

ALASKA LEGISLATURE COMMITTEE FILES 2007-2008 HR1296

**Substance Abuse Treatment to Adolescents by Component
1992 – 1998
(Actual Numbers – Duplicated Clients)**

Year	Detox	Inpatient (Hospital)*	Short Term Residential*	Long Term Residential**	Outpatient	Intensive Outpatient	Continuing Care
1992	19/57	1/3	12/17	92/85	199/121	70/58	34/25
1993	37/40	1/0	38/24	188/108	245/168	147/101	69/23
1994	27/61	2/10	6/34	153/101	243/136	113/106	134/32
1995	18/63	3/17	10/30	164/101	306/161	80/114	158/46
1996	11/55	1/8	14/25	160/101	345/173	93/106	110/47
1997	13/56	2/12	7/25	150/109	385/176	218/139	179/53
1998	20/54	5/10	3/16	159/101	422/193	288/138	149/51

Table 3 – Substance Abuse Treatment to Adolescents by Component; Data Source: Alaska Division of Alcoholism and Drug Abuse

Number Reporting Format: Ages 17 & Younger / Ages 18 – 20

Notes: * Inpatient (Hospital) and Short-Term Residential length of stay 10 – 30 days.

** Long-Term Residential length of stay – greater than 30 days

?? Increases in long-term residential adolescent treatment data are supported by key informant interviews indicating average lengths of stay between three and six months. Increased intensive outpatient services of 311% can be partially attributed to an increase in programs offering that service, as well as third party payors who favor treatment settings less restrictive than residential.

?? Continuing care utilization increased by over 300% for youth ages 17 and younger and by just over 100% for youth ages 18 through 20. Increases in utilization of continuing care reflects the importance attached to continuing care by the Division of Alcoholism and Drug Abuse and the addictions field in general.

J. Conclusions. Based on national and state surveys, alcohol consumption by youth in Alaska is comparable to consumption by youth nationally. When considering trends in consumption of alcohol by youth, there are mixed indicators that preclude the development of conclusions. The 1998 and 1999 National Household Surveys on Substance Abuse sponsored by SAMHSA concluded that the trend in consumption of alcohol by youth during the 1990s was relatively flat.¹⁵ This is supported somewhat by trends in per capita alcohol consumption in Alaska and nationally through the 1990s¹⁶ as well as by the rate of motor vehicle accidents in Alaska and nationally involving underage drinking drivers. Countering this, however, is the Alaska Court System and Alaska Division of Juvenile Justice data that shows a marked and consistent increase in MCA cases beginning in the early 1990s and continuing through 1999. There is no evidence to indicate any marked increase or focus in law enforcement that might explain this increase. Additionally, there has been an increase between 1991 and 1998 in the number of alcohol-related injuries among youth.

There are a variety of adverse consequences that occur as a result of underage drinking. The specific consequences identified and quantified in this inquiry were alcohol-related injuries requiring hospitalization among youth, including those resulting from suicide attempts and those resulting in death and traffic accidents involving underage drinking drivers. Other adverse consequences for which data was not gathered in this report include school performance, criminal activity, and overall health. In addition to consequences that can be quantified through data collection, there are other, more subjective consequences such as the deterioration of families, alienation of friends, and general disenfranchisement from society.

In the data collected for this inquiry, the rate of alcohol-related hospitalizations for youth increased from 1991 through 1998 by 66.5%. The trend for injuries attributable to suicide attempts was mixed with a 43.3% increase between 1993 and 1996 followed by a 14.7% decrease from 1996 to 1998. The trend in deaths resulting from alcohol-related accidents among youth is clouded by the small numbers of events occurring, with 24 occurring between 1991 and 1998. Motor vehicle accidents involving underage drinking drivers decreased by 38.1% between 1990 and 1998. The decrease in the rate for underage drinking drivers is comparable to the decrease in accidents involving drinking drivers of all ages, 39.5% between 1990 and 1998.

Efforts to address underage drinking in Alaska are ongoing in various domains.

1. Statutory Effort. The primary statutory action involving underage drinking over the past ten years has been the transfer of jurisdiction over MCA cases from the juvenile justice system to district court in 1995. There have been some adjustments since that time, primarily dealing with revocation of drivers' licenses and the length of time for which they can be revoked. In examining data from the period 1991 through 1998 and 1999, the number of MCA cases has increased steadily through the period. When examining the trends for youth ages 17 and younger for both the juvenile justice system prior to 1995 and the Alaska Court System after that, there appears to be a consistent increase that began in 1993 and continued across the two jurisdictions.

¹⁵ Substance Abuse and Mental Health Services Administration (SAMHSA), Summary of Findings: 1999 National Household Survey on Substance Abuse, Rockville, MD, August 2000

¹⁶ Advisory Board on Alcoholism and Drug Abuse, Results within our Reach: Plan for Delivery of Substance Abuse Services 1999 - 2003, Juneau, AK, January 1999

When examining adverse consequences, there were no major shifts in numbers/rates that corresponded with the change in jurisdiction. While law enforcement, judges and magistrates may believe the new statute to be ineffective or limiting, the investigators found no evidence that the change in statute itself was the sole contributor to the increase in arrests indicated by the increased number of MCA cases. Neither can we say that the statutory change caused any identifiable change in adverse consequences.

2. Law Enforcement Effort. Investigators found no evidence of heightened law enforcement effort or focus with regard to underage drinking between 1993 and 1999, with the exception of a consistent increase in MCA cases. Key informants indicated that law enforcement pursued reactive strategies in most communities with underage drinking violations competing with every other law enforcement issue. An exception to this observation is the coordinated effort taking place in five communities in Alaska, coordinated by the ABC Board, using Enforcement of Underage Drinking Laws (EUDL) grant funds from the Division of Juvenile Justice. This effort is taking the form of intensified scrutiny of licensed establishments using supervised youth attempting to make purchases and the concentration on identifying and intervening in large drinking parties.

3. Court System Effort. The Alaska Court System has experienced a consistent increase in MCA cases from 1995 through 1999. The major trends observed within these cases are that the fines have increased steadily by 121% during the period and that the disposition of cases has changed, with fewer cases being dismissed and more cases having default judgments (where the offender does not show up for court). The vast majority of offenders (72.1%) are one-time offenders, however, 54.7% of the total cases are attributable to individuals with multiple cases (27.9% of unduplicated individuals). Judges and magistrates are using graduated increases in fines to deal with repeat offenders. Because there are no conclusions on whether prevalence of underage drinking is increasing or decreasing, investigators are unable to draw conclusions about the impact of court efforts on the underage drinking problem.

4. Substance Abuse Treatment Effort. Utilization of substance abuse treatment services by youth has increased through the 1990s most significantly in the outpatient, intensive outpatient, and continuing care modalities. There was a marked increase in utilization of long-term residential services between 1992 and 1993; however, the utilization rates for that modality have remained somewhat static over the remainder of the period. The increase in utilization of intensive outpatient services is most likely connected to the emergence of this modality in the 1990s as a step between regular outpatient and residential. The increase in continuing care utilization reflects, at least in part, the growing emphasis placed on this service by the Division of Alcoholism and Drug Abuse and the addictions field in general. Another complicating factor in analyzing the treatment data, particularly for residential care, is that the state's limited public residential programs tend to operate at capacity all the time. This does not allow investigators to use treatment utilization data as a gauge of the need for residential treatment. Key informants indicate that there is a waiting list of between three and six months for youth residential treatment. There are, however, two proposed residential treatment expansion projects in the development process that, if approved, will help to alleviate this backlog.

5. Prevention, Education, and Advocacy Efforts. There is considerable prevention activity in Alaska, however, results from these types of efforts manifest themselves on a population basis over long periods of time, and many of these efforts have only recently been implemented. The investigators, therefore, draw no conclusions regarding their effectiveness at reducing underage drinking. The Division of Alcoholism and Drug Abuse has, as a part of its current emphasis on prevention, developed a comprehensive prevention evaluation component being conducted by the Institute for Circumpolar Health Studies. If successful, this evaluation effort should provide valuable information on the efficacy of various approaches to dealing with substance abuse by youth and play a vital role in future program planning.

Key informants in this project suggested that community norms and values play a key role in underage drinking trends. This reflects current thinking among substance abuse prevention professionals nationally as well as many of the best practices in prevention adopted by SAMHSA. Given the importance attached to environmental strategies, and the role that key informants believe that community norms and values play in underage drinking in communities, advocacy and environmental prevention efforts may have great potential to impact the problem.

The data systems described in this report all collect data to serve the unique needs of the respective organizations. There are, in addition, other emerging data sources that could prove valuable in the future. One such data set will be maintained by the Department of Education and Early Development and will contain data on school suspensions and expulsions due to alcohol or drug use. Another database worth exploring is maintained by the Alaska Bureau of Vital Statistics. That database contains information on deaths that could prove useful if a method could be devised to clearly identify which of those deaths were attributable to alcohol. There is currently information in the database that relates to some instances of alcohol-related deaths, but it is inconsistent and does not cover the range of possibilities where alcohol can contribute to a death. While these two data sources provide additional insight into adverse consequences of underage drinking, one of the major gaps in data/information relates to actual prevalence of underage drinking. A data collection effort that could prove useful if successfully implemented is the YRBS. As previously noted, identifying prevalence of underage drinking is an important task and YRBS, which surveys students, could be one of the most reliable tools. The state will need to address barriers to participation to gain a response rate sufficient to generalize the samples to the population statewide.

