



Kachemak Bay State Parks Citizen' Advisory Board
95 Sterling Hwy, Suite 2
Homer, Alaska 99603

To:

Date 05-14-2025

Honorable Members of the Alaska Senate Finance Committee,

Subject,

Letter of support for House Bill 123B.

The Kachemak Bay State Parks & Kachemak Bay State Wilderness Park Citizens' Advisory Board, (KBSP & KBSWP CAB) was formed in September 1997. Our purpose is to provide a forum for the collection and expression of opinions and recommendation on matters relating to State Park units within the Kachemak Bay Watershed and Wilderness Park.

The State of Alaska Department of Parks and Outdoor Recreation, (DPOR) receive funding from the collection of excise tax on vehicles rented through car rental agencies and certain car rental platforms, which pay this tax in the State of Alaska. There are other rental platforms that provide a communication method for person-to-person rentals in Alaska avoiding the reporting of a rental transaction leaving the responsibility to the renter of the vehicle. There is a gap in this system and The Department of Revenue currently does not have enough data on person-to-person rental information in Alaska to provide for an estimative revenue impact. Please close this gap and pass this legislation for the following reasons:

- The tax burden already exists – AS 43.52.010
- This Bill does not institute a new tax
- The legislation provides for a streamlined process for the Department of Revenue in collecting the person-to-person rental tax.

Alaska DPOR received approximately 31.4% of annual funding in 2023 from the Alaska Vehicle Rental Excise Tax. Any increase in total disbursed funds by insuring the Department of Revenue receives due funding from all car rental businesses under AS 43.52.010 will benefit all Alaska State Parks,

The public use of Alaska State Parks by local residents and tourist has increased significantly which has put stress on DPOR personnel and parks. Deferred maintenance is a growing problem. The need for additional funding for one of Alaska's greatest asset has never been more important.

The Kachemak Bay State Parks and Kachemak Bay State Wilderness Park Citizens' Advisory Board voted their unanimous support of House Bill 123 on April 9, 2025.

Respectfully Submitted

Robert Archibald

Board Chair, KBSP & KBSWP CAB