



Bradley D. Tilden
President

March 25, 2010

The Honorable Sean Parnell
Office of the Governor
550 West Seventh Avenue, Suite 1700
Anchorage, AK 99501

Dear Governor Parnell:

I am writing this short note to express our encouragement for the many things you are doing to ensure a strong economy for the state of Alaska, and specifically your effort to reduce the state head tax on cruise ship passengers and, in turn, increase cruise traffic in Alaska.

Our business is heavily reliant on a strong economy in the state of Alaska and, as we all know, the cruise ship industry is an important driver for the state economy. Unfortunately, we anticipate a significant decline in the number of cruise passengers we will carry this year.

We believe the tax as it is currently structured is counterproductive to our collective effort to maintain and grow jobs in the state of Alaska.

Thank you for everything you are doing for Alaska, and if we can help you in any way, please let us know.

Sincerely,

A handwritten signature in blue ink, which appears to read "Brad Tilden". The signature is fluid and cursive, with the first name "Brad" and last name "Tilden" clearly distinguishable.



PremierGarage

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Gov. Sean Parnell
P.O. Box 110001
Juneau, AK. 99811-0001

Communities across Alaska are losing thousands of jobs. The decline in visitors is hurting our businesses and our local communities. The loss of visitor spending is causing dramatic layoffs in our businesses – some may not survive. Decreased visitor spending is also causing a significant reduction in local revenue through bed taxes, sales taxes, dock fees, etc.

We must take action now to turn around this decline, get our jobs back and rebuild our economy. To bring in more visitors, it is imperative the State address **two** issues. We must reduce the cost of operations in Alaska for the cruise industry and we must increase the State's marketing effort.

Governor Parnell, I support your plan to;

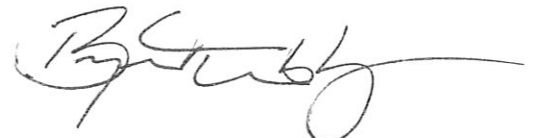
- Reduce \$46 head tax to \$34.50
- Provide credit for local head taxes
- Require state to review tax rate every three years to help ensure funds are aligned with infrastructure needs
- Allow tourism revenue to be reinvested to marketing Alaska, through a corporate tax credit
- Adequately fund the State's travel marketing program
- Provide for a stable marketing funding model
- Make Alaska more competitive and increase the number of visitors

Alaska is no longer open for business. The high cost of taxes on the cruise industry has made Alaska no longer competitive in the global market. Ballot Measure 2 imposed \$72 million a year in new taxes on the industry on top of the millions in existing local taxes. Due to the high costs to operate in Alaska and

heavily discounted fares we have seen in recent years, Alaska has become less profitable resulting in ships being deployed to other destinations.

In addition to addressing tax policies, Alaska **must** increase its marketing. Other destinations are becoming more aggressive to attract visitors. We do not have the funds to compete with these destinations causing a loss of market share. Increased marketing will drive demand for more ships and bring in more air, marine highway, and road visitors.

More visitors means more dollars into our economy, providing revenues for our businesses, jobs for Alaskans and local revenue through sales, bed and other taxes to support local services.



Bryan Trombley
Owner

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Anchorage Convention & Visitors Bureau

524 West Fourth Avenue, Anchorage, Alaska 99501-2212 | Phone: 907.276.4118 | Fax: 907.278.5559 | ExploreAnchorage.net

April 2, 2010

The Honorable Sean Parnell
Governor for the State of Alaska
PO Box 110001
Juneau, AK 99811-0001

Dear Governor Parnell:

On behalf of the Anchorage Convention & Visitors Bureau (ACVB) and our 1,150 business members, please accept our sincere appreciation for your participation and attendance at the 2010 SeaTrade, recognizing the value of Alaska's tourism industry to businesses, families and local governments across the state. It was also a pleasure to see you again as part of the Alaska Travel Industry Association delegation in Juneau earlier this week. Your words and commitment towards doing what is right to grow this economic engine is appreciated and your leadership has truly earned the respect of our industry.

