



The Voice of Small Business®

ALASKA

April 7, 2010

The Honorable Bill Stoltze  
Co-Chair, House Finance Committee  
State Capitol Building  
Juneau, Alaska 99801-1182

RE: House Bill 422

Dear Representative Stoltze:

On behalf of the National Federation of Independent Business/Alaska, I wish to respectfully share our support for House Bill 422. The National Federation of Independent Business is the largest small-business advocacy group in Alaska.

House Bill 422 will reduce the Alaska cruise ship tax from \$46 to \$34.50 and provides tax credits for marketing Alaska as a tourist destination. With Juneau being the most expensive port in North America, it has reduced the appeal of Alaska to cruise ships.

Many of the NFIB/AK members benefit from the tourists and their activities in Alaska, whether they are specific tour operators or suppliers to those operators or the grocery store where employees of tourism operators buy their food. The expected decline of 140,000 will dramatically affect Alaska's many small businesses and their ability to hire summertime employees.

We encourage you to pass legislation to reduce the excise tax on cruise ship passengers so that we can begin to draw passengers back to Alaska.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Dennis", is written over the "Sincerely yours," text.

Dennis L. DeWitt  
Alaska State Director

Cc: NFIB/AK Leadership Council  
Governor Parnell

**MATANUSKA-SUSITNA CONVENTION & VISITORS BUREAU****MAT-SU CONVENTION & VISITORS BUREAU BOARD OF DIRECTORS  
RESOLUTION FY 2010-03**

A RESOLUTION BY THE MAT-SU CVB BOARD OF DIRECTORS URGING THE ALASKA STATE LEGISLATURE TO SUPPORT ALASKA'S VISITOR INDUSTRY BILLS (SB 311 / HB 422) THAT PROVIDES ADDITIONAL TOURISM MARKETING FUNDING AND REDUCES THE CRUISESHIP HEAD TAX..

WHEREAS, the travel industry is one of the three largest private sector contributors to Alaska's economy, by generating over 1.7 billion in direct expenditures annually (\$201 million dollars in the Mat-Su Borough), and have an economical impact of over 3.4 billion dollars annually; and

WHEREAS, many local jobs and local economies are dependent upon the visitor industry; and

WHEREAS, the visitor industry contributes 200 million dollars annually to local and states taxes; and

WHEREAS, the state will see a decline for the second year in a row of summer visitors, and thereby a loss of jobs and revenue to local businesses, many of which are small, Alaskan-owned; and

WHEREAS, the national and international tourism budget for promoting Alaska has been less than twelve (12) million for the last two years; and

WHEREAS, the travel industry has stated for several years that a meaningful marketing promotion budget should exceed 20 million dollars.

NOW THEREFORE BE IT RESOLVED: that the Mat-Su CVB Board of Directors urges the State of Alaska Legislature to pass Senate Bill 311 / House Bill 422 which would allow defined travel-related business activities to receive a credit against their tax due for a cash contribution to the State of Alaska Travel Industry Marketing Program and reduce the cruise ship head tax from \$46 to \$34.50..

PASSED and APPROVED by the MAT-SU CVB BOARD OF DIRECTORS this 26 day of March 2010.

APPROVED:

ATTEST:

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Dee Dee Kay, President

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Steve Zadra, Secretary