

ALASKA LEGISLATURE COMMITTEE FILES 1993-1994 8672

8126

○ HOUSE STATE AFFAIRS ○

391

S T A T E O F A L A S K A
OFFICE OF MANAGEMENT & BUDGET
DIVISION OF BUDGET REVIEW

OPERATING BUDGET COMPONENT SUMMARY

AGENCY: DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT
BRU: OCCUPATIONAL LICENSING
COMPONENT: ADMINISTRATION (SER #: 356)

ITEM	FY '92 AUTHORIZED	FY '93 GOVERNOR

* * * COMPONENT TOTAL * * *	3,027.1	3,057.2
EXPENDITURES		
Personal Services	2,166.4	2,290.7
Travel	95.1	95.1
Contractual Services	708.7	624.5
Commodities	34.9	34.9
Equipment	22.0	12.0
Land/Buildings	0.0	0.0
Grants/Claims	0.0	0.0
Misc.	0.0	0.0
FUNDING		
1005 General Fund/Program Receipts	2,748.6	2,773.0
1007 Inter-Agency Receipts	131.2	134.2
1040 Real Estate Surety Fund	147.3	150.0
STAFFING		
Full-time	48.0	47.0
Part-time	1.0	1.0
Temporary	2.0	2.0
Staff-months	576.0	564.0

S T A T E O F A L A S K A
 OFFICE OF MANAGEMENT & BUDGET
 DIVISION OF BUDGET REVIEW

OPERATING BUDGET COMPONENT SUMMARY

AGENCY: DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT
 BRU: ALASKA PUBLIC UTILITIES COMMISSION
 COMPONENT: OPERATIONS (SER #: 364)

ITEM	FY '92 AUTHORIZED	FY '93 GOVERNOR
* * * COMPONENT TOTAL * * *	3,448.8	3,448.8
EXPENDITURES		
Personal Services	2,466.1	2,466.1
Travel	51.4	56.4
Contractual Services	300.8	869.0
Commodities	27.6	43.3
Equipment	2.9	14.0
Land/Buildings	0.0	0.0
Grants/Claims	0.0	0.0
Misc.	0.0	0.0
FUNDING		
1004 General Fund Receipts	3,448.8	3,448.8
STAFFING		
Full-time	40.0	40.0
Part-time	0.0	0.0
Temporary	0.0	0.0
Staff-months	480.0	480.0

S T A T E O F A L A S K A
OFFICE OF MANAGEMENT & BUDGET
DIVISION OF BUDGET REVIEW

OPERATING BUDGET COMPONENT SUMMARY

AGENCY: DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT
BRU: ALASKA ENERGY AUTHORITY
COMPONENT: AEA AGENCY OPERATIONS (SER #: 1232)

ITEM	FY '92 AUTHORIZED	FY '93 GOVERNOR

* * * COMPONENT TOTAL * * *	7,532.1	9,762.6
 EXPENDITURES		
Personal Services	4,649.2	5,241.5
Travel	536.2	652.5
Contractual Services	2,137.8	2,597.2
Commodities	182.5	244.0
Equipment	26.4	27.4
Land/Buildings	0.0	0.0
Grants/Claims	0.0	0.0
Misc.	0.0	0.0
 FUNDING		
1002 Federal Receipts	75.0	78.0
1005 General Fund/Program Receipts	3,201.3	4,432.2
1007 Inter-Agency Receipts	40.3	21.3
1061 Capital Improvement Project Receipts	3,527.1	3,201.3
1062 Power Project Loan Fund	26.0	27.0
1065 Rural Electrification Revolving Loan Fund	3.2	3.3
1073 Power Development Revolving Loan Fund	583.6	922.1
1074 Bulk Fuel Revolving Loan Fund	75.6	77.4
 STAFFING		
Full-time	64.0	71.0
Part-time	2.0	2.0
Temporary	0.0	0.0
Staff-months	792.0	876.0

S T A T E O F A L A S K A
OFFICE OF MANAGEMENT & BUDGET
DIVISION OF BUDGET REVIEW

OPERATING BUDGET COMPONENT SUMMARY

AGENCY: DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT
BRU: ALASKA TOURISM MARKETING COUNCIL
COMPONENT: ALASKA TOURISM MARKETING COUNCIL (SER #: 1026)

ITEM	FY '92 AUTHORIZED	FY '93 GOVERNOR
* * * COMPONENT TOTAL * * *	6,121.3	10,239.8
EXPENDITURES		
Personal Services	121.9	185.3
Travel	58.5	58.5
Contractual Services	5,932.9	9,988.0
Commodities	3.0	3.0
Equipment	5.0	5.0
Land/Buildings	0.0	0.0
Grants/Claims	0.0	0.0
Misc.	0.0	0.0
FUNDING		
1004 General Fund Receipts	5,070.3	8,499.8
1005 General Fund/Program Receipts	1,051.0	1,740.0
STAFFING		
Full-time	2.0	3.0
Part-time	0.0	0.0
Temporary	0.0	0.0
Staff-months	24.0	36.0

S T A T E O F A L A S K A
OFFICE OF MANAGEMENT & BUDGET
DIVISION OF BUDGET REVIEW

OPERATING BUDGET COMPONENT SUMMARY

AGENCY: DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT
BRU: ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY
COMPONENT: ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY (SER #: 1234)

ITEM	FY '92 AUTHORIZED	FY '93 GOVERNOR
* * * COMPONENT TOTAL * * *	2,343.0	2,558.5
EXPENDITURES		
Personal Services	1,456.8	1,580.5
Travel	71.8	71.8
Contractual Services	760.0	851.8
Commodities	38.9	38.9
Equipment	15.5	15.5
Land/Buildings	0.0	0.0
Grants/Claims	0.0	0.0
Misc.	0.0	0.0
FUNDING		
1022 State Corporation Receipts	2,343.0	2,558.5
STAFFING		
Full-time	22.0	23.0
Part-time	0.0	0.0
Temporary	0.0	0.0
Staff-months	264.0	276.0

S T A T E O F A L A S K A
OFFICE OF MANAGEMENT & BUDGET
DIVISION OF BUDGET REVIEW

OPERATING BUDGET COMPONENT SUMMARY

AGENCY: DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT
BRU: ALASKA SEAFOOD MARKETING INSTITUTE
COMPONENT: ALASKA SEAFOOD MARKETING INSTITUTE (SER #: 393)

ITEM	FY '92 AUTHORIZED	FY '93 GOVERNOR
* * * COMPONENT TOTAL * * *	10,301.8	10,301.8
EXPENDITURES		
Personal Services	814.7	888.5
Travel	95.0	95.0
Contractual Services	9,368.1	9,294.3
Commodities	24.0	24.0
Equipment	0.0	0.0
Land/Buildings	0.0	0.0
Grants/Claims	0.0	0.0
Misc.	0.0	0.0
FUNDING		
1002 Federal Receipts	4,994.1	4,994.1
1003 General Fund Match	747.8	747.8
1004 General Fund Receipts	1,360.8	1,360.8
1005 General Fund/Program Receipts	3,199.1	3,199.1
STAFFING		
Full-time	15.0	15.0
Part-time	0.0	0.0
Temporary	0.0	0.0
Staff-months	180.0	180.0

S T A T E O F A L A S K A
 OFFICE OF MANAGEMENT & BUDGET
 DIVISION OF BUDGET REVIEW

OPERATING BUDGET COMPONENT SUMMARY

AGENCY: DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT
 BRU: AMATEUR SPORTS AUTHORITY
 COMPONENT: AMATEUR SPORTS AUTHORITY (SER #: 1182)

ITEM	FY '92 AUTHORIZED	FY '93 GOVERNOR
* * * COMPONENT TOTAL * * *	126.1	126.1
EXPENDITURES		
Personal Services	87.8	91.9
Travel	14.7	10.6
Contractual Services	19.6	19.6
Commodities	2.5	2.5
Equipment	1.5	1.5
Land/Buildings	0.0	0.0
Grants/Claims	0.0	0.0
Misc.	0.0	0.0
FUNDING		
1004 General Fund Receipts	126.1	126.1
STAFFING		
Full-time	1.0	1.0
Part-time	1.0	1.0
Temporary	0.0	0.0
Staff-months	18.0	18.0

S T A T E O F A L A S K A
OFFICE OF MANAGEMENT & BUDGET
DIVISION OF BUDGET REVIEW

OPERATING BUDGET COMPONENT SUMMARY

AGENCY: DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT
BRU: ALASKA AEROSPACE DEVELOPMENT CORPORATION
COMPONENT: ALASKA AEROSPACE DEVELOPMENT CORPORATION (SER #: 1424)

ITEM	FY '92 AUTHORIZED	FY '93 GOVERNOR

* * * COMPONENT TOTAL * * *	302.5	302.5
EXPENDITURES		
Personal Services	126.4	133.8
Travel	37.6	37.6
Contractual Services	118.0	126.6
Commodities	1.5	4.5
Equipment	19.0	0.0
Land/Buildings	0.0	0.0
Grants/Claims	0.0	0.0
Misc.	0.0	0.0
FUNDING		
1004 General Fund Receipts	302.5	302.5
STAFFING		
Full-time	2.0	2.0
Part-time	0.0	0.0
Temporary	0.0	0.0
Staff-months	24.0	24.0

S T A T E O F A L A S K A
OFFICE OF MANAGEMENT & BUDGET
DIVISION OF BUDGET REVIEW

OPERATING BUDGET COMPONENT SUMMARY

AGENCY: DEPARTMENT OF NATURAL RESOURCES
BRU: MANAGEMENT AND ADMINISTRATION
COMPONENT: COMMISSIONS (SER #: 430)

ITEM	FY '92 AUTHORIZED	FY '93 GOVERNOR

* * * COMPONENT TOTAL * * *	150.7	156.5
EXPENDITURES		
Personal Services	129.7	135.5
Travel	4.0	4.0
Contractual Services	14.5	14.5
Commodities	2.5	2.5
Equipment	0.0	0.0
Land/Buildings	0.0	0.0
Grants/Claims	0.0	0.0
Misc.	0.0	0.0
FUNDING		
1004 General Fund Receipts	150.7	156.5
STAFFING		
Full-time	2.0	2.0
Part-time	0.0	0.0
Temporary	0.0	0.0
Staff-months	24.0	24.0

S T A T E O F A L A S K A
OFFICE OF MANAGEMENT & BUDGET
DIVISION OF BUDGET REVIEW

OPERATING BUDGET COMPONENT SUMMARY

AGENCY: DEPARTMENT OF NATURAL RESOURCES
BRU: MANAGEMENT AND ADMINISTRATION
COMPONENT: OIL AND GAS CONSERVATION COMMISSION (SER #: 368)

ITEM	FY '92 AUTHORIZED	FY '93 GOVERNOR
* * * COMPONENT TOTAL * * *	1,540.7	1,873.8
EXPENDITURES		
Personal Services	1,310.3	1,516.9
Travel	51.6	134.5
Contractual Services	165.7	209.3
Commodities	13.1	13.1
Equipment	0.0	0.0
Land/Buildings	0.0	0.0
Grants/Claims	0.0	0.0
Misc.	0.0	0.0
FUNDING		
1002 Federal Receipts	100.0	100.0
1004 General Fund Receipts	1,440.7	1,773.8
STAFFING		
Full-time	20.0	22.0
Part-time	0.0	0.0
Temporary	0.0	0.0
Staff-months	240.0	264.0

S T A T E O F A L A S K A
 OFFICE OF MANAGEMENT & BUDGET
 DIVISION OF BUDGET REVIEW

OPERATING BUDGET COMPONENT SUMMARY

AGENCY: DEPARTMENT OF FISH & GAME
 BRU: BOARDS OF FISHERIES AND GAME
 COMPONENT: BOARDS SERVICES (SER #: 482)

ITEM	FY '92 AUTHORIZED	FY '93 GOVERNOR
* * * COMPONENT TOTAL * * *	819.5	923.8
EXPENDITURES		
Personal Services	411.9	458.4
Travel	281.0	250.5
Contractual Services	121.9	203.9
Commodities	4.7	11.0
Equipment	0.0	0.0
Land/Buildings	0.0	0.0
Grants/Claims	0.0	0.0
Misc.	0.0	0.0
FUNDING		
1004 General Fund Receipts	819.5	923.8
STAFFING		
Full-time	7.0	7.0
Part-time	0.0	0.0
Temporary	0.0	0.0
Staff-months	84.0	84.0

S T A T E O F A L A S K A
OFFICE OF MANAGEMENT & BUDGET
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OPERATING BUDGET COMPONENT SUMMARY

AGENCY: DEPARTMENT OF FISH & GAME
BRU: COMMERCIAL FISHERIES ENTRY COMMISSION
COMPONENT: LIMITED ENTRY PROGRAM ADMINISTRATION (SER #: 471)

ITEM	FY '92 AUTHORIZED	FY '93 GOVERNOR
* * * COMPONENT TOTAL * * *	2,643.0	2,903.6
EXPENDITURES		
Personal Services	2,200.0	2,280.0
Travel	80.4	80.4
Contractual Services	332.9	513.5
Commodities	26.7	26.7
Equipment	3.0	3.0
Land/Buildings	0.0	0.0
Grants/Claims	0.0	0.0
Misc.	0.0	0.0
FUNDING		
1002 Federal Receipts	108.4	109.8
1005 General Fund/Program Receipts	2,534.6	2,793.8
STAFFING		
Full-time	35.0	34.0
Part-time	4.0	4.0
Temporary	2.0	2.0
Staff-months	468.5	444.5

S T A T E O F A L A S K A
OFFICE OF MANAGEMENT & BUDGET
DIVISION OF BUDGET REVIEW

OPERATING BUDGET COMPONENT SUMMARY

AGENCY: DEPARTMENT OF PUBLIC SAFETY
BRU: ALASKA POLICE STANDARDS COUNCIL
COMPONENT: ALASKA POLICE STANDARDS COUNCIL (SER #: 519)

