

ALASKA LEGISLATURE COMMITTEE FILES 1995-1996 8672

8662 HOUSE LABOR & COMMERCE

2. Local Impact: Anchorage, Wasilla and Nome

The City of Anchorage captured approximately 40% of the 1992 expenditures related to the Iditarod Race. The Anchorage percentage is attributable to the concentration of stores, entertainment facilities, hotels and eating and drinking places in that city. Although the Iditarod Sled Dog Race and the related events took place over a large geographical area, participants relied upon Anchorage to provide most of their lodging, entertainment and dining needs. Wasilla captured 58% of the direct expenditures and Nome captured two percent. There are no available reliable measures of expenditures in the other small communities along the race trail. These expenditures were, however, thought to be less than one percent of the total and therefore not considered for the purpose of this study. A breakdown of expenditures by city is shown in Figure 3.

The Wasilla ratio is distorted by the inclusion of Trail Committee Expenditures and Musher Investments which actually occur throughout the area. Removing these two institutional expenditures changes the distribution of direct expenditures dramatically, as shown in Figure 4. The Anchorage capture rate increases to 81 percent. The Wasilla portion declines to 15 percent and the Nome ratio increases to 4 percent.

Figure 3
1992 Direct Expenditures by City

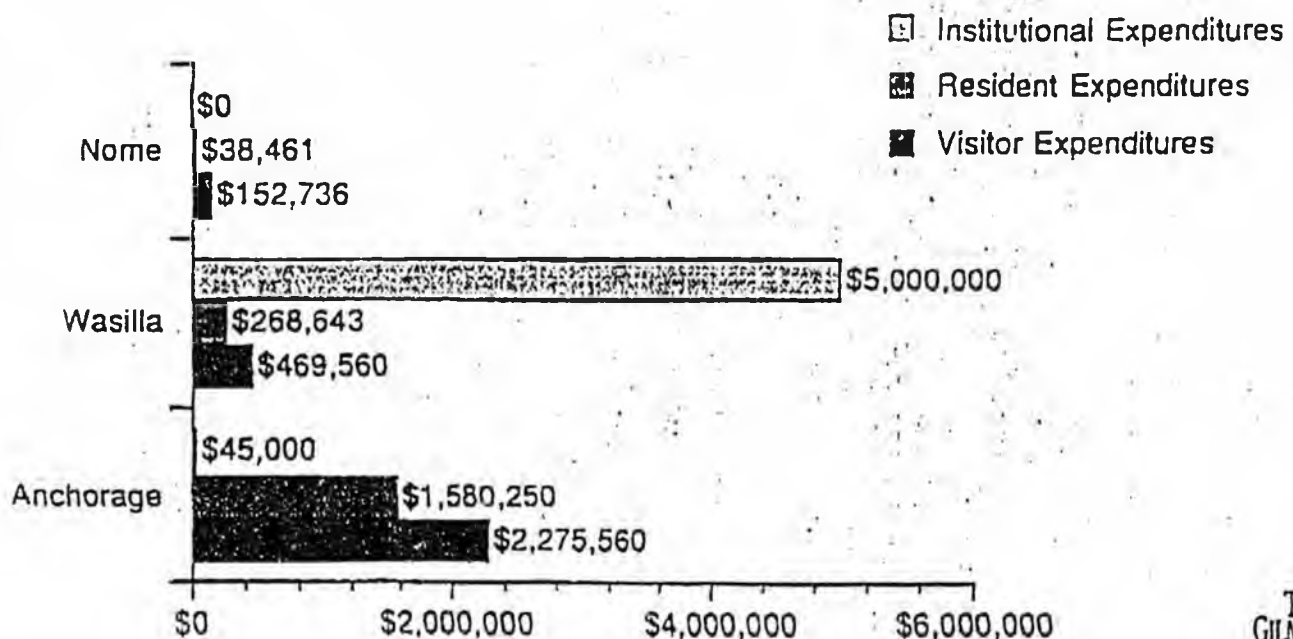
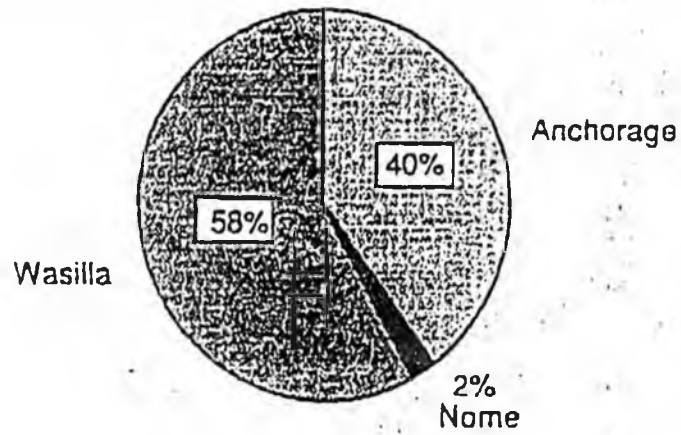
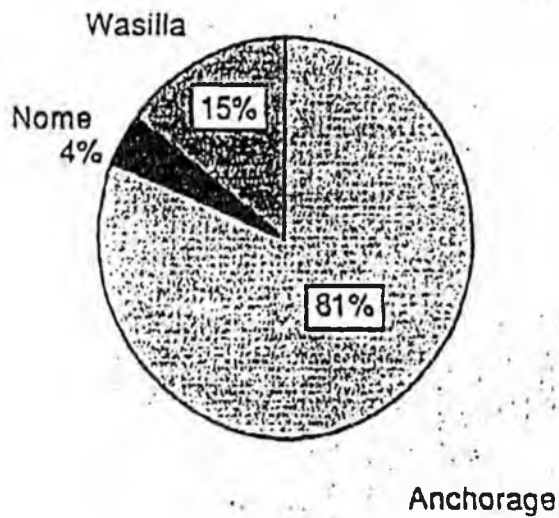


Figure 4
Expenditure Distribution by City



Including Institutional Expenditures*



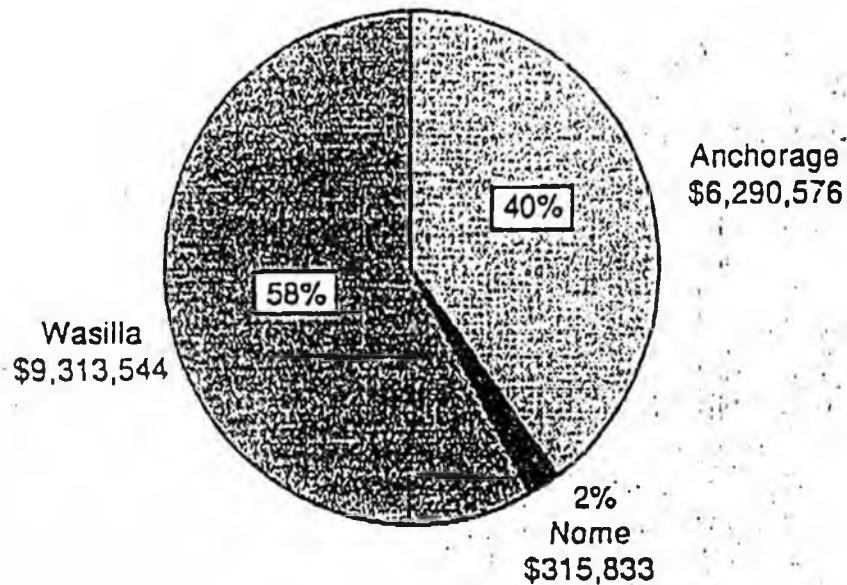
Without Institutional Expenditures*

*Institutional Expenditures = Trail Committee and Musher Expenditures

Figure 5 presents the total economic impact of the Iditarod Sled Dog Race on the three cities. Estimated total impact in Anchorage was about \$6.3 million. The impact in Wasilla was over \$9.3 million and in Nome it was about \$316,000.

Payroll and jobs in these cities was estimated to be about \$1.2 million in Anchorage with 68.6 FTE's, \$1.8 million in Wasilla with 65.9 FTE's and about \$65,500 in Nome with 3.6 FTE's. Detailed breakdown by city is shown in Tables 2 to 4 in Appendix I.

Figure 5
Economic Impact by City



3. Television Coverage

There was extraordinary television coverage of the Iditarod Sled Dog Race in 1992. ABC's *Wide World of Sports* carried three consecutive weeks of stories about the history, people and outcome of the race. On February 29 approximately nine minutes was devoted to the story, on March 7 about 18 minutes, and on March 14 about 24 minutes. This amounts to approximately 51 minutes of coverage, excluding commercial breaks. These broadcasts reached at least 3.8 to 4.7 million households across the U.S. (ABC reported ratings on the three Saturday broadcasts at 5.3, 4.3 and 4.8 respectively.)

To be conservative, we estimate that about half of that time -- 25 minutes -- dealt with issues that support Alaska tourism. These issues include the scenery, the history, the frontier image, the romance of the wilderness and wildlife, as well as the "rugged individualist nature" of the people who live in Alaska.

If the state purchased tourism advertising to reach this number and type of households for 25 minutes of exposure, the estimated cost would be \$1,750,000.

APPENDIX I
DETAILED TABLES

Table 1: Total Economic Impact

Alaska	Total Direct Impact				
	Income	Wages	Jobs	Industry	Profit
All Industries	\$5,045,000	\$1,616,114	53.75	\$822,335	\$302,700
Transportation	\$1,329,112	\$425,767	14.16	\$215,245	\$79,747
Lodging	\$878,824	\$88,624	7.63	\$143,248	\$52,729
Food/Beverage	\$878,824	\$101,793	8.20	\$152,558	\$52,729
Gifts/Souvenirs	\$819,814	\$360,283	22.88	\$123,649	\$49,189
Personal Expenses	\$138,083	\$65,736	3.85	\$47,828	\$8,285
Clothing	\$276,166	\$131,472	7.71	\$51,284	\$16,570
Miscellaneous Retail	\$153,569	\$73,108	4.29	\$55,762	\$9,214
Elder Hostel	\$310,819	\$204,631	13.66	\$68,201	\$18,649
Total Direct Impact	\$9,830,211	\$3,262,820	152.50	\$1,677,922	\$713,435
Total Indirect Impact	\$4,243,724	\$1,397,992	44.14	\$694,727	\$202,031
Total Induced Impact	\$1,846,020	\$590,726	194.94	\$300,901	\$126,965
Total Impact	\$15,922,955	\$5,251,538	795.58	\$2,670,539	\$1,143,431
Estimated Multiplier Effect	1.52				