The promise of such diverse and robust databases is that they can provide glimpses of the problem from different perspectives. With each different perspective comes a greater understanding of the breadth and depth of the problem. The difficulty with these databases is that they are all proprietary and accessible only through special effort by the maintaining organization, they are designed in terms of structure and format to meet the needs of the maintaining organization and are, most often, not well-suited to integration without a great deal of intervention. Using all of this potential data together in an integrated effort to describe the problem and/or progress in addressing the problem will require that it be gathered and analyzed, preferably by a central organization requiring an ongoing dedication of resources.

Finally, the failure to intervene in underage drinking represents a lost opportunity to address future problems. Magistrates, judges, prosecutors, and law enforcement officials agree that

alcohol is involved in most violent crimes against persons and property crimes committed by young adults. While it cannot be said with certainty that every one of these young adult offenders began drinking as a teen, youth with multiple MCA violations seem to be good candidates for future alcohol-related problems. Future studies that examine court data, Division of Juvenile Justice data, and public safety data could well provide more solid evidence of correlation between underage drinking and young adults who commit more serious crimes under the influence of alcohol.

K. Recommendations.

1. Increased law enforcement efforts have been made possible through the ABC Board and new funding. Evaluation of these efforts in coming years will be an important source of information that should be reviewed.

2. Case disposition for MCA's under existing statute disallows assessments or other treatment interventions. This was cause for concern for law enforcement, court personnel and treatment providers. Statutes should be reviewed for possible changes and/or improvements to allow for a broader range of sentencing alternatives.

3. One treatment component lacking in Alaska is that of assessment and referral for youth similar to the adult Alcohol Safety Action Program (ASAP). This may be an area worth further exploration, given the increase in the number of MCA cases shown by the court system data.

4. Alaska has recently undertaken a number of prevention efforts, many of which are research-based. The state may wish to consider a statewide approach to prevention strategies and funding for such. Additionally, the existing evaluation effort funded by Division of Alcoholism and Drug Abuse through the Institute for Circumpolar Health Studies holds promise as a potential source of policy information in this arena.

5. Environmental prevention strategies may play an important role in the state's efforts to address underage drinking, given the emphasis placed by key informants on community norms and values. This area deserves further exploration.

6. The YRBS survey represents a potentially data rich resource for prevalence information within Alaska. Efforts should be continued to ensure that this source of information is obtained in a manner that will ensure valid data.

7. Given the complexity and diversity of data on this issue, the state may wish to consider the feasibility of having a centralized entity collect information on the issue of underage drinking.

Knowledge is automatically
included w. a relevant
Standard.

20 states w. Social host
laws

04, 21, 020

homeowners
insurance

We could
change
it to
physically
possessed
exercise

HOUSE BILL NO. 118

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES MEYER, Willson, Ramras

Introduced: 2/5/07

Referred: Labor and Commerce, Judiciary

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to underage possession of alcoholic beverages in a dwelling."**

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

3 *** Section 1.** AS 04.16 is amended by adding a new section to read:

4 **Sec. 04.16.057. Permitting minor to illegally possess liquor in dwelling.** (a)

5 Except as provided by AS 04.16.051, a person who ^{physically and} possesses ~~or~~ exercises dominion
6 and control over a dwelling may not recklessly permit a person under 21 years of age
7 to possess an alcoholic beverage in the dwelling.

8 (b) A person who violates this section is guilty of a violation and shall be
9 punished as provided in AS 12.55.



REPRESENTATIVE KEVIN MEYER

HOUSE DISTRICT 30

Sponsor Statement House Bill 118

"An Act relating to underage possession of alcoholic beverages in a dwelling."

While it is against the law in Alaska to rent a hotel room for the purposes of providing alcohol to underage persons (AS 04.16.055) there is no provision in statute that makes it illegal to allow underage drinking in a home. This appears to be a significant oversight in statute since a home is the most commonly cited place underage people consume alcohol.

House Bill 118 closes this gap in statute by making it a non-criminal violation to permit underage persons to possess alcohol in your home. A parent allowing their own child to possess alcohol is not subject to the violation because they are allowed to provide alcohol to their children under AS 04.16.05. Under HB 118 however, a person throwing a party where an underage person possess alcohol (even if they were not responsible for providing the alcohol) would face a \$500 fine.

Alcohol is the drug of choice for young people in Alaska and has very serious impacts on our families, our institutions and our society. HB 118 closes a significant gap in our statutes and gives law enforcement an important tool to deter people from providing a venue for underage drinking.

(Updated 2/6/07)



ALASKA STATE LEGISLATURE
HOUSE RULES COMMITTEE
REPRESENTATIVE JOHN COGHILL, CHAIRMAN

State Capitol Juneau, AK 99801-1182 (907) 465-3719
1292 Sadler Way, Fairbanks AK 99701 (907) 456-5081

Date: March 27, 2007
To: Suzi Lowell, Chief Clerk
From: Representative John Coghill, Chairman
House Rules Affairs Committee
Re: House Rules ~~XXXX~~ Committee Schedule

A handwritten signature in blue ink, appearing to be "JBC", with a long horizontal line above it.

Schedule for House Rules:

Monday, April 2nd - 5:00 p.m. Room 106

HB 118 - "An Act relating to underage possession of alcoholic beverages in a dwelling."

HB

147

Alaska State Legislature

Session: (Jan-May)
State Capitol, Room 208
Juneau, AK 99801-1182
(907) 465-4859
Fax (907) 465-3799



Interim: (June-Dec)
716 West 4th Avenue, Suite 300
Anchorage, AK 99501-2133
(907) 269-0129
Fax (907) 269-0128

John Harris **Speaker of the House** **SPONSOR STATEMENT** **HOUSE BILL 147**

"An Act relating to matching funds in state tourism marketing contracts with trade associations"

In 2001, the State of Alaska privatized the functions of the tourism marketing program by contracting with the Alaska Travel Industry Association. Prior to the current structure, Alaska's travel industry was promoted by a membership organization comprised of both private sector and state officials at significant cost to the State of Alaska.

Since that time, the Department of Commerce, Community & Economic Development contracts with the Alaska Travel Industry Association (referred to in AS 44.33.125 as the Qualified Trade Association) to design and implement Alaska's tourism marketing program. Utilizing professional contractors and a multitude of marketing experts, thirty private sector representatives from large and small businesses volunteer hundreds of hours and contribute thousands of private sector dollars each year to develop and oversee this program.

State statutes currently require 50/50 matching funds; state general funds matched by private industry dollars. The recent passage of travel industry taxes has had the dual effect of generating significant involuntary revenues to the state's general fund and eliminating the viability of voluntarily raising the private sector's dollars required to meet the 50% match.

The FY07 budget for the core tourism marketing program consisted of \$5.0 million in state funds matched by \$5.0 million in private sector dollars to create a \$10.0 million marketing program. In FY08, it is anticipated that \$2 million is the maximum amount that can be raised in voluntary contributions toward the private sector match from Alaska travel industry businesses participating in marketing pay-to-play programs.

Further jeopardizing the travel industry's ability to successfully market Alaska and compete for travelers in the national and worldwide marketplace is the fact that inflation-adjusted data indicates that the State of Alaska's general fund support for tourism marketing has declined from \$23 million to \$5.7 million from 1990 to 2006.

In addition, the travel industry has historically identified a \$20 million core tourism marketing budget as the minimum necessary to regain Alaska's market share and retain the ability of the travel industry to grow Alaska's private sector economy.

Therefore, HB 147 will allow Alaska's travel industry to continue to receive state funds by changing the statutory match required in AS 44.33.125 from 50/50 to 90/10 reflecting the reality of the travel industry's ability to raise \$2.0 million in voluntarily private sector dollars to fund the core tourism marketing program.

Alaska State Legislature

Session: (Jan-May)

State Capitol, Room 208

Juneau, AK 99801-1182

(907) 465-4859

Fax (907) 465-3799



Interim: (June-Dec)

716 West 4th Avenue, Suite 300

Anchorage, AK 99501-2133

(907) 269-0129

Fax (907) 269-0128

John Harris
Speaker of the House

SECTIONAL ANALYSIS HOUSE BILL 147

“ An Act relating to matching funds in state tourism marketing contracts with trade association”

Section 1 of the bill states that by April 1 of each fiscal year, the Dept. of Commerce, Community and Economic Development may contract with a qualified trade association (*the Alaska Travel Industry Association*) to plan and execute a tourism marketing campaign during the next fiscal year.

HB 147 changes the matching fund requirement from 50% of the costs of the marketing campaign described in the contract to 10%.

