

ALASKA LEGISLATURE

1647

HOUSE and SENATE FINANCE COMMITTEE FILES, 1997-1998



Fairbanks North Star Borough

809 Pioneer Road

P.O. Box 71267

Fairbanks, Alaska 99707-1267

907/459-1000

March 18, 1997

The Honorable Vic Kohring
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear Representative Kohring,

It is my understanding that the House Finance Subcommittee for DEC is considering a recommendation to delete funding for the entire Solid Waste Division in the Department. I understand they wish to eliminate one program completely, rather than crippling a number of programs. If the Solid Waste Division is not funded in DEC's budget, the impact to the Fairbanks North Star Borough will be severe.

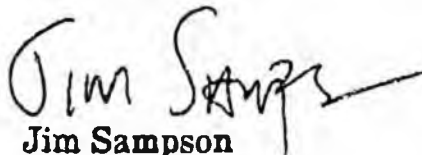
By deleting the State solid waste program, the Fairbanks North Star Borough will be forced to operate under US EPA regulations. Flexibility for landfill design and closure will be lost. The Fairbanks North Star Borough is currently in the process of constructing a new landfill adjacent to our existing landfill. This new landfill uses a less costly alternate liner design that DEC can accept. Using the EPA Subtitle D required liner will cost us an additional \$14,000,000 over the life of the new landfill.

We have also proposed an alternate cover for closure of our existing landfill. If we are required to follow EPA Subtitle D rules, the cover material will cost us an additional \$1,000,000. Additionally, we are required to monitor the groundwater for the existing site. EPA rules will cost the borough an additional \$4000 per testing event and will increase the number of required tests annually.

Although you may be reducing the general fund operating budget by \$800,000, you are in fact costing the Fairbanks North Star Borough residents \$15,000,000 over the life of our landfill project. I respectfully

request that you restore funding to DEC's budget that allows the State to regulate solid waste. If you need more information, please do not hesitate to contact me.

Sincerely,



Jim Sampson
Borough Mayor

cc: Commissioner Michelle Brown, DEC
Representative Gene Therriault
Representative Mark Hanley
Representative John Davies
Representative Pete Kelly
Representative Jeannette James
Representative Al Vezey
Representative Tom Brice
Senator Mike Miller
Senator Bert Sharp
Senator Gary Wilken
Fairbanks North Star Borough Assembly

Dear Senators & Representatives,

Re: Proposed cut to The Alaska Division of Tourism

We, being self employed business owners dependent upon Tourism, wish to express our concern over this proposal.

Have you really given any thought & consideration to the effect this radical move to, virtually eliminate, the Tourism budget. This would put many small operators out of business, cause others to loose jobs, reduce revenue to the state and heavily impact all Alaska Business, most especially in communities almost totally dependent on Tourism.

The promotion to the European market renders many highway travelers.

How will you help the people this proposal will put out of work. Please reconsider this Proposal.

cc:

Vic Kobring

Mark Hanley

Drue Pearce

Georgiana Lincoln

Strene Nicoli

A.V.A.

Paul & Geneva L. Smith

Snowshoe Motel & Gift Shop

P.O. Box 559

Josh Alaska 99780

PR. 907-883-4181

FAX: 907 883-4512

3-19-97

Senator Hanely,

I oppose your operating budget recommendations, funding cuts for The Dept. Of Health & Social Services for FY98. The results of your recommendations will adversely affect poor and disabled people in the state of Alaska. It is an outrage to cut programs for people who are trying to survive day by day and make their lives better.

My 15 year old son is challenged with Autism. Everyday it is a struggle for him to fit into the mainstream population here in Sitka, but with the help of programs, you are recommending for funding cuts, he is learning to be a contributing member of our community.

Again I disagree with your recommended budget for FY98. It will do no good to cut funding to programs that help people in need. It will only cause the need for more spending in the future.

Thank-you,

/s/Daleen Scott-Baer
102 Sunset Dr.
Sitka, Ak. 99835
747-7825

c.c. Rep. Ben Grassendorf
Senator Robin Taylor

HEALTHY FAMILIES - MT. VIEW

3701A Mt. View Drive
Anchorage, AK 99508
(907)278-1234



F A X C O V E R S H E E T

DATE: 3/19/97

TIME: 4:29 PM

TO: Mark Hanley, Chair PHONE: 907-465-4939
House Finance Subcommittee FAX: 907-465-2418

FROM: Pat Beaugard PHONE: 907/278-1234
Program Coordinator FAX: 907/278-1240

RE: Funding for Healthy Families Alaska

CC:

Number of pages including cover sheet: 3

Message

Enclosed are letters from program participants.
Please take time to read these & consider
the families with newborns who would be at
risk if funding is cut!

Dear Reginald,

I am the Grandmother of an infant who is receiving services through Healthy Families Mountain View. I would like to take this chance to tell you about some of the helpful things they have done. They run a lending library of books which are very helpful in the raising of my grandsons. They also have a lending library of the more expensive Fisher Price toys which are educational and hence the expense for my daughter to afford on her own. The weekly visits from their friendly staff help guide my daughter in the path of good parenting. I would like to take more time to tell you of their wonderful support but the baby is crying & must go. Please consider contributing their funding

Sincerely,

Mary M. Carroll-Henry
Johnston Henry's Grandmother

To: Legislator

I'm writing in testimony that Healthy Families PROGRAM. I feel they are a big help to myself as well, as many young moms in the program. we need help and support with new things in life like understanding what's go on in there new life with new responsibility of their own.

I speak in behalf of Jackie in Mountain View, she has been a great help to myself and my children, her guiding me in the right direction with my everyday problems is something that take understanding, friendship and alot more. Healthy Family program is important to me and my family as a single parent and also very effective.

* PLEASE, do not cut funding for this program

Thank you,
Ernetta Carmack
3031 Birchwood #3
Anchorage, AK 99518
582-6583

RECEIVED

MAR 19 1997

Pam Fritz
Family Child Care
2410 Hastings Lane
Anchorage, AK 99504
338-7789

March 15, 1997

Mark Hanley, Chair
House Finance Committee
State Capitol
Juneau, AK 99801-1182

RE: **CHILD CARE GRANT FUNDS**

Dear Representative Hanley,

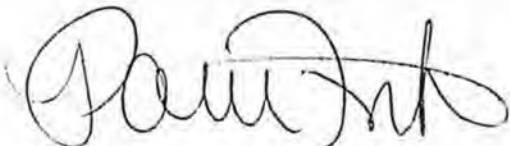
I am a National Accredited Family Child Care Provider. I have earned my Child Development Associates credential from Washington D.C. and have graduated UAA with my Early Childhood Certificate. I am a strong advocate for quality care and for family child care providers.

I am a family child care provider and a recipient of the Child Care Grant Program since 1991. These funds are important to me and the children and families I serve. These funds have allowed me to purchase educational supplies for the children. I have been receiving a check in the amount of \$70-100 each month to use for curriculum items such as, toys, paper, crayons and books. These funds have allowed me to keep informed on the latest teaching techniques and have enhanced the quality of the children early care and education.

Family child care providers are professional (very) small business owners. Generally in the business of caring and educating young children for no profit, no insurance, no paid leave time, no retirement. Most providers have chosen this business for the love of the children. These recent **welfare reform** issues are not taking from us the providers, they are taking from the children who benefit from the programs and from the families with child care expenses eating most of their paychecks. As provider, we have also just experienced of about 50% in our Federal Food Program. If the **Child Care Grant Program is cut** everyone will feel a **drastic loss of quality and major increased rates**.

I personally would have to raise my rates per child \$70-80 per month. To maintain the same expenses as before the cuts.

These Alaskan kids deserve your support.



STARBRIGHT

3531 East Tudor
Anchorage, Alaska 99507
(907) 562-5679

Honorable Mark Hanley
Co Chair, Finance committee
Alaska State Legislature
Juneau, Alaska 99811
March 19, 1997

Dear Mr. Hanley:

It has come to my attention that 2.2 million dollars is going to be cut from the Child Care Grant Program. Whether this is rumor, or an exaggeration, please let me tell you how this will affect my business. Recently, with budget cuts, the subsidized parents who are on DCAP, Jobs, and other grant programs have had policies for reimbursement changed. In the past, I have already taken a beating by enrolling subsidized parents, because very often they can not pay their percentage of the tuition not paid by these grant programs. Now, the subsidies are based on a daily "attendance" rate which means that when they are not here, I am not paid at all. The problem is that I still have to provide the services, teachers, etc. whether they are here or not. Because many of these parents are high-risk, their children end up ill more often, they lose their jobs more often, or they have personal problems that prevent them from getting their children in. In other words, there is also a high turnover rate. I'm losing money on these people. Why should I let them attend my childcare? I believe in supporting families and scholarshiping needy people who are trying hard. But the burden is becoming unbearable. I can not continue to operate a quality program if we keep losing the small subsidies we are presently getting.

I can not understand how our government considers subsidizing early childhood programs an expendable item. The average preschooler's tuition is 6000.00 dollars per year. Even with the minuscule Child Care Grant program, I only receive an annual contribution of approximately 250.00 per preschooler. Tell me how this is justified? How can both parents (if there are even two) afford to continue bearing the burden of this cost. Childcare for two children is a luxury at 12,000 per year. But wait a minute! It's a necessity to low and middle income parents. To parents coming off of welfare, there is no way for them to work without it.

The people and government of this country need a wake up call! Society has made a transition. Read the statistics. Both parents need to work (especially the poorer ones), so why isn't the government (and the populace) contributing to the costs of early childhood education? We pay taxes that provide every citizen with an elementary education. We provide public high school education. Taxpayers also subsidize colleges. What about subsidizing, or better yet, paying for the care and education of our youngest children? The ages from 0-5 are the most important developmental years of a child's life.

Most parents can not afford to stay home to take care of their children. You want to get single parents off welfare? You better be able to offer them childcare. And not substandard child care. Research shows that if children attend high quality programs, and receive quality parenting at home, that they will not be damaged. They will continue to develop physically, socially, and



"Where excellence in teaching makes the difference!"

cognitively at an acceptable level. But children who come from low socio-economic and at-risk families are very vulnerable. These children must be provided with a quality program that offers enriching experiences to help them grow into productive, happy individuals who can eventually contribute to our society.

I guarantee, neither I nor other programs can afford to offer the quality care that is needed if you keep cutting the little money that we have. What we need is more money, not less. I hope you are not alive when this generation of children grows up to run the country. Maybe the legislators should think about the generation of teen gangs that we have running the streets these days. Nobody was home to take care of these kids. Maybe if they had been offered the quality childcare and before/after care that they needed (and still need), they wouldn't be so screwed up.

At any rate, the point is, you legislators want to get folks off welfare? Don't cut money away from the very programs that have been helping to achieve this.

DON'T TAKE AWAY ANY MORE FROM THESE FUTURE GENERATIONS!

The wealth of a country (and state) is the level of education of it's future generation.

Let us keep our minuscule subsidies, and please work harder to get us more money.

Sincerely,



Kim Borgatta
Director of a quality program and proud of it.

22-423

(u)

Cook Inlet Tribal Council, Inc.

March 17, 1996

Representative Mark Hanley
State Capitol
Juneau, AK 99801-1182

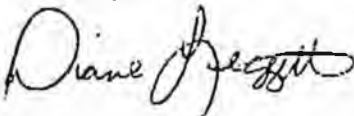
Dear Representative Hanley:

We have reviewed the proposed reductions regarding the Department of Health and Social Services budget for fiscal year 1998. Although we applaud the efforts of the legislature to trim spending and downsize the state government, we are concerned that the proposed budget reductions will negatively impact the opportunities that will ensure the success of welfare reform.

We are asking the legislature to reinstate the \$6.6 million in reinvestment funds into the Department of Health and Social Services budget for fiscal year 1998. The reinvestment funding will allow DHHS to increase efforts in assisting AFDC recipients transition into productive employment opportunities. It is essential that the Department of Health and Social Services receive *full appropriation of the \$6.6 million* in reinvestment dollars. These reinvestment dollars will assist in successful transitional services such as; work activities, child care and teen parent support.

To meet newly imposed federal work requirements the state will have to *double* current efforts with regard to work and training programs. Without these reinvestment dollars it will be extremely hard for DHSS to meet the significant challenges proposed by welfare reform. If we do not take a pro-active role in welfare reform and ensure that the needed resources such as, child care and welfare to work services are available to AFDC recipients the costs will only increase and will become even more burdensome upon the state in future years.

Sincerely,



Diane Leggett
Cook Inlet Tribal Council

March 18, 1997

Dear Mr. Hanley,

I can't believe what I am reading about the FY98 budget recommendations coming from the House Finance Subcommittee for Health and Social Services.

Have we lost all sense of reason and humanity? Apart from this not making any sense in terms of health; safety; concern for the good of the community of our State; humaneness; child protection; family preservation; our being compassionate, civilized people; and on and on and on... IT ALSO MAKES NO DOLLARS SENSE!!!

What do we think will happen to folks who cannot get prostheses, medical equipment and supplies, etc, etc? They become less productive, increasingly dependent - DO WE ALL KNOW WHAT THE COST OF CARE IS AT THAT LEVEL? Custodial and nursing care? Hospital vs in-home? That doesn't even address the human cost - the self-esteem, dignity, self-worth, the added stress to families. What about the literal pain and suffering related to not being able to obtain dental, and other services? Why the needless isolation of those needing hearing and vision services?

WHAT DO WE THINK WILL HAPPEN TO THE CHILDREN AND ADULTS UNABLE TO OBTAIN MENTAL HEALTH SERVICES - ALREADY CUT TO AN UNACCEPTABLE LOW? Don't we realize that these services now help to keep families intact as their caregivers for each other - barely - and for many this is not nearly enough. WHAT ON EARTH DO WE THINK THE COST OF OUT OF HOME CARE IS? OF EVEN ONE DAY OF PSYCHIATRIC HOSPITALIZATION? Again, not even to chance to think about the emotional cost... somehow I feel that these arguments will not sway those proposing such measures.

Must Alaska enter the Dark Ages? Must we sell out our sense - and our sensibilities? Do we truly care more for fish and oil than women and children? I fear the answers to these questions today. And I fear that many have no shame or embarrassment in their answers.

Are we so proud of how we lead the nation in child physical and sexual abuse and neglect, that we want to dramatically reduce the number of child protective service workers? This is so appalling. This is so sad.

We should be doing everything we possibly can to protect our citizens. If we won't do it because it's the right thing to do, then, please, do it because it makes money sense. Those supporting these recommendations must be held accountable for the social, medical, emotional and financial cost to us in the future - the immediate future, and then it will only worsen with time.

I have always enjoyed and been proud saying I'm an Alaskan. Today I am not.

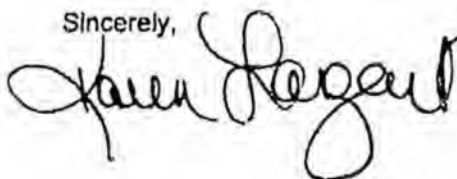
And, on top of it all, Legislators want a raise?????????????????

How can we even think about opening our envelopes to pull out our Permanent Fund Dividend checks and exchange them for 4-wheelers and Hawaii trips, when do things such as this.

And, WE ARE NOT A POOR STATE. WE ARE A WEALTHY STATE (no, I do not even want to hear a rebuttal of that). But we have a very, very weak soul.

PLEASE, PLEASE, PLEASE DO WHAT YOU CAN TO PREVENT THIS.

Sincerely,



Karen Largent
17420 Mountainside Village Dr. Anchorage 99516



Otolaryngology-Head & Neck Surgery
Richard P. Raugust, M.D.
Eric M. Tallan, M.D.
Bruce G. Whipple, M.D.