Small businesses and many Alaskan communities rely on the economic benefits brought by cruise passengers each summer and we see the revenues generated by those same passengers throughout the entire state as they enjoy pre & post cruise options. Likewise, the cruise industry values the credibility, additional messaging, and lead-generation programs that the state's marketing program provides.

Passage of your "united tourism bills" - HB422 and SB311 – will assist all fronts of our industry, from those catering to truly independent visitors to those businesses that have found valuable partnerships with Alaska's cruise industry.

A healthy tourism industry is a key component to the long history of growth that we've enjoyed in Alaska. We know that to have continued growth and sustained well being of community and business investments, we need to work together to create a stable and viable business environment. Your proposal will provide a much needed long-term and sustainable funding mechanism for the state's destination marketing program as well as a needed adjustment to the cruise head tax to return Alaska to a competitive position.

I'm proud of our industry and proud of the fact that year after year tourism contributes significantly to the state's general fund and to the funding of local governments throughout Alaska. Perhaps even more satisfying are the contributions our industry makes in creating robust and lively communities that our residents and families enjoy year-round.



Governor Parnell
Page 2 – April 2, 2010

Your forceful support of this legislation can expand this win-win cycle for everyone's benefit. ACVB is actively encouraging legislators to pass the proposed united tourism bills. I welcome your suggestions for any additional advocacy or support we can provide. Thank you for keeping the tourism industry a priority and thank you for your service to Alaska.

Sincerely,

Julie Saupe
President & CEO

cc: ACVB Board of Directors
Alaska Cruise Association
Alaska Travel Industry Association



Voting Members

Anand Vadapalli ACS
Bill O'Leary Alaska Railroad Corporation
Bob Lacher CH2M HILL
Brian Wenzel ConocoPhillips
Bruce Bustamante Princess Tours
Bruce Lamoureux Providence Alaska Medical Center
Chris Brown AT&T Alaska
Chris Stephens Sand Stephens & Johnson, Inc.
Claire Fitzpatrick BP Exploration Alaska, Inc.
Connie Carter FedEx Express
Dale Pittman ExxonMobil Corporation
David Hamilton Alaska USA Federal Credit Union
Dennis Mitchell Lynden International
Ed Herndon Chugach Alaska Corporation
Greg Kessler Gateway Steam Trailer Express
Greg Pearce UCI
Jeffrey Davis Premier Blue Cross Blue Shield of Alaska
Joseph Everhart Wells Fargo Bank, N.A.
Lon Wilson The Wilson Agency, LLC
Mark Liland Northern Air Cargo
Marla Wellington Continental Airlines
Michael Prozeralik Kpb architects
Mike Devlin Evergreen Films, Inc.
Pat Walsh Walsh/Sheppard
Peter Grunwaldt Premier Alaska Tours
Scott Hansen Carpenters Local 1281
Sophie Minich CRI
Stephanie Holthaus Alta Air Logistics
Stewart Osgood DOWL HRM
Suzanne Cherot Birch Horton Bittner & Cherot
Tim Vig USKFI, Inc.

Ex-Officio Members - Legislators

Rep. Craig Johnson Alaska State Legislature
Rep. Lindsey Holmes Alaska State Legislature
Sen. Johnny Ellis Alaska State Legislature
Sen. Lesli McGuire Alaska State Legislature

Ex-Officio Members - Municipality

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Assemb. Bill Starr Municipality of Anchorage
Assemb. Dan Coffey Municipality of Anchorage

**Ex-Officio Members -
Appointed by the Board**

Brian Nerland KeyBank Alaska
Carol Comeau Anchorage School District
Chris Anderson AIDEA
Eisha Baker University of Alaska Anchorage
George Yakalis WWU
Jim Posey Municipal Light & Power
John Parrott Ted Stevens Anchorage International Airport
Julie Saube Anchorage Convention & Visitors Bureau
Larry Cash RIM Architects
Mary K. Hughes Past Chairman of the AEDC Board
Tennys Owens Artique, Ltd.
Tony Izzo Anchorage Chamber of Commerce