Explanation: In FY07 the total combined funds from state and private contributions was \$10 million; \$5 million in state funds matched by \$5 million voluntarily contributed from the tourism industry. With the passage of the cruise ship tax initiative, the ATIA will no longer be able to voluntarily raise \$5 million. The state's largest tourism segment, the cruise industry, will now be required to pay millions of dollars directly to the state and will no longer be able to contribute voluntarily to the state marketing program. The ATIA believes that they will be able maintain \$2 million in private industry match.

In concert with HB 167 which appropriates \$18 million to the QTA Tourism Grant Line, the total tourism marketing budget will be \$20 million; of which \$2 million is private industry funds for a 90/10 match.

FY07 Current Private Fund Sources:

\$5,000.00	Private Industry Match
-\$2,000.00	*Volunteer Cruise Contribution (no longer available)
-\$ 500.00	Cruise Industry Advertising (redirected to their own programs)
<u>-\$ 500.00</u>	*Visitor & Convention Bureau Contributions (no longer available)
\$ 2,000.0	Remaining ATIA funds available through membership dues and pay to play participant programs

FISCAL NOTE

**STATE OF ALASKA
2008 LEGISLATIVE SESSION**

Fiscal Note Number: _____
 Bill Version: CS HB 147 ()
 () Publish Date: _____

Identifier (file name): _____ Dept. Affected: DCCED
 Title "An Act relating to matching funds and state money for state tourism marketing contracts with trade associations..." RDU Comm Assist & Ec Dev (405)
 Component Office of Economic Development
 Sponsor Rep. Harris by Request
 Requester House Rules Committee Component Number 2743

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information						
		FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
OPERATING EXPENDITURES								
Personal Services								
Travel								
Contractual	4,794.9	9,000.0	9,000.0	9,000.0				
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
TOTAL OPERATING	4,794.9	9,000.0	9,000.0	9,000.0				

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

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

FUND SOURCE (Thousands of Dollars)

	FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
1002 Federal Receipts							
1003 GF Match							
1004 GF	4,794.9	9,000.0	9,000.0	9,000.0			
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	4,794.9	9,000.0	9,000.0	9,000.0			

Estimate of any current year (FY2008) cost: _____

POSITIONS

	FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Full-time							
Part-time							
Temporary							

ANALYSIS: *(Attach a separate page if necessary)*
 The House Rules Committee Substitute for HB 147 changes the match required of the qualified trade association (QTA) to receive State funds for a tourism marketing contract under AS 44.33.125(a). The QTA would be required to provide matching funds equal to at least 30 percent of the State funds used for the marketing campaign. The amount of State funds used for the marketing campaign may not exceed \$9,000,000. With the passage of HB 147, a QTA will be required to provide matching funds in the amount of \$2,700,000.

 Effective July 1, 2011, the amendments made in HB 147 to AS 44.33.125(a) are repealed and the program will return to the 50/50 matching program that is in current law, unless further changes are made to AS 44.33.125(a).

Prepared by: Suzanne Armstrong Phone 465-6875
 Division: House Finance Committee Date/Time 2/28/08 8:43 a.m.
 Approved by: Rep. John Coghill, Chairman Date 2/28/2008
House Rules Committee

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: HB 147
 (H) Publish Date: 3/21/07

Revision Date/Time (Note if correction): _____ Dept. Affected: Commerce
 Title: Tourism Contract Matching Funds RDU: Comm Assist & Ec Dev (405)
 Component: Office of Economic Development
 Sponsor: Harris by Request
 Requester: House EDTT Component No.: 2743

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
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						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2007) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation reduces from 50 percent to 10 percent the minimum amount Alaska's qualified trade association must provide as match for Alaska's tourism marketing campaign. This reduction in the match will not impact the department's cost to contract with the qualified trade association.

Prepared by: Bill Allen, Development Manager
 Division: Office of Economic Development
 Approved by: Emil Notti, Commissioner
 Agency: Commerce, Community, and Economic Development

Phone 907.269.8112
 Date/Time 3/12/07 4:07 PM
 Date 3/12/2007

FISCAL NOTE

STATE OF ALASKA
2008 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: CSHB 147(FIN)
 (H) Publish Date: 2/15/08

Identifier (file name): HB147-CED-OED-02-13-08 Dept. Affected: DCCED
 Title: Tourism Contract Matching Funds RDU: Comm Assist & Ec Dev (405)
 Component: Office of Economic Development
 Sponsor: Harris by Request, Kelly
 Requester: House Finance Component Number: 2743

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information						
		FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
OPERATING EXPENDITURES								
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	0.0

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

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

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF								
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other Interagency Receipts								
TOTAL		0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2008) cost: _____

POSITIONS

Full-time								
Part-time								
Temporary								

ANALYSIS: (Attach a separate page if necessary)

This legislation would change the match required of the qualified trade association (QTA) to receive State funds for the tourism marketing campaign. The current formula requires a 50/50 contribution from the State and the QTA based on the total funding for the campaign. The QTA would be required to provide matching funds equal to at least 30 percent of the state money used for the marketing campaign. Unless the appropriation that funds the marketing campaign exceeds \$8 million, the state money used for the campaign would not exceed \$8 million. The change in match would not impact the department's cost to contract with the qualified trade association.

Prepared by: Joe Austerman, Director
 Division: Office of Economic Development, Manager
 Approved by: Emil R. Notti, Commissioner
Commerce, Community, and Economic Development

Phone 907.269.4568
 Date/Time 2/13/08 12:00 AM
 Date 2/13/2008

FISCAL NOTE

STATE OF ALASKA
2008 LEGISLATIVE SESSION

Fiscal Note Number: 3
 Bill Version: CSHB 147(RLS)
 (H) Publish Date: 3/3/08

Identifier (file name): _____ Dept. Affected: DCCED
 Title "An Act relating to matching funds and state money for state tourism marketing contracts with trade associations..." RDU Comm Assist & Ec Dev (405)
 Component Office of Economic Development
 Sponsor Rep. Harris by Request
 Requester House Rules Committee Component Number 2743

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information						
		FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
OPERATING EXPENDITURES								
Personal Services								
Travel								
Contractual	4,794.9	9,000.0	9,000.0	9,000.0				
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
TOTAL OPERATING	4,794.9	9,000.0	9,000.0	9,000.0				

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

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

FUND SOURCE (Thousands of Dollars)

	FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
1002 Federal Receipts							
1003 GF Match							
1004 GF	4,794.9	9,000.0	9,000.0	9,000.0			
1005 GF/Program Receipts							
103. GF/Mental Health							
Other Interagency Receipts							
TOTAL	4,794.9	9,000.0	9,000.0	9,000.0			

Estimate of any current year (FY2008) cost: _____

POSITIONS

Full-time							
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary)

The House Rules Committee Substitute for HB 147 changes the match required of the qualified trade association (QTA) to receive State funds for a tourism marketing contract under AS 44 33.125(a). The QTA would be required to provide matching funds equal to at least 30 percent of the State funds used for the marketing campaign. The amount of State funds used for the marketing campaign may not exceed \$9,000,000. With the passage of HB 147, a QTA will be required to provide matching funds in the amount of \$2,700,000.

Effective, July 1, 2011, the amendments made in HB 147 to AS 44 33.125(a) are repealed and the program will return to the 50/50 matching program that is in current law, unless further changes are made to AS 44 33.125(a)

Prepared by Suzanne Armstrong
 Division House Finance Committee
 Approved by Rep. John Coghill, Chairman
House Rules Committee

Phone 465-6875
 Date/Time 2/28/08 8:43 a.m.
 Date 2/28/2008

HOUSE COMMITTEE REPORT

3.21.07
 Finance

(7)

Date Referred to Committee: February 21, 2007

FURTHER REFERRALS: Finance

Date of Committee Action: 20 Mar 07

The HOUSE SPECIAL COMMITTEE ON ECONOMIC DEVELOPMENT, TRADE, AND TOURISM considered: **HB 147**

HOUSE BILL NO. 147

TOURISM CONTRACT MATCHING FUNDS

"An Act relating to matching funds in state tourism marketing contracts with trade associations."