Table 2: City of Anchorage

Anchorage	Direct Impact				
	Income	Wages	Jobs	Industry	Profit
Stream 1: Institutional Expenditures (City of Anchorage Estimated Expenses)					
All Industries	\$45,000	\$14,415	0.48	\$7,335	\$2,700
Stream 2: Out-of-State Visitor Expenditures					
Transportation	\$638,717	\$204,607	6.80	\$104,111	\$38,323
Lodging	\$422,084	\$47,367	3.65	\$68,800	\$25,325
Food/Beverage	\$422,084	\$48,889	3.94	\$68,800	\$25,325
Gifts /Souvenirs	\$365,130	\$173,825	10.19	\$59,516	\$21,908
Personal Expenses	\$68,397	\$32,561	1.91	\$11,149	\$4,104
Clothing	\$138,794	\$65,122	3.82	\$22,297	\$8,208
Miscellaneous Retail	\$68,397	\$32,581	1.91	\$11,149	\$4,104
Elder Hostel	\$153,958	\$101,360	6.77	\$25,095	\$9,237
Total Stream 2	\$2,275,560	\$706,292	39.00	\$370,916	\$138,534
Stream 3: Local Resident Expenditures					
Transportation	\$443,554	\$142,088	4.73	\$72,299	\$26,613
Lodging	\$293,114	\$32,894	2.54	\$47,778	\$17,587
Food/Beverage	\$293,114	\$33,951	2.73	\$47,778	\$17,587
Gifts /Souvenirs	\$253,562	\$120,711	7.08	\$41,331	\$15,214
Personal Expenses	\$47,498	\$22,612	1.33	\$7,742	\$2,850
Clothing	\$94,996	\$45,224	2.85	\$15,484	\$5,700
Miscellaneous Retail	\$47,498	\$22,612	1.33	\$7,742	\$2,850
Elder Hostel	\$106,915	\$70,389	4.70	\$25,581	\$6,415
Total Stream 3	\$1,580,250	\$490,481	27.08	\$257,581	\$94,815
Total Direct	\$3,900,810	\$1,211,189	68.66	\$635,832	\$234,049
Indirect Impact	\$1,665,342	\$532,910	175.88	\$271,451	\$101,010
Induced Impact	\$724,424	\$231,816	78.50	\$118,081	\$42,322
Induced Impact	\$6,290,576	\$1,975,914	318.92	\$1,025,364	\$377,381

Table 3: City of Wasilla

Wasilla	Direct Impact				
	Income	Wages	Jobs	Industry	Profit
Stream 1: Institutional Expenditures (\$2,000,000 Trail Committee, \$3,000,000 Musher's Investment)					
All Industries	\$5,000,000	\$1,601,689	53.27	\$815,000	\$300,000
Stream 2: Out-of-State Visitor Expenditures					
Transportation	\$131,799	\$42,220	1.40	\$21,483	\$7,908
Lodging	\$87,097	\$9,774	0.78	\$14,197	\$5,228
Food/Beverage	\$87,097	\$10,088	0.81	\$14,197	\$5,226
Gifts/Souvenirs	\$75,344	\$35,869	2.10	\$12,281	\$4,521
Personal Expenses	\$14,114	\$6,719	0.39	\$2,301	\$847
Clothing	\$28,227	\$13,438	0.79	\$4,601	\$1,594
Miscellaneous Retail	\$14,114	\$6,719	0.39	\$2,301	\$847
Elder Hostel	\$31,769	\$20,916	1.40	\$5,178	\$1,906
Total Stream 2	\$469,560	\$145,743	8.05	\$78,538	\$28,174
Stream 3: Local Resident Expenditures					
Transportation	\$75,404	\$24,155	0.80	\$12,291	\$4,524
Lodging	\$49,829	\$5,592	0.43	\$8,122	\$2,990
Food/Beverage	\$49,829	\$5,772	0.46	\$8,122	\$2,990
Gifts/Souvenirs	\$43,106	\$20,521	1.20	\$7,026	\$2,586
Personal Expenses	\$8,075	\$3,844	0.23	\$1,316	\$484
Clothing	\$18,149	\$7,688	0.45	\$2,632	\$969
Miscellaneous Retail	\$8,075	\$3,844	0.23	\$1,316	\$484
Elder Hostel	\$18,176	\$11,935	0.80	\$2,963	\$1,091
Total Stream 3	\$268,643	\$83,382	4.60	\$43,789	\$16,119
Total Direct	\$6,738,203	\$1,830,824	66.92	\$936,327	\$344,292
Indirect Impact	\$2,491,527	\$797,289	263.11	\$406,119	\$101,010
Induced Impact	\$1,083,814	\$346,821	114.45	\$178,662	\$42,322
Total Impact	\$9,319,544	\$2,974,933	443.48	\$1,518,108	\$487,624

Table 4: City of Nome

Nome	Direct Impact				
	Income	Wages	Jobs	Industry	Profit
Stream 1: Institutional Expenditures					
All Industries	\$0	\$0	0.00	\$0	\$0
Stream 2: Out-of-State Visitor Expenditures					
Transportation	\$26,820	\$8,591	0.29	\$4,372	\$1,609
Lodging	\$18,230	\$2,046	0.16	\$2,971	\$1,094
Food/Beverage	\$18,230	\$2,112	0.17	\$2,971	\$1,094
Gifts/Souvenirs	\$75,344	\$35,869	2.10	\$12,281	\$4,521
Miscellaneous Retail	\$14,114	\$6,719	0.39	\$2,301	\$847
Total Stream 2	\$152,736	\$55,336	3.11	\$24,896	\$9,164
Stream 3: Local Resident Expenditures					
Transportation	\$12,819	\$4,106	0.14	\$2,089	\$769
Lodging	\$8,471	\$951	0.07	\$1,381	\$508
Food/Beverage	\$8,471	\$981	0.08	\$1,381	\$508
Gifts/Souvenirs	\$7,328	\$3,489	0.20	\$1,194	\$440
Miscellaneous Retail	\$1,373	\$653	0.04	\$224	\$82
Total Stream 3	\$38,461	\$10,180	0.53	\$6,269	\$2,308
Total Direct	\$181,198	\$65,516	3.64	\$31,165	\$11,472
Indirect Impact	\$86,854	\$27,793	9.17	\$14,157	\$4,922
Induced Impact	\$37,782	\$12,090	3.99	\$6,158	\$2,077
Total Impact	\$315,833	\$105,400	16.80	\$51,481	\$18,471

APPENDIX 2

METHODS

METHODS

MODEL DEVELOPMENT

The economic impact model used in this study is an adaptation of the Ad Hoc Model developed by Archer.⁵ The Ad Hoc Model concentrates on income generated in an area by initial travel expenditures: The model and its components are stated below.

$$I = f((j_j, Q_j, K_j) \times Y_j)$$

I = total direct input

j = types of visitors

i = types of business outlets serving visitors

Q = proportion of total each type of visitors spends

K = proportion visitors spend in each type of outlet

Y = direct income generated per dollar by type of outlet.

⁵"Tourism Multipliers, the State of the Art", Archer, B., University of Wales Press, Bangor, Wales, 1977

DISTRIBUTION OF EXPENDITURES

Multipliers were developed for each type of retail outlet included in the model. These ratio computations involved dividing sales, employment and payroll by retail sector in a borough. These ratios were used to estimate the induced and indirect effects of travel expenditures.⁶

Direct travel expenditure ratios were derived from the expenditure by retail outlet data provided in Alaska Visitor Statistics Program.⁷

THE MULTIPLIER EFFECT

The multiplier effect is a method of measurement that attempts to track subsequent expenditures resulting from an initial expenditure. If a person purchases a gift item in a local store for ten dollars, part of the purchase distributes to wages, taxes, profit and inventory replacement. The employee receiving the wage takes the money received minus taxes and makes a purchase at another store or stores. The owner buys new inventory, and the chain of events continues. Traditionally, this sequence of transactions is traced through three stages:

- Direct Impact estimates the effect of the initial inflow of money on the portion of the economy being studied. In travel and tourism related activities, direct expenditures normally aggregate to specific retail classifications such as hotels and motels, bars and restaurants, gift shops and clothing, taxi and bus services, tours and antique shops.

⁶All income, expenditure wages and employment data for Alaska and Anchorage were obtained from the MAX Evaluation System of National Planning Data Services.

⁷Alaska Visitor Statistics Program II, Department of Commerce & Economic Development, Alaska Division of Tourism, 1991

- **Indirect Impact** measures the effect of subsequent expenditures on the portion of the economy being studied. Indirect expenditures tend to reflect the buying patterns of the resident population and the business community.
- **Induced Impact** measures the effect of later or "third round" expenditures on the portion of the economy being studied. Induced expenditures tend to reflect the buying patterns of the resident population and the business community.

INCOME STREAMS

Three income streams were identified during the study. Each of these classifications constituted a distinct source of income as related to the revenues generated by the Iditarod Sled Dog Race. The three streams identified were:

- **Institutional Expenditures** are expenditures by the Trail Committee, the Musher Investments and the City of Anchorage in promoting and providing public safety for the event.
- **Local Resident Expenditures** are expenditures by Alaska residents.
- **Out-of-State Visitor Expenditures** are expenditures by persons from the lower United States and abroad.

INCOME DISTRIBUTION

Local resident and visitor expenditures were distributed to the major retail categories directly affected by travel expenditures, transportation, lodging, food and beverage, gifts, personal expenses, clothing, elder hostel and miscellaneous retail.⁸

Institutional Expenditures were distributed against the total economy or all industries because of the non-travel related nature of these expenditures. Due to the large number of classifications in this category and the relatively small sums of money involved, no breakdown to individual classifications was attempted.

The expenditures were distributed against the following major categories.

⁸ Distribution ratios were adapted from the Alaska Visitor Statistics Program.

- **Income:** The total dollar amounts expended in each of the three revenue streams.
- **Wages:** The estimated salaries and wages paid to workers as result of the direct, indirect and induced impacts.
- **Jobs:** The estimated full time equivalent jobs supported by the levels of direct indirect and induced impacts.
- **Industry:** The estimated levels of expenditures between businesses as result of the direct, indirect and induced impacts.
- **Profits:** The estimated percentage of revenues retained by owners of the establishments affected.

ASSUMPTIONS

Attendance: Data taken from the AVSP indicated that 16% of the fall, winter, spring visitors to the South Central Region came to attend dog sled race activities. The report estimated this number as 6,880 persons. The report also indicated that there has been no noticeable increase in travel during this season since 1985. The estimated number of out-of-state visitors was held constant therefore at 6,880. Officials in the city of Anchorage estimated total attendance at 10,000-15,000 persons, approximately 60% of whom were local residents.⁹ Assuming 6,880 out-of-state visitors constituted 40% of the total number of attendees, the estimated total attendance is 17,200 persons.

Expenditures: Expenditure estimates were based upon average expenditure data provided in the Alaska Visitors Statistics Program. Lodging, clothing, personal expenses and elder hostel classifications were deleted in computing local resident expenditures.

Profit: Profit estimates are held constant at six percent.

State Revenues: The average corporate tax is estimated to be 8% of profit. The beverage tax is estimated at 3%.

⁹Telephone interviews conducted by Gilmore Research Group with city officials of Anchorage, Nome and Wasilla, October 1992.



Iditarod Trail Sled Dog Race

P.O. Box 870800 • Wasilla, AK 99687-0800 • (907) 376-5155 • Fax (907) 373-6998

VIA FACSIMILE 907.465.3242

February 7, 1995

CONFIRMATION COPY

The Honorable Richard Foster
Alaska State Legislature
State Capitol
Juneau, Alaska 99801-1182

My dear Representative Foster:

Thank you for your sponsorship of HB 146!

