

CS FOR HOUSE BILL NO. 342(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
EIGHTEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 4/20/94

Referred: Rules

Sponsor(s): REPRESENTATIVES KOTT, Hudson, Ulmer

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the Alaska Tourism Marketing Council; increasing to at least
2 38 percent the share of the council's expenses that must be paid through
3 contributions by an association that contracts to jointly manage the council; and
4 providing for an effective date."

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

6 * Section 1. AS 44.33.705(b) is amended to read:

7 (b) If the commissioner determines that it is in the best interests of the state
8 to promote the state as a destination through the cooperative marketing program, the
9 commissioner shall contract with a single qualified trade association to jointly manage
10 the council if the trade association agrees that, before the end of each fiscal year that
11 the contract covers, the association will contribute in cash at least 25 [15] percent of
12 the total operating expenses of the council for that fiscal year and the association will
13 furnish the council with evidence of additional contributions in the form of cash,
14 products, or services so that the total contribution of cash, products, and services

1 is at least 50 percent of the total operating expenses of the council for that fiscal
2 year. A product or service qualifies as a contribution under this subsection if it
3 is approved by the council and provided by the association in a mutual
4 undertaking with a state agency to advertise, market, or promote the state as a
5 visitor destination. For purposes of this subsection, the value of a contribution
6 other than cash is the lowest retail unit value of the product or service or the
7 value of the discount given to the state for that product or service, whichever is
8 less. The term of a contract under this section may not exceed two years.

9 * Sec. 2. AS 44.66.010(a)(15) is amended to read:

10 (15) Alaska Tourism Marketing Council (AS 44.33.700) -
11 December 30, 1998 [1994];

12 * Sec. 3. TRANSITIONAL PROVISION. Notwithstanding AS 44.33.705(b), as amended
13 by sec. 1 of this Act, if the commissioner of commerce and economic development contracts
14 with a single qualified trade association to jointly manage the Alaska Tourism Marketing
15 Council, the contract must provide that before the end of the following fiscal years, the
16 association will provide evidence of contributions of cash, products, or services, in addition
17 to its required cash contribution of 25 percent, so that the total contributions of cash, products,
18 and services are at least the following percentages of the total operating expenses of the
19 council for those fiscal years:

20 (1) fiscal year 1995, 38 percent;

21 (2) fiscal year 1996, 42 percent;

22 (3) fiscal year 1997, 45 percent.

23 * Sec. 4. APPLICABILITY. This Act applies to contracts under AS 44.33.705 that are
24 entered into or renewed on or after July 1, 1994.

25 * Sec. 5. This Act takes effect July 1, 1994.