March 31, 2010

The Honorable Governor Sean Parnell
State of Alaska
State Capital
P.O. Box 110001
Juneau, AK 99811-0001

Re: HB422 & SB311 Passenger Tax; Tourism Tax Credit Legislation

Dear Governor Parnell:

On behalf of the Anchorage Economic Development Corporation (AEDC), we write to offer our support for your efforts to promote increased tourism in Alaska through your proposal to adjust taxation related to the cruise ship industry. Your efforts to create a comprehensive approach to address the visitor decline while rebuilding and strengthening relationships with the cruise industry are important to the future health of the visitor industry in Anchorage and the Southcentral region.

Your proposed legislation, HB422 & SB 311, will strengthen Alaska's competitive position in global tourism and will help to stem the loss of visitors that now totals over 140,000 cruise ship passengers who will not visit the Southcentral region this year. Additionally, your commitment to increased support for marketing of Alaska in the global marketplace will help to put Alaska back on track towards renewed growth in visitor numbers and the resulting growth in economic benefit to our region.

AEDC supports legislation reducing the head tax to \$34.50. AEDC also supports legislation that will allow tourism revenue to be reinvested to marketing Alaska, through a corporate tax credit. HB422 and SB311 accomplish these important needs for the future health of tourism in Alaska and the Southcentral region.

Sincerely,

Lon G. Wilson
Chair, Board of Directors

Bill Popp
President & CEO

Date: April 2, 2010
Action: Passed
Vote: Unanimous

**SEWARD CHAMBER OF COMMERCE, CVB
BOARD OF DIRECTORS
RESOLUTION 2010-04**

A RESOLUTION IN SUPPORT OF CREATING INCENTIVES FOR INVESTMENT AND INCREASING COMPETITIVENESS OF ALASKA.

WHEREAS, the mission of the Seward Chamber of Commerce, Conference and Visitors Bureau is to maintain a diversified economy and positive business environment; and

WHEREAS, one aspect of that mission is to support a strong and growing job base; and

WHEREAS, Alaska's seasonally adjusted unemployment rate was 8.5% in February 2010, a 37% increase from February 2008's rate of 6.2% and the highest rate for the month of February since 1992; and

WHEREAS, Alaska Department of Labor data clearly shows that Alaska employment in most every industry has dramatically fallen since the last 4 months of 2008*, including 1,500 lost oil and gas industry jobs; and

WHEREAS, Alaska's economy is built mainly on the sale of natural resources and inflows of cash from the federal government; and

WHEREAS oil & gas investment, development and production is by itself one of the three major supports of Alaska's economy; and

WHEREAS, more than one third of all working Alaskans owe their livelihood to resource exploration, development and extraction in Alaska, including not only jobs within the petroleum and mining sectors but also jobs in the State and local government, finance, infrastructure, trade, construction, small business, and service sectors; and

WHEREAS, oil production in Alaska has declined from 2.1 million barrels per day in 1988 to approximately 700,000 barrels per day today, and is expected to decline by more than five percent per year+, and more investment is needed to stem that decline; and

WHEREAS, other areas in the world encourage oil and gas investment with fiscal terms and incentives not offered by Alaska's existing policies; and

WHEREAS:

- North Slope oil development activity has declined,
- Total Alaska drilling activity has decreased 14% while Lower 48 oil drilling activity has increased,
- Exploration drilling activity is down nearly 64%, e.g. one major producer will not be drilling an exploration well for the first time in 45 years,
- Over \$2.5 billion in North Slope oil and gas projects have been deferred, and
- Outer continental shelf ("OCS") permitting delays are limiting offshore oil development in Alaska; and

WHEREAS, Alaskans are in a position to positively affect our state's economic future and to reverse the current momentum of decline by creating a more competitive environment for continued investment and reinvestment by the resource extraction industries that sustain the economy and state revenues of Alaska;

*Except government, health, manufacturing (fish processing), and categories that were excluded because their growth is not closely related to the underlying strength or health of the Alaska economy.

