

SB

194

<TARGET><BILL>SB 194</BILL><SUBJECT>SB
194</SUBJECT><COMM>SFIN28</COMM></TARGET>

SENATE FINANCE COMMITTEE REPORT First Committee of Referral

DATE: 2/21/14

FURTHER: RULES

Date of 5-Day Notice: 3/6/14
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 3/24/14

Finance Committee considered SENATE BILL NO. 194

SB 194 TOURISM MARKETING BOARD

"An Act creating the Alaska Tourism Marketing Board and relating to tourism marketing."

and recommends:

- be replaced with CS SB 194 (FIN) Same Title New Title
- adopt previous CS _____ SCS/CS- Forthcoming _____) Same Title New Title
- attached amendment(s)
- adopt _____ Letter of Intent
- further referral to _____ Committee

Dept Abbr.	
ADM	LWF
CED	LAW
COR	LEG
CRT	MVA
EED	DNR
DEC	DPS
DFG	REV
GOV	DOT
DHS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
<u>SFIN/CED</u>			<input checked="" type="checkbox"/>	<u>1</u>

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	Do PASS	DO NOT PASS	No REC	AMEND
<i>[Signature]</i>	<u>DUNN</u>	<input checked="" type="checkbox"/>			
<i>Cliff Bishop</i>	<u>Bishop</u>	<input checked="" type="checkbox"/>			
<i>Anna L. Fairclough</i>	<u>FAIRCLOUGH</u>	<input checked="" type="checkbox"/>			
<i>[Signature]</i>	<u>OLSON</u>			<input checked="" type="checkbox"/>	
CO-CHAIR					
<i>[Signature]</i>	<u>Meyer</u>	<input checked="" type="checkbox"/>			

Fiscal Note

State of Alaska
2014 Legislative Session

Bill Version: SB 194
Fiscal Note Number: _____
() Publish Date: _____

Identifier: SB194-DCCED-DED-3-12-14
Title: TOURISM MARKETING BOARD
Sponsor: MCGUIRE
Requester: Senate Finance

Department: Department of Commerce, Community and
Economic Development
Appropriation: Economic Development
Allocation: Economic Development
OMB Component Number: 2743

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2015 Appropriation Requested	Included in Governor's FY2015 Request	Out-Year Cost Estimates					
			FY 2015	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

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Estimated SUPPLEMENTAL (FY2014) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2015) cost: 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

This zero fiscal note replaces the department's fiscal note requesting \$39.0 UGF for board travel and meetings related to the establishment of a Tourism Marketing Board. Costs for board member travel and meetings will be paid using existing tourism marketing funds.

Prepared By: Co-Chair Senator Kelly Phone: (907)465-3753
Senate Finance Committee Date: 03/12/2014
Co-Chair Senator Meyer
Senate Finance Committee

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2014 LEGISLATIVE SESSION

BILL NO. SB 194

Analysis

The establishment of the Alaska Tourism Marketing Board formalizes and provides structure for cooperation between DCCED and the Alaska Travel Industry Association in the planning and implementation of a tourism marketing program. The Alaska Tourism Marketing Board will be comprised of 18 private sector members, the Commissioner of the Department of Commerce, Community and Economic Development, and one ex officio member from the House and Senate.

Costs for board member travel and meetings would be paid using existing tourism marketing funds. Total costs are estimated to be \$39.0 per year. This is based on travel for 18 public board members at \$1.0 per meeting, and meeting space cost of \$1.5 per meeting for two meetings per year. Latitude for additional meetings is provided in the bill.

CS FOR SENATE BILL NO. 194(FIN)

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

BY THE SENATE FINANCE COMMITTEE

**Offered:
Referred:**

Sponsor(s): SENATOR MCGUIRE

A BILL

FOR AN ACT ENTITLED

1 **"An Act creating the Alaska Tourism Marketing Board; and relating to tourism**
2 **marketing."**

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

4 *** Section 1.** AS 44.33.119 is amended to read:

5 **Sec. 44.33.119. Purposes.** The purposes of AS 44.33.119 - 44.33.136
6 [AS 44.33.119 - 44.33.135] are to

7 (1) encourage the expansion and growth of the state's visitor industry
8 for the benefit of the citizens of the state;

9 (2) ensure that the economic benefits to be derived from tourism in the
10 state are retained in the state, to the greatest extent possible;

11 (3) ensure that a maximum number of residents of the state are
12 employed in the tourism industry;

13 (4) ensure that consideration is given in the development and
14 implementation of the tourism program to local community goals and objectives, to

1 impacts on existing private enterprises, and to impacts on recreational and subsistence
2 opportunities for the residents of the state;

3 (5) promote the development of tourism opportunities throughout the
4 state, including along the highway system of the state, the marine highway, and in
5 rural areas of the state.

