

HOUSE CONCURRENT RESOLUTION NO. 54
IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE SPECIAL COMMITTEE ON INTERNATIONAL TRADE AND TOURISM

Introduced: 3/20/92

Referred: House Special Committee on International Trade and Tourism, Labor & Commerce, Finance

A RESOLUTION

1 Establishing the Tourism Revenue Task Force.

2 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

3 WHEREAS tourism is the state's number one private sector employer, providing more than
4 18,000 year-round jobs and generating an estimated \$1,081,000,000 in tourist spending on both in-state
5 goods and services and transportation to and from the state; and

6 WHEREAS each year in order to create opportunities for businesses in the state, the state invests
7 millions of dollars to promote travel to the state; and

8 WHEREAS Alaska receives substantial benefits from nonresidents attracted to the state by
9 tourism marketing programs; and

10 WHEREAS, in addition to their own private sector advertising of over \$50,000,000 and in-kind
11 donations amounting to over \$350,000 to a cooperative marketing program, tourism industry businesses
12 contribute a statutory match of 15 percent toward the state's tourism promotion efforts, and in fiscal year
13 1991 this contribution totalled approximately \$911,000; and

14 WHEREAS state revenue is declining and competition for tourism promotion dollars is becoming
15 more intense, making the state's contribution to tourism promotion more difficult each year; and

16 WHEREAS several states employ a host of taxes and fees that generate revenue for tourism
17 promotion and that lessen the need to finance the efforts from state treasuries; and

1 **WHEREAS** HB 329, a bill proposing a tax on foreign corporations operating water and air
2 transportation carriers in the state, has been introduced in the legislature by Governor Hickel; and

3 **WHEREAS** the Alaska Visitors Association has established a tax committee called "Destination:
4 Alaska" that is studying various types of tourism taxes and fees;

5 **BE IT RESOLVED** by the Alaska State Legislature that the Tourism Revenue Task Force is
6 established to review the options for taxing and imposing fees on visitors to the state, including existing
7 taxes, user fees, and license receipts that currently flow to the state and local entities, and also including
8 visitor-generated revenue from hotel taxes, tourism business sales taxes, food and beverage taxes,
9 campground recreation activity taxes, rental car taxes, commercial aircraft landing or departing fees,
10 cruise ship taxes and docking fees, visitor head taxes, gaming taxes or commissions, and seasonal sales
11 taxes; and be it

12 **FURTHER RESOLVED** that the task force shall develop recommendations for taxing and
13 imposing fees on the tourism industry and for allocating any program receipts from tourism taxes and
14 fees; and be it

15 **FURTHER RESOLVED** that the task force shall consist of nine members and two alternates
16 as follows:

17 (1) three members of the Senate appointed by the President of the Senate, one of whom
18 shall be the chair or a member of the Senate Special Committee on International Trade and Tourism,
19 and one of whom shall be designated as an alternate;

20 (2) three members of the House of Representatives appointed by the Speaker of the
21 House, one of whom shall be the chair or a member of the House Special Committee on International
22 Trade and Tourism, and one of whom shall be designated as an alternate;

23 (3) the commissioner of revenue or the commissioner's designee;

24 (4) the director of the division of tourism in the Department of Commerce and Economic
25 Development, or the director's designee;

26 (5) two persons representing the Alaska Visitors Association and appointed by the
27 Governor, one of whom shall be the president of the association, or the president's designee approved
28 by the Governor, and one of whom shall be a member of the association's steering committee or tax
29 committee, known as "Destination: Alaska"; and

30 (6) one person representing the Alaska Municipal League and appointed by the Governor;
31 and be it

32 **FURTHER RESOLVED** that, within the funds made available for the purpose, the task force

1 may hire staff, and the Alaska Legislative Council may contract, subject to the approval of the task force
2 and as prescribed by the procurement procedures adopted by the council for the procurements of the
3 legislature, for the services necessary to perform the duties of the task force; and be it

4 **FURTHER RESOLVED** that the task force shall submit a report of its preliminary
5 recommendations and supporting findings to the Governor and the legislature by November 16, 1992,
6 and shall submit a final report of its recommendations and supporting findings to the Governor and the
7 legislature by January 11, 1993; and be it

8 **FURTHER RESOLVED** that the task force may meet during and between sessions, and is
9 terminated at 11:59 p.m., January 11, 1993.

10 **COPIES** of this resolution shall be sent to the Honorable Darrel J. Rexwinkel, commissioner of
11 revenue; the Honorable Glenn A. Olds, commissioner of commerce and economic development; the
12 director of the division of tourism in the Department of Commerce and Economic Development; the
13 Alaska Visitors Association; and to the Alaska Municipal League.