----- ITEM -----	FY '92 AUTHORIZED	FY '93 GOVERNOR -----
* * * COMPONENT TOTAL * * *	271.0	271.0
 EXPENDITURES		
Personal Services	131.0	144.7
Travel	24.7	24.7
Contractual Services	107.3	93.6
Commodities	7.1	7.1
Equipment	0.9	0.9
Land/Buildings	0.0	0.0
Grants/Claims	0.0	0.0
Misc.	0.0	0.0
 FUNDING		
1004 General Fund Receipts	271.0	271.0
 STAFFING		
Full-time	2.0	2.0
Part-time	0.0	0.0
Temporary	0.0	0.0
Staff-months	24.0	24.0

S T A T E O F A L A S K A
OFFICE OF MANAGEMENT & BUDGET
DIVISION OF BUDGET REVIEW

OPERATING BUDGET COMPONENT SUMMARY

AGENCY: DEPARTMENT OF PUBLIC SAFETY
BRU: VIOLENT CRIMES COMPENSATION BOARD
COMPONENT: VIOLENT CRIMES COMPENSATION BOARD (SER #: 520)

ITEM	FY '92 AUTHORIZED	FY '93 GOVERNOR
* * * COMPONENT TOTAL * * *	930.2	984.5
EXPENDITURES		
Personal Services	142.0	146.6
Travel	26.7	22.1
Contractual Services	30.1	43.4
Commodities	1.7	1.7
Equipment	0.0	0.0
Land/Buildings	0.0	0.0
Grants/Claims	729.7	770.7
Misc.	0.0	0.0
FUNDING		
1002 Federal Receipts	164.0	225.0
1004 General Fund Receipts	20.0	0.0
1050 Permanent Fund Dividend Fund	746.2	759.5
STAFFING		
Full-time	2.0	2.0
Part-time	0.0	0.0
Temporary	1.0	1.0
Staff-months	27.0	27.0

S T A T E O F A L A S K A
OFFICE OF MANAGEMENT & BUDGET
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OPERATING BUDGET COMPONENT SUMMARY

AGENCY: DEPARTMENT OF PUBLIC SAFETY
BRU: DOMESTIC VIOLENCE AND SEXUAL ASSAULT
COMPONENT: DOMESTIC VIOLENCE AND SEXUAL ASSAULT (SER #: 521)

ITEM	FY '92 AUTHORIZED	FY '93 GOVERNOR

* * * COMPONENT TOTAL * * *	5,855.8	5,855.8
EXPENDITURES		
Personal Services	243.5	243.5
Travel	24.1	24.1
Contractual Services	74.7	74.7
Commodities	4.3	4.3
Equipment	0.0	0.0
Land/Buildings	0.0	0.0
Grants/Claims	5,509.2	5,509.2
Misc.	0.0	0.0
FUNDING		
1002 Federal Receipts	355.0	355.0
1004 General Fund Receipts	5,372.2	5,372.2
1007 Inter-Agency Receipts	128.6	128.6
STAFFING		
Full-time	4.0	4.0
Part-time	0.0	0.0
Temporary	0.0	0.0
Staff-months	48.0	48.0

S T A T E O F A L A S K A
OFFICE OF MANAGEMENT & BUDGET
DIVISION OF BUDGET REVIEW

OPERATING BUDGET COMPONENT SUMMARY

AGENCY: DEPARTMENT OF COMMUNITY & REGIONAL AFFAIRS
BRU: LOCAL GOVERNMENT ASSISTANCE
COMPONENT: LOCAL BOUNDARY COMMISSION (SER #: 674)

ITEM	FY '92 AUTHORIZED	FY '93 GOVERNOR

* * * COMPONENT TOTAL * * *	361.7	330.3
EXPENDITURES		
Personal Services	259.9	265.5
Travel	59.2	35.3
Contractual Services	40.9	27.8
Commodities	1.7	1.7
Equipment	0.0	0.0
Land/Buildings	0.0	0.0
Grants/Claims	0.0	0.0
Misc.	0.0	0.0
FUNDING		
1004 General Fund Receipts	361.7	330.3
STAFFING		
Full-time	4.0	4.0
Part-time	0.0	0.0
Temporary	0.0	0.0
Staff-months	48.0	48.0

S T A T E O F A L A S K A
 OFFICE OF MANAGEMENT & BUDGET
 DIVISION OF BUDGET REVIEW

OPERATING BUDGET COMPONENT SUMMARY

AGENCY: ALASKA COURT SYSTEM
 BRU: COMMISSION ON JUDICIAL CONDUCT
 COMPONENT: COMMISSION ON JUDICIAL CONDUCT (SER #: 770)

ITEM -----	FY '92 AUTHORIZED	FY '93 GOVERNOR -----
* * * COMPONENT TOTAL * * *	332.2	332.2
EXPENDITURES		
Personal Services	195.1	195.1
Travel	38.6	38.6
Contractual Services	92.2	92.2
Commodities	3.0	3.0
Equipment	3.3	3.3
Land/Buildings	0.0	0.0
Grants/Claims	0.0	0.0
Misc.	0.0	0.0
FUNDING		
1004 General Fund Receipts	332.2	332.2
STAFFING		
Full-time	3.0	3.0
Part-time	0.0	0.0
Temporary	0.0	0.0
Staff-months	36.0	36.0

S T A T E O F A L A S K A
OFFICE OF MANAGEMENT & BUDGET
DIVISION OF BUDGET REVIEW

OPERATING BUDGET COMPONENT SUMMARY

AGENCY: ALASKA COURT SYSTEM
BRU: JUDICIAL COUNCIL
COMPONENT: JUDICIAL COUNCIL (SER #: 771)

ITEM	FY '92 AUTHORIZED	FY '93 GOVERNOR
* * * COMPONENT TOTAL * * *	567.8	635.1
EXPENDITURES		
Personal Services	305.3	366.8
Travel	35.0	39.2
Contractual Services	221.5	224.0
Commodities	6.0	5.1
Equipment	0.0	0.0
Land/Buildings	0.0	0.0
Grants/Claims	0.0	0.0
Misc.	0.0	0.0
FUNDING		
1004 General Fund Receipts	567.8	635.1
STAFFING		
Full-time	5.0	5.0
Part-time	0.0	0.0
Temporary	0.0	1.0
Staff-months	60.0	70.0

STATE OF ALASKA

DEPARTMENT OF LABOR

OFFICE OF THE COMMISSIONER

WALTER J. HICKEL, GOVERNOR

P.O. BOX 21149
JUNEAU, ALASKA 99802-1149
PHONE: (907) 435-2700

FAX: (907) 465-2754

February 25, 1992

Mr. Bruce Geraghty
Legislative Liaison
Office of the Governor
P.O. Box A
Juneau, AK 99811-0101

Dear Bruce,

Enclosed, as requested, are Fiscal Note forms providing operating costs for the entities listed for the Department of Labor in your memorandum of February 24, 1992. We also included funding information in the Analysis of the Fiscal Notes which may be germane in the briefing provided to the Governor on the costs of boards and commissions.

The Employment Security Advisory Council is entirely federally funded as is the Department's costs for the Job Training Council. However, the Job Training Council is funded in the Department of Community and Regional Affairs. The Department of Labor's costs included on the Fiscal Note form are for staff participation in meetings; the Council pays the travel expenses.

The Fishermen's Fund Advisory Council is self supporting, funded by 60% of the fees for commercial fishing licenses (crew licenses and limited entry permits). The form completed for the Occupational Safety & Health Review Board reflects 50/50 matching federal/state general funds. In addition, the majority of the funding for the Alaska Safety Advisory Council is from program receipts; 5.5 is provided by federal funds.

The form completed for the Governor's Committee on the Employment of People with Disabilities includes 105.3 in expenditures which is reflected in the Fiscal Note submitted for CSHB 155(HES) and 21.0 in expenditures which is reflected in the Fiscal Note submitted for SB 347. 105.3 would be provided from the Barrier Free Remodeling Fund; 20.9 is provided by federal funds; and 21.0 from program receipts.

The forms completed for the Labor Relations Board and the Workers' Compensation Board reflect the entire cost of the Labor Relations Agency component and the Division of Workers' Compensation as the Labor Relations Agency and Division of Workers' Compensation operate to provide administrative support to the respective Boards. Of course, the costs of the Boards' travel and other support costs are also included.

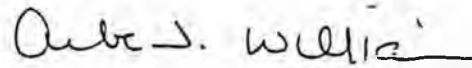
Mr. Bruce Geraghty

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February 26, 1992

Please do not hesitate to contact me should you require additional information concerning the operating costs, funding sources or functions performed by the entities listed.

Sincerely,

A handwritten signature in cursive script that reads "Arbe J. Williams".

Arbe J. Williams
Legislative Liaison

AJW:kh

Enclosures

FISC AL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO : _____

Revision Date: _____
Title: Job Training Council
Sponsor: _____
Requestor: _____

Department Affected: Labor
BRU: Employment Security
Component: Employment Services
COMPONENT SERIAL NO. 328

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	4.3	4.3	4.3	4.3	4.3	4.3
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	4.3	4.3	4.3	4.3	4.3	4.3

CAPITAL						
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REVENUE FUND SOURCE:						
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS	4.3	4.3	4.3	4.3	4.3	4.3
OTHER						
TOTAL	4.3	4.3	4.3	4.3	4.3	4.3

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary)

The Job Training Council is funded in the Department of Community & Regional Affairs. The only costs would be the salary of our staff for participation in meetings as the Council pays the travel expenses.

Prepared by: Judy Knight, Director Phone: 465-2712
Division: Employment Security Division Date: 2/26/92
Approved by Commissioner: Charles Mahlen, Commissioner
Agency: Department of Labor Date: 2/26/92

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO : _____

Revision Date: _____
 Title: Governor's Committee on Employment
 of People with Disabilities
 Sponsor: _____
 Requestor: _____

Department Affected: Labor
 BRU: Employment Security
 Component: Governor's Committee on
 Employment of People with Disabilities
COMPONENT SERIAL NO. 333

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	75.6	75.6	75.6	75.6	75.6	75.6
TRAVEL	32.3	26.8	25.8	24.0	24.8	24.8
CONTRACTUAL	59.8	51.7	43.7	39.2	38.7	38.7
SUPPLIES	9.1	8.1	8.1	8.1	8.1	8.1
EQUIPMENT	9.5					
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	186.3	162.2	153.2	147.7	147.2	147.2

CAPITAL						
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REVENUE FUND SOURCE:						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	39.1	39.1	39.1	39.1	39.1	39.1
FEDERAL FUNDS	20.9	20.9	20.9	20.9	20.9	20.9
GF Program Rcpts. # 1005	21.0	21.0	21.0	21.0	21.0	21.0
Barrier Free Remodeling Fund	105.3	81.2	72.2	66.7	66.2	66.2
TOTAL	186.3	162.2	153.2	147.7	147.2	147.2

POSITIONS:

FULL-TIME	1.0	1.0	1.0	1.0	1.0	1.0
PART-TIME						
TEMPORARY						

Estimate of current year impact: FY 92 estimated costs are \$60.0.

ANALYSIS: Estimated Costs assuming HB 155 & SB 347 are passed.						
	Pers. Svcs.	Travel	Contr. Svcs.	Commod.	Equip.	TOTAL
FY 93 Budgeted Amount:		17.8	20.7	0.6		39.1
HB 155	54.7	14.5	23.1	3.5	9.5	105.3
SB 347			16.0	5.0		21.0
Additional Staff Support:	20.9					20.9
TOTAL	75.6	32.3	59.8	9.1	9.5	186.3

Prepared by: Judy Knight, Director Phone: 465-2712
 Division: Employment Security Division Date: 2/26/92
 Approved by Commissioner: *John L. Wickersham Jr.*
C. W. Mahlen
 Agency: Department of Labor Date: 2/26/92

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO : _____

Revision Date: _____
 Title: Employment Security Advisory Council
 Sponsor: _____
 Requestor: _____

Department Affected: Labor
 BRU: Employment Security
 Component: Employment Services
COMPONENT SERIAL NO. 328

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	0.8	0.8	0.8	0.8	0.8	0.8
TRAVEL	9.2	9.2	9.2	9.2	9.2	9.2
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	10.0	10.0	10.0	10.0	10.0	10.0

CAPITAL						
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REVENUE FUND SOURCE:						
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS	10.0	10.0	10.0	10.0	10.0	10.0
OTHER						
TOTAL	10.0	10.0	10.0	10.0	10.0	10.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: FY 92 impact is approximately \$10.0.

ANALYSIS: (Attach a separate page if necessary)
 Travel costs to three meetings per year and some staff support are provided to this council. Funding is provided through federal grants.

Prepared by: Judy Knight, Director Phone: 465-2712
 Division: Employment Security Division Date: 2/26/92
 Approved by Commissioner: Charles Mahlen, Commissioner
 Agency: Department of Labor Date: 2/26/92

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO : _____

Revision Date: _____

Department Affected: Labor

Title: Fishermen's Fund Advisory Council

BRU: Fishermen's Fund

Sponsor: _____

Component: _____

Requestor: _____

Fishermen's Fund

COMPONENT SERIAL NO. 343

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	129.6	129.6	129.6	129.6	129.6	129.6
TRAVEL	11.7	11.7	11.7	11.7	11.7	11.7
CONTRACTUAL	38.5	38.5	38.5	38.5	38.5	38.5
SUPPLIES	3.4	3.4	3.4	3.4	3.4	3.4
EQUIPMENT	1.0	1.0	1.0	1.0	1.0	1.0
LAND&STRUCTURES						
GRANTS, CLAIMS	1,063.3	1,063.3	1,063.3	1,063.3	1,063.3	1,063.3
MISCELLANEOUS						
TOTAL OPERATING	1,247.5	1,247.5	1,247.5	1,247.5	1,247.5	1,247.5

CAPITAL						
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REVENUE FUND SOURCE:						
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
DEPARTMENTAL FUNDS						
Fund #1032	1,247.5	1,247.5	1,247.5	1,247.5	1,247.5	1,247.5
TOTAL	1,247.5	1,247.5	1,247.5	1,247.5	1,247.5	1,247.5

POSITIONS:

FULL-TIME	2.0	2.0	2.0	2.0	2.0	2.0
PART-TIME	1.0	1.0	1.0	1.0	1.0	1.0
TEMPORARY						

Estimate of current year impact: **FY 92 impact approximately \$1,247.5.**

ANALYSIS: (Attach a separate page if necessary)

The Fishermen's Fund Advisory council administers the fishermen's fund and consults with the Commissioner of Labor regarding decisions on appeals filed in relation to injured fishermen. We have therefore included the entire cost of the fishermen's fund component as the cost of the council.