Audiology
Arthur F. Larson, M.S., CCC-A

March 17, 1997

Rep. Mark Hanley
State Capitol
Juneau, Alaska 99801-1182

Dear Representative Hanley:

I am writing this letter as a concerned physician on behalf of Alaskan Medicaid recipients. I have been informed that the legislature is currently considering modifications to the Alaska Department of Health and Social Services budget that would eliminate 4.65 million dollars from the current Medicaid budget. As you know, this results in an additional cut of 4.65 millions dollars of federal matching funds, resulting in a total cut of 9.3 million dollars. The cost of providing patient care is ever increasing, as technology advances and new treatments become available. Thus, in an environment of increasing medical costs, not only is the Medicaid budget not being increased or maintained, but is facing further cuts.

I would like to bring to your attention certain features of health care in Alaska, which are unlike any other state in the union:

- 1) Alaska has a large subsistence and seasonal population that cannot afford, or do not receive health care benefits.
- 2) There are no so-called charity hospitals that receive state monies to provide care to the indigent.
- 3) There are no teaching hospitals staffed by resident or student physicians to provide care to the uninsured population.
- 4) Alaska's Medicaid population consists primarily of children. As a result, the private sector is called upon to provide care to all uninsured and Medicaid patients without the assistance of government subsidy or the use of resident physicians or medical students. Moreover, if further cuts are made, the majority of those beneficiaries who will be affected are children.

Finally, I would like to point out my concern that lobbyists of nursing homes, hospitals, and other well-organized institutions

Representative Mark Hanley
March 17, 1997

Page 2

will likely protect their portion of the Medicaid budget, forcing these cuts onto the physicians who provide the actual care, and the administrators that oversee and regulate hospital and nursing home services. I thus hope that you will reconsider the Medicaid cuts that have been proposed and the way in which these cuts are to be made.

Sincerely,

Eric M. Tallan, M.D.

EMT:ecr

cc: Bob Labbe
P.O. Box 110660
Juneau, Alaska 99811-0660

Howard L. Hedges
P.O. Box 779
Homer, Alaska 99603-0779
(907)-235-2701
e-mail: hhedges@capaccess.org

March 18, 1997

Representative Mark Hanley
Chairman, House Finance Committee
State Capitol Building Room #507
Juneau, Alaska 99801-1182
(FAX): 907-465-2418

Dear Representative Hanley,

I have just received the news of the proposed cuts to the FY 98 Operating Budget and how that relates to the state Medicaid program.

Year after year it seems that the House and Senate Finance Committees do not think through the results of their actions when cutting budgets. This latest proposal appears to be the most irresponsible course you folks have ever taken.

I am a recipient of Medicaid services through the State of Alaska. I was uninsured at the time of a diabetes induced stroke in 1993. Once our family resources were depleted I qualified for Medical Assistance. I was not able to secure medical insurance because the diabetes was considered a preexisting condition. I have checked into health insurance in anticipation of the HSS committee actions and the ONLY insurance I can get is through the state...\$705 per month with a \$5,000 deductible. Presently my monthly medications and supplies total over \$1700.00; medications & supplies I need to keep my diabetes and other complications somewhat stable allowing me to stay alive. I have an insulin pump that would be relegated to a role of a \$4000.00 paperweight. I could get insulin but would have no way to introduce it into my body. At various times in the year I am shackled to an oxygen tank due to respiratory complications from the stroke. As it stands if these cuts go through, I will not be able to procure the regulator, tanks, and nasal cannulas necessary to deliver the oxygen into my body.

Your ISS Recommendations indicate the termination of the Hold-Harmless provision which enables low income citizens to participate in the Permanent Fund program. These dividends do not go for vacations to Hawaii or Mexico. Our family has used past dividends to buy fuel oil for our heating system and to pay for services and equipment not covered under the Medicaid Options list.

These cuts will only serve to put a greater strain on the state's finances as progressive diseases take a greater toll without close management. Since euthanasia has not become a state option (yet) the long-range financial impact of warehousing the chronically ill and disabled will be enormous. Give me the opportunity and resources to manage my disease and disability which in turn will save the state money!

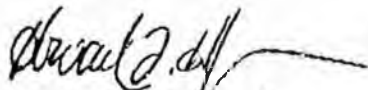
I understand the need for cuts in the state's operations but these cuts go to a part of the population that has absolutely no recourse in securing care. Eventually the greed of the population will have to be addressed. There are people out there screaming for the legislature not to touch the Dividend. How many of these screamers are there and how many have no health insurance? What programs will there be to assist them through a

Hedges letter Page 2

catastrophic event?

I ask you to revisit your recommendations while looking at the points mentioned above. Your proposed cuts will literally kill hundreds of human beings. That is not a note of speculation but an eventual truth.

Sincerely,



Howard L. Hedges

cc: Representative Gail Phillips
Senator John Torgerson
Senator Jerry Ward

Alaska Native Coalition on Employment and Training

320 W. Willoughby Avenue, Suite 300

Juneau, AK 99801

(907)586-1432/Fax (907)586-8970

Aleutian-Pribilof
Island Association

Association of Village
Council Presidents

Bristol Bay Native
Association

Central Council
Tlingit & Haida
Indian Tribes Alaska

Cook Inlet
Tribal Council

Chugachmit

Kaverak, Inc.

Kenaitze Indian Tribe

Kodiak Area
Native Association

Manililaq Manpower

Metlakatla Indian
Community

Orutsaramuit Native
Council

Tanana Chiefs
Conference, Inc.

ANCET Officers

Sharon Olsen, CCTHITA
Chairperson

Alexie Morris, AVCP
Vice Chairperson

Connie Hogue, KANA
Secretary

Ruthie Monroc, MM
Treasurer

March 19, 1997

Representative Mark Hanley
State Capitol
Juneau, Alaska 99801-1182

Dear Representative Hanley:

We have reviewed the proposed reductions regarding the Department of Health and Social Services budget for fiscal year 1998. Although we applaud the efforts of the legislature to trim spending and downsize the state government, we are concerned that the proposed budget reductions will negatively impact the opportunities that will ensure the success of welfare reform.

We are asking the legislature to reinstate the \$6.6 million in reinvestment funds into the Department of Health and Social Services budget for fiscal year 1998. The reinvestment funding will allow DHSS to increase efforts in assisting AFDC recipients transition into productive employment opportunities. It is essential that the Department of Health and Social Services receive full appropriation of the \$6.6 million in reinvestment dollars. These reinvestment dollars will assist in successful transitional services such as; work activities, child care and teen parent support.

To meet newly imposed federal work requirements the state will have to double current efforts with regard to work and training programs. Without these reinvestment dollars it will be extremely hard for DHSS to meet the significant challenges proposed by welfare reform. If we do not take a pro-active role in welfare reform and ensure that the needed resources such as, child care and welfare to work services are available to AFDC recipients the costs will only increase and will become even more burdensome upon the state in future years.

Sincerely,



Sharon Olsen
ANCET Chairperson

March 18, 1997

To: **Representative Mark Hanley**
Finance Committee Co-Chair, AK State Legislature

Re: Child Care Grant

Dear Mr. Hanley:

As you know, the Finance Committee is considering reducing Child Care Grant monies. While we all know the State must trim its budget, please don't make any cuts to such an important grant.

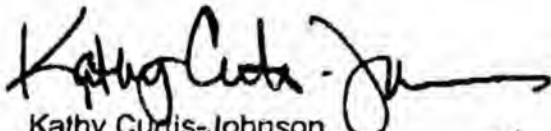
Quality early education with full-time parenting makes a big difference in a child's life ... so it stands to reason that it makes a big difference in our society. But in today's economy both parents often must work to pay the mortgage and put food on the table. This means that many middle-class families can neither provide full-time parenting *nor* afford good pre-school education. This also means the gulf between the upper-class and the rest of the population grows larger with each generation, and that the fabric of our society changes as more children are raised by strangers in group facilities. **Our children, and society, lose out from the beginning.**

But at the very least, the Child Care Grant helps to provide quality care and education for all children by helping off-set costs for child care programs. **With this financial assistance, reputable child-care with high standards is within the financial reach of low and middle class families.** Without it, we are consigned to over-crowded facilities which can't offer high enough pay to attract reputable teachers or to keep them very long.

Let me give you a first-hand example. My husband and I pay \$550 a month, plus special activity fees and lunch fees, to put one child in a pre-school child care facility on a full-time basis. Its a very good school that meets the same standards as some of the higher cost facilities. However, at \$550 a month, we are spending 20% of our take-home pay on child-care. If this school loses the funding available through the Child Care Grant, it must either decrease its standards or raise the tuition. Either way, our child will lose because we could not afford to stay if tuition was raised. **As it is, we are borrowing from our future (ie, we have no savings) to pay the tuition. And we are not alone; this is the situation for many of our friends today.**

Please, help our families and support our society's future by keeping the Child Care Grant at its current allocation. Thank you. And I look forward to hearing from you on how you intend to act on this matter.

Sincerely,



Kathy Curtis-Johnson
P.O. Box 241503
Anchorage, AK 99524
907-243-7338

13-211
4



O.T. KIDS, Inc.

PO Box 1118

Homer, Alaska 99603

U.S.A.

SUSIE AMUNDSON, MS, OTR/L
Executive Director

MARTIN ZELLER, J.D.
Business Manager

March 19, 1997

Mr. Mark Hanley
Alaska State Legislature

Dear Mr. Hanley,

I write to you as a concerned citizen from the Homer area and as an occupational therapist. In a nutshell, occupational therapy is a service with individual with disabilities to allow them to function more competently within their environment and with others. Currently, I have no Medicaid/Medicare clients on my professional caseload but I am very concerned about these recipients. My letter serves as an advocacy for people on Medicaid/Medicare.

Today I heard from a colleague that the state legislature is contemplating further cuts to Medicare/Medicaid programs. The reduction of service for visual, dental and hearing needs occurred a couple years ago leaving families with young and old members in dire need of these services. Although you and I and all of the legislative members can run out and get glasses, dentures, and hearing aids at any time -- many others in Alaska cannot. For them to function in the every day world, these are not extravagant necessities.

The proposed cuts to mammography, prosthetics, medical supplies and equipment, and rehabilitative services are ghastly. American women have the highest rate of breast cancer in the world (*Health, March 1997*) and mammography is the number one best detector of this disease. Although the services of prosthetics, medical equipment, and rehabilitative services may seem like options to the legislature, they are not if one has a disability. They are necessities and they allow individuals to be more independent in the world so less health care and assistance funds are not needed later. Let's have Alaska be forward thinking!

I propose no cuts to the Medicare/Medicaid program -- only a reinstatement of visual, dental, and hearing services. If we need more money in the state, how about a state income tax to the residents and the many Outsiders who work in the oil industry, commercial fishing, and seasonal tourism? Let them help us with our economic development and social responsibilities. I'm willing to pay!
Thank you.

Sincerely,
Susie Amundson

phone (907) 235-0688
fax (907) 235-7564

world wide web
<http://www.alaska.net/~othkids/>

Puffin Heights Montessori School, Inc.
founded in 1982 by Debra Ward

"K Street" (907) 272-5999 "E Street" (907) 258-6036
FAX: 272-5284

1000 West 20th Avenue
Anchorage, Alaska 99503

Representative Mark Hanley
Finance Committee Co-Chair
Alaska State Legislature
Juneau, Alaska 99801
Fax: 907-465-2418

Dear Representative Mark Hanley

Yesterday I sent a correspondence to you with reference to a proposal by the Finance sub-committee to cut the Child Care Grant Fund by one million dollars. Today I learn I was incorrect. Actually, the proposal is to close the Children's Cabinet and Resource and Referrals entirely, and to cut the Child Care Grant Fund by 2.2 million dollars. These actions are unconscionable. I am interested in a statement on your position in regard to all Programs for Children. We are already struggling to maintain quality standards for Alaska's future generation. Sub-standard conditions which now exist in many programs for children will increase and standards for a safe environment will be overlooked. Soon we will be warehousing children. When dollars used to subsidize and encourage quality programs to accept children whose family is on subsistence decrease, child care costs will increase and programs which now accept Day Care Assistance and other similar programs subsidies will discontinue enrolling families on such programs.

Who will care for these children?

As a small business owner and advocate for quality child care, it is difficult to imagine the absence of Resource and Referrals. I urge you to rethink this proposal and look forward to learning your position on Programs for Children.

In continuing concern for children.

Leslie Ward Barrera
Owner/Director

Affiliated with the American Montessori Society

Representative Mark Hanley
Finance Committee Co-Chair
State Legislature
Juneau, Alaska 99811
Phone: 800.465.4935
fax: . 907.465.2418

The Finance Sub-Committee is considering reducing the amount of the Child Care Grant by ONE MILLION DOLLARS! Please reconsider!

- 1) Quality Child Care is important to me because *Every family with children deserve the best care they can receive! Children & families must have quality in order to grow and function in their jobs.*
- 2) The Child Care Grant is important to Alaska's children because
 - a. Keeps the cost of child care down for all children by *funding programs that provide quality providing care for lower income children*
 - b. Improves the quality of care for my children *provides for training for staff*

I would like to know what your actions are regarding Child Care issues.
Thank you

Mary L. Smith

*I would also remind you that every child deserves a trained teacher to fulfill his/her potential, -
②... needs a safe, nurturing environment.
Why are we the only country who doesn't care about our young & our old? How do we still their lives!*

Representative Mark Hanley
Finance Committee Co-Chair
State Legislature
Juneau, Alaska 99811
Phone: 800-465-4935
fax: 907-465-2418

Rosemarie Brakham
Puffin Heights Montessori Sch!
1800 W. 2nd
Anch. Ak. 99503

The Finance Sub-Committee is considering reducing the amount of the Child Care Grant by ONE MILLION DOLLARS! Please reconsider!

1) Quality Child Care is important to me because

Children are our future and we need to give quality programs to children of your age to better the child's life and our own. Every child has a right to a quality education, it should not be a privilege & I believe if the proposed cuts happen it will become a privilege.

a. Keeps the cost of child care down for all children by

b. Improves the quality of care for my children

I would like to know what your actions are regarding Child Care issues.
Thank you

I am a Montessori teacher at Puffin Heights Montessori Sch in Anchorage - Our program is well-rounded, meeting the physical, academic, cognitive and spirit of the children. In conjunction with my Montessori Credential I have taken many classes @ Chief Ave Connection which is funded by the state. These classes have helped me immensely in the classroom, working with young children.



Era Aviation, Inc.

March 18, 1997

VIA FAX: (907) 465-2418

The Honorable Mark Hanley
House of Representatives
State of Alaska
Juneau, Alaska 99801

Reference: House Finance Committee

Dear Mr. Hanley:

I am very concerned with the Proposed Budget from the House Finance Sub-Committee on Commerce and Economic Development. As I understand it, this sub-committee is recommending the elimination of the Division of Tourism.

As you may be aware, Era has become very involved and dependent upon a healthy tourism industry in Alaska. Over the past five years, Era has invested in excess of \$20 million into equipment and facilities to expand our tourism related business. This investment has created many jobs.

Era will be adversely affected by the loss of this agency by:

- The loss of a coordinating agency for the efforts of large and small tour businesses.
- The elimination of the international marketing will seriously hinder Era's efforts to attract customers, both for our helicopter flightseeing business and our new airline service to Whitehorse, Yukon.
- Our Denali and Valdez flightseeing bases will be hit especially hard with the elimination of the highway marketing.
- The elimination of funding for the state to participate in North American Tour Operator marketing will result in loss of valuable leads and recognition for Alaska's tour product.

House Finance Committee
March 18, 1997
Page 2 of 2

In this time of increased competition for the tourist's dollar, both from other states and foreign countries, we cannot back away from Alaska's tourism industry. This is the time to increase spending on state advertising campaigns, not cut it. We have seen too many industries crippled, regulated to near-death, or simply leave the state. Tourism is a growth industry and it needs to be supported and encouraged by the state. I feel that the elimination of this agency would be a devastating mistake.

