

HOUSE BILL NO. 160

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE SPECIAL COMMITTEE ON ECONOMIC DEVELOPMENT, TRADE, AND TOURISM

Introduced: 2/16/11

Referred: House Special Committee on Economic Development, Trade, and Tourism, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act establishing and relating to the Alaska visitor industry investment fund;
2 relating to matching funds for state tourism marketing contracts with qualified trade
3 associations; and providing for an effective date."

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

5 * **Section 1.** AS 37.05 is amended by adding a new section to article 6 to read:

6 **Sec. 37.05.610. Alaska visitor industry investment fund.** (a) The Alaska
7 visitor industry investment fund is established as a separate fund in the general fund.
8 The fund consists of the amount deposited into the fund by the Department of
9 Revenue under (b) of this section.

10 (b) Each fiscal year, the Department of Revenue shall deposit into the fund 70
11 percent of the money estimated to be generated during the fiscal year from

12 (1) the passenger vehicle rental tax levied under AS 43.52.010; and

13 (2) the portion of the corporate income tax collected under AS 43.20
14 attributable to the activities of the visitor industry.

1 (c) To market the state as a destination, the annual estimated balance in the
2 fund may be used by the legislature to make appropriations to the Department of
3 Commerce, Community, and Economic Development for the tourism marketing
4 contract awarded under AS 44.33.125.

5 (d) Nothing in this section creates a dedicated fund.

6 * **Sec. 2.** AS 44.33.125(a), as amended by sec. 2, ch. 103, SLA 2008, is amended to read:

7 (a) Subject to appropriations for the purpose, the Department of Commerce,
8 Community, and Economic Development shall, on or before April 1 of each fiscal
9 year, contract with a single qualified trade association for the purpose of planning and
10 executing a destination tourism marketing campaign during the next fiscal year. The
11 contract may be awarded only if the qualified trade association provides matching
12 funds equal to \$2,700,000 [AT LEAST 50 PERCENT OF THE COSTS OF THE
13 MARKETING CAMPAIGN DESCRIBED IN THE CONTRACT]. The marketing
14 campaign may promote distinct segments of tourism, such as highway tourism,
15 seasonal tourism, ecotourism, cultural tourism, regional tourism, and rural tourism.
16 Before the contract is executed, the marketing campaign plan must be approved by the
17 department.

18 * **Sec. 3.** Section 2 of this Act takes effect July 1, 2011.