As you know Alaska's Iditarod has evolved very rapidly from its inception in 1973. Today the Race is closely followed by Alaskan's young and old. The Race has also captured the attention and curiosity of millions of people around the world, which as we all know, translates into a significant economic benefit to the state of Alaska.

Unfortunately, the Race and its large national sponsors have been, and continue to be, the target of an ever-increasing amount of negative and harmful publicity by various radical animal rights groups. As a way to diversify its funding base, and as a way to insulate itself from the most measurable effect of the animal rights groups (the erosion of financial support from large national advertisers outside the State of Alaska), this past spring the Iditarod Trail Committee, Inc. (ITC), asked the legislature to consider a permanent fund check-off which would allow Alaskan's to support their Race. This effort ultimately failed... not because of a lack of support for the Iditarod, but because of the many sensitivities surrounding the permanent fund itself.

As was predicted this past spring the two remaining outside sponsors announced this fall that they would not be renewing their sponsorship of the Race. \$390,000 disappeared from the Race budget this year and an additional \$175,000 will disappear this next year.

For the past six months the ITC has worked very hard to replace the lost revenues. Revenues which made it possible for the ITC to stage the caliber of Race which Alaskan's have come to expect, and the caliber of Race which, through national and international television coverage, helped to 'export Alaska' and benefit the visitor industry.

While corporate Alaska as well as individual Alaskans have responded quite admirably, the ITC believes it is vitally important to put a mechanism in place which will help to ensure the long-

The Honorable Richard Foster

February 7, 1995


Page 2

term financial stability of the Race. The ITC believes that the passage of HB 146, which would allow the ITC to conduct 'The Iditarod Sweepstakes,' a game of chance where a prize of money would be awarded to the closest guess to the winning time of the Iditarod, represents a significant fundraising opportunity for Alaska's Iditarod and would provide the ITC with an ongoing and stable funding base.

Please know that your support for this legislation is greatly appreciated!

Sincerely yours for,

THE IDITAROD TRAIL COMMITTEE, INC.


Stan Hooley
Executive Director

cc: ITC Board of Directors

FEB 10 10 22-34 P.1

AURORA INTERNATIONAL
SLED DOG DERBY INCORPORATED

P. O. Box 420681

Big Lake, Alaska 99682

Phone (907) 892-8261

Fax (907) 892-8445

February 10, 1995

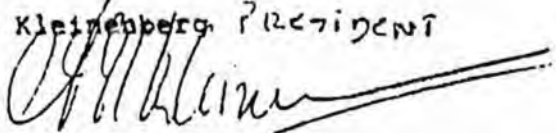
Senator Lyda Green
Juneau
Alaska

Dear Senator Green,

This letter is in support of Senate Bill number 66, providing
for Sled Dog Race Classics.

Sincerely,

Burt Kleinberg, **PRESIDENT**



cc; Representative Beverly Masak
Representative Richard Foster



February 10, 1995

Senator Lyda Green
Juneau
Alaska

Dear Senator Green,

This letter is in support of Senate Bill number 66, providing for Sled Dog Race Classics.

Sincerely,

A handwritten signature in cursive script that reads "Nancy J. Wright".

Nancy J. Wright
Secretary
Alaska-Chukotka Great Race, Inc.
(Hope Friendship Run)

cc; Representative Beverly Masek
Representative Richard Foster

The International-Intercontinental Sled Dog Race
3400 Wolverine Drive
Wasilla, Alaska 99654
Phone/Fax (907) 376-0301

DEPARTMENT OF REVENUE
Charitable Gaming Division

AUTHORIZED GAMES OF CHANCE AND SKILL PERMIT



This certifies that the municipality or qualified organization named below has applied and paid the fee for a permit to conduct games of chance and skill during all or part of the period from January 1 through December 31 of the license year. Games shall be conducted in accordance with AB 05 18.

IDITAROD TRAIL COMMITTEE, INC.
P.O. BOX 870300
WASILLA, AK 99687

This license must be posted in a conspicuous place at the location of the authorized activities.

PERMIT NUMBER	PERMIT YEAR	DATE ISSUED
240131	1994	01/18/94
OPERATOR OR VENDOR		
AUTHORIZED LOCATION		
GREATER CITY OF WASILLA AREA		
WASILLA, AK		99687
GAMING ACTIVITIES AUTHORIZED		
RAFFLES AND LOTTERIES		

THIS LICENSE IS NOT TRANSFERABLE OR ASSIGNABLE

Don Stolworthy, Director
ISSUED BY 84-0817 (Rev. 9/83)

TOTAL P. 002

Iditarod
(Capital Funds)

	Approved GF	SLA YR	Chapter	Page	Line
Iditarod Trail Race	15,000	77	11	1	0
Iditarod Trail Race	20,000	78	16	1	0
Iditarod Trail Race	20,000	79	4	1	9
Nome - Month of Iditarod	16,700	81	82	164	25
Iditarod Trail Improvements	100,000	82	101	87	13
Iditarod Trail Headquarters Grant	300,000	84	24	63	24
Right of Way Acquisition for Iditarod National Historic Trail	150,000	84	171	56	5
1984 Iditarod Sled Dog Race Operations Grant	65,050	84	8	1	12
1985 Iditarod Sled Dog Race Operations Grant	72,000	85	19	1	10
Wasilla - Iditarod Trail Committee Building	50,000	86	128	29	17
Iditarod FYS7 Operating Expenses	50,000	86	130	77	20
1986 Iditarod Sled Dog Race Operations Grant	40,000	86	89	1	10
ROW Acquisition, Maintenance, & Operations of the Iditarod Historic	73,003	87	3	17	28
Right-of-Way Acquisition for Iditarod National Historic Trail	(73,003)	87	3	17	28
City of Wasilla-Iditarod Trail Upgrade	15,000	88	10	29	16
Wasilla Iditarod Trail Comm Bldg/Museum	0	90	208	43	28
Iditarod Trail Comm Inc Iditarod Bldg/Museum Impro	40,000	91	96	71	13
Iditarod Trail Committee	10,600	92	5	79	10
Iditarod Trail Committee Communications Equipment	0	92	5	80	18
City of Wasilla - Iditarod Trail Upgrade	20,000	92	5	101	15
City of Wasilla - Iditarod Trail Headquarters Addition	25,000	93	79	103	20
TOTAL	1,008,750				

Press Release
February 3, 1995

Foster Introduces Iditarod Sweepstakes legislation

Representative Richard Foster (D-Nome) introduced legislation today (HB 146) allowing the Iditarod Trail Committee to conduct a statewide sled dog race classic.

“The Iditarod Dog Sled Race is an Alaskan institution and raising money is becoming more and more difficult for the many volunteers and sponsors,” stated Foster. “Allowing the Race Committee to conduct a statewide classic enables them to become financially secure.”

The Iditarod Sled Dog Race was first run in 1973. Alaskans have grown accustomed to the annual event but recent pressures from animal rights advocates have frustrated fundraising efforts in the past few years.

“Iditarod has been good for all Alaska, especially my home town of Nome and I felt this is the least I could do to give them a hand. I’m hoping Alaskans will rally in support of this legislation,” Foster concluded.

HB 146 already gained the support of fellow representatives Speaker Gail Phillips (Kenai/Homer), Eldon Mulder (Muldoon/Ranchorage), Mike Nauarre (Kenai), Tom Brice (Fairbanks) and former Speaker Ben Grussendorf (Sitka).

Contact: John Walsh
Representative Foster's Office
Phone (907) 465-3789
Fax (907) 465-3242

Alaska State Legislature



State Capitol
Juneau, Alaska 99801-1182
(907) 465-3720
(907) 465-2689

Official Business
Fax : (907) 465-3472

Speaker of the House of Representatives

STATEMENT OF SUPPORT

HB 146, "An Act relating to an Iditarod Sweepstakes sled dog race classic."

Since its inception in 1973, the Iditarod Trail Sled Dog Race has become a symbol of Alaska. The race is closely followed here in the state, and it has captured the attention and curiosity of millions of people around the world.

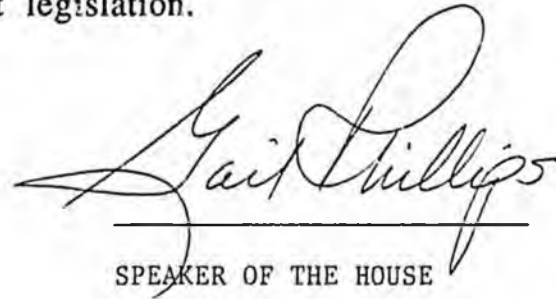
In recent years, however, the race has been the subject of unwarranted controversy. Controversy generated by extensive misinformation campaigns initiated by animal rights extremists. Extremists who do not understand sled dog racing, and who intentionally distort its noble history and traditions in an effort to generate contributions from outsiders unfamiliar with the sport and those who compete in it.

Unfortunately, the barrage of negative and misinformed publicity blanketed on the Iditarod Trail Sled Dog Race has led to the withdrawal of several large national sponsorships. This year, sponsor withdrawals total \$390,000, and next year, an additional \$175,000 will be lost. Without these revenues, the ability of the Iditarod Trail Committee to stage the race is threatened; and, although many Alaskans have stepped forward in an effort to fill the void left by these losses, an additional source of revenues must be identified if the race is to continue.

Before you today for consideration is HB 146. This is legislation amending Title 5 to authorize the Iditarod Trail Committee to conduct the "Iditarod Sweepstakes Sled Dog Race Classic" -- a game of chance similar to the Kenai River Flats Goose Classic, the Nenana River Ice Classic, Salmon Classics and the many other fund raising classics currently authorized by statute.

An Iditarod Sweepstakes represents a significant fundraising opportunity for the Iditarod Trail Committee. Authorizing this fundraising activity would assist the Committee in its efforts to replace lost sponsorship revenues and it will help ensure that the Last Great Race continues to be run.

I urge your support for this important legislation.



SPEAKER OF THE HOUSE

(7)

Date Referred: February 15, 1995

FURTHER REFERRALS:

Date of Committee Action: 3-6-95

The LABOR AND COMMERCE Committee considered:

HB 146

HOUSE BILL NO. 146

SLED DOG RACE CLASSIC

'An Act relating to sled dog race classics.'

recommends it be replaced with the following committee substitute C.S HB 146 (L & C) the same title a new title

additional referral to _____ Committee
 attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) _____ APPROVES PREVIOUS: (Dept/Date) _____
 fiscal note(s) _____ fiscal note(s) _____

zero fiscal note(s) _____ zero fiscal note(s) Revenue

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<u>Pete Fott</u>			✓	
<u>Jerry Sanders</u>			✓	
<u>Beverly Mason</u>			✓	
<u>Brian S. Tottle</u>	✓			
<u>Gene Kephene</u>			✓	
<u>K. J. G.</u>			✓	
<u>Ann Kately</u>			✓	

CHAIR'S SIGNATURE Pete Fott

03/06/95

LEGISLATIVE TELECONFERENCE NETWORK SYSTEM

LTN1150

15:13:16

PARTICIPANT LIST (ALL PARTICIPANTS)

BY:FBX

TCN:50333

SCHEDULED FOR:03/06/95 15:00 TO 17:00

FOR:FBX

PUBLIC HEARING

HOUSE LABOR & COMMERCE

LOCATION:FAIRBANKS

HB 220

MR.