Yours truly,

A handwritten signature in black ink, appearing to read "BBlixhavn", with a long horizontal flourish extending to the right.

Bryan Blixhavn
Senior Vice President
Marketing

BB/bjc



ALASKA
NATIVE
HERITAGE
CENTER

Post-it® Fax Note	7671	Date	3/19/97	# of pages	1
To	MARK HANLEY	From	A.N.H.C.		
Co./Dept.		Co.			
Phone #		Phone #	263-5170		
Fax #	465-2418	Fax #	263-5575		

March 18, 1997

To Whom It May Concern:

The Alaska Native Heritage Center (ANHC) has been named as an important component in Governor Knowles' economic plan for the state and also in Mayor Mystrom's economic plan for the community of Anchorage.

Once built, the ANHC will create over 100 direct jobs, and an annual payroll of \$1.6 million guarantees a number of indirect jobs in association with the ANHC's staff as well as the tourism dollars it will attract. It is projected that summer visitors will spend \$550,000 or more in the gift shop during the first season of operations, and that the existence of a unique attraction like the Alaska Native Heritage Center will encourage visitors to plan for a longer stay in Anchorage, thus creating additional revenues for a variety of local businesses. Furthermore, the ANHC plans to use summer revenues to provide educational programs for all Alaskans, mentorship programs for Native at-risk youth, and job training for positions in the tourism industry.

None of these benefits can occur if Alaska does not maintain a well coordinated plan for tourism development and continue to provide aggressive marketing for our potential visitors.

I urge you to keep the funding for the Division of Tourism and the Alaska Tourism Marketing Council at or above previous levels during this delicate transitional period in our State's economy.

Sincerely,

Rick Feller,
Acting President/CEO

March 18, 1997

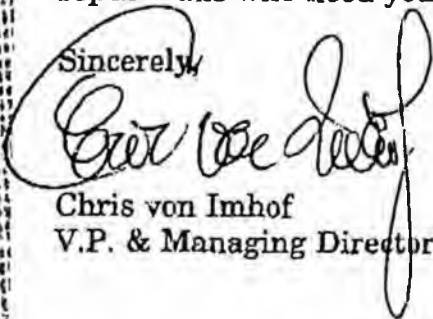
Subject: Division of Tourism Budget

Dear Legislators:

On behalf of The Westin Alyeska Prince Hotel and Alyeska Resort, 450 employees, I would like to state that the Alaska Tourism Industry is a clean renewable resource. It is one of the largest employers in the state and contributes substantially in tax dollars to the state and local economy.

- The tourist industry is very competitive throughout the world; and in order to get our share of the market both the private and public sector need to build an aggressive state tourism promotion program.
- Alaska is losing out to competing destinations. While other states and countries are increasing tourism marketing budgets, Alaska has essentially slashed tourism promotion to less than half of what it was in FY 94.
- It is small businesses, who cannot reach a national travel market alone, that will bear the brunt of massive cuts to tourism promotion.
- This proposal is absolutely contrary to legislators' pledge to promote economic development.
- Eliminating tourism and business development programs will deal a heavy blow new and existing small businesses.
- Most tourism businesses are operated by conservative republicans who need your support.

Sincerely,


Chris von Imhof
V.P. & Managing Director

Thank you

Westmark Juneau

March 18, 1997

House and Senate Finance Committee and Subcommittee Legislators

Dear Legislator,

I am extremely concerned that the House Finance Subcommittee on Commerce & Economic Development is recommending a budget that will eliminate the Division of Tourism and cut the Alaska Tourism and Marketing Council by over \$1 million.

The tourism industry in Alaska is vital to the overall success of each community. Tourism is a growing segment of Alaska's economic base supplementing declines in other industries such as timber and fishing. If Alaskans wish to have a bright future, we need your support in marketing the state as a visitor destination. All states compete for visitors and if Alaska does not promote itself it will consistently lose market share to other states who have stable promotional programs.

All communities would suffer from these proposed cuts. Local businesses provide solid opportunities to the residents of their respective communities. Tourism opportunities also provide the youth in the communities with a solid career path. Reducing the tourism promotion budget would inhibit these opportunities.

Local businesses do not have the financial ability to market themselves. What these businesses need is a larger effort for promoting the state that ultimately develops interest in these individual products and services.

I ask that you do not reduce funding for the Alaska Tourism Marketing Council, nor eliminate the Division of Tourism. The tourism industry needs more support, not less. This industry will continue to become more vital to residents of Alaska in the years to come.

Sincerely,

Jeff Butcher

General Manager
Westmark Juneau



Era Aviation, Inc.

March 18, 1997

VIA FACSIMILE: (907) 465-2418

The Honorable Mark Hanley
House of Representatives
State Capital
Juneau, Alaska 99801

Dear Mr. Hanley:

We have just been advised that the House Finance Subcommittee on Commerce and Economic Development is prepared to recommend a budget that will eliminate the Division of Tourism in its entirety and effectively cut the Alaska Tourism Marketing Council budget by over \$1 million.

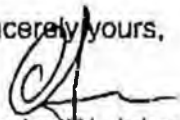
Era Aviation, Inc. has long been active in the oil and gas industry, the fishing industry and most recently, over the last ten years, the tourism business. Our tourism related activity is the only real growth portion of our business lines in Alaska. Over the last couple of years, tourism has actually generated more revenue for our company in Alaska than the oil and gas, and fishing business combined. Era employs over 570 people during the winter season and over 600 during the peak summer season. A significant portion of the jobs we provide to Alaskans are directly related to the tourist business.

The State of Alaska competes not only with tourist destinations in North America but world-wide for our fair share of the tourist dollar. It is imperative that the State of Alaska continue to be actively involved in the promotion of the tourism marketplace. The subcommittees' recommendation is in direct opposition to the legislatures pledge to promote economic development. The elimination of the tourism and business development programs will hurt the small tourism operators and reduce Alaska's ability to compete with other states who are increasing their tourism budgets.

I urge you to reconsider your position and not only retain the existing funding and the Division of Tourism, but consider additional funding in order to foster and develop one of the few growth industries that we have in this state.

Thank you for your consideration.

Sincerely yours,


Charles W. Johnson
President



March 19, 1997

To: Mark Hanley
Legislator
1-907-465-2418

From: Robert Candopoulos
President
Saltwater Safari Company, Inc.

Re: Proposed House of Representatives action on tourism funding

I have recently been notified of the proposed Alaska Division of Tourism elimination. Obviously, I am opposed to any foolish maneuver that would that would negatively impact our state's economy. I am sure that our distinguished House of Representatives just isn't thinking clearly right now and that in time they will come to their senses and realize that tourism is the only industry that Alaska has which has shown a steady increase since statehood. Tourism is Alaska and we all had better realize that or we will drive this state into a vast wasteland. Oil, timber and commercial fishing are the irregular heart beats of this states economy, but tourism beats strong in this state and in the hearts of all Alaskans who are proud of this great land.

Let's quit wasting time and money on stupid proposals such as this and let's start focusing on delegating more money and more power to our state's tourism industry. Alaska is years behind in properly promoting and advertising to the world what we have to offer as a destination place. I can't understand why our House of Representatives would want to push our state further behind by cutting our Division of Tourism. The Division of Tourism is the one organization at the helm to providing our economy with future growth, which will benefit everyone in Alaska.

I personally would like to know what reasoning skills this subcommittee for Commerce & Economic Development implemented, which enabled them to come up with such a pointless and ridiculous proposal. They certainly do not appear to be looking out for this states commerce nor do they appear to be looking out for our economic development. On the contrary, they appear to be focused on destroying a booming industry and driving our state into an economic ebb. How would that ever benefit Alaska? Furthermore, I would like to know exactly whom I should credit with this brainstorm come election time.

I hope that my message is heard and I hope that the subcommittee for Commerce and Economic Development will live up to their designated title and find ways to enhance our state's economy. In the mean time, they should learn to embrace organizations that keep Alaska on the right track.

Thank you for your time.

Sincerely,

Robert Candopoulos
President
Saltwater Safari Company, Inc.



Alaska Cabaret, Hotel,
Restaurant & Retailers Association

3400 Spinnaker Road, Suite 9 • Anchorage, Alaska 99503
(907) 274-8133 • Fax: (907) 274-5640
Toll Free in Alaska: (800) 476-2021

Date: March 18, 1997

To: Alaska State Legislature

From: Alaska Cabaret, Hotel, Restaurant and Retailers Association (CHARR)

Subject: Proposed FY98 budget, eliminating the Alaska Department of Tourism.

Dear Representative:

Please consider the consequences of Representative Vic Kohring's proposal to eliminate the Alaska Department of Tourism from the budget for FY98. The tourism industry is one of Alaska's largest employers. The legislature should support, not cut, an industry which creates Alaskan jobs.

Sincerely,

Mary Beth Whitehurst
Interim Director, CHARR



FAX MEMO

DATE: March 18, 1997
TO: All Legislators That This May Concern
FROM: Alaska Premier Charters, Inc., Wild Strawberry Lodge
RE: \$3.5 million Budget Cut that would eliminate the Alaska Division of Tourism

Thank you for this opportunity to present our concerns regarding the proposed budget cut of \$3.5 million to the Division of Tourism..

All of us at Alaska Premier Charters, Inc., are outraged by this proposal. This amounts to nothing less than an attack on the visitor industry...Alaska's most promising growth industry. Doing this would mean Alaska will be losing out to competing destinations. While other states and countries are increasing tourism marketing budgets, Alaska has essentially slashed tourism promotion to less than half of what it was in FY94!!

It is small businesses such as ourselves, that depend on the tourism promotions that the state of Alaska has provided. We need the help of the Division of Tourism.

This proposal is absolutely contrary to legislator's pledges to promote economic development. Eliminating tourism and business development programs will deal a heavy economic blow to both new and existing small businesses such as ourselves.

PLEASE RECONSIDER THE CONSEQUENCES/EFFECTS THAT THIS WOULD HAVE on the resident businesses of Alaska such as ourselves.

Sincerely,

Theresa Weiser

Sitka Hotel

118 Lincoln Street
Sitka, Alaska 99835
(907) 747-3288 ~ Fax (907) 747-8499
<http://www.sitkahotel.com>

March, 19, 1997

Attn: Representative Mark Hanley,

It has come to my attention that the House Finance Committee is considering major cuts in the state's funding for tourism support activities. One of these proposed cuts is to eliminate the Division of Tourism entirely. While I understand the drive for a leaner state budget in the face of declining oil revenues, this particular cut doesn't make sense.

With the supply of oil on the North Slope in obvious decline, the state needs to seed all the growth it can in sustainable industries. Based on 1994 data, tourist to our state spent what averages out to over \$1,400 per resident Alaskan. The State, and consequently the State's budget, should not ignore such a major contributor to the economy.

On a smaller scale we have already seen one of the pillars of our local economy collapse when our pulp mill ceased operations several years ago. With that went 400 well paying jobs and a huge chunk of the City's tax income. With the fishing industry under the pressure of declining stocks and international competition, tourism plays a critical role for Sitka.

The State needs to think long term about where it's money is going to come from in the future. When the pipeline has slowed to a trickle and if the fish stocks collapse, like they have off New England's coast, where will the tax base be? In that scenario the State would have to cut the budget with a chain saw, instead of the scalpel currently being used.

Please take the time to realize that the money spent on tourism support is seed money designed to grow a healthy, viable in the long-term economy.

Sincerely,

Alec Wahlman
Manager - Sitka Hotel
118 Lincoln St.
Sitka, AK 99835



**CARLSON'S
COMPANY**
"A COMPANY OF TALENT"

P.O. Box 240965, Anchorage, Alaska 99524-0965, Phone-FAX (907) 258-2454 email: ccarlson@alaska.net

March 18, 1997

Representative Vic Kohring
Chairman
House Finance Subcommittee

Dear Representative Kohring,

I find myself once again writing you, not on behalf of the film office, but on what I believe to be more misinformation being dispersed by the Director of Tourism. Bill Elander, the President and CEO of the ACVB, faxed a letter to me that contains the following information. That you, as the Chair of the House Finance subcommittee for Commerce & Economic Development, are proposing to:

Eliminate the Alaska Department of Tourism. In addition to the loss of the Division it would also reduce the state tourism budget by \$3.5 million dollars. Further that, "if this proposal passes the House Finance subcommittee and the full house and senate, the following statewide tourism programs would be totally eliminated:"

- International marketing in Australia and the United Kingdom
- Tourism North (highway marketing)
- Research
- Tourism Planning & Product Development
- Travel Agent training
- North American tour operator marketing

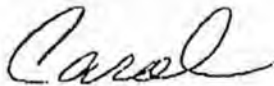
Here is my understanding of what is actually being proposed, please let me know if I am right. That indeed, the Division, as we know it, will be eliminated and their will be a \$1,000,000 reduction to tourism. That funds will be distributed to Department of Trade and Development for international marketing, which could include Australia and the United Kingdom. That, in reality, there has not been money for research since 1993. That the idea of travel agent training and North American tour operator marketing is something new that Tom Garrett wanted and that, previously, this has not been funded by DOT.

I am a long standing member of the ACVB. I believe in a strong tourism industry. I believe that each division, and agency within that division, should be looked at carefully. I do not believe it is right for information to continue to be released

that is incomplete, inaccurate or just plain untrue. The real truth on this issue would be greatly appreciated.

In closing, I will only say that I applaud all the work and research you are doing in this area and when all is said and done, I hope we will have a strong film office in tact as well as a strong tourism force, whether that be under ATMC or the DTD. Thank you for listening.

Most Sincerely,



Carol Carlson

cc: Representative John Cowdery
Representative Joe Green
Representative Carl Moses
Representative Joe Ryan
Representative Ethan Berkowitz
Representative Mark Hanley, co-chair, Full House Finance Committee
Representative Eldon Mulder, vice-chair, Full House Finance Committee
Representative Gary Davis
Representative John Davies
Representative Richard Foster
Representative Gene Therriault, co-chair, Full House Finance Committee
Representative Terry Martin
Representative Pete Kelly
Representative Ben Grussendorf
Senator Drue Pearce, co chair Full Senate Finance Committee
Senator Bert Sharp, co-chair
Senator Randy Phillips
Senator Al Adams
Senator Sean Farnell
Senator John Torgerson
Mr. Bill Elander, President & CEO-ACVB
Alaska Visitors Association



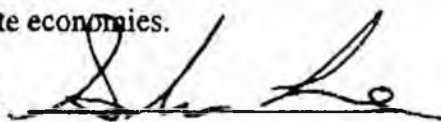
March 13, 1997

TO: House Finance Subcommittee
on Commerce & Economic Development

FROM: Taku Smokeries/Taku Fisheries

RE: Alaska Division of Tourism Recommended Budget Elimination

We at Taku Smokeries/Taku Fisheries, although in the seafood processing industry, recognize the importance of tourism and its contribution to the economy of the state of Alaska. This action, recommended by the House Finance Subcommittee to eliminate the Alaska Division of Tourism's budget, is a direct contradiction to the pledge by legislators' to promote economic development for the state. We encourage the subcommittee members to revisit this recommendation and its devastating impact to the local and state economies.

Sandro Lane 
President, Taku Smokeries

cc:

House Finance Subcommittee
Vic Kohring, Joe Ryan, Joe Green, Ethan Berkowitz, Carl Moses, John Cowdery

House Finance Committee
Mark Hanley, Gene Therriault, Eldon Mulder, Terry Martin, Gary Davis, Pete Kelly,
John Davies, Carl Moses, Richard Foster

Full Senate Finance Committee
Drue Pearce, Bert Sharp, Dave Donley, Sean Parnell, Randy Phillips, John Torgerson,
Al Adams

550 South Franklin Street
Juneau, AK 99801
(907) 463-4617



Alaska Coalition on Housing and Homelessness

1057 W. Fireweed Lane Suite 101

Anchorage, Alaska 99503

Phone (907) 272-1626 - FAX (907) 277-9232

March 21, 1997

STATE CAPITOL
JUNEAU, AK 99801-1182

Dear Representative Mark Hanley:

On behalf of the Alaska Coalition on Housing and Homelessness (as advocates for homelessness) we are pleading and appealing that you take a look at our concerns regarding the impact several proposed reductions from the social service budget (DHSS) for the fiscal year of 1998 will have in Alaska and rural communities.