Prepared by: Linda Rexwinkel, Director

RL

Phone: 465-2790

Division: Workers' Compensation

Date: 2/26/92

Approved by Commissioner: Charles Mahlen, Commissioner

Agency: Department of Labor

Date: 2/26/92

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO : _____

Revision Date: _____
 Title: Alaska Labor Relations Agency

 Sponsor: _____
 Requestor: _____

Department Affected: Labor
 BRU: Commissioner's Office
 Component: _____
AK Labor Relations Agency
COMPONENT SERIAL NO. 1200

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	253.5	253.5	253.5	253.5	253.5	253.5
TRAVEL	25.2	25.2	25.2	25.2	25.2	25.2
CONTRACTUAL	31.8	31.8	31.8	31.8	31.8	31.8
SUPPLIES	2.7	2.7	2.7	2.7	2.7	2.7
EQUIPMENT	4.8	4.8	4.8	4.8	4.8	4.8
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	318.0	318.0	318.0	318.0	318.0	318.0

CAPITAL						
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REVENUE FUND SOURCE:						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	318.0	318.0	318.0	318.0	318.0	318.0
FEDERAL FUNDS						
OTHER						
TOTAL	318.0	318.0	318.0	318.0	318.0	318.0

POSITIONS:

FULL-TIME	4.0	4.0	4.0	4.0	4.0	4.0
PART-TIME						
TEMPORARY						

Estimate of current year impact: FY 92 budget is \$309.8.

ANALYSIS: (Attach a separate page if necessary)

The AK Labor Relations Agency provides administrative support to the Labor Relations Board. We have therefore included the entire cost of the Labor Relations Agency component in this fiscal note.

Prepared by: Jan DeYoung, Hearing Examiner
 Division: AK Labor Relations Agency

Phone : 269-4895
 Date : 2/26/92

Approved by Commissioner: Charles Mahlen, Commissioner
 Agency: Department of Labor

Date: 2/26/92

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO : _____

Revision Date: _____
 Title: Occupational Safety & Health
Review Board
 Sponsor: _____
 Requestor: _____

Department Affected: Labor
 BRU: Labor Standards & Safety
 Component: _____
Occupational Safety & Health
COMPONENT SERIAL NO. 970

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	29.0	29.0	29.0	29.0	29.0	29.0
TRAVEL	21.2	21.2	21.2	21.2	21.2	21.2
CONTRACTUAL	85.0	85.0	85.0	85.0	85.0	85.0
SUPPLIES						
EQUIPMENT						
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	135.2	135.2	135.2	135.2	135.2	135.2

CAPITAL						
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REVENUE FUND SOURCE:						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	67.6	67.6	67.6	67.6	67.6	67.6
FEDERAL FUNDS	67.6	67.6	67.6	67.6	67.6	67.6
OTHER						
TOTAL	135.2	135.2	135.2	135.2	135.2	135.2

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: **FY 92 Impact approximately \$110.4.**

ANALYSIS: (Attach a separate page if necessary)						
Estimated Costs:	Pers. Svcs.	Travel	Contr. Svcs.	Commod.	Equip.	TOTAL
FY 93 Budgeted Amount:		17.2	85.0	0.0		102.2
Additional Staff Support:	29.0	4.0				33.0
TOTAL	29.0	21.2	85.0	0.0	0.0	135.2

Prepared by: Richard Arab, Deputy Director Phone: 465-4855
 Division: Labor Standards & Safety Date: 2/25/92
 Approved by Commissioner: *Charles Mahlen* Charles Mahlen, Commissioner
 Agency: Department of Labor Date: 2/25/92

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO : _____

Revision Date: _____
 Title: Alaska Safety Advisory Council

 Sponsor: _____
 Requestor: _____

Department Affected: Labor
 BRU: Labor Standards & Safety
 Component: _____
Alaska Safety Advisory Council
COMPONENT SERIAL NO. 1626

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	11.0	11.0	11.0	11.0	11.0	11.0
TRAVEL	9.0	9.0	9.0	9.0	9.0	9.0
CONTRACTUAL	106.5	106.5	106.5	106.5	106.5	106.5
SUPPLIES	6.0	6.0	6.0	6.0	6.0	6.0
EQUIPMENT						
LAND&STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	132.5	132.5	132.5	132.5	132.5	132.5

CAPITAL						
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REVENUE FUND SOURCE:						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	17.5	17.5	17.5	17.5	17.5	17.5
FEDERAL FUNDS	5.5	5.5	5.5	5.5	5.5	5.5
GF Program Rcts. #1005	109.5	109.5	109.5	109.5	109.5	109.5
TOTAL	132.5	132.5	132.5	132.5	132.5	132.5

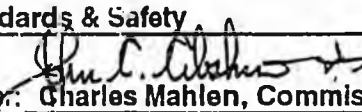
POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: **FY 92 impact approx. \$132.5.**

ANALYSIS: (Attach a separate page if necessary)

Estimated Costs:	Pers. Svcs.	Travel	Contr. Svcs.	Commod.	Equip.	TOTAL
FY 93 Budgeted Amount:		9.0	106.5	6.0		121.5
Additional Staff Support:	11.0					11.0
TOTAL	11.0	9.0	106.5	6.0	0.0	132.5

Prepared by: Richard Arab, Deputy Director Phone: 465-4855
 Division: Labor Standards & Safety Date: 2/26/92
 Approved by Commissioner:  Charles Mahlen, Commissioner
 Agency: Department of Labor Date: 2/26/92

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO : _____

Revision Date: _____
Title: Workers' Compensation Board
Sponsor: _____
Requestor: _____

Department Affected: Labor
BRU: Workers' Compensation
Component: _____
Workers' Compensation
COMPONENT SERIAL NO. 344

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES	2,053.8	2,053.8	2,053.8	2,053.8	2,053.8	2,053.8
TRAVEL	80.0	80.0	80.0	80.0	80.0	80.0
CONTRACTUAL	346.9	346.9	346.9	346.9	346.9	346.9
SUPPLIES	39.4	39.4	39.4	39.4	39.4	39.4
EQUIPMENT						
LAND&STRUCTURES						
GRANTS, CLAIMS	2,430.5	2,430.5	2,430.5	2,430.5	2,430.5	2,430.5
MISCELLANEOUS						
TOTAL OPERATING	4,950.6	4,950.6	4,950.6	4,950.6	4,950.6	4,950.6

CAPITAL						
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REVENUE FUND SOURCE:						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
Inter/Agency #1007	14.1	14.1	14.1	14.1	14.1	14.1
GF Program Rcpts. #1005	15.0	15.0	15.0	15.0	15.0	15.0
Second Injury Fund #1031	2,253.1	2,253.1	2,253.1	2,253.1	2,253.1	2,253.1
TOTAL	4,950.6	4,950.6	4,950.6	4,950.6	4,950.6	4,950.6

POSITIONS:

FULL-TIME	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PART-TIME	2.0	2.0	2.0	2.0	2.0	2.0
TEMPORARY						

Estimate of current year impact: FY 92 estimated impact is \$5,012.0.

ANALYSIS: (Attach a separate page if necessary)

The Workers' Compensation component funds the administrative arm of the Workers' Compensation Board, providing the management systems and support staff necessary to carry out the quasi-judicial functions of the Board and the provisions of the Workers' Compensation Act. The cost of the board would therefore include the entire cost of this component.

Prepared by: Linda Rexwinkel, Director *DR* Phone: 465-2790
Division: Workers' Compensation Date: 2/26/92
Approved by Commissioner: Charles Mahlen, Commissioner *John L. Mahlen Jr*
Agency: Department of Labor Date: 2/26/92

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

FISCAL NOTE

BILL NO. _____

STATE OF ALASKA
1992 LEGISLATIVE SESSION

Revision Date: _____

Department Affected: Department of Law

Title: Costs of Boards and Commissions

BRU: Legal Services

Component: Operations

Sponsor: Request of the Governor

Requestor: Governor's Office

COMPONENT SERIAL

		9	3
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL	2.0	2.2	2.3	2.4	2.5	2.6
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	2.0	2.2	2.3	2.4	2.5	2.6

CAPITAL						
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REVENUE FUND SOURCE:						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	2.0	2.2	2.3	2.4	2.5	2.6
FEDERAL FUNDS						
OTHER FUND SOURCE:						
TOTAL	2.0	2.2	2.3	2.4	2.5	2.6

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary.)

Please see the attached analysis.

Prepared by: Thomas A. Hudson, Dep. Dir.
Division: Administrative Services

Phone: 465-3672
Date: February 25, 1992

Approved by Commissioner: Charles F. Cole, Attorney General
Agency: Department of Law

Date: February 25, 1992

Distribution (by preparer): Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., & Impacted Agency(ies).

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. _____

A departmental employee attends the annual meeting of the National Conference of Commissioners on Uniform State Law. This requirement is contained in AS 44.23.030(b). The direct costs incurred by the department are limited to travel and related expenses. However, information gained at these meetings often results in recommended changes to state laws. The financial impact of this is unknown.

HB 110: "An Act setting termination dates for various boards, commissions, councils, agencies, committees, and divisions of state government; repealing obsolete statutes relating to the State Fire Commission and the Board of Electrical Examiners; repealing obsolete statutes relating to termination of agency programs and activities; increasing to ten years the normal maximum interval for review of boards, commissions, and other entities that are subject to sunset reviews; and providing for an effective date."

HB 110 proposes to extend the termination dates of 22 occupational licensing boards and commission. The bill also provides authority to the Legislature to reestablish a board for a period not to exceed ten years, a change from the present four-year review cycle. In addition, the bill also repeals obsolete statutes pertaining to the Board of Electrical Examiners.

Each year several licensing boards are subject to the sunset review process according to the dates established under AS 08.03.010(c). Boards are reviewed to determine, among other things, whether or not the board or commission has demonstrated a public need for its continued existence, and the extent to which a board or commission has operated in the public interest. The staggered sunset review dates with a legislative option to extend boards up to ten years, will allow boards to focus on their responsibilities without the worry of being under sunset review scrutiny every few years, especially when no significant problems were noted in a previous audit report.

HB 110 addresses the reestablishment of four boards which are in their final year of existence. These are the Boards of Chiropractic Examiners, Mechanical Examiners, Dispensing Opticians, and Optometry. If this legislation is not passed, these boards and, possibly the licensing function as well, will cease to exist on June 30, 1993.

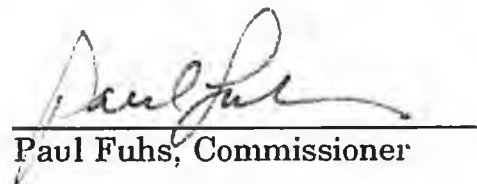
There are also eight boards currently in their initial sunset review phase with a termination date of June 30, 1993. These are the Boards of Public Accountancy; Architects, Engineers and Land Surveyors; Barbers and Hairdressers; Big Game Commercial Services; Dental Examiners; Pharmacy; Physical Therapy and Occupational Therapy; and Veterinary Examiners.

Section 8 of the bill repeals obsolete statutes relating to the Board of Electrical Examiners which ceased to exist with its licensing function on June 30, 1992. The Department of Commerce and Economic Development defers to the Department of Labor whether or not separate legislation should be enacted to resurrect the Board of Electrical Examiners, or to grant the Department of Commerce and Economic Development licensing authority, or to completely do away with the function.

POSITION PAPER
HB 110
Page 2

A repeal of references made to the electrical statutes in the Construction Contractors statutes (AS 08.18) is also made. This will serve to clean up and clarify the confusion over an electrical contractor requiring an electrical administrator's license that no longer exists. One remaining statute which Section 8 does not repeal is AS 08.40.175, Cease and Desist Order. Under AS 08.40.175, if the Department of Labor determines that a violation by the electrical administrator has occurred, the Department of Commerce and Economic Development could issue a Cease and Desist Order prohibiting further action by the licensee until the licensee submits evidence acceptable to the Department of Labor showing that the violation has been corrected. We are not aware of whether this section was intentionally left in or whether it was an oversight and should be repealed.

The department supports the extended staggered review cycle for occupational licensing boards addressed in HB 110, and recommends its passage, especially because of its need to extend the four boards currently in their final year of existence as mentioned above.



Paul Fuhs, Commissioner

2-23-93
Date

HB

115

HOUSE COMMITTEE REPORT

(7)

Date Referred: February 25, 1993

FURTHER REFERRALS:

State Affairs

Finance

Date of Committee Action: 3/02/93

The LABOR AND COMMERCE Committee considered:

HB 115

HOUSE BILL NO. 115

EXTEND TOURISM MARKETING COUNCIL

"An Act extending the termination date of the Alaska Tourism Marketing Council; and providing for an effective date."