JOHNE

BINKLEY

AVA

TESTIFY

HB 146

MR.

DAVID

LAMBERT

TESTIFY



9-LS0523\G✓
Luckhaupt
2/21/95

CS FOR HOUSE BILL NO. 146()
IN THE LEGISLATURE OF THE STATE OF ALASKA
NINETEENTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVES FOSTER, Phillips, Mulder, Navarre, Brice, Grussendorf, Toohey, Ivan

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to an Iditarod Sweepstakes sled dog race classic."

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

3 * Section 1. AS 05.15.100(a) is amended to read:

4 (a) The department may issue a permit to a municipality or qualified
5 organization. The permit gives the municipality or qualified organization the privilege
6 of conducting bingo, raffles and lotteries, pull-tab games, ice classics, rain classics, goose
7 classics, mercury classics, sled dog race classics, canned salmon classics, salmon
8 classics, king salmon classics, dog mushers' contests, fish derbies, and contests of skill.

9 * Sec. 2. AS 05.15.115(c) is amended to read:

10 (c) A permittee may not contract with more than one operator at a time to
11 conduct the same type of activity. For the purposes of this subsection, bingo games,
12 raffles, lotteries, pull-tab games, ice classics, rain classics, goose classics, mercury
13 classics, sled dog race classics, canned salmon classics, salmon classics, king salmon
14 classics, dog mushers' contests, fish derbies, contests of skill, and all activities permitted

1 under AS 05.15.100(b) are each a different type of activity.

2 * Sec. 3. AS 05.15.180(b) is amended to read:

3 (b) With the exception of raffles, lotteries, bingo games, pull-tab games, rain
4 classics, goose classics, mercury classics, sled dog race classics, canned salmon classics,
5 salmon classics, king salmon classics, and other activities authorized under
6 AS 05.15.100(b), an activity may not be licensed under this chapter unless it existed in
7 the state in substantially the same form and was conducted in substantially the same
8 manner before January 1, 1959.

9 * Sec. 4. AS 05.15.690 is amended by adding a new paragraph to read:

10 (42) "sled dog race classic" means a game of chance where a prize of
11 money is awarded to the closest guess to the winning finish time of a sled dog race or the
12 lead time at individual checkpoints along the race and is limited to the Iditarod
13 Sweepstakes operated and administered by the Iditarod Trail Committee.

**DIVISION OF LEGAL SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA**

(907) 465-3867 or 465-2450

FAX (907) 465-2029

Mail Stop 3101

130 Seward Street, Suite 409


Juneau, Alaska 99801-2105

MEMORANDUM

March 6, 1995

SUBJECT: Iditarod Sweepstakes Sled Dog Race Classic - HB 146 (Work Order No. 9-LS0523\F)

TO: Representative Pete Kott
Attn: George Dozier

FROM: Gerald P. Luckhaupt 
Legislative Counsel

You have asked if HB 146 would prevent sled dog racing organizations, other than the Iditarod, from conducting any forms of charitable gaming they are currently permitted to conduct under state law? It is my opinion that HB 146 does not prevent other sled dog racing groups from conducting any forms of charitable gaming they are currently able to conduct under state law. In my opinion HB 146 merely creates a different type of charitable gaming, sled dog race classics which are different than the existing dog mushers' contests, and limits the use of sled dog race classics for charitable gaming purposes to the Iditarod.

GPL:glc
95-189.glc

**DIVISION OF LEGAL SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA**

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

March 3, 1995

SUBJECT: Iditarod Sweepstakes Sled Dog Race Classic
(Word Order No. 9-LS0628F)

TO: Senator Lyda Green
Attn: Brett Huber

FROM: Gerald P. Luckhaupt *GLP*
Legislative Counsel

You have asked if CSSB 66(FIN) would prevent sled dog races or dog mushers' contests, other than the Iditarod, from doing anything they are currently permitted to do under state law? It is my opinion that CSSB 66(FIN) would not prevent other sled dog races from doing anything they are currently permitted to do. CSSB 66(FIN) merely creates a new type of charitable gaming, sled dog race classics, that are different from the existing dog mushers' contests, and limits the use of sled dog race classics for charitable gaming purposes to the Iditarod.

You have also asked if CSSB 66(FIN) prevents sled dog races or dog mushers' contests, other than the Iditarod, from obtaining legislative authority to conduct the type of charitable gaming labeled a sled dog race classic? No, CSSB 66(FIN) merely creates the type of charitable gaming called a sled dog race classic and limits the current use of that type of charitable gaming to the Iditarod. Nothing prevents the legislature from expanding the use of that type of charitable gaming to other groups.

GPL:klb:glc
95-121.klb



Alaska State Legislature

Rep Kott

Please enter into the record my testimony to the House Labor & Commerce
committee name

committee on HB 146, dated 2/29/1995
bill/subject

*I am against limiting this bill just to the
Iditarod. I have been in sprint racing since 1946
and I have competed in the Iditarod*

Signed: *Earl Z. Norris*
Testifier

Representing (Optional)

Box 33, Willow, AK 99688

Address

495-6346

Phone No.

02/27/95

LEGISLATIVE TELECONFERENCE NETWORK SYSTEM

LTN1150

16:22:23

PARTICIPANT LIST (TESTIFIERS ONLY)

BY:MAT

TCN:50280 SCHEDULED FOR:02/27/95 15:00 TO 17:00

FOR:MAT

PUBLIC HEARING

HOUSE LABOR & COMMERCE

LOCATION:MATSU

SB 55	MR	KEVIN	KOCHLEIN	TESTIFY
SB 55	MR	LARRY	TEAGUE	TESTIFY
HB 146	MR	STAN	HOOLEY	TESTIFY
HB 146	MS	NATALIE	NORRIS	TESTIFY
HB 146	MR	EARL	NORRIS	TESTIFY

02/27/95

LEGISLATIVE TELECONFERENCE NETWORK SYSTEM

LTN1150

15:08:16

PARTICIPANT LIST (TESTIFIERS ONLY)

BY:MAT

TCN:50280 SCHEDULED FOR:02/27/95 15:00 TO 17:00

FOR:MAT

PUBLIC HEARING

HOUSE LABOR & COMMERCE

LOCATION:MATSU

SB 55

MR

KEVIN

KOCHLEIN

TESTIFY

SB 55

MR

LARRY

TEAGUE

TESTIFY

HB 146

MR

STAN

HOOLEY

TESTIFY

02/27/95

LEGISLATIVE TELECONFERENCE NETWORK SYSTEM

LTN1150

15:06:45

PARTICIPANT LIST (ALL PARTICIPANTS)

BY:NOM

TCN:50280 SCHEDULED FOR:02/27/95 15:00 TO 17:00

FOR:NOM

PUBLIC HEARING

HOUSE LABOR & COMMERCE

LOCATION: ~~NOME~~

~~HB 146~~

~~MAYOR JOHN~~

~~HANDELAND~~

ITC

TESTIFY

02/27/95

LEGISLATIVE TELECONFERENCE NETWORK SYSTEM

LTN1150

15:11:40

PARTICIPANT LIST (ALL PARTICIPANTS)

BY:FBX

TCN:50280 SCHEDULED FOR:02/27/95 15:00 TO 17:00

FOR:FBX

PUBLIC HEARING

HOUSE LABOR & COMMERCE

LOCATION: FAIRBANKS

HB 146

MR. DAVE

LAMBERT

TESTIFY

HB

147



Alaska State Legislature

Please enter into the record my testimony to the House Labor & Commerce Committee
committee name

committee on House Bill NO. 147 , dated February 3, 1995 (Feb 22, 1995)
bill/subject

I am strongly opposed to House Bill No. 147. I see no reason for creating another marketing council that would, essentially, duplicate the efforts of the Alaska State tourism Marketing Council and Division of Tourism. In addition to the State's tourism marketing programs, ample tourism marketing opportunities already exist with various local tourism marketing associations, local chambers of commerce, visitor centers and various trade associations.

With the habitat problems associated with current sport fishery use, it doesn't make sense to encourage more sport fishing tourism. We need to address the current problems of overcrowding on our productive rivers rather than exacerbate them. The Kenai River is a prime example of this problem. Because it is so well known, any sportfishing tourism marketing, although not directed to the River, will certainly draw more visitors and therefore more habitat damage. Please consider the cost to those of us who live here, both environmentally and financially.

In these times of diminishing revenues I find it totally irresponsible for our legislature to even consider subsidizing a marketing council that would benefit a limited group of businessmen. On page 5, line 18-21, HB 147 gives the legislature the authority to appropriate money equal to the amount generated by the non-resident license surcharge. This sounds like matching funds? How can you, in good conscience, even consider a bill like this? The tourism industry costs the state of Alaska approximately \$1.00 for every \$0.15 brought into the general fund. This is certainly not a sound business practice!

Finally, I must point out that increasing tourism to the state also vastly increases general revenue expenditures to pay for the additional facilities needed to accommodate them - i.e. parking, camping, roads, parks, waste removal, park rangers, ADF&G staff, police, etc. Please look at the total cost to the state when you consider subsidizing the sport fishing/lodge owners businesses. HB 147 is definitely not in the best interests of the state!

Signed: _____

Testifier

Representing (Optional)

H.C. 2 Box 714R Kasilof, Ak 99610

Address

(907) 283-5709

Phone No.



REGAL ALASKAN HOTEL
ANCHORAGE

February 22, 1995

Representative Pete Kott
716 W. 4th Avenue
Anchorage, AK 99501
Fax

RE: S.B. 65
H.B. 147

Dear Representative Kott:

I would like to express my support for the above referenced bill "An Act Relating To The Alaska Sport Fishing Industry Marketing Council".

I have worked in the tourism industry in Alaska for the past nine years as General Manager of the Regal Alaskan Hotel. I have watched the continued positive impact of Alaska's sport fishing industry on individual, tourism related business, such as mine. I have also experienced firsthand the immediate dramatic declines in business revenue when closures and limitations upon the fishing resource crop up, often on very short notice.

It is imperative that tourism and smaller businesses has a voice in its own future. This is especially true as it relates to visitor preferred activities. Sport fishing is certainly one of the main reasons travellers choose to come to Alaska.

The Alaska Sport Fishing Industry Marketing Council is a good idea. It allows fair representation by all of the individuals in Alaska with an investment in our own state resources. I strongly support this bill, and welcome any comments or questions you may have.

Thank you for considering my opinion on this important legislation.

Sincerely,

Max J. Lowe, CHA
General Manager

cc: Mitch Gravo

A REGAL INTERNATIONAL HOTEL

02/22/95

LEGISLATIVE TELECONFERENCE NETWORK SYSTEM

LTN1150

15:35:38

PARTICIPANT LIST (ALL PARTICIPANTS)

BY: SOL

TCN: 50250

SCHEDULED FOR: 02/22/95 15:15 TO 17:00

FOR: SOL

PUBLIC HEARING

HOUSE LABOR & COMMERCE

LOCATION: KEN/SOL

HB 147

MR.