We understand and realize that legislators and state government have to reduce the budget. The affects however, would be of great devastation to the people in Alaska that the Department of Health and Social Services are assisting.

If further cuts are made to Medicaid, public assistance, Alaska Work Programs, child care, General Relief, foster care, DFYS probation, child and healthy family programs the impact will create a larger number of homelessness.

If we do not take full control on welfare reform now, there will be no safety net for families and individuals to fall back on due to not having the tools to work with or to survive. Shelters are already overflowing with families, singles, and single men (and women) with children. Employee's are already one pay check away from becoming homeless.

Our plea is that the Department of Health and Social Services budget is reinstated so that this nightmare does not manifest in total disaster.

Thank you in advance for your time and support.

Sincerely,

A handwritten signature in cursive script that reads "Donna Crawford".

Donna Crawford
Chairperson, AKCH2



March 18, 1997

Representative Mark Hanley
Alaska State Capital
Juneau, Alaska
99801

Dear Representative Hanley:

RE: PROPOSED CUTS TO TOURISM BUDGET AND PROGRAMS

We were distressed to hear that the Alaska Legislature is considering entirely eliminating the budget for the Department of Tourism and drastically reducing funding to the Alaska Tourism Marketing Council.

We have witnessed the implementation of very effective marketing initiatives by the ATMC that have attracted millions of dollars in cooperative marketing contributions from the visitor industry. The Department of Tourism continues to play a pivotal role in coordinating industry activities, communications and state-wide visitor services.

While it would appear that large corporations such as Alaska Airlines and Holland America will continue to have a presence in the market on their own, the proposed cuts will devastate small business and small Alaskan communities. These businesses rely on the activities of the Department of Tourism and the ATMC to maintain a marketing presence. The small business sector continues to create jobs and stable economic growth in the North.

The rural Alaskan travel experience significantly influences Alaska's popularity as a visitor destination. Competing destinations have been increasing their marketing activities and budgets, and we have been able to keep pace by attracting significant industry contributions. Maintaining these partnership contributions from the industry will require continued financial commitments from the State of Alaska.

The Yukon is a very small market and we have limited financial resources. Alaska's marketing investments dramatically impact our visitor industry. It is said that "when Alaska sneezes, the Yukon catches pneumonia!" We are catching a cold . . .

We urge you to reconsider planned budget reductions to the Department of Tourism and the Alaska Tourism Marketing Council.

Yours truly



Pat Cayen

Chairman

KLONDIKE VISITORS ASSOCIATION

cc: Honourable Piers MacDonald, Government Leader
Yukon Territorial Government

Honourable Dave Keenan, Minister of Tourism
Yukon Territorial Government

Barry Bellchambers, President
Tourism Industry Association of the Yukon

Bob Engelbrecht, President
Alaska Visitors Association

David Karp, Executive Director
Alaska Tourism Marketing Council

Klaus Roth, Co-Chair
Yukon Tourism Marketing Council



ASSOCIATION INTERNATIONALE DES SKAL CLUBS

NORTH AMERICAN SKAL COUNCIL
SKAL CLUB OF ANCHORAGE NO. 289
P.O. BOX 104021
ANCHORAGE, ALASKA 99510-4021



March 21, 1997

FAX TO: All Legislators

FROM: SKAL club of Anchorage
Raymond F. Petersen
President

RE: Proposed budget for Tourism

Dear Legislator,

The SKAL Club of Anchorage is a member of the International Association of SKAL clubs, an international organization of tourism professionals.

At our monthly meeting last night it was unanimously resolved that:

1. We are opposed to any cuts in the tourism budget.
2. It is our feeling that it is irresponsible to cut state funding that promotes the only major growth industry in the state, and the industry with the most potential for growth.
3. We know that, small tourism businesses in particular depend on the marketing programs provided by the Alaska Visitors Assn.
4. This proposal will cost Alaska jobs. Jobs that will go to other tourism destinations with which we compete. Alaska tourism companies do not compete with each other so much as they compete with other tourism destinations.

Our member list is following. This was a unanimous resolution.

Raymond F. Petersen



Anchorage School District

4600 DeBarr Road
P.O. Box 196614
Anchorage, Alaska 99519-6614
(907) 333-9561

SCHOOL BOARD

Debbie Ossiander
President

Karin Gillespie
Vice President

Lorraine M. Farrell
Clerk

Kelly Hanley
Treasurer

Harriet A. Drummond

Peggy Robinson-Wilson
Past President

Dave Wardal

SUPERINTENDENT

Bob Christal

March 21, 1997

Representative Mark Hanley
State Capitol
Juneau, AK 99801-1182

Dear Representative Hanley,

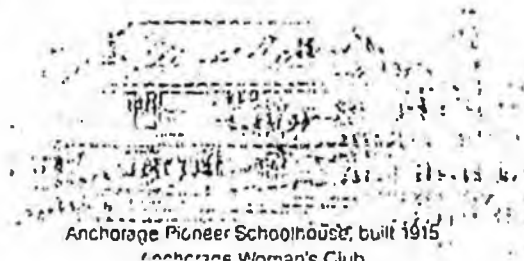
I am gravely concerned regarding the proposed cuts to the Health and Human Services budget. Having worked with homeless families in Anchorage for the last four years in the educational arena I have seen the impact of reduced services on children. With continued reductions I fear the situation can only grow worse.

I understand the need to downsize state spending and know the difficulties you are faced with in choosing what programs and departments will bear the brunt of these cuts. But, please consider carefully how severe cuts will affect children, especially our most vulnerable population. Less money for child care will not only effect affordability but, more importantly quality and accessibility. These young children are Alaska's future and without the supports to nurture and prepare them to be productive citizens our society will ultimately suffer.

Please contact me if you have any questions or would like to discuss my concerns any further. Thank you for your time.

Sincerely,

Beth Snyder-Rea
Early Childhood Teacher
Anchorage School District
Child In Transition Program
(907)278-4537



Anchorage Pioneer Schoolhouse, built 1915
Anchorage Woman's Club



Southcentral

COUNSELING CENTER

4020 Folker Street - Anchorage, Alaska 99508

(907) 563-1000
FAX 563-2045

March 21, 1997

Representative Mark Hanley
House of Representatives
State Capitol
Juneau, AK 99801-1182

Dear Representative Hanley:

I have reviewed the proposed budget reductions for the State Medicaid Program and the impact analysis by DHSS.

The impact of the reduction of services through the elimination of Medicaid options would be devastating for people who suffer severe mental illness. If the department eliminates additional options, the targeted case management (Substance Abuse and Mental Health) and the rehabilitative services (Substance Abuse and Mental Health) options would be lost.

1,071 severely mentally ill adults and 295 severely emotionally disturbed adults received services from our organization in FY96. Of those numbers, 699 received rehabilitation services and approximately 1200 received targeted case management services, both supported through the Medicaid Program. These groups are very high risk for hospitalization and other intensive care when not appropriately served in the community. The services which have been developed for them over the past 7-10 years have allowed for reduction of size of the state mental institution, API.

During FY96, Southcentral Counseling Center also served 602 children in treatment programs. Approximately 150 severely emotionally disturbed children receiving targeted case management and rehabilitative services supported by the Medicaid program.

The services funded through the Medicaid program have been developed as a vital part of the infrastructure of the community mental health service system. The options most at risk serve the highest risk populations which are successfully being served in our community. Please use caution with any funding scenario which places this program at risk.

Sincerely,

Ken Taylor
Executive Director



Operated by Anchorage Community Mental Health Services, Inc. (ACMHS),
a nonprofit organization

TOTAL P.002



William Booth, Founder

THE SALVATION ARMY

Emergency Services

546 East 15th Avenue
Anchorage, Alaska 99501
276-1609
277-2593
FAX 272-8546



Serving Alaska Since 1898

March 20, 1997

Representative Mark Hanley
State Capitol
Juneau, Alaska 99801-1182

Post-It™ brand fax transmittal memo 7671 # of pages 1

To Rep. Mark Hanley	From Major Katrina Grundahl
Co. State Capitol	Co. The Salvation Army
Dept. Legislature	Phone # 907-272-3355
Fax # 907-465-2118	Fax # 907-272-8546

Dear Representative Hanley:

Welfare Reform is needed but a Blueprint for Welfare Reform was developed by a state wide community process. The members of the Legislature are seemingly ignoring this plan. Legislative action is denying provision of the tools to help people become independent.

Congress mandates - "get a job, get off Welfare." The State legislature then implements a budget that insures failure for people trying to meet the federal mandate by cutting case management capabilities and childcare. The end result is inadequate availability of childcare, no jobs, which leads to loss of ATAP, less foodstamps, no Medicaid, and no funding at all to replace cuts to legal immigrants.

If the Legislature does not reinstate funding to the Health & Social Services budget- the end result will be citizens of our State facing crisis as never before.

As a representative of a Non profit, there is no way that a safety-net composed of all the non-profits in the state will be big enough to catch the elders, the families, the children that will be impacted.

What the is future without increased funding? I do not even want to envision the result.

Sincerely:

Major Katrina Grundahl
The Salvation Army Homeless Services



MEMBER UNITED WAY OF ANCHORAGE

SOUTHEAST CONFERENCE

An Alaska Regional Development Organization and USDA Resource Conservation and Development Council

March 21, 1997

The Honorable Mark Hanley
The Honorable Gene Therriault
House Finance Committee Co-Chairs
State Capitol Room 519
Juneau, AK 99801

Gentlemen:

In the record of your hearing on the operating budget scheduled for 22 March, please include and consider the comments below.

During their recent meeting here in Juneau, Southeast Conference's Board of Directors discussed proposed elimination of funding for Alaska's solid waste management program from the Department of Environmental Conservation's budget. The Board instructed me to convey to you that, on the one hand, they agree the operating budget must be reduced and they applaud approaching reductions on a program rather than an across-the-board-levy basis. On the other hand, however, Board members are troubled by programmatic reductions legislated without thoughtful study of the consequences, in particular, in this instance, of the impacts on the State's smaller rural and Bush communities. While elimination of other programs in the Department of Environmental Conservation may be even less desirable, the Board nevertheless urges care, lest operation of the Law of Unintended Consequences* make the cure worse than the disease.

Thank you for the opportunity to comment.

Sincerely,



Berne C. Miller
Executive Director

**Law of Unintended Consequences* - Down the road sometime, something really bad will happen that you neither anticipated nor want, and that leaves you in a fix you could have avoided had you thought about it.



ASSETS, INC.

Vision • Action • Results

Diana M. Strzok, Executive Director

March 20, 1997

To whom it may concern:

It has come to my attention that there has been a proposed budget cut of 13 million dollars in state general funds. Included in this overall cut, there is a proposed 6.9 million dollars that would drastically affect the state Medicaid program.

As a provider of Intensive Rehabilitative Services to individuals who experience mental illness, I am gravely concerned of the ramifications that these budget cuts will have on this population. As you may be aware, there is a continual influx of institutionalized individuals discharged into the community which increases the need for community based services. If these budget cuts become a reality, individuals will suffer greatly because the support services, including case management, provided by mental health clinics/agencies will not be available due to the necessity to downsize. This downsizing may result in an inadequate number of staff available to provide the current quality of support necessary to keep individuals and the community safe. In addition, individuals will lose current services due to the lack of funding. If services are lost, this could result in re institutionalization, incarceration, or homelessness of the individuals.

Past budget cuts have left social service agencies over burdened, under staffed, and having a great difficulty meeting the needs of the individuals they serve. There already is a lack of funds available to hire the necessary staff to meet the needs of the individuals.

The cost to the state at this point is far less than it would be if individuals were not able to access services for their continued support and success in the community. The average cost per day at a state institution is \$1000 compared to \$100 for Intensive Rehabilitation Services.

It is my hope that when you cast your vote for this proposed cut that you will vehemently oppose any budget cuts that will affect Rehabilitation and case management services for individuals that experience mental illness.

Thank you for your time and consideration.

Sincerely:

Rudy Bush
Clinical Associate, Assets Inc.

SOUTHEAST ALASKA INDEPENDENT LIVING

POST OFFICE BOX 35097 • JUNEAU, ALASKA 99803-5097 • TEL. 907-789-9665 VOICE/TDD • FAX 907-789-9747
ALASKA 800-478-7245

March 21, 1997

Senate and House Finance Committee Members

Subject: Proposed Budget Cuts

To Whom It May Concern:

I recently received a legislative alert and summaries outlining the real and terrible effects the budget cuts proposed by the Majority will have on Alaskans if these unconscionable budget cuts are implemented as proposed.

Frankly, I am appalled. Borrowing from a quotation from Howard C. Baldwin, it is important to have no illusions about the power of money; but it is silly to dismiss it as worthless. Money, as we all know, is not worthless. It means many good things. It means education for all children. It means access to health care for the poor, the elderly, and for people with disabilities. It means job placement and training services for these same people. It means providing services to Alaskans with significant disabilities in rural and remote areas. It means keeping people with disabilities in their home communities and not in institutions. These are all significant tools in the support and empowerment of people and their lives.

As Baldwin also states: "money alone cannot build character or transform evil into good. . .it cries for full partnership with leaders of character and goodwill." I simply fail to see how any of the proposed budget cuts demonstrate any character or any goodwill by our elected leadership in the legislature.

The proposed budget cuts will have serious and dramatic impacts on the population groups that can least afford to be impacted. The consequences of your actions will be lifelong for many who will be affected if these budget cuts are incorporated as proposed. There is absolutely no logic to proposing funding reductions for programs which receive federal matching funds. In reducing the funds for programs such as the Division of Vocational Rehabilitation Client Services, the real impact of any reductions

Senate and House Finance Committees


Page 2

in funding is **twice** what the budget reduction proposal outlines! In reducing the funds for programs such as the Independent Living component of the budget, services to Alaskans with disabilities in rural areas will be severely impacted! In reducing the funding for Medicaid, one result will be that Alaskans with disabilities will be forced to leave their home communities and live in acute care facilities---at a cost to the State of Alaska far exceeding the savings from any proposed reduction in funding! Other cuts as proposed set up a vicious circle of dependence, prohibiting poor, elderly, and disabled Alaskans from exercising their rights to independence and improving the quality of their lives. The logic in these, and other cuts, is notably absent.

Some estimates indicate that if the proposed budget cuts are pushed through, poor Alaskans and persons with disabilities will take the brunt of the proposed cuts. Where is your leadership? Where is your conscience? Why increase the hardships imposed on an already vulnerable population? Why not be proactive and fund programs that increase the tools available for people to live active, committed, healthy, and productive lives?

I urge you to rethink your priorities, and develop real, proactive, intelligent, and long-term solutions for the problems affecting real people in the State of Alaska. This is a far greater challenge than simply proposing budget cuts. Each poor, elderly, and disabled person who will be affected by your decisions is a real person, with a real life story to tell. Take the time to think of the real people behind the numbers in your budget maneuvering. If you think of the real people, I am certain you would not take any steps to cut these vital and necessary programs.

Sincerely,



Constance E. Anderson
Executive Director

Cc: Governor Tony Knowles
Senator Jim Duncan
Representative Kim Elton
Representative Bill Hudson

City of Tanana
P.O. Box 249
Tanana, AK 99777
Phone: (907) 366-7159
FAX: (907) 366-7169

March 21, 1997

Rep. Mark Hanley
Co-Chair, House Finance Committee
Room 507
State Capitol
Juneau, AK 99801-1182

FAX# (907) 465-2418

Dear Representative Hanley:

The City of Tanana opposes Budget cuts as proposed by the House Majority in HB75.