RECOMMENDATIONS: the same title
 be replaced with _____ a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(s): (Dept) _____

APPROVES PREVIOUS: (Dept/Date) _____

fiscal impact _____

fiscal note(s) _____

zero fiscal note _____

zero fiscal note(s) Commerce

SIGNING <u>DO</u> PASS	DP	<u>OTHER</u> RECOMMENDATIONS	DNP	NR	AM
<i>Brian D. Porter</i>	<input checked="" type="checkbox"/>				
<i>Luther</i>	<input checked="" type="checkbox"/>				
<i>Ed Wade</i>	<input checked="" type="checkbox"/>				
<i>W. J. Wilkins</i>	<input checked="" type="checkbox"/>				
<i>Bill Huder</i>	<input checked="" type="checkbox"/>				

Bill Huder
 CHAIRMAN'S SIGNATURE

HOUSE LABOR AND COMMERCE COMMITTEE

ALASKA STATE LEGISLATURE

STATE CAPITOL, JUNEAU, AK 99801-1182
(907) 465-4954



MAR 25 1993

MEMORANDUM

MAR 25 1993

March 21, 1993

TO: Representative Al Vezey, Chair
House State Affairs Committee

FROM: Representative Bill Hudson, Chair *Bill*
House Labor and Commerce Committee

SUBJECT: CS for House Bill 115(ITT)

This is to respectfully request a hearing for CSHB 115(ITT), relating to the Alaska Tourism Marketing Council and extending its termination date.

I strongly support the efforts of the tourism industry in promoting Alaska as a prime destination, and the ATMC is pivotal in the marketing of our great state and deserves our support.

I have taken the liberty of attaching a letter received from the Juneau Convention and Visitors Bureau and ask that you share this with your committee.

Thank you for your favorable consideration of this request.

Attachment

Juneau

March 17, 1993



Dear Representative Hudson :

I am writing in regards to the Alaska Tourism Marketing Council budget and sunset bill, and more generally in terms of visitor industry support. While I currently reside in Juneau, I was born and raised in Fairbanks and keep in touch with Interior issues.

I understand that many constituents in Fairbanks are upset about the "wolf controversy" and are contacting you with requests to reduce tourism marketing funding and reduce support for the visitor industry. Being from Fairbanks, and growing up on moose and other game, I can appreciate the concerns expressed about game management.

However, I believe strongly that your decisions and your votes regarding funding and support for any industry should be firmly focused on future economic benefits and not on past events. The wolf controversy was extremely unfortunate, for everyone. It should not be a basis for funding for tourism marketing, which will significantly impact the economic future of not only Fairbanks, but the entire state.

Currently we are seeing mines close, government jobs cut, and businesses fail. Alaska's visitor industry brings in over a billion dollars to our state, and accounts for 13,500 year round jobs and over 18,000 peak season jobs...a payroll of \$244 million dollars. In state visitation adds substantially to these figures. The return provided by tourism must be supported through a strong marketing budget. Potential visitors will choose destinations that capture their attention in the marketplace. The industry will not sustain itself or grow without marketing.

Please focus on the future and support full funding for the ATMC.

Please support extending the life of the ATMC to oversee these important marketing dollars.

Please encourage your fellow legislators to do the same.

Alaska's economic diversification must continue. Support for tourism marketing is good for Alaska's future.

Sincerely,

Kari Kornfeind Westlund
President

369 South Franklin
Suite 201
Juneau, Alaska
99801
(907) 586-1737
(907) 463-4961 FAX

Thanks for your support, Bill. Let me know if there is anything I can do.

FISCAL NOTE

STATE OF ALASKA
1993 LEGISLATIVE SESSION

No. 1
Bill Version: CSHB 115 (ITT)
(H) Publish Date: 2/25/93

Revision Date: _____
Title: An act extending the termination date of the
Alaska Tourism Marketing Council
Sponsor: House Labor & Commerce
Requestor: _____

Department Affected: Commerce and Economic Development
BRU: Alaska Tourism Marketing Council
Component: Alaska Tourism Marketing Council

COMPONENT SERIAL NO. 1026

EXPENDITURES/REVENUES:

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	0	0	0			
TRAVEL	0	0	0			
CONTRACTUAL	0	0	0			
SUPPLIES	0	0	0			
EQUIPMENT	0	0	0			
LAND & STRUCTURES	0	0	0			
GRANTS, CLAIMS	0	0	0			
MISCELLANEOUS	0	0	0			
TOTAL OPERATING	0	0	0			

CAPITAL	0	0	0			
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REVENUE FUND SOURCE:						
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FUNDING:

1002 Federal Receipts	0	0	0			
1003 GF Match	0	0	0			
1004 GF	0	0	0			
1005 GF/Program Receipts	0	0	0			
1006 GF/MHTIA	0	0	0			
OTHER	0	0	0			
TOTAL	0	0	0			

POSITIONS:

FULL-TIME	0	0	0			
PART-TIME	0	0	0			
TEMPORARY	0	0	0			

Estimate of current year (FY 93) impact: 0

ANALYSIS: (Attach a separate page if necessary.)

*The expenditures are contained in the proposed operating budget and the revenues are reflected in revenue projections.

Prepared by: Tina M. Lindgren
Division: Alaska Tourism Marketing Council

Phone: _____
Date: _____

Approved by Commissioner: Paul Fuhs
Agency: Commerce and Economic Development

Date: 2-18-93

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FISCAL NOTE

STATE OF ALASKA
1993 LEGISLATIVE SESSION

CSHB 115 (ITR)

NO. 1.

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ANALYSIS: (continued)

The passage of Senate Bill 478 (SLA 1988, Chapter 78) created the Alaska Tourism Marketing Council which became law, effective July 1, 1988. Legislative findings regarding SB 478 stated:

"The legislature finds that a cooperative effort between the state and private industry to support and expand the visitor industry of the state and to foster expansion of the market for Alaska as a destination throughout the nation and the world is in the public interest and is a valid public purpose. The legislature further finds that this cooperative effort would inure to the benefit of the visitor industry in the state and that some of the costs of maintaining the effort be borne by the industry. The legislature further finds that expansion of the economic benefit of tourism is in the public interest and the state should take an active interest in the ensurance of a quality experience for visitors to the state, cooperate with the private sector in improving the amenities available to visitors to the state, and seek to ensure authentic accessible experience for visitors throughout the state."

Minutes
Alaska Tourism Marketing Council
October 26, 1992
Hotel Captain Cook - Anchorage, Alaska

ROLL CALL:

The meeting was called to order by Mr. Odle at 10:11 a.m.

Members Present

Johne Binkley
Bob Dindinger
Cathy Dunbar
Bill Elander
John Litten
Mike McBride
Gary Odle
Brad Phillips
Mick Rosenberg
Kathleen Scott
Brad Walker
Bob Ward
Kari Westlund
Rick Winther

Members Absent

Ann Campbell
Donna Harris
Susan Kemp
Conn Murray
Klaus Roth
Paul Taylor

Staff Present

Tina Lindgren
Trudy Wassel

APPROVAL OF AGENDA:

Mr. Odle asked for approval of the agenda.

Motion: It was moved by Odle to use most of the day on the budget discussion and to move Distribution of Winter Vacation Planner after FY93 Budget Review. Pedlar seconded the motion. The motion passed.

Ms. Lindgren said we need to establish a new research review committee. It was decided to discuss this under new business.

Motion: It was moved by Odle and seconded by Dunbar to approve the agenda. The motion passed.

APPROVAL OF MINUTES:

Motion: Mr. Odle moved to approve the minutes of the last meeting.

Ms. Scott pointed out that, on page 19, the statement about selling the numbers and the lobbying effort was actually her statement, not Ms. Kemp's.

Mr. Pedlar pointed out that, in the same paragraph, a

period should be put after "who is carrying that message."

Motion: It was moved by Odle and seconded by Dunbar that the amended minutes be approved. The motion passed.

NEW MEMBERS INTRODUCED:

Since there were new Council members present, Mr. Odle asked everyone to introduce themselves.

Mr. Odle expressed that the organization to this meeting is somewhat unique and will be more like a combination council and committee meeting. The intent here is to roll up our sleeves and determine the priorities for various budget scenarios. Hopefully, we will come out at the end of the day with some consensus about what programs we want to embrace at any given budget level.

REPORT OF THE EXECUTIVE DIRECTOR:

Ms. Lindgren briefly updated the Council on changes since the last meeting.

CONTRACTS:

The advertising RFP has been released. It was advertised in newspapers in Alaska, and letters of interest were mailed to firms on the State Contractors List. Thirty-three different firms requested a proposal. The first review will take place tomorrow, with the committee to evaluate the written proposals. Those chosen as most likely to be awarded the contract will be asked back for an oral review. Allowing time required for the grievance period, the Contractor should be in place by the December meeting.

Regarding travel agent seminar RFP, we received thirty-four requests for proposals and will be reviewing those today. Notice of intent to award should go out by the end of the week. After that, it will take ten days to go through the grievance period. One change occurred on the RFP. The original amount for coordination of the seminars was \$25,000. Catering and other expenses were added in, and the contract price was raised to \$55,000, making it a formal RFP. This will not effect the overall budget.

Research RFP needs a new review committee, since three of the members are no longer on the Council. This is the next RFP we will be finalizing after the current two are completed. There is a long protracted process which goes

with the evaluation, as well as drafting of the RFP.

We have also entered into a written agreement with Western Direct, the Canadian fulfillment contractor, outlining their responsibilities.

PUBLIC RELATIONS:

Conn Murray has appointed John Litten as the public relations committee interim Chair. Regarding the FAM trip, we were hoping to get people who would be at the NTA Board Meeting from the travel trade. Invitations were sent, but only two responded. Most said they didn't have the time to add on to the NTA meeting. What has been proposed by the public relations firm is that those travel writers be included along with the regular FAM.

COLLATERAL:

The 1993 Vacation Planner is off the press. Most of you have already seen it. It will be going out to all of the advertisers soon. At the last meeting we had anticipated printing 35,000 of the new Winter Planners. There were several people on the Council who came back and said can't we do better than that? Indeed, when the actual budgets came in we were able to print 100,000 within the original \$115,000 budget. Later on, we will talk about how to distribute them. We have a little over 500 listings in the winter planner, with a majority of them being accommodations.

FALL/WINTER/SPRING:

We are currently getting responses back from travel wholesalers and operators who were sent a pre-qualification letter for the FAM trips. Bradley-Reid used a data base this time, and they are having great success. We have 120 responses so far and, of those, some people are extremely excited about coming to Alaska. We've talked about turning the ones we won't be able to accommodate into leads for DMO's.

ADVERTISING:

The agency completed a post-buy analysis. The cost per response for magazines was down to \$4.10, which is very good. We congratulate the agency on their work.

ADMINISTRATIVE BUDGET:

There has been discussion in the past about the Marketing Coordinator position that was lost during the shuffle of

executive directors and budgets. I have discussed the position with the Commissioner and he feels at this time that, if the Council so chooses, he has no problem with us going ahead and adding that third position. It still has to be approved by the State. But I would recommend that, rather than make this position a range twenty, which is in the mid-\$40,000, we reduce it down to a range seventeen and that we apply through revised program to the State. If, in fact, that does go through, it would require \$30,000 in this year's budget.

PUBLIC PARTICIPATION:

Mr. Odle called for public participation. There was none.

FY 93 BUDGET REVIEW:

Mr. Odle then moved to fiscal 93, and asked Ms. Lindgren for an update.

Ms. Lindgren stated that the current budget is in the packet. At this time, we are showing an unallocated amount of \$1,635.00 and \$4,909 over in personal services, which will have to be moved from contractual expenses to personal services. It can possibly be absorbed by the administration budget, but I want to leave it there until we get the authority to move the dollars. The only funds we know of at this time that will not be fully expended are for the fall/winter/spring press trip under public relations, but, until that project is completed, we do not know how much will be left. We are also anticipating some money left over from printing of BRC cards, again, since the project is underway, we don't know how much.

Mr. Odle asked each of the committee chairs whether any of the planned expenditures or programs related to the expenditures in their committed plan column have changed since the last meeting.

The PR committee may have extra money; Bonnie reported maybe \$12,000.

Mr. Odle introduced Wendy Wolf, the Deputy Director of the Division of Tourism.

WENDY WOLF - TOURISM NORTH:

Ms. Wolf explained that Tourism North is a protocol agreement between the governments of British Columbia, the Yukon, and Alaska to jointly market our destinations.

There have been three years of Tourism North, and every year there has been the North to Alaska publication. There were 300,000 copies this year distributed by the Yukon to people who say they are either going to drive or take the ferry or are interested in independent travel.

Tourism North has also run successful travel counselor workshops and sponsored training at the American Automobile Association and Canadian Automobile Association.

In previous years we have had consultants that were funded and a \$200,000 commitment from each jurisdiction. In 1993 we got a lesser commitment from British Columbia, and each government felt that we should try to keep the levels of commitment pretty similar. We are trying to figure out how to do the same program with less money. We still want to have the elements of the new North to Alaska brochure without all of the references to 1992; we want to continue to do the travel counselor workshop and the AAA workshops.

In addition, we have taken in a project that used to be called the Road Show, in which people go down to the best of RV parks in southern California and Arizona and talk to people about traveling to Alaska. We would have three people, one from each jurisdiction, and this year's theme would be the gold rush. Ten businesses in Alaska could also have their brochures distributed for \$500. In addition we are going to have some built-in analysis. When people come to Alaska to the visitor center in Tok or an office anywhere, they will say they were at the Road Show and get a pin. That way, we get an idea whether or not we are converting visitors.

The main reason I am here today is to sell advertising in the North to Alaska brochure for the first time. In the other jurisdictions, the government tourism organizations have bought an ad and their regions have also bought ads. We thought the ATMC could co-sponsor an ad, preferably with the Alaska State Convention and Visitors Bureau Society. A lot of people who get North to Alaska have already got the planner, but the people who get it from the Yukon and British Columbia, which is 1/3 of the publications, don't necessarily have the planner. She presented a mock-up of the ad and requested funding of approximately \$21,000.

Mr. Dindinger asked the number of copies; there will be 250,000.

There was discussion about the number of participants

going on the Road Show. It was asked if they had cut the number of people. They have not. Rather than contract someone out, we are sending Lisa, who runs the visitor center in Tok. She has worked with people for seventeen years on the highway and knows a lot of their interests.