6 * **Sec. 2.** AS 44.33.120(b) is amended to read:

7 (b) The Department of Commerce, Community, and Economic Development
8 shall

9 (1) cooperate with organizations in the private sector for the promotion
10 and development of tourism into and within the state;

11 (2) coordinate with municipal, state, and federal agencies for the
12 development of tourism resources in the state;

13 (3) promote and develop the state's tourist industry;

14 (4) cooperate with the private sector and the Alaska Tourism
15 Marketing Board in the planning and execution of a destination tourism marketing
16 campaign [UNDER AS 44.33.125] that is in the public interest;

17 (5) promote the development of visitor industry facilities, both in the
18 public sector and the private sector, through the use of state resources as appropriate;

19 (6) plan and advocate for tourism and tourism development in
20 coordination with the private sector, municipalities, state, and federal agencies;

21 (7) [ADMINISTER AND EVALUATE THE TOURISM
22 MARKETING CONTRACT PROGRAM UNDER AS 44.33.125;

23 (8)] administer a visitor information center located in Tok; and

24 ~~(8)~~ [(9)] conduct research related to tourism.

25 * **Sec. 3.** AS 44.33 is amended by adding a new section to article 2 to read:

26 **Sec. 44.33.136. Alaska Tourism Marketing Board.** (a) The Alaska Tourism
27 Marketing Board is created in the Department of Commerce, Community, and
28 Economic Development.

29 (b) The board consists of 21 members as follows:

30 (1) 18 members appointed by the governor who are members of the
31 leading statewide nonprofit tourism association and who represent different segments

1 of the tourism industry, company sizes, and the following regions of the state:

- 2 (A) Southeast;
 3 (B) Southcentral;
 4 (C) Southwest;
 5 (D) Interior; and
 6 (E) Far North;

7 (2) the commissioner of commerce, community, and economic
 8 development or the commissioner's designee;

9 (3) one member of the senate appointed by the president of the senate,
 10 who shall serve ex officio as a nonvoting member of the board; and

11 (4) one member of the house of representatives appointed by the
 12 speaker of the house of representatives, who shall serve ex officio as a nonvoting
 13 member of the board.

14 (c) Before making the appointments under (b)(1) of this section, the governor
 15 shall identify the leading statewide nonprofit tourism marketing association.

16 (d) The governor shall appoint the members under (b)(1) of this section from a
 17 list of at least three nominees for each seat submitted by the leading statewide
 18 nonprofit tourism marketing association. The governor may reject a list for any seat
 19 submitted under this subsection and request that another list be submitted.

20 (e) The term of office of a member of the board appointed under (b)(1) of this
 21 section is three years.

22 (f) The board shall annually elect a chair and vice-chair from among its
 23 members. Nine members of the board including at least one member representing each
 24 region listed under (b)(1) of this section constitute a quorum. The board shall meet at
 25 least twice a year. The chair shall set the time and place of the meeting, either on the
 26 chair's own motion or on written request by three members of the board. The board is
 27 encouraged to meet electronically.

28 (g) The members of the board do not receive a salary for service on the board.
 29 The members of the board appointed under (b)(2) - (4) of this section are entitled to
 30 per diem and travel expenses authorized by law for other boards and commissions
 31 under AS 39.20.180.

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(h) The board shall

(1) cooperate with the department to plan and execute a destination tourism marketing campaign that is in the public interest; and

(2) make recommendations to the department regarding tourism marketing.

(i) In this section,

(1) "board" means the Alaska Tourism Marketing Board;

(2) "department" means the Department of Commerce, Community, and Economic Development.

* **Sec. 4.** AS 44.66.010(a) is amended by adding a new paragraph to read:

(10) Alaska Tourism Marketing Board (AS 44.33.136) - June 30, 2018.

* **Sec. 5.** AS 36.30.850(b)(38); AS 44.33.120(d), and 44.33.125 are repealed.

* **Sec. 6.** The uncodified law of the State of Alaska is amended by adding a new section to read:

TRANSITION: TERMS OF INITIAL APPOINTMENTS. Notwithstanding AS 44.33.136, added by sec. 3 of this Act, the initial terms of the members of the Alaska Tourism Marketing Board appointed under AS 44.33.136(b)(1), added by sec. 3 of this Act, are as follows:

(1) six members serve for three years;

(2) six members serve for two years; and

(3) six members serve for one year.

28-LS1497\P
Martin
3/21/14

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TWENTY-EIGHTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): SENATOR MCGUIRE

*Adopted
3/24/2014*

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Alaska State Legislature Senate Rules Committee

Session:
State Capitol 103
Juneau, AK 99801
Phone: (907) 465-2995
Fax: (907) 465-6592

Rules Committee:
Senator McGuire, Chair
Senator Coghill
Senator Huggins
Senator Meyer
Senator Ellis



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Committee on Committees
Rules Committee
Resources Committee
Judiciary Committee
Legislative Council
TAPS Throughput Decline
World Trade and Tourism

Senator Lesil McGuire, Chairman

Sponsor Statement ***Senate Bill 194***

SB 194 creates a structure for marketing by the State of Alaska and develops a funding intent formula that can be supported by the legislature, the administration, and the private sector, so that tourism marketing is professionally led and managed.

The Alaska tourism board would be created in statute and comprised of a minimum of twenty one members. Eighteen of those would be recommended by ATIA, one member of the board from the Department of Commerce, Community and Economic Development, one member would be appointed from the House, and one member appointed from the Senate.

Tourism continues to be a growing, renewable industry that is the second largest employer in the state. Over 1.9 million visitors came to Alaska from October 2012-September 2013 spending over 1.8 billion dollars. This bill is an important step in continuing the growth of one of our most important industries.