Recommends it be replaced with HCS or CS for _____
 For Senate Bills with new title: Technical Title New Title: HCR _____ | Same Title | New Title

- attach amendments
- add new referral to _____ Committee
- Letter of Intent _____ Committee

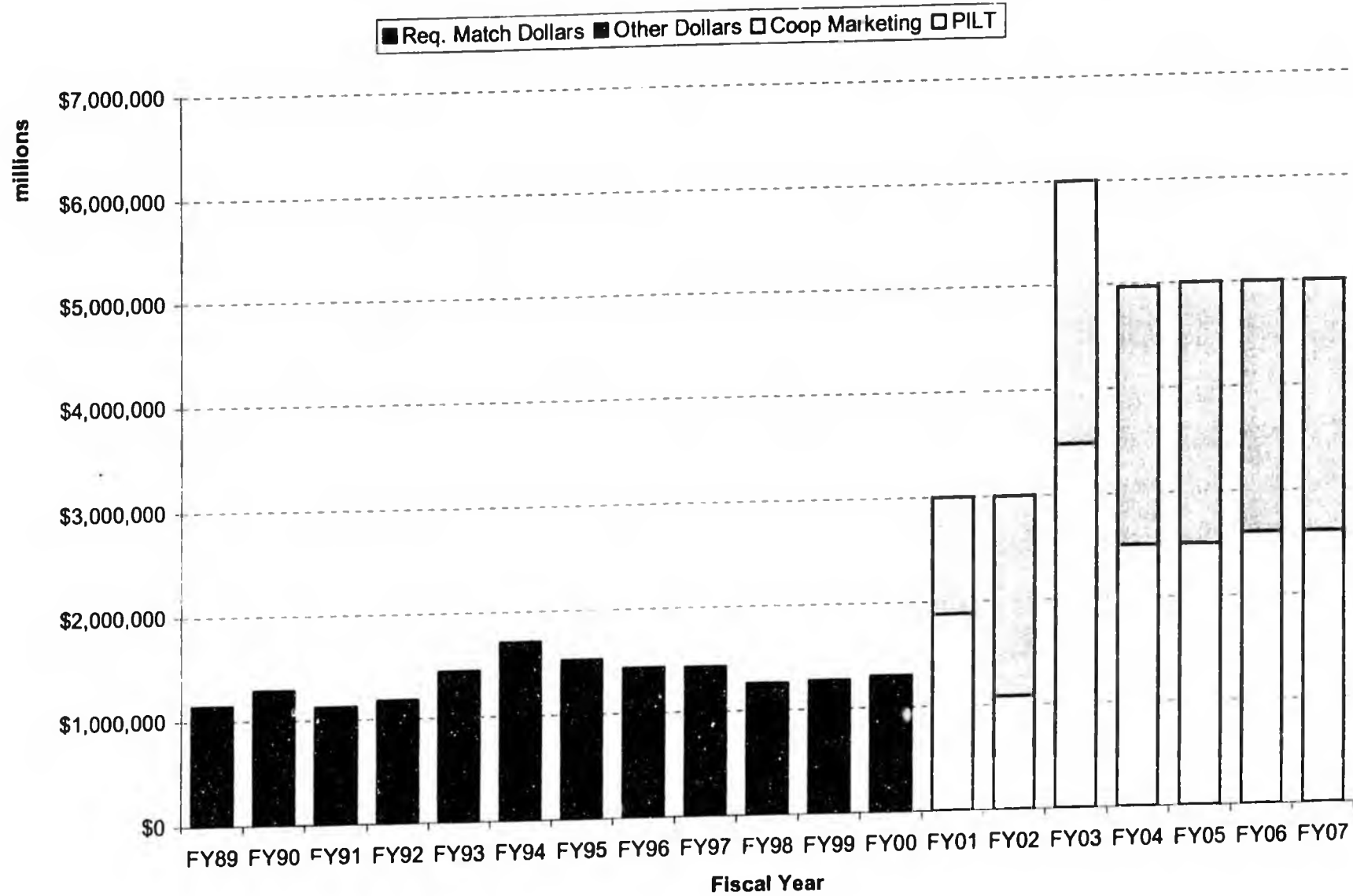
List of Abbrev for Depts.:
 ADM
 CED
 COR
 CRT
 EED
 DEC
 DFG
 GOV
 HSS
 LWF
 LAW
 LEG
 MVA
 DNR
 DPS
 REV
 DOT
 UA

<u>NEW FISCAL NOTES</u>				
*Assigned by Chief Clerk's Office				
List by Dept(s):	*FN#	Fiscal	Indet.	Zero
CED	1			✓

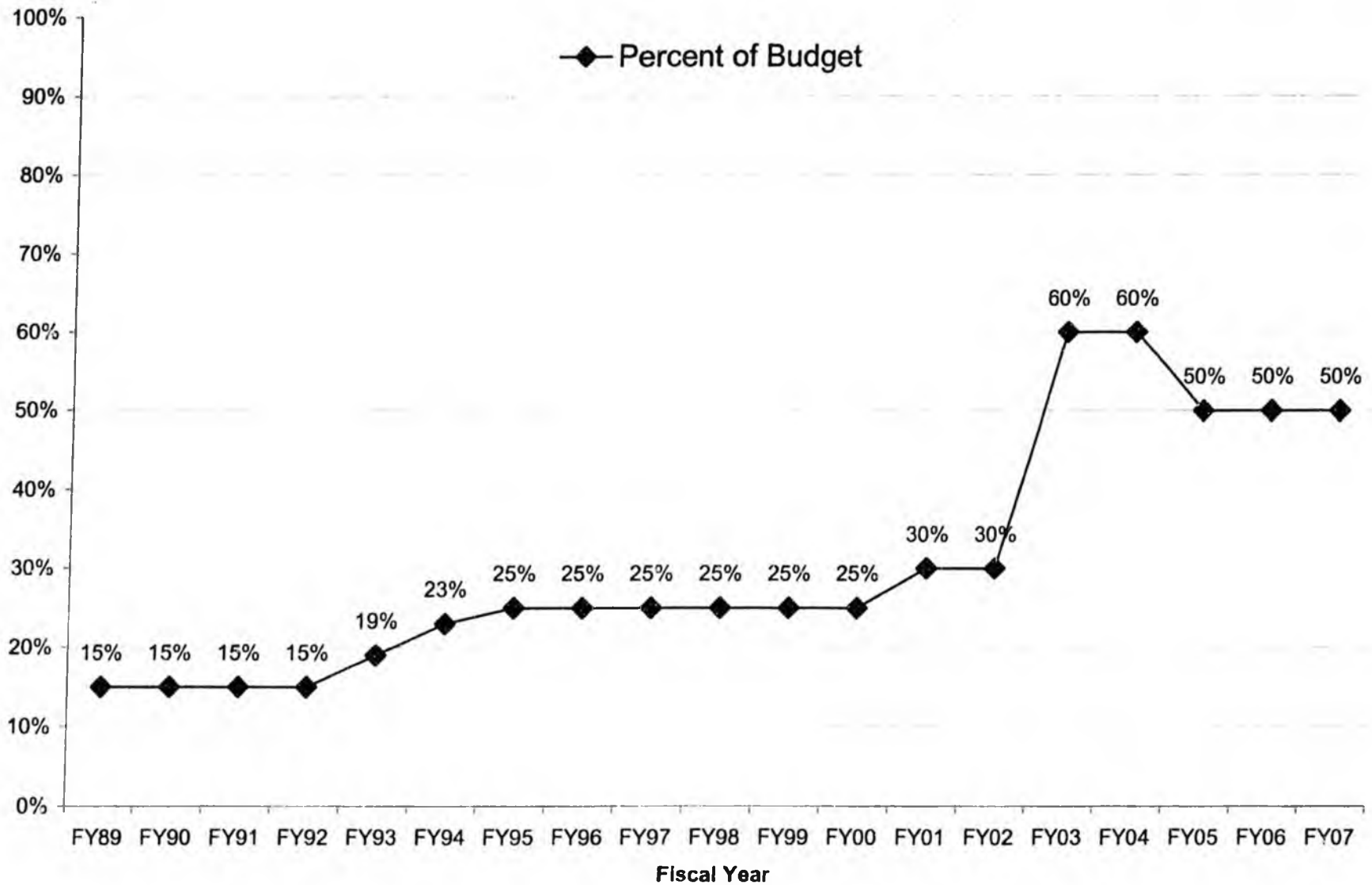
<u>PREVIOUS FISCAL NOTES</u>				
List by Dept(s):	FN#	Fiscal	Indet.	Zero

<u>Signing with recommendations</u>	Printed Last Name	DP (2)	DNP (1)	NR (3)	AM
<i>Mike Stogman</i>	STOGMAN			X	
<i>Andrew Tice</i>	A DOLL			X	
<i>John V...</i>	LYNN			X	
<i>C. J. Datter</i>	GATTU		X		
<i>Kyle B. Johnson</i>	JOHANSON	X			
Chair: <i>Mark...</i>	NEUMAN	X			
Chair:					

Tourism Marketing - Industry Payment in Lieu of Taxes



Tourism Marketing - Industry Payment in Lieu of Taxes



Alaska Tourism Fact:

\$1.6 Billion

Contribution to Alaska's Economy

Source: Alaska Dept. of Commerce, Community & Economic Development - 2002

Alaska Tourism Fact:

40,000 Jobs
(full-time equivalent)

Source: Alaska Dept. of Commerce, Community & Economic Development - 2002

Alaska Tourism Fact:

78% Local Hire

Source: McDowell Group
1999 Visitor Industry Economic Impact Study

Alaska Tourism Fact:

\$1.15 Billion
Tourism driven salary & benefits

Source: Alaska Dept. of Commerce, Community & Economic Development - 2002

Alaska Tourism Fact:

4,600 Hotel Rooms
Constructed in the past 10 years

Source: Alaska Dept. of Labor - 2004 (updated with ATIA data)

Alaska Tourism Fact:

\$470 Million

Industry Infrastructure Investment

Source: Alaska Dept. of Commerce, Community & Economic Development - 2002

Alaska Tourism Fact:

\$284 Million

Benefit to non-tourism business

Source: Alaska Dept. of Commerce, Community & Economic Development - 2002

Alaska Tourism Fact:

\$50 Million

State revenue from tourism (FY05)

Source: Alaska Dept. of Commerce, Community & Economic Development - 2006

Alaska Tourism Fact:

\$20 Million

**Net Contribution to State General Fund (FY05)
Nearly as much as Fishing, Timber and Mining - Combined**

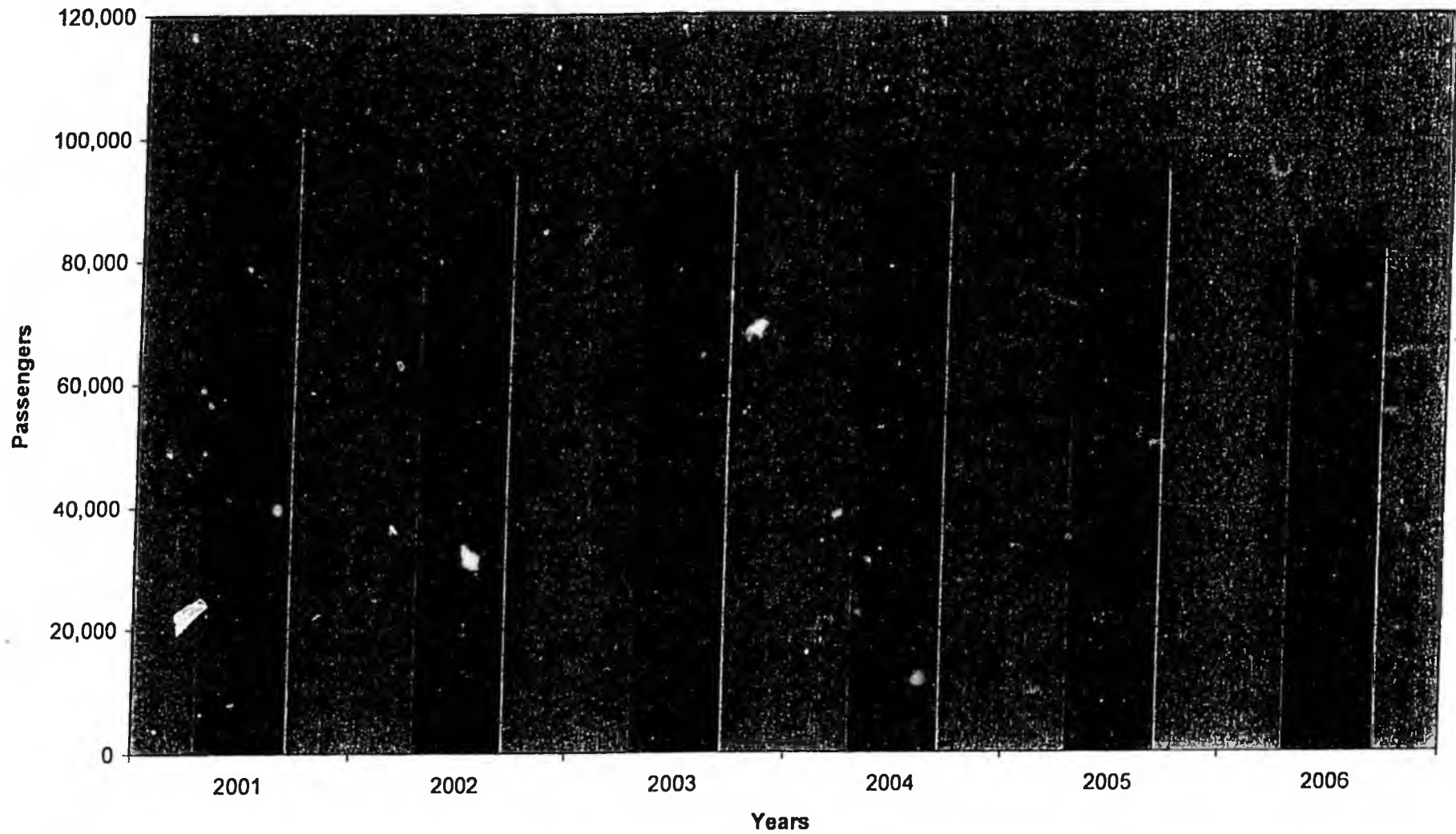
Source: Alaska Dept. of Commerce, Community & Economic Development - 2006

Alaska Tourism Fact:

\$21 Million
Local Government Bed Taxes

Source: Alaska Dept. of Commerce, Community & Economic Development - 2006

Alaska Canada Border Crossings 2001 - 2006



Border crossings (ALCAN and Poker Flats) exclusive of Motorcoach and Commercial Truck Traffic

Numbers Provided By Tok APLIC-Visitor's Center



Today, if you live in Alaska, you benefit from the visitor industry. From cab drivers to accountants, construction workers to florists, virtually everyone is affected by the business of travel. But because tourism is comprised of many different sectors and thousands of small businesses, its importance is often hard to discern. This report is meant to help Alaskans better understand one of our core industries – travel and tourism.

ALASKA'S VISITOR INDUSTRY: 2006 REPORT

T O U R I S M
It's everyone's business

The travel industry is a growth sector in the Alaska economy.

Did you know that travel & tourism is:

One of Alaska's largest industries!

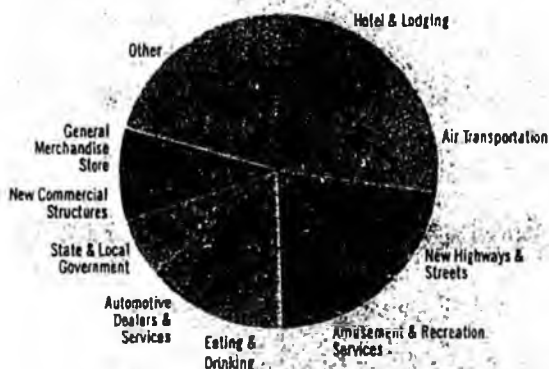
- \$1.6 billion in economic impact

One of Alaska's largest generators of employment!

- 40,000 jobs
- 13.7% of all employment

TRAVEL & TOURISM SALES BY SPENDING CATEGORY

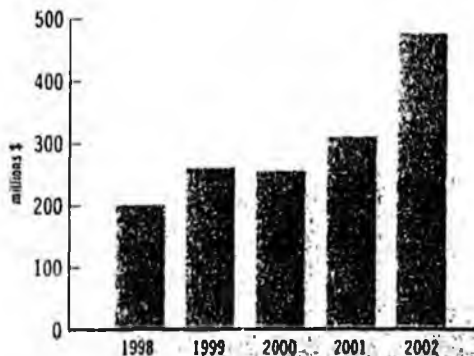
Source: The Alaska Tourism Satellite Account



Direct travel-related sales equal more than \$856 million dollars annually in Alaska. The largest single category is accommodations, which makes up 15% of sales. But spending doesn't stop there. A variety of industries seemingly unrelated to travel and tourism benefit from supplying businesses that service travelers.

TRAVEL & TOURISM CONSTRUCTION

Source: The Alaska Tourism Satellite Account



Tourism

is a renewable resource that helps diversify our economy and enhances the quality of life for Alaskans. A vibrant and growing visitor industry creates increased recreational opportunities for Alaskans, more frequent air service, lower property taxes and a wider variety of stores and restaurants to pick from. Many businesses in Alaska report that were it not for visitors, they would not be able to keep their doors open for residents.

Whether measured by jobs, economic contribution, quality of life or revenue to government, travel and tourism is one of Alaska's greatest opportunities.

ECONOMIC CONTRIBUTION

Engine of Growth

The tourism industry is one of our state's most important economic engines. Overall, travel and tourism's economic contribution in Alaska stands at more than \$1.6 billion annually, not including goods and services coming from outside the state. This represents 5.6% of Alaska's gross state product.

The travel industry is also an area of potential economic growth. Between 1998 and 2002 (the most recent year data is available), tourism's economic contribution in Alaska rose 38%.

REVENUE REALIZED BY NON-TRAVEL & TOURISM INDUSTRIES

Source: The Alaska Tourism Satellite Account

RANK	INDUSTRY	\$ VALUE
1	Real Estate	24.4 million
2	Engineering-Architectural Services	16.3 million
3	Wholesale Trade	14.9 million
4	Arrangement of Transportation	14.9 million
5	Banking	14.5 million
6	Maintenance and Repair Facilities	13.7 million
7	Natural Gas and Crude Petroleum	12.3 million
8	Motor Freight Transport/Warehousing	12.0 million
9	Communications	11.5 million
10	Accounting - Auditing and Bookkeeping	11.3 million
11	Management and Consulting Services	9.8 million
12	Other Business Services	8.8 million
13	Personnel Services	8.7 million
14	Computer and Data Processing Services	7.4 million
15	Electric Services	7.2 million
16	All Other Industries	96.5 million
	Total	\$284.1 million

The impact travel and tourism spending has on revenues is extensive. This list shows the degree to which tourism activity supports other businesses that provide services to the travel businesses in Alaska.