Discussion regarding the whole Tourism North program ensued.

Ms. Wolf was asked how many of the 250,000 books are being mailed to ATMC label names. She stated about 100,000. The duties of mailing out, etc. have been divided between the three government representatives.

The question was raised about how much money each government puts in. Ms. Wolf stated that in previous years each jurisdiction put in \$200,000. This year, when British Columbia only came forward with \$50,000, it was decided that each government would put in \$50,000, so that is \$150,000, and then each jurisdiction would then go out and try to get \$50,000 from its private sector. We have gone out and talked to lots of people. We have commitments from the Alaska Marine Highway, the SATC, Fairbanks, Mat Su and Valdez CVB's, each putting in \$1,000. The State of Alaska will make up what doesn't come in so that, all together there will be \$100,000 (Canadian) from each jurisdiction. The reason we are selling the ads is that we need \$400,000 to pull off the program as planned.

It will cost \$250,000 to put the book together. We are trying to offset that with eight pages at \$17,000 (Canadian); that is about \$110,000 to \$112,000 (U.S.). Each jurisdiction has to go out and get the ads. The Yukon has an ad; they have a passport program they advertise so people can see something different than what is in the planner.

Mr. Odle had a discussion with Mr. Roth, who is not present today. He has indicated that he is very favorable to us trying to find the money and feels that, without the support, the program may well be in jeopardy. I think it does go well beyond advertising; it's a three-way government organization that's been going on now for three or four years.

Motion: It was moved by Phillips and seconded by Binkley to appropriate \$20,000 for the project of Tourism North.

Ms. Dunbar discussed the content of the ad. Some regions are not represented. Money going toward this is supported, but would ask the advertising committee to

look at the ad for its effectiveness. Mr. Dindinger agreed. There was more discussion regarding the ad and that it should be re-designed.

Motion: It was moved by Pedlar and seconded by Phillips to amend the motion that the money should come from Public Relations, not advertising, and that Bradley should design the ad.

Ms. Lindgren asked where the money is coming from; there is only \$10,000 in PR. Mr. Odle was certain that by the end of the day it could be found.

Motion: Mr. Odle called for the question. The motion passed.

DISTRIBUTION OF WINTER VACATION PLANNER:

Mr. Pedlar discussed the distribution plan which is included in the packet. We are anticipating the people who checked off October-December or January-March on the BRC would be sent a copy of this planner, a total of about 48,000. We figured 20,000 for the DOT: 8,000 for the in-house list of travel agents, 10,000 brochures to foreign offices, and 2,000 for white mail. We will also contact CVB's to see how many they would like for distribution. This puts us in the 85,000 range with 15,000 left over.

There may be a problem with the postage for mailing these out. We will know more about this in December. Ms. Cowart requested copies for AVA; Ms. Fleming stated she would send them.

Ms. Wolf stated that, in reply to an ad in the Parade Magazine, the DOT had been swamped with calls requesting the Winter Planner. When the DOT mails them, they cover the postage.

Ms. Lindgren stated that it looks like we are under projection and may be able to cover some of the additional postage in December from this budget.

UNFINISHED BUSINESS:

Mr. Dindinger reminded the Council that at the last meeting \$36,000 was budgeted for testing radio. Information was supposed to be collected for the December meeting relative to how to spend the money. Just a reminder to DOT and the agency of that request. The KLEF radio proposal was distributed at the last meeting; new people need to receive one.

Mr. Dindinger reported that Exxon is once again doing promotion of Alaska. In the past, this has been very good for us. They have paid the vast majority of the funding needed to launch promotional programs. This one is equally good, not as large, but is just under \$90,000. They propose to run a series of three to four minute spots on cable television, CNN, Arts and Entertainment, and on in-flight videos for American and Northwest Airlines. Like all of the other programs they have done with us since the oil spill, they want us to have a vested piece. This amount is \$9,000, which is one-tenth of the total cost.

Motion: It was moved by Dindinger and seconded by Litten that we set aside \$9,000 to receive \$90,000 in advertising.

There was discussion about whether Exxon has done research to determine consumer feelings about the effects of the oil spills. Mr. Dindinger stated that Exxon had spent as much money in research as they had in media and felt confident it was substantiated.

Mr. Odle called for the question. The motion passed.

FISCAL 94 BUDGET:

Mr. Odle reported that at the last meeting the committee came up with a recommendation of nearly \$12.9 million. Since that time, a number of things have happened in the administration in terms of the budget allocations.

Mr. Odle stated that, before the end of the day, the Council needed to justify the budget, not in increments like previous years, but by zero based budgeting. We not only have to justify it to ourselves, but to the administration, as well. Essentially, we must prioritize what our program is from dollar one. We have to do that to get it up to the level of what it appears the Governor is going to present to the Legislature. I would suggest that it would benefit us to also plan for higher increments if we are successful or if the industry is successful in getting those increments through the Legislature and ultimately passed by the Governor. What those levels are, and whether or not we want to go back up to \$12.8 million or look at another figure, is also part of that discussion. We have to build a program and prioritize each element of that program up to the likely budget submission to the Governor, as well as some number over and above that. We need to have a sound program that is defensible for the industry to take into the Legislature.

Ms. Lindgren updated the Council on the budget process and what's happened with OMB. At the last meeting we came up with a budget request of \$12.88 million. That request was carried forward to Commissioner Fuhs. The commissioners met with the Governor at the cabinet retreat where it was decided this year that they would try to hold the line on the budget in total. To do this there is approximately \$70 million in formula programs, such as education or longevity bonus, that go up automatically, which means that they had to cut that same amount out of other areas just to hold the line on the budget. The Department of Commerce came back with \$3 million in cuts. Those cuts came out of two places, ASMI and ATMC. It was the feeling of the budget review committee that the cooperative marketing program should be reduced by a million dollars in State funding with the private sector contribution raised from 15 to 20 percent. Overall, they are asking for a zero based budget, justify every dollar in your program, what it means, why it needs to be there, what you are going to spend it on and what that returns to the State. They are asking for short and long-term goals and what objectives, strategies and obstacles we may encounter in reaching them. Everything should also be prioritized.

The budget number they came back to us with is \$6,353,800 which is a reduction from the \$7.5 million this year. To arrive at that figure they took last year's general fund, minus the unallocated reduction, then increased the AVA contribution to 20% and decreased the State general fund by the same amount. The State general fund was then reduced by another million dollars. Then the prorated share of the vacation planner was added to both the State portion and the AVA's portion. What that means is that AVA would have to raise \$1,480,000 and the State general fund is \$4,800,073. Under statute, AVA is not required to pay any more than the 15% but may voluntarily pay more. While I do not recommend ignoring the number and submitting a different budget, we might consider submitting the budget number that was given to us and attaching an addendum showing what the next increments would be.

Mr. Dindinger asked how the DOT came out, and Ms. Wolf replied that they weren't getting new money. If they wanted a new position they could have that, but no new programs. Out of the \$3 million they are cutting, we could have \$80,000, but we are already down \$250,000 from last year. None of us have seen all of the numbers.

Mr. Dindinger pointed out the commentary from ASMI in the newspapers, where they basically have taken the

administration to task. Timing is a good issue for the seafood marketing industry; we can't sell the canned salmon we have in the market now, but most of the money that ASMI would be left with would be earmarked by the Federal Government for only international marketing. So, basically, it eliminates their ability to market domestically. That is not significantly different to what this \$1 million hit does to the ATMC. If, as in the past, most of that million dollars comes out of image advertising, that would reduce our television by 50%. Our theory in the past has been that our fulfillment program and collateral production basically takes those beans already in the pot and brings them to Alaska. It is the television and public relations that put the beans in the pot to start with. These are the only things that we do that are creating new interest. This is important. I think there is an issue relative to this budget discussion that goes beyond re-cranking out the numbers and that is, are we going to stand idly by and watch this happen or let them know that in our hearts we feel that this is an inappropriate move in a time when the State of Alaska should be creating jobs and pumping the economy.

There was discussion involving the actual budget cut; it was determined to be \$1.3 million.

Mr. Odle stated that we should let the trade industry group get the message out. The ATMC should supply them with the information and support what we feel is necessary to sustain.

Mr. Dindinger disagreed. The Governor has picked half of you because you are supposed to be the best at assessing the needs of tourism marketing. The other half was picked by the Trade Association to do the same thing, and if we are given inadequate tools, we should be telling our employers that we don't have what it takes to get the job done. I don't believe that this budget will give us what it takes.

Mr. Bob Jacobsen introduced himself as a past ATMC member and the new AVA President, stating he did not believe it would be in the industry's best interest to get out in front at this time. This is very early in the budget cycle. In the last few weeks I've had meetings with the Chief of Staff and with the Governor's two Deputy Chiefs of Staff. I would encourage you to do what Mr. Odle talked about, that is build your increments and give to the visitor industry what it is that we need. Let us try to work through the channels as best we can.

There is another issue: As you recall, there was an agreement with the administration that the industry wouldn't go for supplemental appropriations and that we would pursue the Destination Alaska project and look for funding sources other than just the general fund. At the same time, the administration would hold off on the visitor industry taxes, and they also committed to us to put a \$10.2 million budget in last year and this year. I don't think there are many people who know that is the agreement. I encourage you to consider that in your deliberation and maybe go up to \$10.2 million.

Mr. Odle explained what happens at this point. We have a number; we can choose to go with that number. I don't think the alternative of going below that number makes sense, and we can choose to go in with a higher number and try to justify it.

Ms. Lindgren stated that the budget process changed about two years ago. Prior to that time, we submitted our \$12.8 million request. For the last two years it has been different. We are now given a budget number to submit.

Mr. Odle said that, in the final analysis, it's no way to be building a program, anyway. He thinks there is an opportunity for us on this budget submission to make the point that we don't think that this level is adequate to do the job that needs to be done. I suggest we give them a program that fits the budget number we have gotten but indicate we don't think this is nearly adequate to do the job, which we essentially established at our last meeting when we came up with the \$12.885 number. That was the level, and reflected the programs we felt we needed to do to grow the business. What I would like to do now is go by committee and review the work done in advance of this meeting in terms of what you feel is a high, medium, and low priority. We'll go through the reports, then come back and start getting some consensus on what's job one and what it costs.

Ms. Dunbar stated that her understanding of the contract was that there was a factor for in-kind contributions. Do we have some room between 15 and 20 percent to bring in-kind contributions into play?

Ms. Cowart stated that AVA has been collecting in-kind contributions via reporting form. While, in time, that has risen up to 18 or 19 percent, it's not cash. The contract says 15% cash. You can't buy advertisements

with in-kind contributions, but we can show to the Department of Commerce and the Governor's office our level of funding for the cooperative marketing program is much greater than 15%.

ADVERTISING:

Mr. Bradley and Mr. Neeley presented the advertising report. In actual buying power over the last couple of years we have been down to the lowest point marketing Alaska has ever been. Every time we have had major budget cuts, it always comes at the expense of image advertising, in spite of the fact that the major competition has continued to increase at a dramatic pace. We are doing more with less than where we were in 1981, 1982.

Mr. Brown explained that today they would break this into two pieces, the base budget and the needs for the base budget, and, secondly, a developmental budget. How do we develop more than the percentage growth that we have now? From a spending standpoint, we would need to be at approximately \$9.5 million for advertising just to keep up with what we have done over the years since 1983 in media only. In actuality, in the last three years the budget is down considerably, and now we are faced with a discussion to take it down further.

Ms. Rogers explained the base budget elements of the program ranked by priority. The first one is to generate 450,000 leads, which is the minimum number of qualified domestic leads needed by the industry to maintain growth and recovery. This currently costs \$2.2 million, including print and direct mail. The second item is our image advertising, which is now 36 weeks of cable, at a cost of \$2.2 million. We are also reflecting a loss of about four to six weeks in FY 94 because we have about an 8% inflation rate that we will need to take into account. Even keeping the status quo, we will have a loss of about six weeks of cable from where we are this year. The third portion of the program is the Canadian program. Right now we are budgeted at \$220,000 for about 16,000 qualified leads. Finally, we have our newspaper program, which is essentially a public relations program but also generates an additional 18,000 leads. That brings us to our current budget of \$4.9 million.

There are other things in the base program that are not now funded at the \$4,972 million. The first is to increase qualified leads to 500,000, and year-round cable advertising.

Once the ATMC runs a magazine and we get redemptions back, we look at more than how many BRC cards come back. We do a piece of research that goes out and finds out how many of those people actually converted to being a visitor to the State of Alaska. This shows the cost per conversion and takes us up to about the 500,000 point, which is about the point of maximum efficiency. In addressing decision time lines, the average is 8.1 months, with 34% 12+ months. Therefore, it is a year-round decision-making process. We have learned in advertising that you lose awareness at 8% per week when you are off the air. That means that, when we go off at the end of April which is the end of our program, and we don't restart again until September, we lose our awareness level at 8% per week, and it costs us a lot more to get it back. In addition, Alaska's share of voice is declining. Mexico is spending \$22 million, Canada \$10 million, etc. Alaska is only at \$4 million. You lose on a competitive share of voice basis, as well as the 8% decline for not being on the air.

Mr. Brown reported that if we want to move the program ahead to the efficient level on generating leads, we would need another \$420,000 to increase the current program from 450,000 leads to 500,000. If we want to go to a continuity of image advertising, which has been the goal of the Council for a number of years now, being there when the people are deciding to go to Alaska, that would cost about \$1 million.

Basically, what we have done is built a base budget which requires the original \$4,972 million, plus \$1,898 million for inflation, the increased leads and year-round advertising, for a base budget of \$6,870 million. That still does not get us up to any developmental type of program for the future. The next step is to say how do we move this 3.4% growth of tourists that come to the State to a more dynamic number? How do we get more people at a faster rate in the biggest areas of opportunity in the country?