BEN

ELLIS ✓

KRSPTFISH ASSOC TESTIFY

yes

X HB 147

MR.

PAUL

DALE ✓

KING SALMON FUND TESTIFY

X HB 147

MR.

DON

JOHNSON X

SELF TESTIFY

X HB 147

MR.

ROD

BERG

SELF TESTIFY

Joe

Jolly ✓

Commercial

02/22/95

LEGISLATIVE TELECONFERENCE NETWORK SYSTEM

LTN1150

15:01:39

PARTICIPANT LIST (ALL PARTICIPANTS)

BY:SIT

TCN:50250 SCHEDULED FOR:02/22/95 15:15 TO 17:00

FOR:SIT

PUBLIC HEARING

HOUSE LABOR & COMMERCE

LOCATION: SUTKA

HB 147

BANBARA BINGHAM ✓

TESTIFY

02/22/95

LEGISLATIVE TELECONFERENCE NETWORK SYSTEM

LTN1150

15:16:02

PARTICIPANT LIST (ALL PARTICIPANTS)

BY:SOL

TCN:50250 SCHEDULED FOR:02/22/95 15:15 TO 17:00

FOR:SOL

PUBLIC HEARING

HOUSE LABOR & COMMERCE

LOCATION: KEN/SOL

HB 147

MR. LEN ELLIS

KRSPFISH ASSOC TESTIFY

HB 147

MR. JOE JOLLY

UCILA TESTIFY

HB 147

MR. PAUL DALE

KING SALMON FUND TESTIFY

02/22/95

LEGISLATIVE TELECONFERENCE NETWORK SYSTEM

LTN1150

15:03:52

PARTICIPANT LIST (ALL PARTICIPANTS)

BY:ANC

TCN:50250 SCHEDULED FOR:02/22/95 15:15 TO 17:00

FOR:ANC

PUBLIC HEARING

HOUSE LABOR & COMMERCE

LOCATION ANCHORAGE

HB 147

MAX

LOWE

REGAE ALASKAN

TESTIFY

02/22/95

LEGISLATIVE TELECONFERENCE NETWORK SYSTEM

LTN1150

15:42:04

PARTICIPANT LIST (ALL PARTICIPANTS)

BY:ANC

TCN:50250 SCHEDULED FOR:02/22/95 15:15 TO 17:00

FOR:ANC

PUBLIC HEARING

HOUSE LABOR & COMMERCE

LOCATION: ANCHORAGE

HB 65	PATRICK	REINHART ✓	INDEP LIVING	TESTIFY
HB 65	JIM	JANSSEN ✓		TESTIFY
< HB 147	MAX	LOWE ✓	REGAL ALASKAN	TESTIFY
✗ HB 147	BILL	SIMS ✓		TESTIFY
✗ HB 147	KEITH	JOHNSON ✓		TESTIFY

Alaska State Legislature

WILLIAMSON
ARTICLE DIRECTOR
GENERAL ALASKA
CONFERENCE
STATE OF ALASKA
WILLIAMSON
CONFERENCE
GENERAL ALASKA
CONFERENCE
STATE OF ALASKA



COMMITTEE ON REVENUE
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COMMITTEE ON REVENUE

Representative Joe Green

District 11

Sponsor Statement

HB 147 - Alaska Sport Fishing Industry Marketing Council

HB 147 has two goals: 1) increase the revenue stream into the Fish and Game Fund for sportfish research and management; and, 2) create a new, self-funded council whose sole purpose will be to promote Alaska as a sport fishing destination.

The council will be directed by a board whose members will be nominated by the Governor and the sport fishing industry. The Board will direct the implementation of a sport fishing marketing program. The Commissioner of Commerce will contract with a qualified trade association to jointly manage the Council. Council activities will be financed indirectly through a \$5 surcharge on non-resident sport fishing licenses.

State records show that in 1993, 202,863 sport fishing licenses were sold to non-residents. In 1994 the number increased to 227,608. By adding \$5 to the cost of a non-resident sport fishing license more than \$1.1 million could be contributed to the Fish and Game Fund annually.

Since fish and game license fees are dedicated to the Fish and Game Fund, operating monies for the Council would be appropriated from the General Fund. The \$1 million generated by the surcharge is \$1 million of research and management that does not have to be supported by general fund monies. Then, the "unused" \$1 million in GF monies becomes available for appropriation to the Council for marketing activities.

Conservative estimates indicate that each non-resident licensee generated more than \$1,000 of economic activity within Alaska, or over \$227 million for 1994. Tourism promotions thus far have done an excellent job of marketing Alaska as a traveler's destination. However, as this market matures, it is important to begin marketing more specific, value-added activities, such as sport fishing.

HB 147 Sectional Description

Page 2

AS 44.33.765 (a) establishes the duties of the council as 1) conducting a marketing program, 2) implement plans to promote sport fishing, 3) submit an annual report, 4) provide quarterly reports of activities, 5) submit annual budget proposals, 6) advise the Director, 7) inform the legislature how money was spent.

(b) prohibits favoring a particular sport fishing business.

AS 44.33.770 requires the council to submit their budget in accordance with the requirements of the Executive Budget Act, and to deposit all money received in the general fund.

AS 44.33.775 establishes the non-resident sport fishing license surcharge and directs the proceeds of the surcharge into the fish and game fund. Also allows the legislature to appropriate from the general fund to the council an amount equal to the deposit to the fish and game fund.

AS 44.33.780 defines "board", "commissioner", "council", "director", and "qualified trade association".

Sec. 2 clarifies AS 16.05.340(a)(7) non-resident license fees.

Sec. 3 clarifies AS 16.05.340(a)(8) non-resident license fees.

Sec. 4 clarifies AS 16.05.340(a)(10) non-resident license fees.

Sec. 5 includes the title of the council in AS 39.50.200(b).

Sec. 6 expands the duties of the Division of Tourism to include dealing with the council.

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. House Bill 147

Revision Date: February 15, 1995
 Title: Alaska Sport Fishing Industry Marketing Council

Department: Commerce and Economic Development
 BRU: Tourism
 Component: Tourism Development

Sponsor: GREEN
 Requestor: _____

COMPONENT SERIAL NO. _____ 1017

Expenditures/Revenues	(Thousands of Dollars)					
OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	58.2	60.7	60.7	60.7	0.0	0.0
TRAVEL	51.1	53.3	53.3	53.3	0.0	0.0
CONTRACTUAL	1,039.3	1,084.9	1,084.9	1,084.9	0.0	0.0
SUPPLIES	1.4	1.4	1.4	1.4	0.0	0.0
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	1,150.0	1,200.3	1,200.3	1,200.3	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES						
---------------------------	--	--	--	--	--	--

FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts						
1003 GF Match						
1004 General Fund	1,100.0	1,150.0	1,150.0	1,150.0	0.0	0.0
1005 GF/Program Receipts	50.0	50.3	50.3	50.3	0.0	0.0
1006 GF/MHTIA						
Other						
TOTAL	1,150.0	1,200.3	1,200.3	1,200.3	0.0	0.0

Estimate of any current year (FY 95) cost: \$ 0.0

POSITIONS						
FULL-TIME	1	1	1	1	0	0
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

The administration of this program will require a staff person with marketing/advertising expertise to serve as liaison between the advertising/pr agency, the council, and the division.

See attached for further breakdown of expenditures.

Prepared by:	<u>Mary Pignalberi</u>	Phone:	<u>465-2012</u>
Division:	<u>Tourism</u>	Date:	<u>February 15, 1995</u>
Approved by Commissioner:	<u>William L. Hensley</u>	Date:	<u>2/16/95</u>
Agency:	<u>Commerce and Economic Development</u>		

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FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. HB 147

ANALYSIS: (continued)

DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT Fiscal Note Calculations for

EXPENDITURES - FY 96 *

<u>Personal Services *</u>	PFT Development Specialist I	58,200.00
<u>Travel *</u>	19 council members @ \$600 per trip =	11,400.00
	4 meetings per year @ \$ 11,400 ea =	45,600.00
	staff travel to council and other meetings	5,500.00
	TOTAL TRAVEL	51,100.00
<u>Contractual *</u>		
Administration:	Phone/fax/copying/fulfillment postage	12,000.00
Advertising/promotion contract		941,800.00
Research contract - additional funds needed		75,000.00
Trade Shows 3 @ \$ 3,500 per year		10,500.00
	TOTAL CONTRACTUAL	1,039,300.00
<u>Supplies *</u>		
Stationery, supplies, etc	TOTAL SUPPLIES	1,400.00
	TOTAL EXPENDITURES	1,150,000.00

FUND SOURCE - FY 96

General Fund	Approx 220,000 licences @ \$ 5.00 ea.	1,100,000.00
GF/program Receipts	Sales from ad in sportfish brochure	50,000.00
	TOTAL FUND SOURCE	1,150,000.00

* FY 96 figures serve as the base FY 97, 98, 99 figures reflect inflation rate per fiscal note instruction memo dated 1/20/95

Position Title Marketing Coordinator		No. of Positions 1	Justification A Marketing Coordinator (Development Specialist I) is needed as staff support for the Alaska Sport Fish Industry Marketing Council. This position would serve as the liaison between the director, council and advertising/public relations firm. The position should have marketing and advertising expertise in order to advise the council members and division director regarding marketing strategies proposed by the advertising/public relations firm.
Time Status PFT	Staff Months 12.0	Range/Step 18A	
Bargaining Unit GGU	Location Juneau	Election District 99	
TYPE OF EXPENDITURE		AMOUNT	
Salary		42.0	
Benefits		16.2	
Premium Pay			
Other			
Personal Services		58.2	
Travel			
Contractual Services			
Supplies			
Equipment			
Total		58.2	
FUNDING SOURCE			
1002 Federal Receipts			
1003 GF Match			
1004 General Fund		58.2	
1005 GF Prog Receipts			
1007 IA Receipts			
1061 CIP Receipts			
Program/CIP/Legislation			

**Request for
New Position**

AGENCY Commerce and Economic Development
 BRU Tourism
 COMPONENT Tourism Development #1017

page 1 of 1
Revised Date:

FY 96

GOVERNOR TONY KNOWLES
LIEUTENANT GOVERNOR FRAN ULMER

Executive Summary

KNOWLES/ULMER

POLICY

TRANSITION

TEAMS'

REPORT

JANUARY 1995

Fisheries

Alaska's fishery resources are critical to the local and statewide economies of the state and to the personal lives of Alaskans. Besides providing more jobs than any other resource or industry in the state, our fishery resources are central to the very sustenance and lifestyle of most Alaskans. Because fish play such a vital role in our lives, and because fisheries in Alaska are biologically complex, the management of this resource naturally generates widespread interest and debate.

RECOMMENDATIONS

OTHER FISHERIES CONCERNS

- Establish a statewide fisheries resource policy. Convene a group to look at statewide fisheries issues, including an Organic Act for the Board of Fisheries, BOF ethics, allocation criteria, waste/bycatch, ecosystem concerns and coastal community stability.
- Support the fishing industries of the state through support of fisheries education: the Fisheries Industrial Technology Center, the Alaska Fisheries Development Foundation and University of Alaska fisheries programs.
- Establish a task force for marketing all of Alaska's fishing industries, including a quality sport fishing experience, environmentally sustainable coastal fisheries, product wholesomeness and product development.