\$470 Million in Investments

In addition, travel-related businesses invest millions of dollars each year in capital projects that play a key role in Alaska's economy. These include construction of hotels, equipment and other infrastructure expenditures. While the amounts vary from year to year, the chart at left gives an example of construction expenditures related to travel and tourism over a five-year period.

REVENUE TO GOVERNMENT

Taxes and Fees

Visitors and visitor-related businesses are a source of revenue for state and local government in Alaska. In 2002, \$152.4 million in state and local government revenue was generated by travel and tourism in Alaska.

State taxes and fees include corporate profits tax, property tax, transportation and landing fees, licenses and an excise tax on rental vehicles, of which 85% or \$6.5 million is attributable to visitors.

Local governments collected \$58 million, primarily from property and bed taxes. In addition, cruise companies pay communities about \$14.6 million in dockage and moorage fees each year.

The Travel Industry Association of America estimates that each U.S. household would pay \$923 more in taxes without the tax revenue generated by the travel and tourism industry.

Lodging Taxes

Bed taxes are levied in many communities in Alaska. In 2005, 42 Alaska communities collected a lodging tax at a rate ranging between 3-10% and totaling \$21.5 million in tax revenues to local governments.

VISITOR STATISTICS

Visitor Spending

On average, each vacation/pleasure visitor to Alaska spends \$2,430, excluding transportation

Visitor spending has increased dramatically over the last decade. This growth is fueled by an increase in the overall number of visitors. Opportunities for visitors to spend money have also broadened with the expansion of tours and retail stores.

Most of the visitor industry growth in the last decade has been fueled by increased cruise travel. Affordable rates, capital investments and a worldwide growth in cruise travel have made this method of visiting Alaska a popular option. While many first-time visitors like the convenience of buying a prepackaged tour, almost a third (27%) of visitors who come back on their own first visited Alaska on a cruiseship.

Interesting Facts about Alaska Visitors

- 61% rate their trip as excellent
- 31% are repeat travelers
- 26% use frequent-flyer miles
- 81% are college educated
- The average age is 54
- The average length of stay is 10.7 days

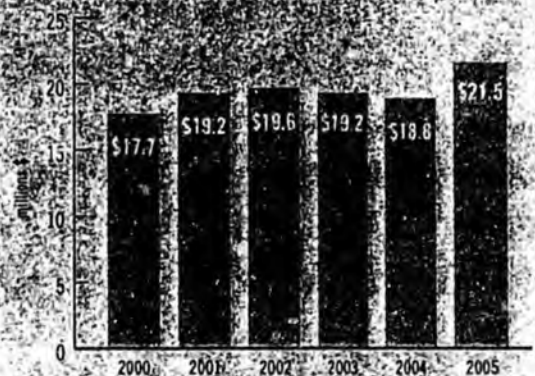
REVENUE TO STATE & LOCAL GOVERNMENT

Source: The Alaska Travel Industry Association



LODGING TAXES: 2001-2005

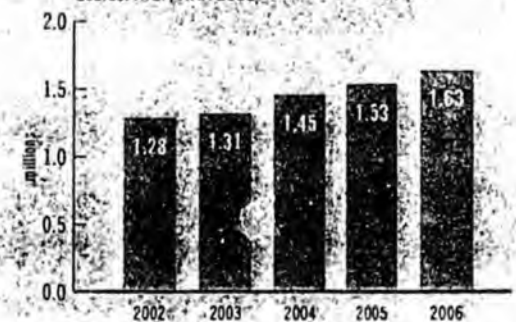
Source: Alaska Taxable 2005 Dollars



VISITOR VOLUME

2002-2006, MAY-SEPTEMBER

Source: AVSP, ATIA 2005



VISITORS BY TRAVEL MODE

2006 MAY - SEPTEMBER

Source: AVSP



INDUSTRY EMPLOYMENT

Tourism Generates Jobs

Travel and Tourism Economic Activity in Alaska Generates:

- 40,000 full-time equivalent jobs
- 13.7% of all employment in Alaska
- \$1.15 billion in wages and benefits to Alaska workers

These numbers show travel and tourism in Alaska to be a valuable industry in creating employment opportunities for residents. Alaska's travel industry accounts for 13.7% of all employment in Alaska. In other words, the industry directly and indirectly accounts for about one in every seven jobs.

Travel-related jobs are growing at a faster rate than overall employment in Alaska. Leisure and hospitality employment increased 10% between 2001 and 2005. This is good news for Alaskans in search of employment and a corresponding challenge to businesses that need to fill a wide variety of positions. Studies also show that the Alaska hire rate for the visitor industry (78%) is well above that of most other industries.

TOURISM MARKETING

Return on Investment

- Every \$1 spent on state tourism marketing returns an estimated \$168
- 31% of all respondents to the state's tourism marketing program travel to Alaska within four years

Instead of moving the product to the consumer, tourism is unique in that the consumer must be enticed to travel to the product. However, few businesses in Alaska are large enough to conduct a national advertising program to lure visitors north. As a result, most cities, states and even countries conduct an overall campaign to generate interest in the destination. It is then up to individual companies to attract visitors to their place of business. Alaska's state tourism marketing program in FY07 is \$11.5 million. This includes more than \$5 million raised and contributed by the private sector. Of the 16 states that use private sector dollars for state marketing, only Florida and California contribute more to their state's tourism marketing program. The majority of states utilize public funds. Alaska ranks 38th in public sector funding for tourism promotion.

Competition

Countries throughout the world have opened their doors to tourism as one of the most direct, low-impact areas for growth. Unfortunately, this has also led to extreme competition for visitor dollars. While Alaska has much to offer, there are many destinations in the world that are of equal interest to visitors. At the same time, research indicates that in the last six years, the percentage of U.S. adults who are high-potential Alaska travelers has declined from 11% to 9%.

Q&A

Q: Who makes up the visitor industry?

A: The vast majority of travel-related businesses in Alaska are small. Most companies have less than 50 employees and a great many have less than five employees. Businesses are interdependent with small companies dependent upon the larger companies and vice versa.

Q: Where can people find out about tourism job openings?

A: In addition to applying directly with businesses, you can log on to the Alaska Travel Industry Jobs website at www.AlaskaTourismJobs.com. Job fairs are also held each year for seasonal positions. A summer job is a great way to start in the business. Many of the state's most successful travel industry CEOs started with a front line position.

Q: I've got relatives coming. Where can I get more information on travel to Alaska?

A: For more information on trip planning to and within Alaska, log on to www.TravelAlaska.com. The site gives you information on all regions of Alaska and puts you in touch with hundreds of Alaska businesses. You can also order a free State Vacation Planner for you or your visiting friends and relatives.

Q: Who is the Alaska Travel Industry Association?

A: The Alaska Travel Industry Association (ATIA) is a non-profit organization that represents the visitor industry in Alaska. ATIA is contracted by the State of Alaska to serve as its official tourism marketing organization. ATIA's mission includes promoting travel to and within the state, increasing overall awareness of the visitor industry and working cooperatively with the state on tourism development and long-range planning.

SOURCES: The Alaska Tourism Satellite Account, A Comprehensive Analysis of the Economic Contribution of Travel and Tourism, prepared for the Alaska Department of Commerce, Community and Economic Development (DCCED), October, 2004 by Global Insight • Alaska Travel Industry Association 2003 & 2005 Conversion Studies, prepared by GMA Research • Alaska Economic Performance Report 2005, DCCED, June 2006 • The Net Return to the State of Alaska, Prepared for Alaska Senate Labor and Commerce Committee by the DCCED, March, 2006 • The Power of Travel 2006 and Survey of State Tourism Offices, Travel Industry Association of America

NOTE: Statements contained in this report are based on the most recent information available at the time of printing and are believed to be reliable. In Spring 2007, the Alaska Department of Commerce, Community and Economic Development will release the 2006 update to the Alaska Visitors Statistic Program.

Alaska Travel Industry Association
2600 Cordova Street, Suite 201, Anchorage, AK 99503 • (907) 929-ATIA (2842) • atia@alaskatia.org

Consumer Website: TravelAlaska.com
Association Website: Alaskatia.org





March 5, 2007

The Honorable Representative John Harris
Speaker, House of Representatives
State Capitol
Juneau, AK 99801

Dear Mr. Speaker,

Thank you so much for supporting the Alaska Travel Industry Association [ATIA] through your sponsorship of HB 147, "An Act relating to matching funds in state tourism marketing contracts with trade associations."

Seventeen years ago Harvard economist Michael Porter put forward the recipe for competitive success by establishing that winning industries or regions will be those that differentiate themselves by promoting their uniqueness. Alaska tourism has a competitive advantage by virtue of its beauty, location and natural resources, and the tourism industry has worked hard to promote the state's exceptional attractions.

But an increasingly competitive global marketplace is bearing down on us, and it is no longer enough to have a great product. As Porter said, we must have the means to compete and differentiate ourselves in a marketplace where other destinations are willing and able to spend much more to reach their markets.