Further cuts to Municipal Assistance of State Revenue Sharing, as suggested by the Governor, could force Tanana to dissolve the municipal government. Since the City of Tanana maintains Tanana City School District, dissolving the first class would force Tanana's school into one of the REAA's, thus losing the local mil contribution and ultimately costing the state much more than the current Municipal Assistance and State Revenue Sharing programs do. In Tanana's case, any further cuts to basic support of the municipal government is likely to make overall costs go up, not down.

Other budget items important to Tanana include:

*Senior Residential Services - Your recommendation to keep these programs at current levels is good, but not enough. Cutting funds to Department of Social Services for licensing of assisted living programs and for optional medicaid services will also cause serious harm. Since Tanana's senior residential program is currently operating at a loss (which has to be supplied by the municipality) cutting any portion of support to the elders could mean losing the services entirely.

*Health and Social Services - Cuts to this department would mean inability to match federal funding for the innovative community programs to solve children's health and education problems with local solutions (as, COMPASS). Statistics about the problems and their impact could be quoted, but the bottom line is that Tanana is a participant in that program and has spent extensive community time on planning solutions which we will be unable to implement if the funding is cut. Besides leaving us in the lurch, this would certainly add to suspicion and lack of trust in the state government!

*Education - Cuts that would render the Department of Education unable to match federal funds for various programs in the schools would be a serious blow to education. Specifically, Tanana needs to preserve the match for federal funds in special education and vocational education. Tanana also supports continued funding for the parent and family involvement initiative, and for the student leadership program. Tanana endorses expanding Head Start services.

*Department of Environmental Conservation - Tanana cannot afford to comply with federal enforcement of solid waste disposal laws. Without the State solid waste disposal program, it is likely Tanana could not maintain any solid waste disposal system at all. That has serious negative implications for public health and well being.

*Department of Community and Regional Affairs - The Rural Utility Business Assistance program is extremely important to Tanana's current struggle to maintain a safe public water supply. Tanana residents haul their own water from the public watering point and uses outhouses. Tanana is working hard to build a better system, with ways to support maintenance and operation into the future. Cutting the RUBA now would make it extremely hard to finish what we've started.

*Public Safety - Tanana has been eligible, but unfunded, for a VPSO for years. The Municipal government cannot support full police coverage. When a tragedy happens that requires Trooper assistance, it can take days for a response. There are absolutely no funds for prevention efforts.

*Division of Energy - Maintain funds for Power Costs Equalization.

Sincerely,

Mary Edwin

Mary Edwin
City Manager

For more information, call or write. You may phone, fax, or deliver your P.O.M. to any LIO.

Please PRINT the information below.

MR. MRS. MISS	First name <i>William</i>	M.I.	Last name <i>Gumlickpak</i>	Jr. Sr. III
Mailing address <i>P.O. Box 10</i>				Zip code <i>99636</i>
Residence (if not) address if different from mailing address <i>New Stuyahok City</i>				Zip code
Daytime telephone number <i>693-3171</i>		Group affiliation (if applicable)		Signature <i>William Gumlickpak</i>
				Date

Put a ✓ in the appropriate box(es).

Committees		House members		Senate members	
<input type="checkbox"/>	H or S	<input type="checkbox"/>	Austerman (aus)	<input type="checkbox"/>	Adams (ada)
<input type="checkbox"/>	Community & Regional Affairs (cra)	<input type="checkbox"/>	Barnes (bar)	<input type="checkbox"/>	Danley (don)
<input type="checkbox"/>	Finance (fin)	<input type="checkbox"/>	Barkowitz (ber)	<input type="checkbox"/>	Duncan (dun)
<input type="checkbox"/>	Health, Ed., & Social Services (hes)	<input type="checkbox"/>	Brica (bri)	<input type="checkbox"/>	Ellis (ell)
<input type="checkbox"/>	Judiciary (jud)	<input type="checkbox"/>	Bunde (bun)	<input type="checkbox"/>	Green (gre)
<input type="checkbox"/>	Labor & Commerce (l&c)	<input type="checkbox"/>	Cowdery (cwo)	<input type="checkbox"/>	Hafford (haf)
<input type="checkbox"/>	Resources (res)	<input type="checkbox"/>	Croft (cro)	<input checked="" type="checkbox"/>	Hoffman (hof)
<input type="checkbox"/>	Rules (rts)	<input type="checkbox"/>	Davies (dav)	<input type="checkbox"/>	Kelly, T (kel)
<input type="checkbox"/>	State Affairs (sta)	<input type="checkbox"/>	Davis (dag)	<input type="checkbox"/>	Leman (lem)
<input type="checkbox"/>	Transportation (tra)	<input type="checkbox"/>	Dyson (dys)	<input type="checkbox"/>	Lincoln (lin)
<input type="checkbox"/>	Other	<input type="checkbox"/>	Elton (elt)	<input type="checkbox"/>	Mackie (mak)
<input type="checkbox"/>	Other	<input type="checkbox"/>	Foster (fos)	<input type="checkbox"/>	Miller (mil)
		<input type="checkbox"/>	Green (grn)	<input type="checkbox"/>	Parhel (par)
		<input type="checkbox"/>	Grusendorf (grs)	<input type="checkbox"/>	Pearce (pea)
		<input type="checkbox"/>	Hanley (han)	<input type="checkbox"/>	Phillips, M. (phi)
		<input type="checkbox"/>	Hodgins (hod)	<input type="checkbox"/>	Sharp (sha)
		<input type="checkbox"/>	Hudson (hud)	<input type="checkbox"/>	Taylor (tay)
		<input checked="" type="checkbox"/>	Ivan (iva)	<input type="checkbox"/>	Torgerson (tor)
		<input type="checkbox"/>	James (jam)	<input type="checkbox"/>	Ward (war)
		<input type="checkbox"/>	Joule (jle)	<input type="checkbox"/>	Wilken (wik)

Fill out the boxes below **OR** enter a Subject.

HB or SB	Bill number	and check one:	<input type="checkbox"/> Support	<input type="checkbox"/> Oppose	<input type="checkbox"/> Amend	OR enter a general Subject (LIO staff may modify)
----------	-------------	----------------	----------------------------------	---------------------------------	--------------------------------	--

Your PRINTED message cannot exceed 50 words or contain any vulgar language.

<i>I, William Gumlickpak oppose the</i>	5
<i>House majority proposals that will</i>	10
<i>cut the revenue sharing funds</i>	15
<i>in the rural villages</i>	20
	25
	30
	35
	40
	45
	50

TOTAL P.03

TRIBAL CHILDREN SERVICES

P.O. Box 107
Togalak, Alaska 99678
907-493-5431
Fax 907-493-5932

March 21, 1997

House Majority
Budget Cuts for FY98
Juneau, Alaska 99811

House Majority,

I just finished reading the proposed budget cuts that you all plan to make, and I became so disgusted to realize you would put your state people through all this. I don't understand where you want this state to go by taking away correctional officers from all the organizations. Do you really believe that this state can get away from crime if we take away the officers? Where exactly are you living?

Is there anyone there from Rural Alaska, and where is your voice? They should know that there are no jobs out here, and yet you leaders are going to reduce funding in the Division of Energy. I know for a fact that the fishermen of Bristol Bay are not the rich fisherman everyone believes they are. We have one opportunity to make our money for the whole year, and if they mess up, where do you think they turn to. I would like to know if that makes sense to you. How are the people of Rural Alaska going to become self-sufficient when there are no child care facilities, job training programs, and no jobs period?

I am in the social service field of work and the problems people face are so disturbing. It hurts me to think about what will happen to all my people in my community now with welfare reform, and now all these budget cuts you people want to make. Sorry if I sound rude, I am just very upset. I pray that the Lord will direct you people to a safer solution to this budget.

Respectfully,

Kristy Kritz
Tribal Children's Service Worker

Cheryl B. Hull

9210 Gee Street, Juneau, Alaska 99801-8824

Phone: (907) 789-3321

e-mail: dbhull@ptialaska.net

To the House Finance Committee:

I am writing this letter to let you know how appalled I am with the recent announcement of your decision to cut the budget of the Division of Vocational Rehabilitation so deeply and without any apparent thought as to the consequences of your proposed actions.

With the new welfare reforms coming into place, you are putting an already vulnerable population of Alaskans at risk. More than ever, people need an opportunity to get necessary training to qualify for jobs. DVR, through its funding of independent living centers and its many other programs, helps those who are disabled to lead full lives. You appear to be trying to eliminate one avenue after another for many of the people of this state; people who, through no fault of their own, have need of the services thus far provided by DVR.

Proposed cuts from DVR's budget will dictate the number of federal dollars that will go away as well. How will rehabilitation of injured and/or disabled workers happen? How will they feed their families, keep a roof over their heads, and provide a safe environment for their children? How will those who are disabled acquire the technology and training they will need in order to keep their lives together and lead productive lives. I wonder if you even care about these constituents of yours. They don't have a big lobby--yet. You have only proposed cuts. What solutions have you offered? To date, I haven't heard any.

Your proposed cuts make no sense whatever. When several of the disabled community testified at a recent Health and Social Services hearing, one senator said that if we felt that the budget was being cut on the backs of the disabled, we should let all of you know. Well, ouch! Cuts to DVR, welfare, Medicaid--where will you stop? Who do you think is going to be affected by your overly sharp and bloody knife?

I'm telling you that you are not only cutting the budget on the backs of the disabled, but also on the backs of Alaska's elderly, the backs of women and children of this state, and the backs of people who work here. So far as I can tell, the only ones whose "welfare" is being considered at all is big business. The rest of us will just be getting the business.

I know that I have never felt more frustration or anger at such shortsightedness. Sixty people are elected to the legislature, and only a handful of you can see the wisdom of long-range planning, of multi-year budgeting. Talk about wasteful spending. This constant yearly battling over nickels and dimes is time consuming--and I'll bet it costs more than \$60 million. If you really want to save that \$60 million, then plan ahead. I will assure you that you need not be a rocket scientist to figure out this one.

Cheryl B. Hull

DATE: March 21, 1997

TO: Senate and House Finance Committees

FROM: Al B. Castillo, Parent Advocate *AC*
PARENTS, Inc.

RE: House Majority Budget Cuts for FY98

In response to the proposed budget reductions for FY98, I disagree with these proposals since the reductions would have an adverse impact on the individuals and families struggling today just to barely meet the everyday requirements of being able to function and cope with everyday living. Items such as health care needs; available day care assistance to find and keep full-time employment; training opportunities for the special needs adult population; foster and residential care programs are just a few of the areas we as a state need to reinvest in and continually support to allow all our state residents the opportunity to become self-supporting or independent with minimal assistance. Those with the more severe cases requiring on-going medical or personal assistance could conceivably end up in state or private environments thereby costing the state unneeded expenses when the available services operating today are already serving those purposes.

On their behalf, the residents effected by these reductions I implore you to reconsider and roll back these cuts not only to their previous levels but to increase the funding, especially for Medicaid so the much needed services cut two years ago, i.e., eyeglasses, hearing aids, occupational therapy, will become available once again for those who need it the most.

For future consideration, perhaps if the Alaska state residents were given an opportunity to contribute a nominal amount each year from their PFD's, say \$25.00 to \$30.00, towards a specific fund to disperse to these programs, would this help alleviate funding budget reductions?

Thank you for allowing my comments on the FY98 budget proposals.

Alaska Garden & Pet Supply Inc.**dba, Alaska Mill & Feed Co.**

114 North Orca • P.O. Box 101248 • Anchorage, Alaska 99510 • Phone (907) 279-4519 • FAX (907) 276-7416

March 19, 1997

Senate Finance Committee
Senate Finance Secretary
State Capitol
Fifth Floor Room #532
Juneau, Alaska 99801

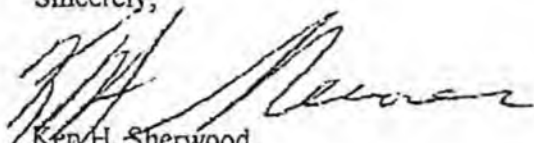
Attn: Chairman Rep Mark Hanley:

I am writing to urge you to take the necessary action that will result in adequate funding specifically appropriated for the MADE IN ALASKA (MIA) and Silver Hand Programs to be included in this year's budget either by direct grant or line item.

For the past three years under private sector management, the MIA program has been improved and expanded at an unrealistic savings to the state. That inequity now threatens the very existence of the program at a time when we need it the most. It is important to my business and the overall health of our state's economy that this program remain strong. The best way to ensure that is for you, as our leads, to commit to a more equitable partnership with the private sector in sharing the cost of it's administration. Your commitment in this funding will send a clear message that you not only understand the importance of the in-state "value-added" industry, but you are also willing to stand up and be counted as leaders in supporting the protection and growth of that industry while maintaining a fiscally conservative approach to state spending.

In closing, I would ask that you listen to our Program Manager Steven Rouse and review testimony submitted to the Senate Finance sub-committee on Economic Development. He will illuminate further the real need for these funds and the likely potential for other programs to be privatized. If you are concerned about the waste in government, don't waste the chance to insure the survival of the MADE IN ALASKA program.

Sincerely,



Ken H. Sherwood
President

KHS:sdw

March 17, 1997

Dear Representative,

My name is Dave Maddux and I am a registered voter in the State of Alaska, residing in Fairbanks. I am writing this letter because of my deep concern about the budget cuts that the School of Agriculture and Land Resource Management (SALRM) in the University of Alaska system, has sustained over the last 5 years.

I find it very difficult to fathom why a university, founded as a land-grant institution, would allow the gutting of the very school that helped it to attain that status. The chancellor of the Fairbanks campus, which is where SALRM is based, seems intent on the total destruction of this school.

In the past 10 years, 7 faculty positions vacated in SALRM have not been filled, due to budgetary constraints. Since 1992 this school has seen its budget decreased and given away to other schools, until an emergency allocation had to be found from the Alaska Science and Technology Foundation (ASTF) so that the school could operate for a few more years. Now ASTF has decided to reduce that allocation by \$500,000 per year until it is non-existent. There are no university or state plans to replace these funds.

SALRM is the *only* school within the UA system that trains its graduates in specifically *Alaskan* issues. These include boreal forest management; non-traditional agriculture such as reindeer and sled-dog nutrition; and resource management issues particular to Alaska, such as pollock harvest, whale population dynamics and resource extraction. All of the programs offered within this school are directly related to Alaska and its resources. No other school within the UA system can make this claim.

It is imperative that a *permanent* source of funds be allocated to the School of Agriculture and Land Resource Management in such a way that the short-sighted administrators at the University of Alaska-Fairbanks cannot once again drain this school's budget away. It is senseless that our state government and land-grant university administration gives such low priority to the research and education concerning management of these resources, especially when our state is so rich in natural resources.

As a resident of the State of Alaska, I am asking you to find a solution to this serious problem. It is crucial that you become involved in this University of Alaska problem, because it is ultimately a problem that the state should be very concerned about. Our state government has an agreement with the federal government to have the Agricultural and Forestry Experiment Station in Fairbanks. Without matching funds from the state, the School of Agriculture and Land Resource Management will lose its federal funding, thus effectively shutting down the School

of Agriculture and Land Resource Management and the Agricultural and Forestry Experiment Station. Is it in the state of Alaska's best interest to lose this?

This is an issue that will affect the state from Ketchikan to Prudhoe Bay. The School of Agriculture and Land Resource Management needs your help immediately! I would appreciate a response from you on this issue.

Sincerely,

Dave Maddux
P.O. Box 81091
Fairbanks, Alaska 99708
(907) 479-3847
fax (907) 479-3847
Email → dmaddux@polarnet.alaska.com

Erika Weld
2253 Bridgewater
Fairbanks AK 99709

March 18, 1997

Dear Representative Hanley:

I am contacting you as a member of the Alaska visitor industry and co-worker at a small locally-owned tour operator. Frankly, I am shocked by the actions coming out of committee Juneau!