There are certain areas in the country we believe will help start a growth rate beyond the 3.4% rate. First, expand the Canadian program. We get 13% of our visitors from there, and we feel we can get close to 1,000 additional each year. Another area we see a minimal increase in is in the newspaper program, so we can generate sections in the travel sections of more markets around the country devoting time and space to the State of Alaska. The last part is really what we will call regional advertising support. We have taken all of the areas of the country on a regional television basis and

broken them down to find out where the visitors are coming from. The west central area, which is basically Chicago, and all through the central area of the country is our third biggest area. We say focus on that area because we are only getting 3.4% pleasure visitors to Alaska. If we can change that to a 10% growth, we feel we can get 7,500 additional visitors per year just from that area. The other regional area we looked at was the southeast, which has the fastest growth in the U.S. of people over age fifty.

On a developmental basis, we recommend an increase in the Canadian budget that would drive leads from about 16,000 to about 26,000. The incremental costs would be \$130,000, with an additional \$50,000 in newspaper budget. Every year we leave sections on the table. Papers, who would like to support Alaska editorial features, which also anchor the small tour operators, travel agents, etc., won't run them unless we anchor the section with an ad. If we ran network television, in just 12 weeks over and above our current national program in those two regions, it would be \$1.85 million additional. Finally, one of the things we would like to see instituted, perhaps initially on a test basis, is a total integrated marketing consumer promotion.

Mr. Neely: Basically the goal would be to take all our elements, public relations, advertising, and special promotions within the region and concentrate on some cities. From a budget standpoint, this takes the base program, then adds developmental programs of \$2,830 million to give a total for advertising of \$9.7 million. This amount really just puts us back to the 83 budget level.

Discussion regarding the agencies' presentation ensued.

COLLATERAL:

Mr. Pedlar presented the collateral fulfillment report referring to the two budget scenarios. One is for a goal of 450,000 responses and one is for a goal of 500,000 responses. In that, we had discussed in a lot of the other committees that, if we had known we had the eight pages which ended up being an extra four pages in the book this year, we could take that and create more of a winter section within the main travel planner. That assumes a nonproduction of a winter planner, and the increments are stepped up from there. We are just in the process of spending a lot of money to produce a new film. We have no way of distributing it. For FY 94 a high priority would be to distribute this film. Second,

continuing update of photograph, third, planner research. We had talked about maybe a total redesign of the planner. It is time to go back and look at whether or not the travel planner is meeting the needs of the market and do some focus group research. Then based on this research, rewrite and update the copy. \$753,500 is the very minimum that can be spent.

PUBLIC RELATIONS:

Mr. Litten presented the public relations report. He stated the proposal for fiscal 94 budget actually reflects a few dollars less than fiscal year 93. The efforts for fiscal year 94 are going to be focused on the areas that will bring more visitors to the State. One of the areas discussed in the advertising report was newspaper sections. We are hoping to increase our special sections assistance up to about thirty-five; the advertising agency would like to see us up into about forty, generating eighteen to twenty thousand leads.

In looking at changes for the next year, you will notice that the media directories are produced, and we don't have the SATW press trip. Those dollars have been shifted into media trips, working with press, and FAMS, similar to what we did this last spring with Stan Patty and the other media trips.

Mr. Litten referred to the crisis communication line. In 1989 a crisis plan was developed after the oil spill. Nothing has ever really been done with it. If at some point we do have an increase in our budget, that is an area we would try to focus on, to try to get a program together so we really do have a response we can jump into.

Discussion continued regarding the crisis communication plan.

Mr. Rosenberg stated his understanding was that the crisis was handled by the Public Information Offices of the State. He asks how the tourism industry gets so involved with crisis, when the primary responsibility is the PIO.

Mr. Litten replied that his belief is that they are not prepared to respond in a crisis to the tourism industry. We know where the visitor is at in his decision-making process; we can then go to that area to correct the image in his mind so that he will continue to plan his visit to Alaska. The PIO is not prepared to do that.

It was also noted that out-of-state visitors don't know necessarily that there is a State Public Information Office, so they call the ATMC or the AVA for information.

RESEARCH:

Mr. Odle reported that the major research project up until now has been the annual conversion study. There is some consensus that we need to continue this study on an annual basis. It provides us with information whether or not the advertising and inquiry generation program is working. We can use that information to gain efficiencies in our media buying. Our amount for 1993 is in the area of \$165,000. With the travel line, we are looking at \$175,000 for 1994.

Mr. Dindinger questioned that, if the purpose is to do research to determine the efficiencies of the program so that you can take past experiences and project them to future expenditures, it would seem to me you have to determine what kind of program to run in the future.

At any budget level we would be recommending the AVSP be conducted, because this Council, as well as the Division, is charged with continually measuring the program. And this information that we get from the visitors' statistics program is vital to this body, as well as the DOT, and so we need to at least know if the Division plans to do one in FY 94.

Ms. Wolf: We will do it; there will be an AVSP. We broke it down so we didn't have to pay it out all in one year. The first \$250,000 will be spent this year, the next \$250,000 in FY 94, and the third in FY 95. They'll be out in the field in the summer of 93.

Mr. Dindinger: We can assume that we will continue with the annual arrival counts for two years, with primary every third year, along with the visitor opinion survey and visitor expenditure survey every third year.

Ms. Wolf responded yes.

Ms. Lindgren points out that last year the travel line survey was funded from research and it appears on the proposed budget for public relations for FY 94, so we should reduce the research budget by \$8,700.

FALL/WINTER/SPRING:

Mr. Elander discussed that the direction of the Council

somewhat eliminated F/W/S as a separate entity. The responsibility for year-round marketing is throughout the Council. Understanding the budget cuts but not wanting to damage in any way the success that this organization has in the development of the "seasonal marketing," I'd like to get with my committee and, more importantly, the major destination marketing organizations, and come up with another plan, one of which I've been thinking about, and I want to share with you.

One of the things missing in the winter vacation planner this year is a lot of product that is available out there that somehow isn't reached through the Council or organizations such as my own. I'm referring to things such as dog mushing, nordic skiing, flight seeing, and other activities. We decided at the last meeting that a second consolidation conference would bring together the F/W/S industry to look at those non-summer activities and develop and put out an offering of what is available by region throughout the State that we could, as a Council and an industry, go out and market. The first one, although it was very successful in numbers was a two region, Fairbanks and Anchorage, activity. The next year there was a southeast F/W/S conference, which was relatively successful.

I am proposing that the Council support consolidation conferences by region. This will be a lot less expensive than trying to bring them all into one region. I would propose three conferences, one in the Fairbanks region, one in the southeast region, and one here in Anchorage. There should be some financial support, through the agency, of providing the invitations, the dates, speakers, and so forth to participate in each of these conferences. We feel that we could do that, at least in this area, for about \$5,000. With our own resources, we could put on a fine conference that would attract people. If we were to agree to do this, it would be \$15,000, much less than the \$75,000 we had in our budget originally to do a consolidation conference.

FAM trips are very important too, but it's too difficult to do a FAM trip in Alaska across the board from Fairbanks to Juneau through southcentral, so I'm proposing that each region also be allocated twenty people to be invited at \$300 a person. The participants pay \$200 to come in. That gives the marketing organization \$500 per person. Then you would have \$18,000 FAM money that would go in support of three FAM trips to highlight those key times of the "off season" of the region. The FAM trips would run \$18,000, \$6,000 per region, for a total of \$33,000. If we were to get the

\$150,000 we requested at the last meeting, I would feel very comfortable with turning the \$117,000 over to the collateral committee for continuation of an enhanced vacation planner to support F/W/S.

Question was raised as to who under this scenario would be doing the planning and coordination. Answer was that the agency working with specific marketing organizations at the destination.

Bradley, costs are not included in the \$500 each. It's going to take a draw on each organization, and each organization will be paying into it out of their own resources, as well as certainly the hotels and transportation and activities people.

The total was changed to \$40,000 for the purposes of planning, which leaves \$7,000 for coordination.

TRAVEL TRADE:

Mr. Walker gave an outline of how we came to justify the committee and the seminars for 1993. Our existing budget for 93 is \$149,500. We are assuming that for 1994 we will increase the number of seminars based on the success of the 93 program. We have, from previous discussions, identified a \$250,000 budget. This is a mechanism in the program for 93 to determine if it is successful. Based on the outcome, for 94 we have recommended a budget of \$250,000. With that amount of funding, we feel confident that we can do fifteen seminars. There are cities listed in the handout as examples; those can be changed.

Question regarding criteria for 93 to determine success.

We have asked in the RFP for a questionnaire to be given out at the end of the seminar to see the effectiveness from the travel agent's point of view. We could also send a questionnaire after the seminar is over.

ADMINISTRATION:

Ms. Lindgren reported administration was originally at \$300,000, but can probably be lowered to \$275,000.

Mr. Odle: In previous years our program broke down into two basic elements, one which is essentially a short-term payback and another a long-term payback. We refer to the short-term payback as our core program, which essentially is to target existing prospects and do everything we can to convert them. It involves our inquiry generation programs from magazines, direct mail, and "X" number of

vacation planners. First and foremost, if we have one buck, we should stretch it as far as we can to find existing prospects rather than grow a pool of prospects.

Mr. Dindinger disagrees. His rationale is, if you buy the beans in the pot theory, that your television, your long-term marketing, is putting the beans in the pot, and short-term marketing is only taking them out. This is, basically, what we are doing with direct mail and consumer advertising. If you look at our print ads, they don't say anything about the product; they say get the book. The only thing we have out there saying anything about our product, for the most part, is the awareness advertising we are doing on television and the public relations program. If you keep taking them out of the pot and are not putting any back, the cost of getting a new bean out of the pot starts going up. The pool of people we are drawing from is getting ever smaller. I think the highest priority for us is awareness.

Mr. Odle asks if there is anyone in the Council that does not believe that one of the basic objectives we should have is generating responses and fulfilling them with a vacation planner. No response.

Mr. Dindinger states that he thinks you should create awareness for the destination first. At the point where you can cover year-round television in the primary markets, then you can start worrying about enhancing the ability to take the beans out of the pot. That number is about \$4 million.

Mr. Odle said he was not in total disagreement. Let's deal with the inquiry generation first. What I'm hearing you say now is zero until you get the \$4 million.

Mr. Dindinger: In this current environment, I'm starting at the rock bottom \$6.5 million number. At his point, if you go the way we have always continually thought of this program, labels first and image second, there is nothing left for image, so you might as well not do it. I'm trying to redefine our goals. In the past they have always been to generate labels because we have always had enough left over for image advertising. My proposal doesn't equal zero inquiries. We know we are going to have more than \$4 million. There are a couple of million dollars left over, so you are going to generate some inquiries. You're just not going to generate inquiries at nearly the significant level you have in the past. I am proposing you do the most important thing first and then work you way back. The most important thing for us is to generate awareness of Alaska as a premiere travel

destination; that is the number one objective.

Mr. Odle: The argument is what do you do with the first \$4 million in this program. Do you go on year-round television and public relations to generate awareness or do you generate 450,000 responses that people fulfill? Those are the two extreme views.

Without demand, there is no need for product. To create the demand is the number one priority.

Mr. Odle asks to hear from other people.

Mr. Phillips raised the question regarding the fact that discussion was around changing the priorities. It was stated that goals are being redefined here.

Mr. Dindinger: What the vacation planner does, and the distribution of names to other associations and industry members provides, is assistance to businesses because it takes their specific products to the marketplace. I am suggesting to you that, if that is your only focus, pretty soon there won't be a marketplace to take the products to because there won't be a demand out there.

Ms. Lindgren reminded the Council that, with scenario one, the budget will be reduced by \$1.4 million because AVA will have no mechanism to raise the matching fund, so that the ATMC budget will be reduced even more.

Mr. Pedlar said that scenario one does not rule out planners completely.

Ms. Dunbar said their organization focuses on awareness, and it seems to be working for them.

Motion: It was moved by Pedlar and seconded by Litten that the stated goal and priorities of this Council are to generate a continuous year-round image presence and, secondarily, generate label responses for fulfillment of the vacation travel planner. The motion passed.

Motion: It was moved by Pedlar and seconded by Dindinger that television production, talent, and space be funded at the level of \$3.5 million for FY 94. The motion passed.

Motion: It was moved by Pedlar and seconded by Dindinger to fund public relations to \$350,000. The motion passed.

Mr. Binkley recommended the next increment be travel agent seminars, but it was discussed that something was needed to give the agents. Therefore, the travel planner

should be the next increment. Travel agents don't necessarily need the image portion of the travel planners, just the planner portion.

It was pointed out that the survey done originally proved that travel agents need a sales piece and a planning piece. We cannot get rid of the full travel planner until travel agents are familiar with Alaska. Until they see enough advertising, they won't be convinced.

Mr. Dindinger pointed out that the survey shows most visitors in Alaska didn't get a travel planner. He contends they are going to their travel agent to buy the product.

Mr. Phillips doesn't think the travel agent should be in the third position. He states that travel agents don't aid in guiding visitors to the product. The travel planner is the number one source of information. He states that the travel agency business is a revolving door. It would be difficult to educate travel agents as a priority, as they are here today and gone tomorrow.

Ms. Westlund recommends 300,000 responses for \$1 million. It was noted that planners cost about \$1 each. Based on 300,000, it would cost \$744,000. \$150,000 can be pulled off the collateral budget for \$600,000. So, essentially, 300,000 inquiries, fulfillment and production is \$1.9 million.

So we're at a total, if we include \$3.5 going into image and \$350,000 for PR, of \$5.75 million, and we still have room for administration and travel trade.

Mr. Pedlar states we should produce the extra 200,000+ planners above and beyond your response goal. If image campaign is successful, they will ask for the product. If we run our image advertising at this level, our cost per response could go down to \$2.50 for the first 300,000, his idea being that you will get more response quicker and cheaper because you backed it up with a lot of television. He recommends printing a half million planners.