**Chelatna
Lake Lodge Inc.**

February 16, 1995

Representative Joe Green
State Capitol 24
Juneau, Alaska 99801

Dear Representative Green,

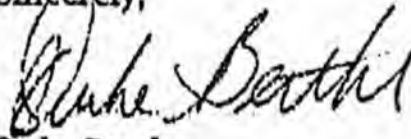
As the Chairman of the newly founded *Alaska Sportfishing Industry Association* I want to thank you for your support of House Bill No. 147 "An act relating to the Alaska Sport Fishing Industry Marketing Council". It is of extreme importance to our industry and to the state of Alaska.

Non-resident sport fishing brought in somewhere between 400 and 500 million dollars in revenue to the residents of the state of Alaska in 1994. With numbers like this there is no doubt that this industry is becoming an integral part of our economy. This is controllable, sustainable growth that if managed properly can bring benefits to Alaska for years to come.

Sport fishing is one of the main components of Alaskan tourism. It is imperative that we have an organization to nurture and direct its growth. HB-147 will provide the tools to cultivate this product properly.

Your support of HB-147 shows that you understand the benefits sport fishing can bring to Alaska and its' people.

Sincerely,



Duke Bertke



P.O. BOX 389 GIRDWOOD, AK 99587

OUTSIDE ALASKA: 800-334-8730

DIRECT: 907-783-2928

WITHIN ALASKA: 800-478-4100

DIRECT: 907-783-2928

FAX: 907-783-2130

DATE: 2/17/95

FAX

To: State Capitol, Room 24

ATTENTION: Rep. Joe Green

FROM: Kirk Hoessle, Pres.

To FAX #: 1 907 465 4316

OF PAGES TRANSMITTED (INCLUDING THIS PAGE): 1

PLEASE CALL A.W.A. UPON RECEIPT

YES

NO

MESSAGES: Dear Mr Green, We own and operate Kenai River Sport Fishing Lodge, Inc., and we support The idea of an Alaskan Sport Fishing Marketing Council, as introduced in House Bill #147.

Thanks for your interest,

Kirk Hoessle, Pres.

RUST'S

FLYING SERVICE

Let Experience be your guide.

February 17, 1994

Representative Joe Green
State Capitol, Room 24
Juneau, AK 99801

FAX: 1-907-465-4931

Dear Representative Green:

I am writing to you to express my support for Senate Bill No. 63/House Bill No. 147 which supports founding a sport fishing industry cooperative marketing program. This initiative, in my opinion, is long overdue and represents the first concerted effort of our industry to collectively promote and market itself.

As a small business operator who has been involved in providing sportfishing services for over thirty years, I realize the substantial economic importance of the sportfishing industry. Currently, the sportfishing industry brings millions of dollars to the Alaskan economy. This economic impact, due to the spending of locals and visitors alike, supports our restaurants, retail stores, tour companies, service industries, advertising agencies, hotels, etc. More importantly, to remain competitive as a world class sportfishing destination, we must actively market and plan for the future of the sportfishing industry. This cooperative marketing will be the core program of a unified organization promoting our important, growing industry.

I strongly urge you to support these upcoming bills which will ensure that Alaska's sportfishing industry continues to grow.

Sincerely,



Todd Rust



**Air
Charter**

P.O. Box 190325, Anchorage, Alaska 99519



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Flightsev**

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Lodges**

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**DIVISION OF LEGAL SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA**

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

February 9, 1995

SUBJECT: Use of sport fishing license fees
(Work Order No. 9-LS0620\A)

TO: Representative Joe Green

FROM: George Utermohle *GU*
Legislative Counsel

This memorandum is in response to the query of Jeff Logan of your staff regarding use of sport fishing license fees.

Sport fishing license fees received by the state must be deposited into the Fish and Game Fund established under AS 16.05.100. The Fish and Game Fund is one of the dedicated funds permitted under the Alaska Constitution.¹ The fund consists of

- (1) money received from the sale of state sport fishing, hunting, and trapping licenses, special permits, and waterfowl conservation tags purchased by hunters;
- (2) proceeds received from the sale of furs, skins, and specimens taken by predator hunters and other employees;
- (3) money received in settlement of a claim or loss caused by damage to the fish and game resources of the state;
- (4) money received from a federal, state, or other governmental unit, or from a private donor for fish and game purposes;
- (5) interest earned upon money in the fund;
- (6) money from any other source. (AS 16.05.110).

The Fish and Game Fund exists, in part, because it is required by the federal government for state participation in a federal program. As a condition for participation in federal aid in wildlife and fish restoration programs (16 U.S.C. 669 - 669j and 16 U.S.C. 777 - 777l; respectively), the state must prohibit the diversion of license fees paid by hunters and sport fishermen for any purpose other than the administration of the state fish and wildlife agency.

¹ Under the Alaska Constitution (art. IX, sec. 7), the state may not dedicate the proceeds of a state license unless the constitution authorizes the dedication, the dedication existed prior to statehood, or the dedication is required for participation in a federal program. The dedication of sport fishing license fees falls under the last category of constitutional dedications. If the state withdraws from the federal program, the power to dedicate those license fees would be lost.

Representative Joe Green

February 9, 1995

Page 2

Administration of the state fish and wildlife agency includes only those functions of a fish and wildlife organization in exercising its authorities and responsibilities to manage the sport fish and wildlife resources of the state but does not include law enforcement activities or public relation activities. 50 C.F.R. 80.4 and 50 C.F.R. 80.6.

The state must dedicate all revenue from sport fishing licenses to sport fish research and management. 16 U.S.C. 777(a); 50 C.F.R. 80. Under provisions of the federal program, a sport fishing license fee is any fee that conveys the right to engage in sport fishing. 50 C.F.R. 80.4. Any surcharge placed on a sport fishing license would be considered as a sport fishing license fee because a fisherman would not be able to obtain a sport fishing license or to engage in sport fishing unless he or she paid the license fee under AS 16.05.340 and the surcharge. Thus any surcharge on sport fishing licenses would have to go into the Fish and Game Fund and may be used only for the administration of the Department of Fish and Game.

The state does have the option of withdrawing from the federal sport fish restoration program. In such a case, the state could impose a surcharge on sport fishing licenses and use the fees generated for any public purpose. The down side of withdrawing from the federal program is that the state would lose a considerable amount of federal funds (more than \$6 million in FY 1995) used to support state sport fish research and management projects. The state would also lose the power to dedicate sport fishing license fees to the Department of Fish and Game

If I may be of further assistance, please advise.

GU:glc:klb

95-132.glc



Susitna Valley Lodge Association

February 21, 1995

Representative Joe Green
House of Representatives
State Capitol, Room 24
Juneau, AK 99801

Dear Representative Green,

As president of the Susitna Valley Lodge Owners Association, I wish to voice our organizations strong support for House Bill No. 147: "An act relating to the Alaska sport fishing industry marketing council".

The Susitna Valley Lodge Owners Association is comprised of the majority of sport fishing oriented lodges in the Susitna Valley. Our businesses very much need the support of a marketing tool such as House Bill 147. This legislation would provide an outlet for countless Alaskan businesses to benefit from representation in the sport fishing and tourism industry.

Thank you for your sponsorship of HB No. 147, we applaud your effort to improve tourism to the state of Alaska!

Sincerely,

Duke Bertke
President

Alaska State Legislature

WHILE IN SESSION:
CAPITOL BUILDING
JUNEAU, ALASKA 99801-1182
(907) 485-4931
(907) 485-4316 FAX

INTERIM ADDRESS:
718 WEST 4TH AVENUE
ANCHORAGE, ALASKA 99501
(907) 258-8198
(907) 258-8171 FAX


DISTRICT 10



CHAIR, OIL & GAS COMMITTEE
VICE CHAIR, LABOR & COMMERCE
COMMITTEE
JUDICIARY COMMITTEE
RESOURCES COMMITTEE
INTERNATIONAL TRADE & TOURISM
COMMITTEE
ECONOMIC TASK FORCE

Representative Joe Green

TO: Representative Pete Kott, Chairman
House Labor & Commerce Committee

FR: Representative Joe Green 

RE: HB 147

DATE: February 6, 1995

I would appreciate a hearing on HB 147 "An Act establishing the
Alaska Sport Fishing Industry Marketing Council."

I believe this approach to marketing our state deserves the attention
of your committee.

Thank you for your consideration.

Memorandum State of Alaska Department of Fish and Game
SPORT FISH DIVISION

DATE: February 21, 1995 **PHONE:** (907) 465-6187

TO: Geron Bruce
Special Assistant to the Commissioner

FROM: John Burke 
Acting Director
Sport Fish-Juneau

SUBJECT: HB 147 and SB 63

In response to your question about loss of Federal Aid to Sport Fish Restoration Funds (\$9,996,650 in FY95) because of a potential diversion of license fees as an outcome of HB 147 or SB 63. I called Bill Martin, head of the Federal Aid Office of the USFWS in Anchorage, this morning. Bill said that what is proposed in HB 147 and SB 63 would constitute a diversion of funds. The issue is that the surcharge is clearly associated with license fees and is also intended as the funding source for the Alaska Sport Fishing Marketing Council under the Department of Commerce. Any fee connected with licensing an individual to sport fish must be used for the benefit of recreational anglers. The funds generated from such fees must be under the control of the Commissioner of the Department of Fish and Game.

It is sometimes difficult to understand the constraints on the use of the fish and game fund posed by both state statute and federal rules governing Federal Aid to Sport Fish Restoration Funds. I have attached a copy from 50 CFR Part 80 relating to the diversion of license fees and a short explanation we wrote to assist during this session.

I hope this is of assistance.

same State where legal residence is maintained.

(1) *Common horsepower.* Common horsepower is defined as any size motor that can be reasonably accommodated on the body of water slated for development.

(47 FR 22226, May 25, 1982, as amended at 50 FR 21442, May 24, 1985)

§ 80.2 Eligibility.

Participation in the benefits of the Acts is limited to State fish and wildlife agencies as specified below:

(a) *Federal Aid in Sport Fish Restoration*—Each of the 50 States, the Commonwealth of Puerto Rico, the District of Columbia, the Commonwealth of the Northern Mariana Islands, Guam, the Virgin Islands, and American Samoa.

(b) *Federal Aid in Wildlife Restoration*—Each of the 50 States, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, Guam, and the Virgin Islands; except that the benefits afforded by section 4(b) of the Act relating to hunter education projects are limited to the 50 States.

(47 FR 22229, May 25, 1982, as amended at 50 FR 21442, May 24, 1985)

§ 80.3 Assent legislation.

A State may participate in the benefits of the Act(s) only after it has passed legislation which assents to the provisions of the Acts and has passed laws for the conservation of fish and wildlife including a prohibition against the diversion of license fees paid by hunters and sport fishermen to purposes other than administration of the fish and wildlife agency. Subsequent legislation which amends these state laws shall be subject to review by the Secretary. If the legislation is found contrary to the assent provisions, the State shall become ineligible.