The good news is that tourism, through its destination marketing efforts, offers a strong pipeline - a marketing pipeline that connects the Alaska travel experience and Alaskan businesses with consumers all over the world. The deliverable is immediate and equates to more than 1.9 million visitors every year.

Like other natural resource industries, we endeavor to reach the market, but our pipeline - built more than 50 years ago - needs refurbishing. The current destination-marketing budget combines \$5 million in private funds raised from the industry with \$5 million matched by the state, all managed by ATIA. But that amount is no longer enough for our message to penetrate the market. Increasingly, other destinations are flooding consumers with more television

commercials, travel stories, co-promotions, direct mail, brochures and Internet marketing. In fact, Alaska now ranks 38th out of the 50 states in terms of public sector funding for tourism marketing.

ATIA anticipates that its marketing effort will be further impacted when industry partners with bigger tax bills to pay are forced to abandon their voluntary contributions to the marketing program. Conservatively, ATIA stands to lose \$2.5 million in industry contributions along with the matching \$2.5 million from the state. Other state and municipal taxes, fees, transport charges, a new car rental tax, lodging tax increases and pending cruise industry taxes now account for an estimated \$140 million collected from tourism businesses and our visitors. This number increases when you add in other municipal and state assessments.

So who gets hurt when Alaska's competitiveness dwindles? Small tourism businesses, those who want jobs in the tourism industry, our economy and our economic advantage.

The decision to grow Alaska travel should be an economic development and investment decision - not a budget decision - in which the governor and the legislature participate. As the tourism industry faces an ever-competitive future with dwindling resources, the legislature has been asked to look at tourism as a renewable economic resource and to develop the economic potential of the industry by overhauling the existing pipeline to bring Alaska's travel resource to market, including:

1. Increase the funding level for the ATIA core destination-marketing program in the next state operating budget to \$20 million;
2. Increase the current funding level for a separate program to entice more independent travelers to \$8.5 million equal to the amount of the current vehicle rental tax.

The potential for the travel industry to further strengthen Alaska's economy and enhance its residents' quality of life is tremendous -- each vacationer spends about \$1,260 to enjoy flightseeing trips, fishing charters, museums, glaciers, Native culture and state and national parks. But developing it further will not happen by accident. If Alaska is to stay competitive for the good of future generations, it will be important to remember tourism is not just ATIA's business or the state's business or the legislature's business. Tourism is everyone's business.



Ron Peck, COO
Alaska Travel Industry Association

Rex Shattuck

From: Lori Stepansky [lstepansky@haines.ak.us]
Sent: Thursday, March 08, 2007 1:42 PM
To: Rep. Mark Neuman
Subject: *****SPAM***** Please Support Tourism.
Follow Up Flag: Follow up
Flag Status: Purple

Representative Neuman,

You are probably being inundated with the ATIA member emails to support tourism funding. I'll add my personal note that it is a no-brainer to see that promotion of Alaska as a destination will provide employment for people as well as bringing people here to spend money means more tax dollars for the state to work with. I know there are many issues to consider and no industry wants to deal with decreases in funding. I don't profess to be the most knowledgeable of all the realms of politics, but it has never made sense to me to cut back and add taxes in the areas which provide the sources of funding for many other areas.

I trust you will consider all the facts in making your decision.

Sincerely,

Lori Stepansky

WHERE DOES ALASKA RANK IN PUBLIC SECTOR TOURISM FUNDING?

- In **2005 we ranked 39th** in public sector funding for Tourism Marketing. That year, 25 states spent more than double Alaska's public sector funding.

The Alaska Travel Industry Association (ATIA) has consistently argued that the State's Tourism Marketing programs are essential to insure the visitor industry remains a strong, vibrant and growing sector of Alaska's economy. ATIA was established in 1999 and has accomplished a great deal in marketing Alaska as a destination for both domestic and international travelers.

Alaska now ranks 38th among the 50 states in public sector funding for tourism. We have rapidly lost much of our voice in the marketplace, while other states (and even many cities) as well as competing international destinations continually increase their investments in promotion. With current levels of funding for visitor marketing, Alaska's visibility in our extremely competitive industry will continue to decline.

Alaska has not only lost ground against competing destinations, but in the costs associated with our marketing efforts. Postage, TV airtime, Magazine ad space and even the simple cost of the paper have more than doubled since 1990 - in that same timespan the State's contribution to marketing has dropped from over \$14 million (over 22 million in 2006 dollars) to only \$5 million last year. Simply put, Alaska's marketing budget (a combined \$10 million last year) buys only a fraction of what it used to.

Since starting up in 1999, ATIA's financial participation in Alaska's tourism marketing program has grown from \$2 million to over \$5 million. The state's participation has dropped from over \$15 million in the early 90s to \$5 million in FY06. No other state has been as successful in raising marketing funds through voluntary private-sector contributions.

3/10/2007

ATIA raised over \$5 million in marketing funds in FY07. The State's operating budget reached parity with the industry at \$5 million each. However, taxes targeted at the industry will increase again this year and it is unrealistic to expect the same level of voluntary participation by heavily taxed sectors of the industry - therefore ATIA expects to reach only \$2 million in funds from our cooperative marketing programs. Some of the additional taxes received by the State in the next fiscal year should be re-invested to replace lost voluntary marketing contributions.

Tourism is not a drain on the State's resources. In fact, a 2006 report by the State's Department of Commerce, Community & Economic Development showed that Tourism had a net benefit to the State's coffers of \$20 million in FY05 - nearly as much as the combined net benefit of the Timber, Mining and Commercial Fishing Industries.

Alaska's visitor industry continues to be one of the state's largest employers and one of the bright spots in Alaska's economy during the past decade. The latest statistics from the Alaska Department of Labor show almost 40,000 annual jobs in the leisure and hospitality industry, more than 13% of the state's total job force. The industry represents \$1.15 Billion in wages & benefits to Alaskan workers.

Alaska's visitor industry is also an important economic engine that reaches out to many other industries and creates even more jobs for Alaskans. When you add in retail trade, transportation and service jobs, anyone can see why the tourism industry is so important to Alaska's economy.

For those who complain that tourism marketing is only for big business, they should look at ATIA's membership list. The majority of ATIA members have five or fewer employees. Over 90% have fewer than 50 employees. If it wasn't for ATIA's cooperative marketing programs, most wouldn't be able to afford to reach national and international audiences.

We understand the hard decisions facing the legislature as they plan each year's budget. However, as legislators consider the budget for Alaska's Tourism Marketing program we hope they'll keep in mind that this is an investment in Alaska's most vibrant and growing economic sector - and unlike many other sectors, one that is matched by the industry itself.

ATIA strongly believes that the \$18 million funding requested from State (matched by a private sector contribution of \$2 million) toward the ATIA administered Alaska Tourism marketing campaign should come from funding source(s) other than the State's vehicle rental tax.

ATIA urges the legislature to follow through on the original intent of the legislation that established the statewide vehicle rental tax, by depositing vehicle rental tax collections into a separate account and reinvesting 100% of the revenues (estimated at \$8.5 million in FY08) toward the funding of an Independent Traveler Marketing Campaign.

Lori Stepansky
Executive Director, Haines CVB
PO Box 530
Haines, AK 99827
907-766-2234
Fax 907-766-3155
Cell 907-314-0067
www.haines.ak.us
lstepansky@haines.ak.us

Haines...everything you dreamed Alaska would be.

TO: House Finance Committee Members
FR: Chip Thoma, Box 21884, Juneau, 99802
RE: ATIA Funding Request, HB 147
DATE: April 17, 2007

The state funding request today by the Alaska Travel Industry Association (ATIA) is a dramatic change from past agreements with the state to share equally in Alaska tourism promotion. Going from a 50-50% share to a 90-10% state-industry split is a fiscal departure that should be based on both demonstrated need and a logical advertising strategy for the future. Yet neither situation has transpired.

The ATIA has failed to make the case that its past state appropriations were well spent, or that increased 90-10 funding is the simple answer. Instead, the ATIA has chosen to blame the cruise ship initiative as the 'probable' cause of its funding woes, while ignoring the fact that private advertising for cruises to Alaska now tops \$70M a year. Market forces appear to be working naturally to make the ATIA irrelevant in the big picture of advertising for a \$2B a year Alaska tourism industry.

Governor Jay Hammond articulated the standard for state funding of industry years ago; no subsidies. ATIA should wake up and put its considerable marketing skills together to raise monies for the 50% share agreement they now enjoy, before it all dissolves in the wake of the wealthy cruise industry.

Please consider these points in deciding the appropriate funding levels and participation rates by the state and the private Alaska Travel Industry Association. Please reject HB 147 as an inappropriate level of state tourism funding.

Thank you for your attention to this issue. Chip Thoma

Beth Schneider

From: Mark Miller [mailto:markmiller@hotmial.com]
Sent: Tuesday, February 27, 2007 10:10 AM
To: Rep. Mark Neuman
Subject: Legislative Request

Dear Representative Neuman:

It was a pleasure to meet you at the Big Lake forum the other Saturday and talking to you and your staff member about issues important to the tourism industry in Alaska. As a resident of Meadow Lakes, I appreciate the leadership you and Senator Huggins have exhibited in the early part of this session and look forward to working with you both throughout this session and future sessions.

