support of the reduction of head taxes, now I am asking you to help pave the way for a return of cruise business to Alaska- a vital part of Ketchikan and other coastal communities' tourism economy.

You have welcomed our association representatives into your office many times these past several years and know that our message hasn't changed. We need more dollars to market Alaska. More marketing will lead to more visitors, more visitors mean more state revenues, healthier local economies and more jobs for Alaskans. I know that you understand this, but we need your help in getting your colleagues in the House to understand as well. I appreciate your consideration, and ask that you do all you can to help us get HB160 approved.

Sincerely,

Patti Mackey  
President & CEO