

HOUSE CS FOR CS FOR SENATE BILL NO. 350(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 5/8/98

Referred: Rules

Sponsor(s): SENATE FINANCE COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to tourism and tourism marketing; eliminating the Alaska
2 Tourism Marketing Council; and providing for an effective date."

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

4 * **Section 1.** AS 36.30.850(b) is amended by adding a new paragraph to read:

5 (38) a tourism marketing contract awarded under AS 44.33.125(a) or
6 a tourism related contract awarded under AS 44.33.125(b) to a qualified trade
7 association with a right of first refusal.

8 * **Sec. 2.** AS 39.50.200(a)(8) is amended to read:

9 (8) "public official" means a judicial officer, the governor, the
10 lieutenant governor, a person hired or appointed as the head or deputy head of, or
11 director of a division, a department in the executive branch, an assistant to the
12 governor, chair or member of a state commission or board, state investment officers
13 and the state comptroller in the Department of Revenue, [THE EXECUTIVE
14 DIRECTOR OF THE ALASKA TOURISM MARKETING COUNCIL,] and each

1 appointed or elected municipal officer;

2 * **Sec. 3.** AS 44.33.119 is amended to read:

3 **Sec. 44.33.119. Purposes.** The purposes of AS 44.33.119 - 44.33.125
4 [AS 44.33.119 - 44.33.135 AND AS 44.33.700 - 44.33.735] are to

5 (1) encourage the expansion and growth of the state's visitor industry
6 for the benefit of the citizens of the state;

7 (2) ensure that the economic benefits to be derived from tourism in the
8 state are retained in the state, to the greatest extent possible;

9 (3) ensure that a maximum number of residents of the state are
10 employed in the tourism industry;

11 (4) promote cooperation between the state and private sector in the
12 planning and execution of a [GENERIC] visitor marketing campaign in the public
13 interest;

14 (5) promote the development of visitor industry facilities, both in the
15 public sector and the private sector, through the use of state resources, as appropriate;

16 (6) ensure that the visitors' experience in the state is and continues to
17 be satisfactory and leads to word-of-mouth advertising and return visits to the state;

18 (7) ensure that consideration is given in the development and
19 implementation of the tourism program to local community goals and objectives, to
20 impacts on existing private enterprises, and to impacts on recreational and subsistence
21 opportunities for the residents of the state;

22 (8) promote the development of tourism opportunities along the
23 highway system of the state, including the marine highway, and in rural areas of the
24 state.

25 * **Sec. 4.** AS 44.33.120(b) is repealed and reenacted to read:

26 (b) The Alaska division of tourism shall

27 (1) cooperate with organizations in the private sector for the promotion
28 and development of tourism into and within the state;

29 (2) coordinate with municipal, state, and federal agencies for the
30 development of tourism resources in the state;

31 (3) promote and develop the state's tourist industry;

1 (4) plan and advocate for tourism and tourism development in
2 coordination with the private sector, municipalities, state, and federal agencies;

3 (5) administer and evaluate the tourism marketing contract program
4 under AS 44.33.125;

5 (6) administer visitor information centers; and

6 (7) conduct research about the state's visitor industry.

7 * **Sec. 5.** AS 44.33 is amended by adding a new section to read:

8 **Sec. 44.33.125. Tourism marketing contracts and other tourism related**
9 **contracts.** (a) Subject to appropriations for the purpose, the Alaska division of
10 tourism shall, on or before August 1 of each year, contract with a single qualified trade
11 association for the purpose of planning and executing a destination tourism marketing
12 campaign. The contract may be awarded only if the qualified trade association
13 provides matching funds equal to at least 30 percent of the costs of the marketing
14 campaign described in the contract. The marketing campaign may include media
15 advertising, establishing and operating a system for responding to visitor inquiries,
16 publishing and distributing information regarding vacation planning, establishing and
17 maintaining Internet sites that provide tourist information, and other activities related
18 to tourism that the division may designate in the contract. The marketing campaign
19 may promote distinct segments of tourism, such as highway tourism, seasonal tourism,
20 ecotourism, cultural tourism, regional tourism, and rural tourism.

21 (b) A qualified trade association that has been awarded a tourism marketing
22 contract under (a) of this section has, while the contract is in effect, the right of first
23 refusal for every other tourism related contract offered by the Alaska division of
24 tourism if the trade association provides matching funds equal to at least 30 percent
25 of the amount of the other tourism related contract.