I was born and raised in Alaska and during my lifetime I have seen the growing importance the visitor industry has on our state's economy. Unfortunately, tourism marketing funding has been neglectfully abused by the legislature and taken serious cuts the last several years, resulting in fewer visitors to our state.

I have personally witnessed this decrease in visitation and it distresses me greatly. Our competing destinations invest serious funds to tourism marketing and realize the substantial positive impact that a thriving visitor industry offers.

The \$3.5 million cut to tourism proposed by your committee is outrageous and will definitely hurt small businesses, NOT large package tour companies.

Please continue to look for solutions that will not decimate those who the legislature so often claims to protect, the small business owners of Alaska.

Sincerely,



Erika Weld

March 18, 1997

Linda Foster, C.P.A.
Controller
PO Box 111829
Anchorage, Alaska 99587

Mark Hanley
Full House Finance Committee
Juneau, Alaska



ALYESKA RESORT

RE: Reducing the budget for tourism

Dear Mr. Hanley:

I strongly object to the proposed legislation that will reduce the promotion of Alaska tourism. Tourism is the third largest business in Alaska. Our resort has recently invested a great deal of money in hopes to make Alaska not only a summer destination for tourists but also a winter destination resort. We will need the support of our legislators to promote tourism in Alaska in order for our business to succeed. We employ approximately 450 employees year-round. Our employees will need to be reassured that their legislators support them in their efforts to make a success of our resort. Please do not approve the reduction of the budget for Alaska tourism.

Sincerely,

Linda Foster, CPA

Linda Foster, C.P.A.
Controller

P.O. Box 248

GIRDWOOD, ALASKA 99587

TELEPHONE (907) 754-1111

FAX (907) 754-2200





Era Helicopters

Era Aviation, Inc.

VIA FAX: (907) 465-2418

March 18, 1997

The Honorable Mark Hanley
House of Representatives
State of Alaska
Juneau, Alaska 99801

Reference: House Finance Committee

Dear Mr. Hanley:

I am very concerned with the Proposed Budget from the House Finance Subcommittee on Commerce and Economic Development. As I understand it, this subcommittee is recommending the elimination of the Division of Tourism.

As you may be aware, Era is very involved in the tourism industry and dependent upon its growth in Alaska. In the past five years, Era has invested in excess of \$20 million into equipment and facilities to expand our tourism business and create jobs for Alaskans. I feel that the elimination of this agency would be a devastating mistake.

Elimination of the state international tourism marketing efforts would seriously hinder Era's efforts to attract customers, both for our helicopter flightseeing business and our new airline service to Whitehorse, Yukon. Our Denali and Valdez flightseeing bases would be hit especially hard with the elimination of the highway marketing. The elimination of funding for the state to participate in North American tour operator promotions will result in loss of valuable leads and recognition for Alaska's tour product.

In this time of increased competition for the tourist's dollar, both from other states and foreign countries, we cannot back away from Alaska's tourism industry. This is the time to increase spending on state advertising campaigns, not cut it.

Tourism is Alaska's premier growth industry and it needs to be supported and encouraged by the state.

With best regards,

Donna Harris
Director, Tourism Sales and Marketing

March 18, 1997

Full House Finance Committee

Legislator	Fax	Legislator	Fax
Mark Hanley, co-chair	465-2418	Gene Therriault, co-chair	465-3884
Eldon Mulder, vice-chair	465-3518	Terry Martin	465-2293
Gary Davis	465-3835	Pete Kelly	465-5241
John Davies	465-3519	Carl Moses	465-3445
Richard Foster	465-3242	Ben Grussendorf	465-2278
Vio Kohring	465-3818		

Dear House Finance Committee Member,

On behalf of the Sitka Convention and Visitors Bureau (SCVB) and our Board of Directors, I would like to express our outrage at the recommendation that the Alaska Division of Tourism be eliminated, and that the Alaska Tourism Marketing Council's budget be cut by over \$1 million in the State's FY98 budget. This \$3.5 million cut to tourism amounts to nothing less than an attack on the visitor industry.

This proposal is contrary to the legislators' pledge to promote economic development, and would deal a heavy blow to both new and existing small businesses in Sitka by eliminating tourism and business development programs. Our community's small businesses will bear the brunt of these massive cuts in tourism promotion as they cannot reach the national travel market alone.

Alaska is quickly losing ground to competing destinations. While other states and countries are increasing tourism marketing budgets, Alaska has essentially slashed tourism promotion to less than half of what it was in FY94!!

As the visitor industry is Alaska's and Sitka's most promising growth industry, I urge you to reject this budget proposal. We strongly encourage the committee to increase funding to the state's tourism industry in order for Alaska to remain competitive.

Sincerely,



Anne Hickok
Executive Director

P.O. Box 1226
Sitka, Alaska 99835
Ph:(907)747-5940
Fax:(907)747-3739
e-mail:
scvb@ptialaska.net



SITKA
CONVENTION AND
VISITORS BUREAU

Delta/Greely Community Coalition

P.O. Box 780

Delta Junction, Alaska 99737

Delta Junction City Council
Delta/Greely School District
Delta Chamber of Commerce
Deltana Community Corporation
Delta Chapter, Farm Bureau
Retired Military/Civilian Representative
Civil Service Representative



Cleeta P. Barger, President
Doris Fales, Vice-Pres.
Linda Spears, Sec./Tres.
Tel: 907-895-1041
FAX: 895-4219

March 18, 1997

Dear Representative Hanley,

The Delta/Greely Community Coalition has been informed that the House Finance Subcommittee is recommending a total of \$3.5 million in budget cuts to the Alaska Tourism Industry. For over the past two years our community has been trying to cope with the purposed realignment of Fort Greely. With this pending realignment and the significant loss of jobs to our community, we feel that this proposed budget cut is another slap in the face to our already struggling economy.

Tourism will be a big factor in our ability to progress into the 21st Century without the military in the picture. The elimination of the business development and tourism programs will impact our community in ways that we can not afford at this time.

We simply ask that you vote against this recommendation, not only for the community of Delta Junction, but for the entire State of Alaska.

Sincerely,

A handwritten signature in cursive script, reading "Cleeta P. Barger". The ink is dark and the signature is fluid and legible.

CLEETA P. BARGER
President

Samantha Wilson
PO Box 10853
Fairbanks AK 99710

March 18, 1997

Dear Representative Mark Hanley:

Thank you for your service to our State. As an individual who makes her living in small business, I can appreciate the difficult task of reducing state spending and balancing our budget while keeping in mind the fiduciary responsibility entrusted to you by the citizens of Alaska.

I have recently learned that the House Finance Subcommittee on Commerce & Economic Development has put forth a recommended budget. As I understand it, the budget put forth by this committee cuts tourism marketing funding by nearly \$3.5 million. As you may or may not be aware, this budget will have a devastating impact on the visitor industry. I am confused at this attack on the emerging premiere industry in our state.

The visitor industry contributes over \$52 million dollars to state coffers in the form of taxes, fees, and local bed taxes. This revenue is a result of **MARKETING**. Without marketing dollars, the result will be decreased revenue, lost jobs, and suffering for Alaskans turning to the visitor industry to replace jobs lost in other industries such as logging.

Please do not be misled, these cooperative marketing dollars primarily benefit small business, **NOT** large package tour companies. If the intent is to cut benefits to large companies, perhaps state subsidies to mining, petroleum, and fisheries could be reduced.

The cuts to Alaska's tourism marketing program decimate our investment in the future of tourism and destroy our ability to compete as the world class visitor destination we should be.

Please take these factors into account during the coming days of legislative activity.

Sincerely,

Samantha Wilson

Samantha Wilson

To: Members of the House Finance Subcommittee for Commerce & Economic Development.

From: A Concerned Business of Alaska

In regards to the action proposed by the House to reduce the ATMC's marketing budget and eliminate the Alaska Division of Tourism we hope that you will consider all of the possibilities first. Please refrain from being hasty.

As long standing members of the Homer Chamber of Commerce, the Kenai Peninsula Tourism Marketing Council and the Anchorage Convention & Visitor's Bureau we know the importance of the hard work and effort we all provide for Alaska and it's economy. Each of us are partners in the larger business of Alaska. All of us depend on the vital surge of tourists during the summer, it is our lifeline in a long dark year. Proposing to cut the budget of marketing Alaska would be to the detriment of all Alaskan businesses.

As each of us prepare for the upcoming busy summer, the period of time where we can be made or broken, we tend to lose sight of those activities and organizations that brought our business to us. We cannot toss aside the agencies's, that have developed Alaska's Tourism, so casually. Living in the continental U.S. amid all the distractions that are offered, it is so gratifying to know a place exists that is a haven, a place like Alaska. Don't blind yourselves to the necessity of the Alaska Division of Tourism or the budget of the ATMC.

Please, for all of us, reconsider your recommendation.

Sincerely,

The Management
Best Western Bidarka Inn
575 Sterling Highway
Homer, AK 99603
(907) 235-8148



ALASKA VISITORS ASSOCIATION

3201 C Street, Suite 403 • Anchorage, Alaska 99503

Tel: (907) 561-5733 • Fax: (907) 561-5727

1996-97

Executive Officers

President

Bob Engelbrecht

TEMSCO Helicopters

Juneau, Alaska

1st Vice President

Tom Tougas

Kenal Fjords Tours

Seward, Alaska

2nd Vice President

Ken Dole

Waterfall Resort

Ketchikan, Alaska

VP Government Relations

John Litten

Sika Tours

Sitka, Alaska

Secretary

Ann Campbell

Alaska Village Initiatives

Anchorage, Alaska

Treasurer

Bill Pedlar

Holland America Westours

Seattle, Washington

Past President

Dean Brown

Princess Tours

Seattle, Washington

Board of Directors

Bob Berta

Southeast Stevedoring

John Binkley

El Dorado Gold Mine

Dennis Brandon

Cook Inlet Region, Inc.

Robert Dindinger

Alaska Travel Adventures

Bill Elander

Anchorage CVB

George Erickson

Alaska Railroad Corporation

Laurie Herman

Alascom, Inc.

Chris von Imhof

Weslin Alyeska Prince Hotel

Terry Latham

Tundra Tours

Top of the World Hotel

Linda McLaughlin

Delta Air Lines

Gary Odle

Alaska Highway Cruises

Arne Olsson

Hotel Helsingland

Vicki Parrish

Fairbanks Princess Hotel

Brad Phillips

Phillips Cruises & Tours

Walter Porter

Yak-Tat Kwaan, Inc.

Justin Ripley

Windsong Alaska Properties

Mitch Usibelli

Sourdough Cabins

Brad Walker

Alaska Airlines

Tina Lindgren
Executive Director

March 18, 1997

Representative Vic Kohring, Chair
House Finance Subcommittee on
Commerce & Economic Development
Alaska State Legislature
Juneau, AK 99811

Dear Representative Kohring:

As the statewide representative for the state's visitor industry, the Alaska Visitors Association is outraged with your subcommittee's budgetary recommendation to eliminate the Division of Tourism (DoT) and cut the Alaska Tourism Marketing Council (ATMC) budget. This will produce the most anemic tourism marketing program in the last decade. And the results will be devastating, particularly to small businesses, which comprise 90% of our industry. We have no choice but to view your proposal as a direct attack on tourism.

At a time when legislators have pledged to promote a climate ripe for *greater* economic development, this recommendation goes 180 degrees the other way. Frankly, we find it sadly ironic that the subcommittee on Commerce and *Economic Development* could come up with such a scenario.

Over the years, tourism has proven to be one of Alaska's best investments. The visitor industry provides extraordinary opportunities for Alaskan entrepreneurs to start and succeed in small business ventures. As the state's second largest employer, tourism provides thousands of jobs in every single region of the state. And through business and visitor assessments, the visitor industry does pay its fair share -- to the tune of over \$124 million injected into state and local treasuries each year. The few million dollars the state has contributed to tourism marketing and other programs has yielded a remarkable return.

The opportunity for small business start-ups and more jobs will suffer under your proposal. Led & breakfast in Fairbanks, a cultural tour in Kotzebue, a rafting enterprise in Eagle River ... none has the means to reach a national travel market alone. They, like local convention & visitors bureaus, rely on the effort of the ATMC and DoT to lure travelers to Alaska. On page 3 of this message, we've outlined how Alaska's tourism promotional efforts have eroded over the years, and the detrimental affect this has had on small businesses in particular.

Alaska's Cooperative Marketing Program, executed by the ATMC, is considered a model for public-private ventures. Yet, your proposal unravels the ATMC success story in two ways:

- *Additional \$600,000 in cuts to the ATMC budget.* This reduction will further erode critical promotional elements, including vacation planner production, as well as national TV, magazine and newspaper advertising.
- *Transfer of division responsibilities.* Since corresponding funds are NOT transferred with these programs, operating costs will eat away at dollars meant for marketing. The net affect of cuts and unfunded transfers is \$1 million less in marketing power for Alaska.

What about the Division of Tourism programs that will be lost? In a recent survey conducted by the University of Alaska Fairbanks, tourism businesses statewide expressed how important these programs were to their livelihood.

- Developing international contacts through overseas promotion was viewed as extremely important. Your proposal guts international marketing in key markets like Germany and the United Kingdom.
- Responding to calls and requests for travel information scored high on the importance scale. While this program would be transferred to the ATMC under your proposal, there is no corresponding funds to cover personnel or fulfillment costs.
- Visitor research was also considered very important by tourism businesses, as these statistics provide the basis for developing viable business plans and making sound tourism business decisions. Research is eliminated under your proposed budget.
- Creating business leads through participation in travel trade shows and national tour operator familiarization trips were deemed to be critical functions. Again, these elements disappear under your plan.

In a nutshell, you're not hurting larger companies with the budget proposal, you're hurting the small operators. Given the lack of a state budget shortfall (in fact the state shows a \$100 million budget surplus) we cannot find any compelling reason to whittle away at programs that have *contributed to economic development*.

If reorganizing is the goal, then the industry and government should sit down and find workable solutions together. Thoughtful reorganization does not belong in the budget process. It belongs in a forum where affected parties can deliberate on the best course of action. AVA has a long history of working with the state government to promote economic prosperity through tourism programs and promotion. Our door is always open for any discussion on this, or any other issue, that impacts Alaska's visitor industry.

If you or your committee members have any questions at all, or need additional information, please feel free to call me at (907) 789-9501; or call the AVA office at (907) 561-5733.

Sincerely,



Bob Engelbrecht
President

cc: House Finance Subcommittee on Commerce & Economic Development
House Finance Committee
Senate Finance Committee

STATEMENT OF THE PROBLEM

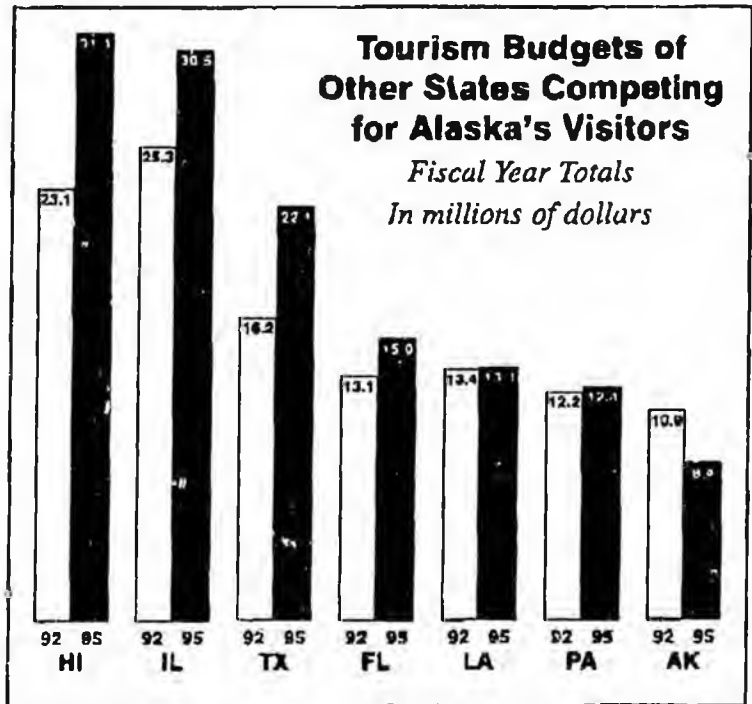
The state needs to stop the erosion of Alaska's position by restoring at least a portion of the amount spent on destination marketing; or watch Alaska revenues and jobs suffer as other states and destinations that are willing to invest aggressively in tourism promotion take over our market share. Alaska may be open for business, but we need to close the sale.

