

**SENATE BILL NO. 107**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY THE SENATE LABOR AND COMMERCE COMMITTEE

Introduced: 3/16/99

Referred: Labor and Commerce, Finance

**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.** FINDINGS AND INTENT. (a) The legislature finds that it is important for  
5 the state to continue to work cooperatively with the private sector visitor industry to promote  
6 Alaska as a tourist destination for the benefit of the citizens of the state. The legislature  
7 further finds that it would be more efficient and effective to have the private sector, under a  
8 contract with the state, undertake the planning and execution of the state's tourism destination  
9 marketing program currently performed by the Alaska Tourism Marketing Council and the  
10 Alaska division of tourism.

11 (b) It is the intent of the legislature that all tourism marketing functions be  
12 consolidated and performed under a contract with a single qualified trade association and that  
13 the association provide a significant financial contribution to this cooperative tourism  
14 marketing program, with the Alaska division of tourism performing primarily planning,

1 governmental coordination, and advocacy for tourism development.

2 \* **Sec. 2.** AS 23.20.526(d)(8) is amended to read:

3 (8) in the employ of the state or a political subdivision of the state if  
4 the service is performed by an individual in the exercise of duties

5 (A) as a judicial officer, the governor, the lieutenant governor,  
6 a person hired or appointed as the head or deputy head of a department in the  
7 executive branch, a person hired or appointed as the director of a division of  
8 a department in the executive branch, an assistant to the governor, a chair or  
9 member of a state commission or board, state investment officers and the state  
10 comptroller in the Department of Revenue, [THE EXECUTIVE DIRECTOR  
11 OF THE ALASKA TOURISM MARKETING COUNCIL,] an appointed or  
12 elected municipal officer, any other elected official, the fiscal analyst of the  
13 legislative finance division, the legislative auditor of the legislative audit  
14 division, the executive director of the Legislative Affairs Agency, and the  
15 directors of the divisions within the Legislative Affairs Agency;

16 (B) as a member of the Alaska Army National Guard or Alaska  
17 Air National Guard or Alaska Naval Militia;

18 (C) as an employee serving on only a temporary basis in case  
19 of fire, storm, snow, earthquake, flood, or similar emergency; or

20 (D) as an election official or election worker if the amount of  
21 remuneration received by the individual during the calendar year for services  
22 as an election official or election worker is less than \$1,000;

23 \* **Sec. 3.** AS 36.30.850(b) is amended by adding a new paragraph to read:

24 (41) a tourism marketing contract awarded under AS 44.33.125(a), a  
25 tourism related contract awarded under AS 44.33.125(b) to a qualified trade association  
26 with a right of first refusal, or a subcontract awarded by the qualified trade association.

27 \* **Sec. 4.** AS 44.33.119 is repealed and reenacted to read:

28 **Sec. 44.33.119. Purpose.** The purpose of AS 44.33.119 - 44.33.125 is to  
29 encourage the expansion and growth of the state's visitor industry for the benefit of the  
30 citizens of the state.

31 \* **Sec. 5.** AS 44.33.120(b) is repealed and reenacted to read:

- 1 (b) The Alaska division of tourism shall
- 2 (1) cooperate with organizations in the private sector for the promotion
- 3 and development of tourism into and within the state;
- 4 (2) coordinate with municipal, state, and federal agencies for the
- 5 development of tourism resources in the state;
- 6 (3) cooperate with the private sector in the planning and execution of
- 7 a destination tourism marketing campaign under AS 44.33.125 that is in the public
- 8 interest;
- 9 (4) promote the development of visitor industry facilities, both in the
- 10 public sector and the private sector, through the use of state resources as appropriate;
- 11 (5) plan and advocate for tourism and tourism development in
- 12 coordination with the private sector, municipalities, state, and federal agencies;
- 13 (6) administer and evaluate the tourism marketing contract program
- 14 under AS 44.33.125; and
- 15 (7) administer visitor information centers.

16 \* **Sec. 6.** AS 44.33.120 is amended by adding a new subsection to read:

17 (d) During the term of a contract with a qualified trade association under

18 AS 44.33.125(a), the Alaska division of tourism may not execute a tourism marketing

19 campaign or program for the promotion of travel to and within the state.

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

21 **Sec. 44.33.125. Tourism marketing contracts and other tourism related**

22 **contracts.** (a) Subject to appropriations for the purpose, the Alaska division of

23 tourism shall, on or before August 1 of each year, enter into a contract with a single

24 qualified trade association for the purpose of planning and executing the state's

25 destination tourism marketing campaign. The contract may be awarded only if the

26 qualified trade association provides matching funds equal to at least 30 percent of the

27 costs of the marketing campaign described in the contract. The marketing campaign

28 must include as core activities media advertising, establishing and operating a system

29 for responding to visitor inquiries, publishing and distributing information regarding

30 vacation planning, and establishing and maintaining Internet sites that provide tourism

31 information. The marketing campaign may include other activities related to tourism

1 that the division and the qualified trade association agree to. The marketing campaign  
2 may promote distinct segments of tourism, such as highway tourism, seasonal tourism,  
3 ecotourism, cultural tourism, regional tourism, and rural tourism.