§ 80.4 Diversion of license fees.

Revenues from license fees paid by hunters and fishermen shall not be diverted to purposes other than administration of the State fish and wildlife agency.

(a) Revenues from license fees paid by hunters and fishermen are any rev-

enues the State receives from the sale of licenses issued by the State conveying to a person the privilege to pursue or take wildlife or fish. For the purpose of this rule, revenue with respect to license sales by vendors, is considered to be the net income to the State after deducting reasonable vendor fees or similar amounts retained by sales agents. License revenues include income from:

(1) General or special licenses, permits, stamps, tags, access and recreation fees or other charges imposed by the State to hunt or fish for sport or recreation.

(2) Sale, lease, rental, or other granting of rights of real or personal property acquired or produced with license revenues. Real property includes, but is not limited to, lands, building, minerals, energy resources, timber, grazing, and animal products. Personal property includes, but is not limited to, equipment, vehicles, machine, tools, and annual crops.

(3) Interest, dividends, or other income earned on license revenues.

(4) Federal Aid project reimbursements to the States to the extent that license revenues originally funded the project for which the reimbursement is being made.

(b) For purposes of this rule, administration of the State fish and wildlife agency include only those functions required to manage the fish and wildlife-oriented resources of the State for which the agency has authority under State law.

(c) A diversion of license fee revenue occurs when any portion of license revenues is used for any purpose other than the administration of the State fish and wildlife agency.

(d) If a diversion of license revenues occurs, the State becomes ineligible to participate under the pertinent Act from the date the diversion is declared by the Director until:

(1) adequate legislative prohibitions are in place to prevent diversion of license revenue, and

(2) All license revenues or assets acquired with license revenues are restored, or an amount equal to license revenue diverted or current market value of assets diverted (whichever is greater) is returned and properly

available for use for the administration of the State fish and wildlife agency.

(e) Federal funds obligated for projects approved prior to the date a diversion is declared remain available for expenditure on such projects without regard to the intervening period of the State's ineligibility.

[54 FR 18300, Apr. 17, 1989]

§ 80.5 Eligible undertakings.

The following are eligible for funding under the Acts:

(a) *Federal Aid in Wildlife Restoration Act*. (1) Projects having as their purpose the restoration, conservation, management, and enhancement of wild birds and wild mammals, and the provision for public use of and benefits from these resources.

(2) Projects having as their purpose the education of hunters and archers in the skills, knowledge, and attitudes necessary to be a responsible hunter or archer.

(b) *Federal Aid in Sport Fish Restoration Act*. (1) Projects having as their purpose the restoration, conservation, management, and enhancement of sport fish, and the provision for public use and benefits from these resources. Sport fish are limited to aquatic, gill-breathing, vertebrate animals, bearing paired fins, and having material value for sport or recreation.

(2) Additional funds resulting from expansion of the Sport Fish Restoration Program must be added to existing State fishery program funds available from traditional sources and not as a substitute therefor.

[47 FR 22539, May 25, 1982, as amended at 50 FR 21448, May 24, 1985]

§ 80.6 Prohibited activities.

The following are not eligible for funding under the Acts, except when necessary for the accomplishment of project purposes as approved by the regional director.

(a) Law enforcement activities conducted by the State to enforce the fish and game regulations.

(b) Public relations activities conducted to promote the State fish and wildlife agency.

§ 80.7 Appeals.

Any difference of opinion over the eligibility of proposed activities or differences arising over the conduct of work may be appealed to the Director. Final determination rests with the Secretary.

§ 80.8 Availability of funds.

Funds are available to a State for obligation or expenditure during the fiscal year for which they are apportioned and until the close of the succeeding fiscal year. For the purpose of this section, obligation of apportioned funds occurs when a project agreement is signed by the regional director.

§ 80.9 Notice of desire to participate.

Any State fish and wildlife agency desiring to avail itself of the benefits of the Acts shall notify the Secretary within 60 days after it has received a certificate of apportionment of funds available to the State. Notification to the Secretary may be accomplished by either of the following methods. In either method, the document must be signed by a State official authorized to commit the State to participation under the Act(s).

(a) Submitting to the regional director within the 60-day period a letter stating the desire of the State to participate in the Act(s); or,

(b) Having an approved Application for Federal Assistance which contains plans for the use of Federal Aid funds during the period of the apportionment.

§ 80.10 Hunting and fishing license certification.

(a) Information concerning the number of persons holding paid licenses to hunt and the number of persons holding paid licenses to fish for sport or recreation in the State in the preceding year shall be furnished upon request of the Director by the fish and wildlife agency of each State on forms furnished by the Fish and Wildlife Service.

(b) This information shall be certified as accurate by the director of the State fish and wildlife agency. When requested by the Director, evidence

Sport Fish Division Funding Sources

There are two major funding sources for the Division of Sport Fish of the Department of Fish and Game; the state fish and game fund and the Federal Aid in Sport Fish Restoration Program (Dingell-Johnson/Wallop-Breaux). Each of these sources is derived directly from recreational anglers.

The Division also requests a small amount of program receipt authority for employee housing. State general funds are not included in the Division of Sport Fish operating budget.

The Fish and Game Fund:

- The portion of the fish and game fund used by Sport Fish Division is generated through the sale of sport fishing licenses and the king salmon stamp.
- The use of that portion of the fish and game fund derived from the sale of sport fishing licenses and the king salmon stamp is dedicated by A.S. 16.05.130(d) to those activities that directly benefit sport anglers.
- Fees from the sale of the king salmon stamp are a part of the fish and game fund. These additional funds are used to support a significant portion of the increasing expenses associated with the management, conservation, and allocation of king salmon directly associated with sport fishing.

Federal Aid in Sport Fish Restoration:

- These funds are generated by federal taxes on sport fishing equipment and fuel used in recreational boating.
- Alaska receives a full apportionment of these funds (the maximum available to any state) because of the size of the state.
- The state must contribute at least 25 percent of the total project cost for all projects funded with Dingell/Johnson-Wallop Breaux funds. The Division of Sport Fish uses fish and game funds to match these federal dollars.
- Generally these funds must be used to directly benefit recreational anglers. The actual requirements are more specific within the general requirement.

"Types of Projects That Are Allowed . . . Almost any type of sport fishery restoration, management, or enhancement project is permissible under the law. The standard criteria that Federal Aid uses to evaluate a project is that it must be substantial in "character and design" (Section 7, Federal Aid in Sport Fish Restoration Act). "Substantial in character" generally means that the state must demonstrate a substantial need to undertake a project. "Substantial in design" generally means that a project must be technically sound and competently designed. If a proposed project meets these criteria, and if it passes through an array of minor tests related to other federal laws, it is approvable for funding by the USFWS Division of Federal Aid.

Sport fisheries research and management activities, boating access development and maintenance, aquatic resource education projects, lake construction and maintenance, land acquisition (for sport fish access), technical assistance, planning, habitat enhancement, administration, and hatchery

construction are all allowable types of projects. Law enforcement and public relations are examples of project types which are not allowable. ..." From the Sport Fish Restoration Handbook, Third Edition.

- At least 12.5 percent of the state's annual Dingell/Johnson-Wallop Breaux apportionment must be used for boating access projects. This is reflected in the Division's annual CIP request.

- The use of Federal Aid in Sport Fish Restoration funds is carefully monitored by the USFWS Federal Aid Office in Anchorage through intensive proposal and reporting systems as well as frequent direct interaction with divisional staff.

Program Receipts:

- The Division of Sport Fish currently funds two hatcheries and expects to have a third hatchery transferred to our BRU in FY96. Because these facilities must be monitored around the clock some employees are required to live on-site. Under the terms of collective bargaining agreements, employees living in state housing are required to pay a monthly rental fee. This money is placed in a program receipt account and is used for necessary repairs and improvements on state housing units.

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE GREEN

TO: HB 147

- 1 Page 2. line 25. after "annually;":
- 2 Insert "the officers of the board serve for a term of one year: a person who serves as the
- 3 presiding officer or chair of the board may not serve two consecutive terms in that office:"



UNITED FISHERMEN OF ALASKA

February 22, 1995

211 Fourth Street, Suite 112
Juneau, Alaska 99801
907/586-2820
Fax: 907/463-2545

The Honorable Pete Kott, Chair
and Members of the House Labor & Commerce Committee
Alaska State House of Representatives
Capitol Office Building, Room 432
Juneau, Alaska 99801-1182

Subject: HB 147 relating to the Alaska Sport Fishing
Industry Marketing Council and a non-
resident sport fishing license surcharge

Dear Chairman Kott and Committee Members:

United Fishermen of Alaska (UFA) opposes House Bill 147.

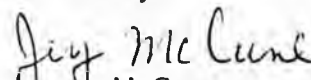
UFA is not opposed to sports fishing activities in the state of Alaska. However, we do feel there is some concern on how this bill could affect the salmon resources of the state. Some of the high use river areas are already being used to the maximum and cannot handle an increase usage until solutions are found to correct habitat damage and sustained yield. I, myself, do not know to what extent we can access the available resources without the other user groups - personal use, subsistence, and commercial fishing - being affected.

UFA has many doubts about how the monies can be distributed out of the Fish and Game General Fund to a new Council.

HB 147 will impact the use of fisheries resources by bringing in more non-residents who will demand access to already fully utilized salmon resources. This will, in effect, limit the use of the resource by Alaskan residents.

United Fishermen of Alaska is aware that all industries want to grow, but we feel it is more important that all habitat is protected and that all Alaskan user groups are assured of the rights to their resources.

Sincerely,


Jerry McCune
President

cc: UFA Board of Directors

MEMBER ORGANIZATIONS

Alaska Crab Coalition • Alaska Longline Fishermen's Association • Alaska Trollers Association • Area K Seiners Association
Bering Sea Fishermen's Association • Bristol Bay Driftnetters Association • Concerned Area "M" Fishermen
Cook Inlet Aquaculture Association • Cordova District Fishermen United • Kenai Peninsula Fishermen's Association
North Pacific Fisheries Association • Northern Southeast Regional Aquaculture Association • Peninsula Marketing Association
Petersburg Vessel Owners Association • Prince William Sound Aquaculture Corporation • Purse Seine Vessel Owners Association
Seafood Producers Cooperative • Southeast Alaska Seiners Association • Southern Southeast Regional Aquaculture Association
United Cook Inlet Drift Association • Western Alaska Cooperative Marketing Association

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. HB147

Revision Date: _____ Dept. Affected: Fish and Game
 Title: An Act relating to BRU: Division of Sport Fish
Alaska Sportfish Marketing Council Component: Sport Fisheries
 Sponsor: Representative Green
 Requester: Labor and Commerce, Finance COMPONENT SERIAL NO. 464

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	30.0					
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	30.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()	1,081.0	1,166.5	1,224.9	1,286.1	1,350.4	1,417.9
------------------------	---------	---------	---------	---------	---------	---------

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other	30.0					
TOTAL	30.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ _____

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

It is very likely that the proposed funding mechanism for this program, a surcharge on nonresident sport fishing licenses, will be viewed as a diversion of license fees by Federal rules associated with Federal Aid to Sport Fish Restoration, 50 CFR 80.4. In the eventuality that this is ruled a diversion, the department will lose approximately \$10,000,000 annually in Federal Aid to Sport Fish Restoration Funds.

