

CS FOR HOUSE BILL NO. 220(L&C)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Offered: 3/8/95

Referred: Finance

Sponsor(s): REPRESENTATIVES KOTT, Therriault, Vezey, Toohey, Brice, Williams

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the duties of the commissioner of commerce and economic
2 development concerning the Alaska Tourism Marketing Council; relating to the per
3 diem travel expenses of the council's board of directors; relating to the powers
4 and duties of the council; extending the termination date of the council; and
5 providing for an effective date."

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

7 * **Section 1.** AS 44.33.705(b) is amended to read:

8 (b) If the commissioner determines that **there is a qualified trade association**
9 **in the state that has an interest in promoting** [IT IS IN THE BEST INTERESTS
10 OF THE STATE TO PROMOTE] the state as a destination through the cooperative
11 marketing program, the commissioner **may** [SHALL] contract with a single qualified
12 trade association to jointly manage the council if the trade association agrees that,
13 before the end of each fiscal year that the contract covers, the association will

1 contribute at least 25 percent of the total operating expenses of the council for that
2 fiscal year. The term of a contract under this section may not exceed **four** [TWO]
3 years.

4 * **Sec. 2.** AS 44.33.705(c) is amended to read:

5 (c) If the commissioner contracts with a qualified trade association under (b)
6 of this section, the governing body of the council is a board of directors consisting of
7 21 members and subject to the following provisions:

8 (1) a board member shall

9 (A) be involved in a visitor or recreation industry business;

10 (B) have training in a field such as marketing;

11 (C) be an officer or a senior staff member of a local
12 government or nonprofit enterprise established to promote the visitor industry;
13 or

14 (D) have business or government experience that would
15 materially enhance the member's ability to contribute to the planning,
16 execution, or evaluation of a visitor industry promotional marketing campaign;

17 (2) the contract shall provide that the trade association may select up
18 to 10 board members; the governor may remove a member of the board selected under
19 this paragraph on the delivery by the governor to the board of a written statement
20 explaining the reasons for the removal;

21 (3) the director **of tourism** is a member of the board; the governor shall
22 appoint 10 other board members; each board member appointed by the governor serves
23 at the pleasure of the governor; in making appointments to the board under this
24 paragraph, the governor shall ensure that the board, including members selected under
25 (2) of this subsection, is broadly representative of the different regions of the state and
26 the various sectors of the visitor industry;

27 (4) eleven members of the board constitute a quorum for the transaction
28 of business and the exercise of the powers and duties of the board, and any action by
29 the board requires 11 affirmative votes;

30 (5) the governor shall appoint a member of the board to serve as
31 presiding officer of the board; the board shall elect other necessary officers from

1 among its members annually;

2 (6) a board member may not participate or vote by proxy;

3 (7) the board shall meet at least four times a year at the call of the
4 presiding officer or upon the written request of seven members of the board;

5 (8) the members of the board appointed by the governor serve
6 staggered three-year terms, subject to continuation of the contract, and may be
7 reappointed;

8 (9) a person appointed to fill a vacancy on the board holds office for
9 the balance of the term of the person's predecessor;

10 (10) board members receive no salary for serving in that position, but
11 are entitled to per diem and travel expenses under AS 39.20.180 [, EXCEPT THAT
12 THEY ARE ENTITLED TO PER DIEM AND TRAVEL EXPENSES FOR TRAVEL
13 ONLY FOR THE PERCENTAGE OF TOTAL TRAVEL THAT OCCURS WITHIN
14 THE STATE]; the contract must provide that the trade association will reimburse the
15 council for per diem and travel expenses paid to those board members appointed by
16 the trade association; reimbursement under this paragraph does not qualify as a part
17 of the association's required contribution under (b) of this section;

18 (11) notwithstanding AS 39.52, a board member who is a member of
19 the qualified trade association that has contracted with the department under (b) of this
20 section may vote or take action on a matter that might benefit the trade association or
21 members of the trade association, including the issuance of contracts or the granting
22 of rights to the trade association, but shall disclose the person's membership in the
23 trade association before the vote or action; this paragraph may not be interpreted to
24 allow a board member or an immediate family member of a board member to receive,
25 apply for, be a party to, have a personal or financial interest in, or attempt to acquire
26 a grant or contract made by the council; in this paragraph, "immediate family member"
27 has the meaning given in AS 39.52.960.

28 * **Sec. 3.** AS 44.33.705(d) is amended to read:

29 (d) A contract or grant entered into by the council is not effective until signed
30 by the commissioner [DIRECTOR].

31 * **Sec. 4.** AS 44.33.720(a) is amended to read:

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(a) The council shall

(1) conduct a tourism marketing program designed to accomplish the purposes of AS 44.33.700 - 44.33.735; the marketing program must include promotion of the state as a destination and promotion of all forms of travel to the state, including travel by air, highway, and water;

(2) prepare and implement plans for the promotion of Alaska tourism, including necessary research;

(3) submit an annual report to the governor and the legislature describing the activities of the council;

(4) make available to all interested persons, including tourism businesses, a quarterly report of the council's actions and activities;

(5) annually submit a proposed operating budget to the **commissioner** [DIRECTOR], to be used by the Department of Commerce and Economic Development to prepare and submit the operating budget of the council under AS 44.33.725;

(6) provide advice, on the request of the director of tourism, on the programs of the division;

(7) submit a report to the legislature, by the 10th day of each regular session, describing how the contractual money was spent in the first half of the year and explaining the plan for expenditures during the second half of the year;

(8) consider methods to fund tourism marketing using both public and private assets; and

(9) consider methods of providing for the financial self-sufficiency of the council.

* **Sec. 5.** AS 44.66.010(a)(15) is amended to read:

(15) Alaska Tourism Marketing Council (AS 44.33.700) - December 30, 1999 [1996];

* **Sec. 6.** AS 44.33.735(4) is repealed.

* **Sec. 7.** This Act takes effect July 1, 1995.