4 (b) A qualified trade association that has been awarded a tourism marketing  
5 contract under (a) of this section has, while the contract is in effect, the right of first  
6 refusal for every other tourism related contract offered by the Alaska division of  
7 tourism. The qualified trade association is required to provide matching funds for a  
8 contract awarded under this subsection only if matching funds are required by the  
9 contract offer. If the qualified trade association refuses a contract offer, the state may  
10 not award the contract to another person under substantially different terms.

11 (c) If, during the term of a contract awarded under (a) of this section, funds  
12 from any source become available to the Alaska division of tourism for tourism  
13 marketing activities in addition to the funds already committed under the contract, the  
14 additional funds must be added to the contract, and the tourism marketing activities  
15 must be performed under the contract. The division may not, however, require the  
16 qualified trade association to provide matching funds in any amount for the additional  
17 tourism marketing activities.

18 (d) The marketing campaign conducted under a tourism marketing contract  
19 awarded under (a) of this section must be directed by a group within the qualified  
20 trade association that is broadly representative of the various sectors of the visitor  
21 industry in the state and whose members are

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

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

26 (e) Materials produced and marketing information and tourism related data  
27 generated by the qualified trade association under a contract awarded under (a) or (b)  
28 of this section are the joint property of the qualified trade association and the Alaska  
29 division of tourism. However, the qualified trade association may sell or lease the  
30 materials, information, and data. The qualified trade association retains all revenue  
31 generated by the association under the contract. If a qualified trade association

1 provides the right to use a mailing list generated under the contract, the list must be  
 2 made available to every person at the same price, except that a person who is not a  
 3 participant in the qualified trade association's marketing program may be charged an  
 4 additional amount based on the amount of the qualified trade association's participation  
 5 fee attributable to a participant's right of access to mailing lists. The qualified trade  
 6 association may restrict the right of a person to use materials, information, or data  
 7 generated under a contract awarded under (a) or (b) of this section and may limit the  
 8 use or sale to other persons of the materials, information, or data.

9 (f) A qualified trade association shall provide, on request, to the Alaska  
 10 division of tourism materials produced and marketing information and tourism related  
 11 data generated by the qualified trade association under a contract awarded under (a)  
 12 or (b) of this section. The materials, information, and data provided to the division  
 13 under this subsection are not public records under AS 09.25.100 - 09.25.220.

14 (g) A qualified trade association may not use money from a contract awarded  
 15 under (a) or (b) of this section

16 (1) to lobby a municipality or an agency of a municipality or to lobby  
 17 the state or an agency of the state, as those terms are defined in AS 44.99.030(b);

18 (2) to raise funds that will be used to lobby a municipality or an agency  
 19 of a municipality or to lobby the state or an agency of the state, as those terms are  
 20 defined in AS 44.99.030(b); or

21 (3) for administrative or overhead costs that directly support any effort  
 22 to lobby a municipality or an agency of a municipality or to lobby the state or an  
 23 agency of the state, as those terms are defined in AS 44.99.030(b).

24 (h) In this section, "qualified trade association" means a private, nonprofit  
 25 organization whose primary purposes include the promotion of tourism within the state  
 26 and encouraging tourists to visit the state and that has a statewide membership  
 27 consisting of representatives of all major sectors of the visitor industry, including  
 28 hotels, airlines, cruise lines, wholesale and retail travel agencies, visitor attractions, and  
 29 convention and visitors bureaus.

30 \* **Sec. 8.** AS 44.33.125(a) is amended to read:

31 (a) Subject to appropriations for the purpose, the Alaska division of tourism

1 shall, on or before August 1 of each year, enter into a contract with a single qualified  
2 trade association for the purpose of planning and executing the state's destination  
3 tourism marketing campaign. The contract may be awarded only if the qualified trade  
4 association provides matching funds equal to at least 60 [30] percent of the costs of  
5 the marketing campaign described in the contract. The marketing campaign must  
6 include as core activities media advertising, establishing and operating a system for  
7 responding to visitor inquiries, publishing and distributing information regarding  
8 vacation planning, and establishing and maintaining Internet sites that provide tourism  
9 information. The marketing campaign may include other activities related to tourism  
10 that the division and the qualified trade association agree to. The marketing campaign  
11 may promote distinct segments of tourism, such as highway tourism, seasonal tourism,  
12 ecotourism, cultural tourism, regional tourism, and rural tourism.

13 \* **Sec. 9.** AS 39.25.110(27); AS 39.50.200(a)(8)(G), 39.50.200(b)(49); AS 44.33.135,  
14 44.33.700, 44.33.705, 44.33.710, 44.33.715, 44.33.720, 44.33.723, 44.33.725, 44.33.727,  
15 44.33.730, 44.33.733, 44.33.735; AS 44.66.010(a)(15); and AS 44.99.030(a)(14) are repealed.

16 \* **Sec. 10.** Sections 1 - 7 and 9 of this Act take effect July 1, 2000.

17 \* **Sec. 11.** Section 8 of this Act takes effect July 1, 2002.