Assumptions: The 1994 nonresident fishing license sales (all types) were the basis for calculation of revenues generated by the surcharge. These sales are increasing annually; 5% was used as a conservative estimate of increase through FY01. It would cost the department about \$30,000 to issue and distribute new license stock if the surcharge were to be implemented at any time other than 1 January of any given year. It would cost an equal amount if the surcharge were to be removed at any time other than 1 January of any given year.

Prepared by: John Burke Phone: 465-6187
 Division: Sport Fish Date: 2/16/95
 Approved by Commissioner: *Frank* Date: 2-21-95
 Agency: Fish and Game

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Wilderness Place Lodge - Lake Creek, Alaska

Ed and Judy Sharpe, P.O. Box 190711, Anchorage, AK. 99519

Phone/Fax 907-248-4337

Note: New fax no. 907-248-1525

February 21, 1995

Representative Joe Green
State Capitol, Room 24
Fax No. 465-4316

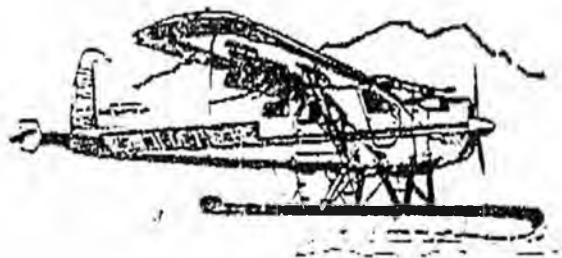
Dear Representative Green:

We wish to offer our complete support for HB147, "An Act Related To The Support of the Alaska Sport Fishing Industry Marketing Council." As owners/operators of a sport fishing lodge in Alaska, we have seen an explosive growth of marketing organizations in the State directed towards other uses of the State's natural resources, such as Parks, Cruise Lines and Commercial Fishing. The time has come for development of a marketing council specifically promoting sport fishing, and we believe the non-resident surcharge is the ideal funding method for such a council. We cater to many non-resident guests, and a \$5 increase in license fees would not have any adverse effect on our business. We believe the marketing council would have only a positive effect on Alaska tourism in general.

Sincerely,

Judy Sharpe
Ed and Judy Sharpe
Owners

Ed Sharpe



BILL MARTIN'S
FISH ALASKA
 INC.

L-21-95

SENATORS LOREN LEMAN - TIM KELLY - JIM GREEN

REFERENCE PROPOSED SENATE BILL # 103

1. THANK YOU FOR YOUR SUPPORT AND CONSIDERATION OR LEGISLATION THAT CAN HELP MY INDUSTRY
2. IT'S TIME SPORT FISHING BE GIVEN ITS JUST CONSIDERATION. THE STATE'S REPUTATION AND FINANCIAL BENEFIT FROM MY INDUSTRY IS UNCOUNTED AND UNFOLD.
3. MYSELF AND OTHER SPORT FISHING COMMERCIAL OPERATORS IN MY CIRCLE SUPPORT AND FAVOR SB # 103. ITS INTENT IS LONG OVER DUE

Bill Martin



NEWHALEN LODGE

February 21, 1995

Representative Joe Green
State Capital
Interdepartmental Mail Stop 3101
Juneau, AK 99801

Re: Senate Bill #63

Dear Representative Green,

I want to thank you for your sponsorship of Senate Bill #63. This bill would not only promote the sport fishing industry, but would be a big support for the tourism industry in Alaska as well.

I have been guiding sport fishermen in Alaska for over 25 years. I presently have a lodge in the Iliamna Lake area which I have owned and operated for 24 years.

The sport fishing industry in Alaska had been steadily increasing until the last couple of years. I believe that a lot of the sport fishermen that normally would come to Alaska are now booking trips in other countries. We are competing with New Zealand, Argentina, Brazil, Chile and several other countries in South America; also with the addition of Russia, which offers some great fishing. We need this Council to help compete with them.

I believe that the sport fishing industry in Alaska is second to none. We need to promote our fishing and services throughout the Lower 48 and the foreign market. There is no better way than through the Alaska Sportfishing Industry Marketing Council.

Thank you for your support on this and if I can be of any assistance please don't hesitate to contact me.

Sincerely,

Bill Sims



B&P'S LODGE INC.

FEBRUARY 20TH, 1995

FROM B&P LODGE INC.
4200 FLOAT PLANE DR.
ANCHORAGE, ALASKA 99502
TEL-243-5161 FAX 243-1711

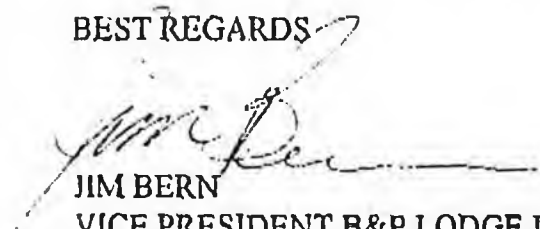
DEAR REPRESENTATIVE JOE GREEN

WE HERE AT B&P LODGE LOCATED ON UPPER FISH LAKE IN THE
MATANUSKA VALLEY WOULD LIKE TO LET YOU KNOW THAT WE FULLY
SUPPORT THE FOLLOWING BILLS.

WE FULLY SUPPORT SENATE BILL NO. 63 AND HOUSE BILL NO. 147
RELATING TO THE SUPPORT OF THE ALASKA SPORT FISHING INDUSTRY
MARKETING COUNCIL.

WE THINK IT WOULD BE IN THE LONG TERM BEST INTERESTS FOR
EVERYONE IN ALASKA TO SEE THESE BILLS PASS. THIS LETTER IS TO LET
YOU KNOW YOU HAVE OUR FULL SUPPORT HERE AT B& P LODGE.

BEST REGARDS



JIM BERN
VICE PRESIDENT B&P LODGE INC.

HB

162



Official Business

Alaska State Legislature

P.O. Box V
State Capitol
Juneau, Alaska 99811

SPONSOR STATEMENT HB162

Currently the Alaska Alcoholic Beverage Control Board does not allow alcoholic beverages to be stocked inside hotel or motel rooms.

House Bill 162 seeks to authorize the Alcoholic Beverage Control Board to allow beverage dispensary license holders the right to allow self serve liquor sales inside hotel and motel rooms. The current plan is to allow alcoholic beverages to be stocked in lockable refrigerators placed in rooms. Once the motel or hotel staff has determined a registering guest to be at least 21 years of age, a key to the locked unit can be issued along with the room key.

Hotel and motel management control of a unique system of access to the dispensers provides the controls necessary to prevent abuse by those unauthorized to use the dispensers.

This service would allow international guests greater comfort during their travel through Alaska by providing a service common in international travel. Adoption of this legislation will provide an enhancement to Alaska's tourism industry.

I urge your support for HB 162.

Alaska State Legislature House of Representatives

COMMITTEE ASSIGNMENTS:

LABOR & COMMERCE, CHAIRMAN
MILITARY & VETERANS AFFAIRS, CHAIRMAN
COMMUNITY & REGIONAL AFFAIRS
RESOURCES
INTERNATIONAL TRADE / TOURISM
LEGISLATIVE COUNCIL



INTERIM:
10928 EAGLE RIVER ROAD, SUITE 141
EAGLE RIVER, AK 99577
PHONE (907) 894-8944
FAX 894-8949

SESSION:
STATE CAPITOL
JUNEAU, AK 99801-1182
PHONE (907) 465-3777
FAX (907) 465-2819

SECTIONAL ANALYSIS HB 162 version 9-LS0596\A

Sec. 1 - States findings and purpose.

Sec. 2 - Adds a new section under the powers and duties of the Alcoholic Beverage Control Board to allow holders of dispensary licenses who operate a business that conforms to numbers of rental rooms required in AS 04.11.400(d)(1).

This section also requires that the unit be lockable and that the guest be at least 21 years old.



Representative Pete Kott



FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. HB162

Revision Date: _____ Dept. Affected: _____ Revenue _____
Title: Alcohol Sales in Hotel Rooms BRU: ABC
Component: ABC

Sponsor: Representative Kott
Requester: (H)ITT COMPONENT SERIAL NO. 100

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ _____

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

The ABC Board maintains a neutral position on this legislation. No additional costs or significant revenue is anticipated with the implementation of HB 162. No significant demand for increased licensure is anticipated.

Prepared by: Pat Sharrock, Director *[Signature]* Phone: 777-277-8638
Division: ABC Division Date: 2/14/95
Approved by: _____
Commissioner: Deborah Voigt *[Signature]* Date: 2/14/95
Agency: Revenue

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North American Asset Management, Inc.**PO Box 73440
Fairbanks, Alaska 99701****907-369-4111
907-369-4112 Fax**

February 28, 1995

Representative Pete Kott
State Capital
Juneau, AK

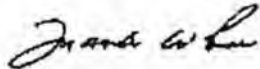
Fax 465-2819

Re: Mini Bar Legislation

I am sending this letter in support of the "Mini-Bar" legislation that you will be considering today. I believe this is important legislation for the hospitality business. It allows us to provide a service that many facilities Outside provide to vacation and business travelers. In fact, it is becoming more of an expected amenity as opposed to something not normally provided. New Mini-Bar systems have a number of features that allow control of time of use, automatic inventory, special key systems, etc. Additionally, statistics show that the primary use of the Mini-Bar is for dispensing snacks and non-alcoholic beverages. The alcoholic beverage sales are important, however, in order to make the system profitable.

I appreciate your efforts in sponsoring this bill and look forward to a successful vote on this legislation.

Yours sincerely,

Frank W. Rose
President
North American Asset Management, Inc.



Alaska Hotel & Motel Association

P.O. Box 104940 • Anchorage, AK 99510 • (907) 272-1229 • FAX (907) 265-5146
Representing Alaska's Finest Hotels, Motels and Inns

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February 27, 1995

Representative Pete Kott
FAX 465-2819

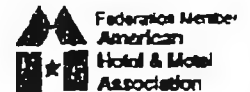
Dear Representative Kott:

Thank You for Your support for HB 162, as you know it is scheduled for hearing tomorrow. As You know it is an important issue for not only the hotel industry, but for the tourism industry as a whole.

Again, Thank You for Your support.

Sincerely,

Dennis J. Lavey
President





TUNDRA TOURS, INC.
TOP OF THE WORLD HOTEL
P.O. Box 189 • Barrow, Alaska 99723

February 27, 1995

Representative Pete Kott
State Capitol
Juneau, Alaska 99801-1182

Dear Representative Kott:

As Board Members of the Alaska Hotel/Motel Association, we are united in support of HB-162.

This bill will enable the lodging industry in Alaska to better respond to the demands of the traveling public as to amenities offered in an everchanging market place. HB-162 will extend the industry an additional revenue base to assist our bottom line.

Sincerely,

TERRY LATHAM
Board Member
Alaska Hotel/Motel Association