1. This year in a statewide AVA survey, many Alaskan tourism businesses reported a loss of income from highway travelers. U.S. Customs border crossing numbers bear this out. There was a decline of privately-owned-vehicle passengers crossing between May and August compared to last summer.
2. Alaska IS LOSING GROUND due to increased competition from other states, countries and new destinations.

As we know, Alaska's most direct competitors are foreign destinations. Below is a list of our major foreign competitors, and the amount they spent promoting visitation during the latest-available reporting periods.

Europe	\$555,830,000
Caribbean Nations	\$164,200,000
Australia	\$100,000,000
Canada:	\$92,000,000
Mexico	\$70,000,000

With the demise of a national travel promotion agency for the United States, America's individual states and destinations must go it alone in the marketing arena. Overall, states across the nation are increasing their tourism budgets. The graph below shows a few examples of the level of investment others are making in tourism, and why Alaska is losing ground.

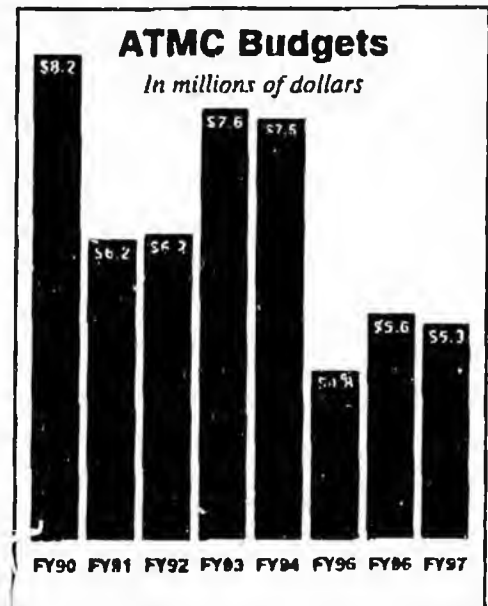


3. Alaska has disappeared from the top ten list of desired vacation destinations, according to a national poll of American adult travelers conducted each quarter by the Tourism Industry Association of America. In 1995, Alaska ranked 7th on the "wish list" for summer travel.

4. Alaskans statewide are increasingly turning to tourism as a way to replace jobs lost in other industries, such as timber. Many of these new businesses will not survive without a growing pool of visitors.
5. Alaska has decreased promotion. State tourism marketing funds have declined by nearly 50% since 1989.

Given an average 7%-per-year inflation in the cost of media buys, Alaska's dwindling advertising budget now buys 40% less than five years ago.

This has left very little to conduct television image advertising, which is proven to be one of the most effective mediums to generate interest in a destination. Without the state's ads on national television most of the Alaska travel commercials are those placed by cruise companies.



ALASKA WELCOMES YOU!, INC.®

ACCESSIBLE ALASKA ADVENTURES®

P.O. BOX 91333, ANCHORAGE AK 99509-1333
1-907-349-6301 1-800-349-6301 FAX: 1-907-344-3259

Email: alaskaupdate@compuserve.com

Web site address: <http://ourworld.compuserve.com/homepages/alaskaupdate>

March 18, 1997

Representative Mark Hanley, Co-Chair
House Finance Committee
Juneau, Alaska

Fax: 1-907-465-2418

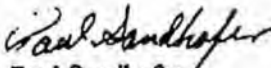
RE: PROPOSAL TO CUT \$3.5 MILLION DOLLARS FROM THE STATE TOURISM BUDGET.

Sir:

A proposal is being considered by the House Finance Subcommittee for Commerce & Economic Development to cut \$3.5M from the State Tourism budget. The State of Alaska cannot afford to cut back on expenditures on the renewable resource of tourism. Furthermore, this proposal is absolutely contrary to the legislators' pledge to promote economic development. Consider the effect tourism has on the State. Approximately 200,000 Alaskans are employed either directly or indirectly in the tourism industry. Alaska tour businesses are in direct competition with California, Hawaii, Canada, Chile, the Caribbean, and other vacation destinations for the tourist dollar. Have you seen the vacation publications put out by the states of California and Hawaii? Tourism is a renewable resource. The State should nurture this resource through an effective, aggressive, advertising campaign throughout the United States and the world; otherwise the flow of tourists into Alaska will dry up. This proposed \$3.5M cut is unacceptable and does not represent responsible government fiscal behavior. The tour industry is an Alaskan renewable resource - the House Finance Subcommittee for Commerce & Economic Development, and the House Finance Committee, should be promoting its tremendous fiscal resources, rather than demolishing its base.

Small Alaskan operators do not have the necessary funds to advertise effectively on a national or world-wide basis. Tourism generates millions of dollar throughout the State, but this cannot continue if the State annihilates small Alaskan-owned and operated tour businesses by eliminating State funded advertising campaigns. [Please note, other Alaskan-renewable resources require state-assisted programs to remain in business.] Eliminating tourism programs will impact, not only Alaskan-owned tour businesses, but will have a major domino effect throughout the State, affecting both private and government sectors. If you think that unemployment is a crisis factor in the fishing and lumber industries, imagine the impact of 200,000 Alaskans whose tourism-related income has suddenly dried up. One-third of Alaska's population is employed in the tourism market and they will most assuredly be impacted by such a cut. They will remember how they lost their earning capacity. While Alaska Welcomes You!, Inc. does advertise, on a very limited scale, it would certainly help our business if the House Finance Subcommittee for Commerce & Economic Development, and the House Finance Committee, would not reduce the State of Alaska's national advertising by decreasing the State Tourism Budget.

Respectively,


Paul Sandhofer
President

11-249

ALASKA GETAWAYS FOR THE PHYSICALLY CHALLENGED®

BUSH AIRVENTURES, INC.

"THE SPIRIT OF ADVENTURE"

2301 MERRILL FIELD DRIVE SUITE A ANCHORAGE, ALASKA USA 99501

PHONE: (907) 279-9600 FAX (907) 279-9606

<http://www.alaska.net/~flybai>

email: flybai@alaska.net

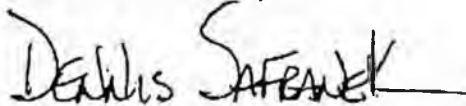
March 18, 1997

Dear Alaska Legislator,

We at Bush Airventures earn our living by providing quality service to tourists anxious to experience Alaska. For many of these, the initial contact is through information disseminated by the Alaska Department of Tourism. Please consider the impact that elimination of this Department would have on ALL Alaska businesses, whether specifically tourist-related, or not. From Hotels to Bed & Breakfasts; from Airlines to Taxi Cab operators; from Department Stores to the Corner Grocery, all would suffer serious economic impact from a curtailment of tourist business. It should be clear that cutting the promotion of tourism is an extremely unwise decision for the State of Alaska. Tour operators and businesses such as ours should not bear sole responsibility for developing the Tour Industry income to the State.

Sincerely,

Bush Airventures, Inc.



Dennis Safranek, President

10 321



March 18, 1997

TO: Alaska State Legislature
RE: Proposed House of Representatives action on tourism funding

Dear Senator/Representative:

While we appreciate the Legislature's attempt to reduce state spending, we are adamantly opposed to Representative Vic Kohring's proposal to adopt a budget for 1998 that would eliminate the Alaska Department of Tourism. Tourism has helped our state become less dependent on oil revenues and we feel it is imperative that statewide tourism programs not only continue, but be supported by our Legislature.

Sincerely,

Diane Thompson

Diane Thompson

Ulmer, Inc. DBA



1704 East Fifth Ave. Anchorage, AK 99501

Phone (907)258-7822 FAX (907)258-0909 Alaska Toll Free (800)478-8376

ALASKA FLIGHT TOURS

Ref. ELIMINATION OF THE ALASKA DEPARTMENT OF TOURISM

I am writing you because of information I received about Vic Kohring, Chair of the House Finance Subcommittee for Commerce & Economic Development, proposing that the Alaska Department of Tourism be eliminate.

The Department of Tourism is responsible for the great growth in Alaska. The Whole World has been informed about our Great Outdoors, Mountains and Glaciers. This is not just a renewable resource it is always here for the seeing. No where in the world is there beauty like Alaska, everywhere you look, in the flat lands and the mountains. We have to have Alaska Department of Tourism to get the word out. We can not do it by ourselves.

Tourism is the fastest growing industry in Alaska and last year I believe the budget was cut and many companies were off over 30% including our company. Even though we spent more than twice as much in advertising than the year before.

We receive over 75% of contacts through the Alaska Vacation Planner.

If you want to kill many jobs and destroy many business than eliminate the ALASKA DEPARTMENT OF TOURISM. Also shut down the Pipe line because Tourism is a money pipe line to Alaska and that is what effect it would have on many families and business, like the late 1980s some of us are still trying to out live. I believe Alaska will be harmed greatly by this proposal by Vic Kohring.

Disappointed in Vic Kohring

Lavern (Vern) Ulmer
President

24-1139

JoAnn & Monte

To: Representative Mark Hanley
Date: March 17, 1997
**Re: House Finance Subcommittee
for Commerce & Economic Development**

Dear Sir,

For over 20 years now JoAnn & Monte have made our livelihood as a small business here in our great state of Alaska. We have struggled for years as singer/songwriters chronicling the love and amazement we Alaskans feel towards our home.

In 1990 we joined the cast of "The Great Alaskan Opry" and were introduced to the visitor industry for the first time. After 7 years of learning the ups and downs and ins and outs of this industry we are finally poised to have a truly successful season.

As members of the Alaska Visitors Association and the Anchorage and Mat-Su Convention and Visitors Bureaus we have come to understand that the heart of the visitor industry here in Alaska is not just the big cruise companies and hotels, but the hundreds of Mom & Pop operations that depend on the Division of Tourism and The Alaska Tourism Marketing Council to encourage all of those people in the Lower 48 who have dreamed of visiting Alaska to finally do so. We have no other way to reach these people and certainly are in no position to compete with other destinations that are increasing their advertising budgets even as we watch ours get slashed.

As Alaska looks forward to dwindling natural resources we, as Alaskans, must find a way to more than survive here in the Northland, we should be able to thrive! We as individuals and as a company are strong believers that the visitor industry is our most promising long term economic base. It gives us the opportunity to live here in this land that we love, share it with people who are excited about our natural beauty and, when managed properly, leave this land much as we found it. It's a win-win-win situation.

We note that the name of your subcommittee is Commerce & Economic Development, but if you slash this budget you will be doing Alaska and Alaskan business people throughout the state a serious disservice, as well as going against all the pledges we heard regarding economic development in the recent election. Remember, you will hurt businesses large and small by this move, but certainly small business will feel the brunt! Please do not slash the budget!!!

Songfully,

JoAnn Malloy & Monte Davis 14-295

P.O. Box 92499, Anchorage, AK 99509-2499, (907) 278-8313, Fax: (907) 278-8314



**TUNDRA TOURS, INC.
TOP OF THE WORLD HOTEL**

Representative Mark Hanley
Alaska State Legislature
State Capitol
Juneau, Alaska 99801-1182

March 17, 1997

Dear Representative Hanley:

I have learned with much astonishment that the House Finance Subcommittee on Commerce and Economic Development is recommending a budget cut that will eliminate the Division of Tourism and cut the Alaska Tourism Marketing Council budget over one million.

As a small hotel and tour company in rural Alaska, I view these budget cuts as very detrimental to maintaining present market share and most certainly will effectively eliminate any future growth. Whereas we rely on the Division of Tourism and the Alaska Marketing Tourism Council to market Alaska nationally and internationally.

In light of these budget cuts along with Senate Bill 5 and Senate Bill 23, it is clear these proposals are contrary to the pledge to promote the travel industry and economic development throughout the State.

If this industry is required to suffer these dramatic setbacks as proposed, I therefore will be forced to position our company for no future growth as to new product development and dramatic staff reductions.

Small business in Alaska will suffer the most to the \$3.5 million cut to tourism. This is most unacceptable and I urge you to kill these budget cuts for the survival of the most promising growth industry for Alaska.

Sincerely;

A handwritten signature in cursive script that reads "Terry Latham".

Terry Latham
General Manager
Top of the World Hotel/Tundra Tours Inc.

SANTALAND RV PARK

223rd. Nicholas Drive
P.O. Box 155317 • North Pole, Alaska 99704
Phone: (907) 488-9121 • Fax: (907) 488-2668
Toll Free: 888-488-9121



To: House Finance Subcommittee for Commerce & Economic Development.

From: Joyce Miller, George Miller, Terry Schlotfeldt.

RE: The 3.5 million in cuts and the elimination of the Division of Tourism.

This recommendation does not represent the small business person. We work with a limited season and need all the help we can get. The cuts you made last year were differantly reflected this past summer.

Small businesses can not afford the National advertizing that the corporations are able to do. We need to work together to achive the best for all.

WHY are we closing the doors to the tourism industry when our oil continues to decrease?

WHY are we catering to big businesses that do not have a home base in Alaska. A big portion of this money leaves the state.

With all the professed help to small business by our leaders we won't have to worry about our businesses much longer, we will all be closed.

North Pole is working very hard to build our town and what made this possible was the Division of Tourism working with us. When you eliminate this it will be extremely difficult to promote any industry in our town.

This should not be a state where the rich get richer and the poor get poorer. It was our votes that helped elect you to your present positions. Please take a minute to think about our needs as small businesses.

Thank you for your time.



ALM Alaska Lodging Management, Inc.

P.O. Box 7247

Fairbanks, Alaska 99707-247

Phone 907-488-110

Fax 907-488-750

March 17, 1997

Representative Mark Hanley
Capital Building
Juneau, Alaska 99801

I was appalled to learn that the House Finance Subcommittee on Commerce & Economic Development is recommending a budget that would eliminate the Division of Tourism and reduce the ATMC budget by over \$1,000,000.

It is extremely difficult to understand the thinking here. Alaska currently receives over one million tourism related visits each year. These visitors bring in excess of \$1 billion to our state's economy. The figures have increased year after year. As oil revenues decline, tourism as a renewable resource, will play a more important role in creating jobs and enhancing the economy.

On a more personal note, my business depends on tourism. Though the hotels that I operate are not large, we still spend hundreds of thousands of dollars in our marketing efforts. This is not enough. Because most visitors to Alaska travel here in the summer period, most of our businesses are seasonal. Seasonal destinations are more expensive. This, coupled with the remoteness of Alaska, means that the traveler must pay more to visit than they might at many other destinations. Without a coordinated nationwide marketing effort, our businesses cannot continue to compete. Our tourism related businesses, which pour some \$120,000,000 annually into local, state and federal coffers, need the support of our Alaska Department of Tourism and the ATMC to effectively market the state.

We pay our fair share. Shouldn't the State participate and pay their fair share? The House Finance Subcommittee recommendation is certainly not one that promotes economic development of the State and my business. Unfortunately, the issue has become one that I take very personally and one that has an impact on my very survival. I hope that you and your fellow legislature understand the impact of the proposed budget cuts. I can assure you that I, as well as the hundreds of other visitor industry businesses around the state will be carefully watching how the votes stack up on this very important issue.

