

HOUSE BILL NO. 347

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FIFTH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVES THOMAS, Doll

Introduced: 1/31/08
Referred: Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the regional cruise ship impact fund; and establishing the Regional**
2 **Cruise Ship Impact Fund Advisory Committee and prescribing its duties."**

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

4 *** Section 1.** AS 43.52.230(a) is amended to read:

5 (a) The proceeds from the tax on travel on commercial passenger vessels
6 providing overnight accommodations in the state's marine water shall be deposited in a
7 special "commercial vessel passenger tax account" in the general fund. The legislature
8 may appropriate money from this account for the purposes described in (b) and (c) of
9 this section, for state-owned port and harbor facilities, other services to properly
10 provide for vessel or watercraft visits, to enhance the safety and efficiency of interstate
11 and foreign commerce, and such other lawful purposes as determined by the
12 legislature. **The Department of Revenue shall calculate the funds collected under**
13 **this section at the end of each calendar year.**

14 *** Sec. 2.** AS 43.52.230(c) is amended to read:

1 (c) A "regional cruise ship impact fund" consisting of 25 percent of the
2 proceeds from the tax on travel aboard commercial passenger vessels providing
3 overnight accommodations in the state's marine water shall be established as a sub-
4 account of the funds established in (a) of this section and deposited in the general
5 fund. Subject to appropriation by the legislature, **in consultation with the Regional**
6 **Cruise Ship Impact Fund Advisory Committee**, and regulations adopted by the
7 Department of Revenue, the commissioner shall distribute funds to municipalities or
8 other governmental entities within the Prince William Sound Region, Southeast
9 Alaska, or any other distinctive region impacted by cruise ship related tourism
10 activities but not entitled to receive funds based on port of call visitation as allowed by
11 (b) of this section, provided that any funds used from this account shall be used to
12 provide services and infrastructure directly related to passenger vessel or watercraft
13 visits or to enhance the safety and efficiency of interstate and foreign commerce
14 related to vessel or watercraft activities.

15 * **Sec. 3.** AS 43.52.230 is amended by adding new subsections to read:

16 (d) A municipality receiving funds under (b) of this section is also eligible for
17 funds described in (c) of this section if the number of cruise ship passengers from
18 vessels taxed under AS 43.52.200 - 43.52.295 involved in cruise ship related tourism
19 activities in the municipality but not directly disembarking at the municipality's port of
20 call exceeds the number of passengers directly disembarking at the municipality's port
21 of call.

22 (e) There is established a Regional Cruise Ship Impact Fund Advisory
23 Committee, whose members are appointed by the governor and staffed by the
24 Department of Commerce, Community, and Economic Development. The committee
25 shall review the needs of each community described in (c) of this section and submit
26 recommendations to the legislature regarding appropriation of the money in the fund
27 not later than the first day of each regular session of each legislature. The committee
28 shall consist of the following members appointed by the governor:

- 29 (1) two nonvoting members of the cruise ship industry;
30 (2) three mayors, or the mayors' designees, from communities that
31 serve as ports of call for cruise ships;

1 (3) two mayors, or the mayors' designees, from communities that are
2 impacted by cruise ship related tourism activities but do not serve as ports of call; and

3 (4) two at-large members of the public from entities representing
4 regions impacted by cruise ship related tourism activities.