26 (c) The marketing campaign conducted under a tourism marketing contract
27 awarded under (a) of this section must be directed by a group within the qualified
28 trade association that is broadly representative of the various sectors of the visitor
29 industry in the state and whose members are

30 (1) involved in a visitor industry business and have training in tourism
31 marketing; or

1 (2) officers or senior staff members of a state agency, a local
2 government, or a nonprofit enterprise established to promote the visitor industry.

3 (d) Materials produced and marketing information and tourism related data
4 generated by the qualified trade association under a contract awarded under (a) or (b)
5 of this section are the joint property of the qualified trade association and the Alaska
6 division of tourism. However, the qualified trade association may only use or permit
7 the use of the materials, information, or data to promote Alaska tourism. The qualified
8 trade association retains all revenue generated by the association under the contract.
9 If a qualified trade association provides the right to use a mailing list generated under
10 the contract, the list must be made available to every person at the same price except
11 that a person who is not a participant in the qualified trade association's marketing
12 program may be charged an additional amount based on the amount of the qualified
13 trade association's participation fee attributable to a participant's right of access to
14 mailing lists. The qualified trade association may restrict the right of a person to sell,
15 lease, or give the mailing list to other persons.

16 (e) A qualified trade association shall provide, on request, to the Alaska
17 division of tourism materials produced and marketing information and tourism related
18 data generated by the qualified trade association under a contract awarded under (a)
19 or (b) of this section, but the materials, information, and data provided to the division
20 are not public records under AS 09.25.100 - 09.25.220.

21 (f) A qualified trade association may not use money from a contract awarded
22 under (a) or (b) of this section

23 (1) to lobby a municipality or an agency of a municipality or to lobby
24 the state or an agency of the state as defined in AS 44.99.030(b);

25 (2) to raise funds that will be used to lobby a municipality or an agency
26 of a municipality or to lobby the state or an agency of the state as defined in
27 AS 44.99.030(b); or

28 (3) for administrative or overhead costs associated with any effort to
29 lobby a municipality or an agency of a municipality or to lobby the state or an agency
30 of the state as defined in AS 44.99.030(b).

31 (g) In this section, "qualified trade association" means a private, nonprofit

1 organization whose primary purposes include the promotion of tourism within the state
 2 and encouraging tourists to visit the state and that has a statewide membership
 3 consisting of representatives of all major sectors of the visitor industry, including
 4 hotels, airlines, cruise lines, wholesale and retail travel agencies, visitor attractions, and
 5 convention and visitors bureaus.

6 * **Sec. 6.** AS 44.33.125(a) is amended to read:

7 (a) Subject to appropriations for the purpose, the Alaska division of tourism
 8 shall, on or before August 1 of each year, contract with a single qualified trade
 9 association for the purpose of planning and executing a destination tourism marketing
 10 campaign. The contract may be awarded only if the qualified trade association
 11 provides matching funds equal to at least 60 [30] percent of the costs of the marketing
 12 campaign described in the contract. The marketing campaign may include media
 13 advertising, establishing and operating a system for responding to visitor inquiries,
 14 publishing and distributing information regarding vacation planning, establishing and
 15 maintaining Internet sites that provide tourist information, and other activities related
 16 to tourism that the division may designate in the contract. The marketing campaign
 17 may promote distinct segments of tourism, such as highway tourism, seasonal tourism,
 18 ecotourism, cultural tourism, regional tourism, and rural tourism.

19 * **Sec. 7.** AS 44.33.125(b) is amended to read:

20 (b) A qualified trade association that has been awarded a tourism marketing
 21 contract under (a) of this section has, while the contract is in effect, the right of first
 22 refusal for every other tourism related contract offered by the Alaska division of
 23 tourism if the trade association provides matching funds equal to at least 60 [30]
 24 percent of the amount of the other tourism related contract.

25 * **Sec. 8.** AS 39.25.110(27); AS 39.50.200(b)(49); AS 44.33.135, 44.33.700, 44.33.705,
 26 44.33.710, 44.33.715, 44.33.720, 44.33.723, 44.33.725, 44.33.727, 44.33.730, 44.33.733,
 27 44.33.735; AS 44.66.010(a)(15); and AS 44.99.030(a)(14) are repealed.

28 * **Sec. 9.** Sections 1 - 5 and 8 of this Act take effect July 1, 1999.

29 * **Sec. 10.** Sections 6 and 7 of this Act take effect July 1, 2001.