If we adopt this strategy, we put a significant additional burden on the in-state providers of service facilities, because those people who get to the travel agent effectively will be the ones that continue to make money, and those people who have relied on the State to take them to the marketplace will be the ones that lose out. The operators are going to have to spend their own money, get their brochures out to the travel agents.

Discussion followed regarding the numbers of planners.

Travel planners are distributed as follows: 73,000 to white mail PR requests, 75,000 to trade, 50,000 to DOT. That's easy, 200,000 now.

Proposal is to be 75,000 for travel agents, 75,000 for write-ins, 50,000 in reserve.

Motion: It was moved by Pedlar and seconded by Litten to baseline the budget as follows:

Advertising Committee	\$4,500,000
Public Relations	\$350,000
Collateral	\$665,000
Fulfillment	\$450,000
Administration	\$275,000
Unallocated/Uncommitted	\$113,800
Total	\$6,353,800

The motion passed.

Motion: It was moved by Dindinger and seconded by Binkley to have one market, twelve weeks in the west central region in ninth priority position. The motion passed.

Motion: It was moved by Odle and seconded by Dunbar to restore BRC to 75,000 inquiries for \$930,000 in the tenth priority position, and the eleventh priority be to restore an additional 75,000 inquiries at \$930,000. The motion passed.

Motion: It was moved by Odle and seconded by Westlund that increment #12 is as follows:

(a) Conversion study	\$166,000	
(b) Additional Newspaper	\$200,000	
(c) F/W/S	\$120,000	
		\$486,000

Motion: It was moved by Pedlar and seconded by Dunbar that the next increment #13 be travel trade seminars \$300,000. The motion passed.

Motion: It was moved by Dindinger and seconded by Pedlar that the next increment #14 be the southeast market television spots for \$925,000. The motion passed.

Motion: It was moved by Pedlar and seconded by Westlund to stop the increments at #14. The motion passed.

Motion: It was moved by Pedlar and seconded by Litten to maintain the current rotation schedule of advertisements. The motion passed.

Mr. Odle gave a recap of the budget increments.

1) Image:	\$3,500,000
2) Administration	275,000
3) Public Relations	350,000
4) Inquiry Generation:	
300,000 Inquiries (Media)	1,000,000
Fulfillment	450,000
Planner Production (300,000)	550,000
Print additional 200,000 Vacation Planners	115,000
5) Travel Trade (75,000)	
6) Consumer Write-Ins (75,000)	
7) Reserve (50,000)	
8) Newspaper:	113,800
Subtotal	\$6,353,800
9) Developmental Program:	925,000
West Central Television Regional	
10) Restore 75,000 Inquiries:	930,000
Media/Planners/Fulfillment	
11) Restore 75,000 Inquiries:	930,000
Media/Planners/Fulfillment	
12) a. Conversion Study (\$166,000)	
b. Additional Newspaper (\$200,000)	
c. F/W/S (\$120,000)	
TOTAL	486,000
13) Travel Agent Seminars	300,000
14) Developmental Program:	925,000
Southeast Regional Television	
GRAND TOTAL	\$10,844,800

Ms. Scott questioned redesigning the planner to expand the winter sections. Planner prices are based on 1993 costs. Ms. Fleming added that earlier it was discussed to perhaps expend the planner to the full 128 pages by

adding a winter section. The plan was to have a full 128-page planner, including winter activities, until level ten was reached, and then we would go back to producing a separate planner.

NEW BUSINESS:

Mr. Odle stated that the election of the new committee chairs and appointment of committee assignments would need to be decided upon. Each member must participate on at least one committee, and no more than two, except the committee chairs.

Ms. Lindgren pointed out that, a non-standing committee did not usually have budget numbers attached to them. This year a problem was incurred because travel trade has a budget number. She advised a revision of the bylaws so that the chair of any committee that has a budget item attached to them be on the planning committee.

Mr. Odle asked her to draft language for the December meeting, as they need a notice for bylaw changes.

The floor was opened for nominations for committee chairs.

Motion: Advertising Committee: It was moved by Dindinger and seconded by Elander that Mr. Bill Pedlar serve as chairman. The motion passed.

Motion: Collateral Committee: It was moved by Pedlar and seconded by Elander that Mr. Gary Odle serve as chairman. The motion passed.

Motion: Public Relations Committee: It was moved by Dindinger and seconded by Walker that Mr. John Litten serve as chairman. The motion passed.

Motion: Research Committee: It was moved by Winther and seconded by Pedlar that Ms. Kari Westlund serve as chairman. The motion passed.

Motion: Fall/Winter/Spring Committee: It was moved by Phillips and seconded by Dunbar that Mr. Bill Elander serve as chairman. The motion passed.

Motion: Travel Trade Committee: It was moved by Dunbar and seconded by Scott that Mr. Brad Walker serve as chairman. The motion passed.

Motion: Planning Committee: It was moved by Pedlar and seconded by Binkley that Mr. Bob Dindinger serve as chairman. The motion passed.

Mr. Odle asked for volunteers for the committees, a maximum of nine on each committee. However, committee members do not have to be Council members; Council members do have priority. Committees were chosen as follows:

Advertising

Pedlar - Chair
Odle
Dindinger
Winther
Binkley
Dunbar
Walker
Phillips

Public Relations

Litten - Chair
Westlund
Rosenberg
Ward
Dunbar
Walker
McBride
Campbell

Fall/Winter/Spring

Elander - Chair
Dunbar
Kemp
Scott

Collateral Fulfillment

Odle - Chair
Litten
Scott
Binkley
Ward
Winther
Elander
Taylor

Research

Westlund - Chair
Odle
Rosenberg
Pedlar
Dindinger
Kelsh

Travel Trade

Walker - Chair
Litten
Ward
Elander
Odle
Dunbar
Pedlar
McBride

Planning

Dindinger - Chair
Westlund
Litten
Pedlar
Elander
Odle
Walker

Mr. Odle noted that Mr. Roth would want to serve on a committee. We will check with him to see which committee.

Motion: It was moved by Odle and seconded by Litten that the Council approve the committee members selected above. Future additions will be voted on at a later date. The motion passed.

RESEARCH RFP REVIEW COMMITTEE:

Motion: It was moved by Odle and seconded by Elander to elect the following to the committee: Lindgren, Westlund, Odle, Rosenberg, and Taylor. The motion passed.

OTHER BUSINESS:

The subject of a third staff position was discussed.

Motion: It was moved by Pedlar and seconded by Litten to establish the third position at a range seventeen. The motion passed.

Mr. Pedlar discussed the selection made for the winter travel planner. The selection made at the last meeting turned out to be less than adequate, as it didn't blow up with proper color. We have another selection with northern lights and nice colors.

Motion: It was moved by Pedlar and seconded by Elander to accept the new cover choice for the winter travel planner. The motion passed.

Mr. Dindinger presented a follow-up on the participation in the Tourism North program. The recommendation is an ad that would give people a reason to get all the way to Alaska. The agency is currently looking at a couple of concepts we can look at sometime tomorrow.

Motion: It was moved by Dindinger and seconded by Binkley that Mr. Pedlar, the advertising committee chairman, have authorization to make a decision on that ad tomorrow. The motion passed.

Mr. Odle expressed gratitude for accomplishments today and recommended we start a case with the OMB level, indicating that to do an adequate job we feel compelled to advise that we think more is required. We need to develop the increments and support those, along with the initial submission to the Governor.

Mr. Dindinger recommended we have a story line regarding how we are approaching and supporting this budget. Priorities need to be established. This should be on the agenda for December meeting.

Mr. Elander questioned the presentation of the budget to the Governor. It was explained by Mr. Odle that we will be starting at \$6.3 million, which is the level indicated. Ms. Lindgren explained that we are not allowed to submit a \$10 million budget under their current structure.

Motion: It was moved by Pedlar and seconded by Dunbar to adjourn the meeting at 4:15 p.m. The motion passed.

Minutes
Alaska Tourism Marketing Council
December 9, 1992
Hotel Captain Cook - Anchorage, Alaska

ROLL CALL:

The meeting was called to Order by Mr. Murray at 9:00 a.m.

Members Present

Ann Campbell
Bob Dindinger
Cathy Dunbar
Bill Elander
Donna Harris
John Litten
Mike McBride
Conn Murray
Gary Odle
Brad Phillips
Mick Rosenberg
Klaus Roth
Dave Karp
Brad Walker
Bob Ward
Kari Westlund
Rick Winther

Members Absent

Johne Binkley
Susan Kemp
Bill Pedlar
Paul Taylor

Staff Present

Tina Lindgren
Trudy Wassel

APPROVAL OF AGENDA:

Mr. Murray asked for approval of the agenda. Hearing no objections, the agenda was approved.

APPROVAL OF MINUTES:

Motion: It was moved by Dunbar and seconded by Kemp to approve the minutes of the last meeting.

PUBLIC PARTICIPATION:

Clark Mishler spoke on behalf of ASMP who has changed their name to American Society of Media Photographers. He described the type of work members of ASMP do including creating images for print ads, magazines, brochures, etc.

Even with the increasing number of photographers in Alaska, many clients requests go unanswered. The supply has not kept up with the demand. There is no doubt that the photographic image plays an important roll in selling Alaska and it is important that the ASMP work with Alaska visitor professionals to meet the needs of

this industry and to make them aware of the basic needs of the photographer. The income created from sales goes back into Alaska. He added that nothing sells Alaska like a photographic image in the hands of people who know how to market them.

REPORT OF EXECUTIVE DIRECTOR:

Ms. Lindgren stated her report would be short as most of the items she had discussed previously in the committee meetings.

Regarding the wolf issue, there have been approximately 50 phone calls since the controversy began. About 20 of the callers were planning to come to Alaska but are now canceling. ATMC has also been receiving an increase in letters, although the DOT has been getting the bulk of them as their address is printed on most of the literature. She commended the public relations agency for their work on this issue.

Ms. Lindgren reported that contracts are well underway. However, a protest has been filed on the advertising contract. The seminar coordinator contract should be signed in the next day or two.

The research RFP draft that was looked at yesterday should be ready to start advertising on Monday, and be out within a week. There is a time line dictated by the state that we will be working with.

An oversight audit is also underway. Ms. Lindgren explained that the audit was in reference to a Sunset Review and stated that the scope of the audit is not known. When completed it will go to the legislative budget and audit committee.

The ATMC will be billing AVA for the first payment for fiscal year 93. Per the contract, their payment is figured on the total operating budget of the council which is the appropriation, minus the cost of the vacation planner. Their first payment due this month will be 25% of the contribution, approximately \$250,000.00. In addition, AVA's planner share this year is estimated at \$386,000 they used 51% of the planner.

REPORT OF DIVISION DIRECTOR:

Mr. Murray reported on Tourism North. The road show is organized and ready to go south. They will be visiting 35 RV parks in Southern California and Arizona.

He also reported that at the Big Chief's interagency conference at Park City last fall a memorandum of understanding was signed by all of the federal agencies involved in tourism. This should begin a new era of cooperation with the federal agencies as they have been directed to cooperate with local communities.

Mr. Murray stated that a Watchable Wildlife memorandum of understanding was signed last month. This involves many of the state and most of the federal agencies, including the Army, Air Force, Corp of Engineers, and most of the leading Alaska based conservation organizations as well as the ATMC, AVA, and DOT. The accord was aimed at getting improved cooperation in providing wildlife viewing opportunities.

Regarding the Goldrush Centennial, a task force has been organized, consisting of 40 members mostly from CVB's and 2 co-chairpersons, Judy Bitner and Wendy Wolf. The first activity is being planned in 1994 although the first discovery of gold was actually 1896. Eleven years of activities are scheduled throughout the Yukon and Alaska.

An International Relations Summit was held in Anchorage recently. The purpose of this meeting was to concentrate on the Northern Forum which is an organization consisting of 8 nations bordering the Arctic Ocean plus one associate from the Republic of Korea. They are concentrating on Tourism. An entourage from Russia has been invited to Alaska in February and March, and again in April, the ATMC and DOT may play a roll in this. The interest is in East-West air routes, improved Visa procedures and improved gateway tours. There is talk of expanded Arctic cruises using converted ice breakers and the possibility of scheduled ferry service across the Bering Straits.

Brad Phillips has been appointed as chairman of the Exxon Valdez Oil Spill Public Advisory Committee.

PUBLIC RELATIONS COMMITTEE:

Mr. Litten reported that the wolf controversy is effecting some of what would normally be just regular business. Certain magazines that were prepared to run stories on Alaska from writers the ATMC brought up here last spring and summer, now want to hold off because of the wolf controversy. The pending Arthur Frommer show coming up in April is in a similar situation. An update will be given at the February meeting.

Mr. Litten referred to the Travel Section copy in the packet. The editorials were developed through information from the various CVB's and DMO's.

A draft of the Media Resources Guide, which included changes recommended at the last meeting, was discussed. Two photography choices for the cover were presented.

VOTE:

A vote was taken for the cover photograph for the Media Resources Guide. The "photographer" photo had 11 votes, the caribou 9 votes.

Ms. Graham made a brief report on the Society of American Travel Writers itinerary. They are meeting in Anchorage in February. The itinerary was made up by ATMC, DOT, SATW and ACVB. The ATMC role will be to take care of getting these writers around the State. There are 50 freelance writers from the Western Chapter of the SATW.

Mr. Litten discussed the issue of implementing an 800 number for public relations. It has a fiscal note of \$15,000, and will be the first time we have tested PR as a direct response vehicle.

Motion:

It was moved by Litten and seconded by Dunbar to adopt the 800 number PR test. The motion passed.

Regarding the crisis management plan, it is the committee's recommendation that the directors of the DOT, AVA, and ATMC select up to three additional people to meet for the purpose of putting together a crisis management program.

The Public Relations contract expires at the end of this fiscal year.

Motion:

It was moved by Litten and seconded by Karp that the council move forward on an RFP for public relations in February with an initial term of one-year with two one-year renewed options with a cap of \$2.5 million. The review committee will include Ann Campbell, Bob Ward, John Litten, Tina Lindgren and someone from the DOT. The motion passed.