Yours Sincerely,

Alaska Lodging Management, Inc.
President

March 18, 1997

Vic Kohring, House Finance Subcommittee for Commerce & Economic Development
Fax 907 465 3818

Mark Hanley, Full House Finance Committee
Fax 907 465 2418

Drue Pearce, Full Senate Finance Committee
Fax 907 465 3872

Joe Ryan, Legislator
Fax 907 465 4588

Gene Therriault, Legislator
Fax 907 465 3884

Bert Sharp, Legislator
Fax 907 465 2070

Re: FY98 Budget Cuts
Eliminating the Alaska Department
of Tourism and cutting the Tourism
Budget by \$3.5 Million

To Whom It May Concern:

I am writing to express my dismay and displeasure at the above proposed budget cut. In speaking for myself, I feel I am expressing the needs and limitations of hundreds of beds and breakfasts operating all over Alaska. We are not "small business"...we are "itty bitty" businesses who work harder than you can believe to make our ventures viable and who simply do not have a budget to accommodate much advertising. We look to the State to 'sell' Alaska to the world for us. What is your problem? Tourism is a growing industry that brings Mr. and Mrs. Average Visitor to our doors; where they spend money in a hundred different ways: shopping, accommodations, transportation, eating, fishing, sightseeing, etc.....and THEN, they go home. And who is in control of all that? You are and we are. To eliminate a supporting Alaskan Department of this industry without offering something else to support this vigorously growing industry is ridiculous. Individually we are small. Together, we are huge. We need you to hear us.

Amy Springer, Owner/Operator
Kachemak Kiana Bed & Breakfast
Established May 1990, Homer, Alaska
Fax 907 235 8349



March 18, 1997

The State of Alaska
House Finance Subcommittee for
Commerce and Economic Development

Attention: Mr. Vic Kohring, Chair
Mr. Joe Green
Mr. Carl Moses

Mr. Joe Ryan
Mr. Ethan Berkowitz
Mr. John Cowdery

Gentlemen:

In 1996 Cardinal Travel Tours Inc. contributed, in terms of direct spending, some \$850,000 to the economy of Alaska. Indirect spending by our clients contributed approximately \$250,000. With our growing success in selling Alaska is due in no small part to our own efforts in developing a viable tour product, we could not have done so without the initiatives developed by the Division of Tourism. International tourism marketing efforts by this team of professionals and their tourism partners have made Alaska the place the world wants to visit.

It was with utter dismay that I read an advisory note from the Alaska Visitors Association today concerning the subcommittee's intention to seek the elimination of the Alaska Division of Tourism and the slashing of the Alaska Tourism Marketing Council's budget. It appears obvious that the subcommittee has not sought input from the tourism industry and is determined to develop a strategy that will see Alaska take a back seat to other national and international destinations.

I am reminded of something I read that begins "Success is a journey, not a destination..." Your recommendation would see the visitor industry in Alaska retreat into oblivion rather than moving forward. This recommendation may well send a message to the world that you are no longer open for business and, in today's fickle consumer market, it will be years before you will regain the consumer interest and confidence that the State of Alaska enjoys today.

I urge you to reconsider your recommendation and focus on the journey rather than the destination!

Sincerely,

CARDINAL TRAVEL TOURS INC.

Alida W. J. Hume
Manager

cc. Alaska Visitors Association

TOK CHAMBER OF COMMERCE

Paul Smith, President
PO Box 389, Tok, AK 99780
(907) 883-4181 off 4512 fax

March 17, 1999

Dear Vic Kohring, Joe Green, Carl Moses, Mark Hanley, Eldon Mulder, Gary Davis, Richard Foster, Drue Pearce, Randy Phillips, and Al Adams, Joe Ryan, Ethan Berkowitz, John Cowdery, Gene Therriault, Terry Martin, Pete Kelly, Carl Moses, Ben Grussendorf, Bert Sharp, Sean Parnell and John Torgerson;

Dear Senators and Representatives:

The Tok Chamber of Commerce represents all aspects of the business community located on the interior highway system. We as a group benefit greatly from the work done through the Division of Tourism.


Eliminating the Division will seriously effect all businesses here in a negative way. The tourism industry here in Tok supports about 250 jobs and makes it possible for the urban tour operators to take the large group tours.

The big operations from other states do not necessarily need the state to help. Both the large and small businesses need to work collectively and we all need the assistance of the State Division of Tourism to keep this renewable, low impact industry healthy.

Tourism is without question, the only growth industry in this area, other than government agencies. If there is to be a future here, it will be in the tourist industry.

Please do what you can to keep the Division of Tourism strong.

Sincerely:



Paul Smith, President

March 18, 1997

Representative Eldon Mulder:
Vice Chair, House Finance Committee
Alaska State Legislature
State Capitol
Juneau, AK 99811

Dear Representative Mulder:

First, allow me to extend an *atta-boy* to you, Representative Kott and Senator Randy Phillips for conducting a legislative hearing March 1 in Anchorage. Shamefully, I have never attended one of these constituent forums before, and so was quite impressed with the open atmosphere and overall responsiveness of our representatives. Frankly, I am much more comfortable with one-on-one communication, but it was clear that most attending constituents felt otherwise ☺.

I did in fact have some tourism-related issues I thought I might discuss at the hearing ... the signage bill being one of them. However, it looked like this topic was well covered, and I was glad to see you put at least some "billboard" fears to rest. I did also want to discuss funding for critical state tourism programs, but the forum didn't seem conducive to such a specific topic, at least not in my mind. I would like to take this opportunity to delve into this subject, especially in light of a House Finance Subcommittee's recommendation to sever the Division of Tourism (DoT) and to further slash the Alaska Tourism Marketing Council's (ATMC) budget.

I am trying to grasp the reasoning behind these subcommittee budget recommendations ... What are these people thinking? Here we have what is a self-proclaimed pro-economic development legislature, and yet outrageous cuts are being proposed to programs that have a long history of generating economic development through tourism promotion, coordination and small business assistance. Compared to the overall state budget, it's not as if the DoT or ATMC siphon off huge amounts of state money. In fact the state's investment is puny, embarrassingly small.

Alaska is not a poor state. We *can afford* to invest in our future. Oil money has seen to that. But oil money will run out someday, and we need to *act NOW* to foster a more diversified economy. Tourism is not the cure-all, but it is a significant contributor, and can be even more so if we nurture it through adequate marketing, responsible infrastructure development and an economic environment that makes entrepreneurialism a viable option for Alaskans.

The bottom line: Alaska needs to put more -- not less -- money into tourism, right now. When the subcommittee submits its final recommendation to the House Finance Committee, I ask that you reject its proposal to eliminate the DoT and further cut ATMC funding. I also ask that you champion *increased* funding for these vital tourism programs.

I would appreciate knowing exactly where you stand on this subject. Please call, write or fax your thoughts at your earliest convenience.

Sincerely,



Stephenie Brady
7110 Chester Court
Anchorage, AK 99504
(907) 333-5851 (home)
(907) 333-9635 (fax)
(907) 561-5733 (work)



March 18, 1997

To: Full House Finance Committee
Re: Division of Tourism

To Whom it May Concern,

As a small tourism related business in Alaska, we find it very concerning that the House Finance Subcommittee is recommending a budget that will eliminate the Division of Tourism.

We cannot advertise worldwide without the help of the Division of Tourism. Tourism is the fastest growing industry in Alaska right now. Please rethink this one. Here are some key reasons:

- * The \$3.5 million cut to tourism amounts to nothing less than an attack on the visitor industry, Alaska's most promising growth industry.
- * Alaska is losing out to competing destinations. While other states and countries are increasing tourism marketing budgets, Alaska has essentially slashed tourism promotion in half.
- * It is small businesses like us, who cannot reach a national travel market alone, that will bear the brunt of massive cuts to tourism promotion. This is neither acceptable nor responsible.
- * This proposal is absolutely contrary to legislator's pledge to promote economic development.
- * Eliminating tourism and business development programs will deal a heavy blow to both new and existing small businesses.

Thank you for your concern.

Sincerely,

Doug and Stephanie Green

The block contains two handwritten signatures in cursive. The first signature is "Doug A. Green" and the second is "Stephanie Green".

393 W. Riverside Drive, Soldotna, Alaska 99669 • Telephone (907) 262-4292 • Fax (907) 262-7332

FAX

Date 03/18/97

Number of pages including cover sheet

TO: Rep. Vic Kohring, Chair
House Sub Committee -
Commerce and Econ. Dev.
State Capitol Building -
Room 428
Juneau, AK 99801-1182

FROM: L. Alan LeMaster,
President
Gakona Junction Village,
Inc.
P. O. Box 222
Gakona, AK 99586

Phone 907 465-2186
Fax Phone 907 465-3818

Phone (907) 822-3564
Fax Phone (907) 822-3696

CC:

REMARKS: Urgent For your review Reply ASAP Please Comment

Rep. Kohring:

Once again we see that your office has submitted a bill attempting to tear apart the guts of the infrastructure that dedicated legislators for thirty years have worked hard to build.

We just learned that you have proposed a budget to virtually eliminate the Alaska Division of Tourism. As you know this Division functions to lend support to the small businesses across Alaska involved in the visitor industry in ways that we could never do without the assistance from the state.

That, sir, is exactly the function of the state. To help industries and people do what they as private entities cannot do for them selves. We depend on the state of Alaska to function for us in the same way they function for the fishing industry, the logging industry, and the oil industry. Tourism is responsible for the support of over 20,000 people in this state that work hard, invest their money, and pay millions back to the state in the form of fees, taxes, permits, and licenses. It is unconscionable to take away the very foundation around which our success is generated, our marketing arm.

I urge you to withdraw from this outrageous attack and look for the areas in government that are a waste, and non-productive in the lives of the citizenry. A suggestion might be to look at the overstaffed DEC, the legislators exhorbinant salaries or the waste in the our bloated educational system and DOT & PF, (\$50,000 teacher, staff and administration salaries. Shameful)? **To see that my message is heard I am sending copies of this to all the sub-committee members as well as the members of the House Finance and Senate Finance Committees and the directors of the visitor industry associations, both local and state.**

Please keep abreast of the decisions of the sub-committee as soon as they are voted upon.

Regards,

L. Alan LeMaster, President



March 18, 1997

Representative Mark Hanley
Fax 465-2418

Dear Representative Hanley,

I am very alarmed and concerned to find out that the House Finance Subcommittee on Commerce & Economic Development is recommending a \$3.5 Million budget cut which will eliminate the Division of Tourism and lower the budget of the Alaska Tourism Marketing Council.

This will have a tremendous negative effect on the tourism industry in Alaska, which is the most promising growth industry for our State.

We will lose out to other competing destinations within the United States and throughout the world.

Alaska is considered an exotic vacation destination and is competing with other major world vacation destinations. If we, as the State, do not promote consistently in this competitive market we will definitely see a decline in our visitors.

This will hurt many small, in-state operators; which, year after year, provide employment for many Alaskans and have, for the most part, a big investment in their businesses.


Without the support of the State to market Alaska, these small businesses would not be able to reach their market on their own.

If Alaska claims that we are open for business, then let us be serious about it and provide the needed support to an industry which provides economic growth, employment to Alaskans and is environmentally friendly.

My hope is that you will sincerely consider a budget that will continue to support the tourism industry. Many Alaskan's livelihoods depend on our visitors, not only businesses but employees alike.

Your attention to my concern is very much appreciated.

Sincerely



Gerd Krause
General Manager
Baranof Hotel

Delta Chamber of Commerce

P.O. Box 987
Delta Junction, Alaska 99737
(907) 895-8068
Fax (907) 895-5141



March 18, 1997

Dear Representative Hanley,

We have just learned of the proposed elimination of the Division of Tourism and cuts to the Alaska Tourism Marketing Council budget totaling \$3.5 million. In a time where the Legislature should be looking to promote economic development, attacking the visitor industry is not sensible. This industry is a promising growth industry for our state.

The Delta Chamber of Commerce is comprised of 72 members, a number of which are tourism related businesses. Our community is currently dealing with the realignment of our military neighbor, Fort Greely. Tourism holds a lot of potential for the recovery of our economy. Eliminating tourism and business development programs, provided by the ATMC and DoT, would hurt existing businesses as well as potential new ones.

It is not possible for the tourist-related small businesses to reach the national travel market alone, the DoT and ATMC help reach this audience through their marketing programs. Alaska is losing out to competing destinations, tourism marketing must be a priority.

As a community in need of economic development, we urge you to vote for the visitor industry, not against it.

Sincerely,

Cleeta P. Barger

Cleeta P. Barger
President



Visitors &
Convention Bureau, Inc.

March 18, 1997

House Subcommittee and Full Finance Committee Members:

This notification is in response to the Proposed House Of Representatives action against tourism funding. Reductions and eliminations of this magnitude to Alaska's tourism division would be extremely devastating. It is my hope that you will thoroughly research the tourism impact in Alaska. I strongly oppose the proposed budget cuts regarding tourism funding. Please see that my voice is clearly understood.

Sincerely,

Kim Booth, Director of Kenai Visitor & Convention Bureau

We understand that there will be cuts to the budget this year but to totally eliminate the Division of Tourism and further slash the ATMC's budget, while giving the ATMC more responsibilities is an ATTACK on the industry. Please understand these drastic measures will hurt every Alaskan not just those directly employed by the Visitor Industry.



March 17, 1997

Representative Mark Hanley
House Finance Committee

Dear Rep. Hanley:

It has come to my attention that the House Finance Subcommittee for Commerce & Economic Development is recommending a budget that will eliminate the Division of Tourism entirely, and effectively cut the Alaska Tourism Marketing Council budget by over \$1 million.

I have to express my outrage in this recommendation. To further cut the tourism industry in Alaska is a death sentence to the small businesses and the industry in general. Alaska is losing out to competing destinations, while other states and countries are increasing tourism marketing budgets, Alaska has essentially slashed tourism promotion to less than half of what it was in FY94. Alaska should be increasing there budget to stay in the market not cutting and crippling it's most promising growth industry.

As a business in Sitka, Alaska your proposed budget cuts will deal a devastating blow to the City of Sitka and all small businesses in Alaska for future tourism. Small businesses do not have the dollars to be able to reach a national travel market alone, and we will bear the brunt of massive cuts to tourism promotions. This is neither acceptable nor responsible.

Please do not propose these budget cuts and hurt the local economy and quality of life in Sitka.

Sincerely,

Valerie Burns
General Manager



White Pass & Yukon Route
"Scenic Railway of the World"

P.O. Box 435
Skagway, Alaska 99840

1-800-343-7373
(907) 983-2217
(907) 983-2734 (Fax)

March 18, 1997

-VIA FAX-

Mark Hanley
Alaska House of Representatives
State Capitol
Juneau, Alaska 99801

Dear Representative Hanley:

The White Pass & Yukon Route Railroad has been operating tours since the 1898 Klondike Gold Rush. We understand fully the value of tourism and the many benefits it provides to our company and our community.

I understand major budget cuts are being considered towards the Division of Tourism and the ATMC programs. Please! In the essence of economic development it is crucial that the State retain at least the current funding for these very important tourism programs.

Alaska is a large geographic destination, we are competing against other countries for our precious visitors! The large tourism budgets of Canada, Australia, Europe and many more are able to convince many of "our" potential visitors from choosing Alaska.

HELP! We rely on the State programs. It would seem absurd to cut the budgets of programs that have already been slashed to the core. Alaska's tourism programs have been streamlined already! Please retain the tourism funds so desperately needed for an effective marketing program.

Thank you for your consideration. This industry is so very valuable - we cannot just keep reaping the harvests of it with out investing in it.

Sincerely,

Tina Cyr
Director of Marketing

Pacific & Arctic Railway & Navigation Company
British Columbia-Yukon Railway Company
British Yukon Railway Company