+Alyeska Pipeline Service Company to the Alaska Department of Revenue.

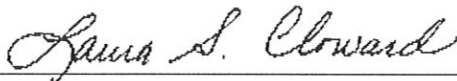
NOW THEREFORE, BE IT RESOLVED

1. The Seward Chamber of Commerce urges the Alaska State Legislature to act in the 2010 regular legislative session to halt the loss of jobs for Alaskans and to reduce Alaska's unemployment rate by establishing policy and/or amending law to further incentivize investment and increase the competitiveness of Alaska relative to other oil and minerals producing areas, so that creation of jobs for Alaskans and opportunities for Alaska businesses may sustain our state's economy for generations of Alaskans to come.
2. That copies of this resolution be sent to Governor Sean Parnell, the Alaska Legislature, Seward Chamber members, and statewide media.

PASSED AND APPROVED BY THE SEWARD CHAMBER OF COMMERCE, CVB BOARD OF DIRECTORS THIS 2nd Day of April, 2010.



President

ATTEST: 

Governor Sean Parnell
State of Alaska
Governor's Office
550 West 7th Avenue, Suite 1700
Anchorage, AK 99501



317 West 4th Avenue, Suite 317
Anchorage, AK 99507
Tel. 907-279-5650
Fax 907-279-5651

April 2, 2010

Re: Support for SB 311 "PASSENGER TAX; TOURISM TAX CREDIT"

Dear Governor Parnell,

We are writing to you today on behalf of the 700+ business and property owners in downtown Anchorage whom we represent.

The downtown Anchorage community relies upon annual visitations from travelers across the globe. Whether it's a gift shop, an art gallery or a restaurant, everyone relies upon the economic impact of our summer visitors and the visitor industry.

The recession and the decrease in visitors to Alaska has been – and will continue to be – a one-two punch to our downtown community. We are witnessing first hand the negative impact of declining numbers of both visitors and visitor spending. That is why we are supporting your efforts to reduce the head tax for cruise ship passengers in Alaska for the cruise industry and increase marketing dollars for the state.

Tourism is a huge economic engine for our community and for the state at large. Your support for the tourism industry, and, in turn, those of us who rely upon the tourism industry for our businesses, is truly appreciated

With regards,

A handwritten signature in blue ink, appearing to read "Garret Wong".

Garret Wong

PRESIDENT, BOARD OF DIRECTORS
ANCHORAGE DOWNTOWN PARTNERSHIP, LTD.

A handwritten signature in blue ink, appearing to read "Christopher M. Schutte".

Christopher M. Schutte

EXECUTIVE DIRECTOR
ANCHORAGE DOWNTOWN PARTNERSHIP, LTD.

From: Ravnit LaChapelle [mailto:aklachapelle@yahoo.com]
Sent: Tuesday, April 06, 2010 10:27 AM
To: Governor Sean Parnell (GOV sponsored)
Subject: Other

Title: Mrs.

FIRSTNAME & LASTNAME: Ravnit LaChapelle

MAILING ADDRESS: 7201 Tree Top Cir

CITY: Anchorage

STATE: Ak

ZIP: 99507

TELEPHONE: 907-522-1455

EMAIL: aklachapelle@yahoo.com

Topic: Other

YOUR COMMENTS: Governor Parnell, I wanted to send out a kudos to you for looking at cruise taxes instead of easing ship effluent regulations. The industry doesn't seem to understand that a pollution-free Alaska is what visitors from all over the world come to see and it is in their best interest as well as ours.

IP: 24.237.34.214