The next item addressed was the wolf controversy. He passed around a clip book showing positive editorials generated, against a negative stack of clippings. The committee recommended a position paper be developed and forwarded to Governor Hickel and the Board of Game. The committee recommends the council focus on the immediate and permanent stop of the hunt. It was added that the

environmental groups have chosen to boycott the summit. Mr. Litten then asked the board to appoint a committee to work with DOT, AVA and the public relations firm specifically on this immediate crisis.

Motion: It was moved by Litten and seconded by Dunbar to adopt the position paper stating for the call of the immediate and permanent end of the hunt, and that Bob Dindinger, Tina Lindgren and John Litten be authorized to work with public relations agency to further the resolve of this issue.

Mr. Litten recommended that supporting documents be attached to justify the ATMC taking this position. He feels that we should be able to demonstrate the impact statewide on our industry while we wait for a resolution.

Mr. Ward discussed that we need to be clear deciding on who carries the burden of this issue, is it AVA, DOT, or ATMC? This needs to be identified in the crisis action plan. We must illustrate that we are not supporting irrational behavior. The AVA public relations firm and the ATMC public relations firms are working together. The state cannot have the hundreds of millions of dollars we have spent to create an image of Alaska destroyed over this issue.

Motion: Mr. Dindinger moved that the ATMC not go forth with the position paper calling for Mr. Kellyhouse's resignation but encourage the trade association to do so. If they fail to do so within the next 10 days, the ATMC do so, and further stated that a call to action that is affirmative is what the ATMC needs.

A point of order was made by Mr. Rosenberg that another motion is pending at this time. Mr. Murray affirmed that the floor was open for discussion on the original motion.

Amendment: It was suggested that there be a friendly amendment to the motion. The amendment being that the ATMC adopt the program that opposes and calls for the immediate stop of the hunt of the wolves with the condition on the second item that we will adopt that over a period of time.

Mr. Murray commented that the primary reason for soliciting the resignation of Kellyhouse was to address a multi city demonstration taking place this Saturday. We have already made statements and putting us on the record as being opposed to the wolf hunt. The PR firm would need immediate action in order to place a new

story prior to the demonstration.

It was stated that an effort would be made to make calls before the end of today's meeting with the AVA committee to see if they are willing to move out with a statement, then differ action on this to a time when we could adopt it in the appropriate order.

Mr. Murray then asked for further recommendations, or ideas. Ms. Graham added that if the wolf protest goes forward this weekend, the ATMC could get some film together that would show our wildlife and include sound from appropriate people regarding this position. The hard news element would be that Alaska Helicopters and ERA Aviation, Temsco, refuse to participate should they be asked. It would be good in a time of lots of visual ads etc. in the media. This would be an affirmative position within the industry, to call on it's ranks for support.

Mr. Rosenberg spoke against the position papers stating that he felt they were not really position papers, but conclusions and opinions that are not supported in any way. The ATMC opinion against the wolf hunt is agreed upon, however in attempting to attain our objective in having the governor call the wolf hunt off, in his opinion will not do much.

Mr. Murray added that we were talking in generality when we use words like "devastate" our industry, etc. We do have some fairly specific indications of what is happening here. This is what is referred to when we talk about attachments supporting our position.

Mr. Litten further stated that it is our intention to go out immediately and get research, we would then be able to quantify exactly what's going on and how this could affect the Alaska Tourism Industry. That is the information we would give the governor and would be the basis of this position paper. He also stated that with the past three administrations this issue has come up in, the end result was the same each time. No wolves were killed. This is an emotional issue this year, just as it was in the past.

Mr. Murray pointed out that we were not trying to stop the wolf killing plan, it has already happened. What the ATMC is concerned with is diffusing the media situation, or determining if there is a way to positively turn it around in the favor of the ATMC.

Amendment: It was recommended by Mr. Walker the motion be amended

that the 10 day period on the part of AVA taking the position of Kellyhouse be shortened. This was adopted as a friendly amendment.

Mr. Rosenberg added he agrees that this council does embody the marketing expertise in the tourism industry. He also spoke about the position paper being prepared and asked that we urge the governor to consider a personal briefing by the Director of Tourism.

Review of the two amendments on the floor are that the A position statement from the ATMC strongly opposing the wolf hunt be drafted. The second calling for the resignation of Kellyhouse which would originate with the AVA, but the ATMC would endorse this action.

Ms. Dunbar stated point of clarification on the concept that the AVA is calling for the resignation with ATMC's endorsement. If AVA fails to do so, the ATMC would ask for the resignation. It was also clarified that the original motion also included, Mr. Dindinger, Mr. Litten, and Ms. Lindgren form a short committee. Mr. Murray stated that this committee would put this paper into final form. The final amendment will also be added that a briefing with the governor will be held as soon as possible by the director and representatives from the industry.

Discussion ensued regarding when the paper would go out. Time is of the essence, and the council cannot afford to wait. It was noted that AVA steering committee board members would not be in town to approve the action. Mr. Murray stated that the intention should be to contact the governor's office to inform them of our proposal. Mr. Elander noted that the governor is currently in Anchorage and would be for the next few days. It was suggested that a phone call to the governor is in order.

It was suggested that the statement regarding the resignation of Kellyhouse be re-worded to sound more assertive. It was stated that we had clear evidence that the AVA would ask for the resignation. Mr. Rosenberg spoke against joining the Kellyhouse and the other paper, and asked to split this into two separate motions.

Mr. Murray addressed the recommendation of two separate motions to the council and asked for the maker of the motion's approval of this. Mr. Litten and Ms. Dunbar agreed on this.

Motion: The question was called for the 1st part of the motion.

The motion passed.

Motion: The question was called for the 2nd part of the motion. To endorse, if proposed by the AVA, the resignation of Mr. Kellyhouse then, if in fact the AVA fails to do so the council will go forth on this position after a 24 hour period.

Discussion ensued regarding the wording of the 2nd part of the motion. It was clarified that the action would not be taken by the steering committee unless the AVA fails to do so. The motion passed.

Motion: The motion was made by Dindinger and seconded by Litten to empower the steering committee to act on their behalf regarding the matter of the director of Wildlife Conservation. The motion passed.

Motion: It was moved by Dunbar and seconded by Litten to communicate with Governor Hickel including an invitation to him to talk to us today at our meeting to discuss our position on these issues. The motion passed.

Mr. Litten reported that the committee voted to adopt a proposed action plan with 10 to 15 suggestions the committee has identified. It is the intention that this plan be viewed as a general direction with some or all of the elements being implemented.

Motion: It was moved by Litten and seconded by Campbell that the council authorize \$50,000 towards the implementation of the action plan and that the initial \$50,000 will be watched by the committee as to the steps to be taken in this immediate situation. And that an additional \$100,000 be authorized by the council to be found by the planning committee if necessary.

Further discussion regarding concerns of the wolf issue ensued. Mr. Murray questioned if the governor stops the wolf hunt today, are we in a fall-back position.

Motion: It was moved by Dindinger and seconded by Campbell that the motion be amended to remove the increments and authorize up to \$150,000. The motion to amend passed.

Motion: The main motion passed.

Motion: It was moved by Litten and seconded by Dunbar to accept the public relations report. The motion passed.

Mr. Murray passed the gavel to Bob Dindinger.

FALL/WINTER/SPRING COMMITTEE:

Motion: It was moved by Elander and seconded by Odle to appoint Donna Harris, Dave Karp, and John Kelsh to the F/W/S committee. The motion passed.

Mr. Elander began the report on the NTA FAM trip. Ms. Westlund gave a summary on the project. Ms. Dunbar stated this is best feedback ever. Mr. Karp reported it was a high conversion group and money well spent. Ms. Fleming described the contents of "the box" distributed to the participants.

Mr. Elander continued regarding the winter planner. 100,000 are in print and 50,000 are reserved for the direct mail program, and responses to the BRC.

There are two programs remaining for this fiscal year. In March and May 1993 we have two FAM trips. The agency has created a list of qualified people and has indicated those who are most qualified. We will be screening the list and getting firm telephone/mail confirmations on those next week. Mr. Phillips stated that his company would cover expenses for a Prince William Sound tour if needed.

Motion: It was moved by Dunbar and seconded by Roth to adopt as an administrative policy of the ATMC that the council does not subsidize fam trips for a particular community.

Discussion ensued. Ms. Campbell asked that PR not be included as some travel magazines have policies that strictly forbid them to take freebies. It was noted that if for instance a high powered writer is being brought up for your own purposes, it would be looked at as a FAM but it is actually a promotional tour we are sponsoring, this is a different issue.

Mr. Dindinger called for the question to adopt this policy for the ATMC. The motion passed.

Mr. Elander reported that depending upon the level of the FY94 budget, the committee recommends continuing the FAM program. It is strongly felt that in 1993 another product consolidation conference dealing with winter products should be held. Two scenarios have been discussed, three conferences using the regions cited in the Davidson Peterson Study as a basis, or one major conference in Anchorage. No decision need be made until it is known if funding is available.

Mr. Elander continued that the FWS committee wants to

continue the year round advertising program.

Motion: It was moved by Elander and seconded by Dunbar that the FWS committee report be accepted. The motion passed.

RESEARCH COMMITTEE:

Ms. Westlund began the report with a Traveline survey update. The committee recommends ATMC discontinue subscription. The committee also recommends that Ms. Lindgren coordinate with Public Relations and Travel Trade to determine what our research needs are.

Regarding the FY92 conversion study. The committee has reviewed the RFP and recommends Ms. Westlund, Ms. Lindgren and Mr. Odle make the final determination as to which source codes will be tested.

Next the AVSP III was discussed. The DOT is funding the survey, the contractor has been selected, and the contract awarded. The committee looked for changes to the model and some suggestions are, sample sites and information on overseas visitors be included and native cultural presentations be broken out from arts and crafts and museums. Trending for 1993, 1989 and 1985-86 should be by month. A new season definition has been set up. The last item is to query travelers to see if they are coming for summer product or winter product. If council members can request a copy of the 89 survey instrument and forward further comment to the contractor.

Motion: It was moved by Dunbar and seconded by Phillips to accept the Research Committee Report. The motion passed.

COLLATERAL REPORT:

Mr. Odle presented the report.

Motion: It was moved by Elander and seconded by Ward to accept Ann Campbell to fill the empty seat on the Collateral Committee.

Motion: It was moved by Odle and seconded by Dunbar that the council accept the recommendation for the committee to approve \$100,000 be allocated for the purpose of design and production of the Winter Planner and that \$10,000 be taken out of FY93 and \$90,000 out of FY94. The motion passed.

Motion: It was moved by Odle and seconded by Ward that in an

effort to keep the cost of production under control, the initial listings for the Winter Vacation Planner be free and subsequent listings be charged for and that the price be established and sold through the AVA. The motion passed.

Mr. Odle stated the FY94 vacation planner and recommendations for design was the next item of business. Ms. Fleming reviewed the changes and pointed out that the book is 7 years old. Changes include type style, paper, page numbers, diamonds to icons, lighter colors, etc. A clear example of the changes will be shown at the February meeting.

Mr. Odle discussed the re-design and re-format of the entire planner. The committee recommended that we immediately do research for the 1994 book, subsequently in the planning committee, due to budget cuts, the planning committee recommends that we postpone that until the FY95 and use those results in the design and creation of the 95 vacation planner.

Mr. Odle discussed Lake Louise being added to the map. There is a criteria for new additions to the map, i.e. zip code, population base, and not adversely affecting the overall look of the map. It was noted that Lake Louise does not have a separate zip code. The committee recommends staff draft a letter informing them they do not meet the criteria for the vacation planner. It was recommended by Mr. Phillips that the letter indicate that they are on the state map which is widely distributed.

Regarding a handicap access symbol problem. The council did not feel it was our responsibility nor did we have the expertise in determining what constitutes handicap access. The committee recommends we write a letter to Challenge Alaska and see if they are willing to inspect these facilities and indicate to us that they have genuine handicap access, before we print the vacation planner.

Motion: It was moved by Odle and seconded by Litten to accept the following changes to the BRC card. Re-define the summer period as May through September and drop the question regarding which region will be visited. Expansion of the activities section and add "flightseeing" to #11.

Discussion ensued regarding dropping the region question. It was explained that the question was not generating the answers needed. If the council votes to

drop the region question, it will leave more room for adding additional activities.

Motion: It was moved by Dindinger and seconded by Roth that the committee be allowed to add additional day trip activity as space allows using AVSP criteria. The motion passed.

The question on the main motion was called for. The motion passed.

Mr. Odle asked Connie Reed to present an update on the travel film. All that was shot this summer and all footage that existed for DOT in the past has been logged. New footage is good. There is an agreement that this is an image lure piece rather than an educational piece. It will be divided up into 7 sections and will not use maps to specify the regions. It will start in Southeast, move to Southcentral, Interior, Far North and back to Southwest. If the music is an original score, the ATMC will be allowed exclusive rights to that so we will not have to pay for it year after year. The end of January is the projected completion so that it is ready for roll out in February.

Motion: It was moved by Odle and seconded by Ward that the council authorize the collateral committee to make decisions on the rough draft and final editing of this film so it will be ready for the next meeting. The motion passed.

Mr. Odle continued that the committee recommends the film footage be deemed marketable, that there are two tiered rates for this program and that 2 B-roles be produced, 1 for PR and 1 for commercial usage, the cost being \$10,000.

Motion: It was moved by Odle and seconded by Litten that the council endorse the recommendation to deem that this footage is marketable and make it available for sale through the trade organization. The motion passed.

Mr Murray returned and received the gavel.

An addition was made to the research report.

Motion: It was moved by Westlund and seconded by Dunbar that the committee recommends the contract for the conversion study be changed to one year with two one-year options to renew and that the total amount be reduced from \$1.5 million to \$1 million. The motion passed.