As the State's Tourism Planner working at the Alaska Travel Industry Association (ATIA), I have the opportunity to work next to those that market the State. Their \$10 million annual budget is funded from membership contributions and some money from the State as a qualified trade association within the Department of Community, Commerce and Economic Development,

In years past the split between state and membership funds has been 50-50 and the total allocation has been about \$5.0 million.

This year you have the opportunity to forge a lasting and positive impact on tourism marketing in Alaska, and its your participation in making that happen that brings me to you today.

In your position as Chairman of the House Committee for Commerce, Trade and Economic Development, I am asking for your support of recently submitted legislation by request of representative Harris, HB 147, that changes the State-ATIA split from 50-50 to 90 (State)-10 (ATIA).

This change is needed to maximize the funding that ATIA will receive from membership with State funds in light of potential decreased contributions from the Cruise Ship sector. As you know, once the Cruise Ship Initiative was passed last year by the electorate in a very close vote, the Cruise Ship contribution directly to the state went to possibly over \$100 million. It is my own opinion that the Cruise Ship industry, who has been a leading contributor to ATIA, will limit their contributions to ATIA in the future, therefore the 50-50 split is no longer valid and failure to change it may jeopardize the excellent marketing program conducted by ATIA.

Please support HB 147.

Additionally, ATIA is requesting that the marketing budget contribution from the State be increased from \$5.0 million to \$28.5 million.

Some \$8.5 million should come from the rental car tax passed in 2005, whose legislation states clearly that the tax collected was to be allocated to tourism marketing. Unfortunately, that has not yet happened.

Another \$20 million could come from part of the Cruise Ship allocation that will start flowing into the state general fund starting this spring. As a member of the Commerce, Community and Economic Development House Finance Sub-committee, you have the opportunity to make this happen. Based on the CPI increases between the Alaska tourism marketing budget in 1990 compared to 2006, the State contribution in 2006 should have been \$23 million, just to keep pace. The move to \$28.5 million for the total State contribution for the coming year is more than justified if the State wants to continue one of its strongest economic engine called tourism.

Thank you for considering my request. I believe you will find very strong support for these requests in the many members of the tourism industry in your District.

Take Care

Rex Shattuck

From: Bruce Bustamante [bbustamante@anchorage.net]
Sent: Friday, March 09, 2007 2:32 PM
To: Rep. Mark Neuman
Subject: HB 147 and HB 167

Dear Representative Neuman:

Alaska's visitor industry is also an important economic engine that reaches out to many other industries and creates even more jobs for Alaskans. When you add in retail trade, transportation and service jobs, anyone can see why the tourism industry is so important to Alaska's economy.

The Alaska Travel Industry Association (ATIA) also urges the legislature to follow through on the original intent of the legislation that established the statewide vehicle rental tax, by depositing vehicle rental tax collections into a separate account and reinvesting 100% of the revenues (estimated at \$8.5 million in FY08) toward the funding of a separate marketing campaign targeting independent travelers most affected by this tax.

ATIA's request for the State to appropriate \$18 million to fund a Statewide Tourism Marketing program will be matched by \$2 million generated from the industry in cooperative marketing programs to achieve a \$20 million marketing campaign. The state's re-investment, even at \$18 million, will be a fraction of the conservatively estimated \$130 million the State will receive in revenues.

We understand the hard decisions facing the legislature as they plan each year's budget. As legislators consider the budget for Alaska's Tourism Marketing program we hope they'll keep in mind that this is an investment in Alaska's most vibrant and growing economy. With that, I ask for your support of HB 147 and HB 167.

Thank you.

Bruce Bustamante
President/CEO
Anchorage Convention & Visitors Bureau
524 W Fourth Avenue
Anchorage, Alaska 99501-2212
Ph: (907) 276-4118
Fax: (907) 278-5559

Anchorage: Big Wild Life™
4-Time All-America City
Explore Anchorage.net

Rex Shattuck

From: director@sitka.org
Sent: Thursday, March 08, 2007 2:17 PM
To: Rep. Mark Neuman
Subject: Bills HB147 and HB167

Follow Up Flag: Follow up
Flag Status: Purple

March 7, 2007

Representative Mark Neuman,
Chair of the House Special Committee on Economic Development, Trade and Tourism State
Capitol, Room 432 Juneau, Alaska 99801

Dear Representative Neuman:

I urge you to realize the importance of Bills HB147 and HB167, which will affect the State's tourism marketing formula and core marketing program.

Our agency relies heavily upon the Alaska Travel Industry Association's marketing efforts to assist in reaching world-wide audiences. By their programs that offer co-operative efforts, we have been able to participate within our budget means for much needed additional exposure. Cuts to any of ATIA's marketing programs would strongly affect our promotion.

The decisions facing the legislature are difficult and I hope you will realize the state's marketing budget is an investment in Alaska's most vibrant and growing economic sector, tourism! ATIA members and partners have all invested in this worthwhile industry which has almost 40,000 annual jobs in leisure and hospitality, representing 1.15 billion in wages and benefits to Alaskan workers (according to the latest statistics from the AK Dept. of Labor)!

Out of the 50 U.S. States, Alaska ranks 38th in public sector funding for tourism. The state has lost much of its momentum in the extremely competitive marketplace. With current levels of funding for visitor marketing, Alaska's visibility in our extremely competitive industry will continue to decline. I thank you in advance for looking seriously at the importance of the bills HB147 and HB167.

Respectfully,
Sandy Lorrigan
Sitka Convention and Visitors Bureau
(907) 747-5940
PO Box 1226, Sitka, AK 99835
Sitka, Alaska - The Natural Place to Visit!



KETCHIKAN

Our lifestyle, your reward

March 9, 2007

The Honorable Mark Neuman
State Capitol, Room 432
Juneau, AK 99801
Rep_Mark_Neuman@legis.state.ak.us

Dear Representative Neuman,

The Ketchikan Visitors Bureau represents 300 businesses, organizations and individuals who support our efforts to market Ketchikan and the southern southeast region of the state as a visitor destination. Approximately 81% of our members employ 20 or fewer people. The visitor industry is vitally important to Ketchikan and to our members located in Saxman, on Prince of Wales Island, Hyder, Wrangell and Metlakatla. While the Ketchikan Visitors Bureau prides itself on executing and delivering a cost effective and results based marketing program, we cannot do it alone. That's why I am writing you to let you know how important the Alaska Travel Industry Association's marketing programs are to our organization and our membership.

The KVB simply doesn't have the resources to launch a full scale national and international marketing program. Television, national and international magazine ads, direct mail and public relations campaigns are critical to promoting a destination- which is why you will see so many states and large cities using these techniques to attract visitors. The fact that ATIA has a presence in the national media to promote Alaska, gives the Ketchikan Visitors Bureau a place there too. A percentage of my annual budget is contributed to ATIA each year towards the match required by the legislature. I participate in many ATIA advertising and marketing programs at additional cost because they are effective in my efforts to promote Ketchikan.

The tourism industry is a critical component of the economy in my community, generating \$152,000,000 in local spending and revenue to city and borough governments annually and accounting for 1,500 FTE jobs (*The Economic and Employment Impacts of the Visitor Industry in Ketchikan, 2004*: McDowell Group). The request before you and other legislators this year to increase funding of and lessen the match requirements for ATIA destination marketing dollars really does matter and must be viewed as an investment that returns many times over revenues to the state and local communities. We have already lost ground in the competition with other states to attract visitors but you have the opportunity now to grow the industry by increasing ATIA's ability to market Alaska to the world. I urge your support of HB147 and HB167. It's vital to Ketchikan, it's vital to Alaska.

Sincerely,

Patti Mackey
Executive Director

C: Representative Kyle Johansen
Representative Bill Thomas
Representative Peggy Wilson

KETCHIKAN VISITORS BUREAU • 131 Front Street Ketchikan, Alaska 99901 • 907-225-6166
E-mail: pmackey@visit-ketchikan.com • www.visit-ketchikan.com

20 March 2007

House Economic Development, Tourism, and Trade Committee
Public Hearing: HB147 & HB167

PUBLIC TESTIMONY

Brett Carlson
Northern Alaska Tour Company
Coldfoot, Alaska
ATIA, Vice-Chair

Thank you for choosing to serve on the Economic Development, Trade, and Tourism Committee --- and by doing so implicitly communicating that you believe the private sector economy in Alaska does matter.

In a State where state and federal government play such a significant role in the economy --- it is probably too easy to forget that private industry still exists as an economic engine that on a daily basis injects critical new dollars into Alaska's economy --- and in doing so --- balances the budget for thousands of Alaskan families --- plays a large role in balancing budgets for local governments across Alaska --- and plays a small but growing role in helping state government balance its budget.

Sooooo --- A big thank to each of you for your service on this committee and for not forgetting the importance of the private sector economy.

I am guessing that your service on this committee has given each of you a 30,000 foot view of Alaska's private sector economy --- a view I would assume comes with the somewhat uneasy and discomforting realization that Alaska's private sector economy, like private sector economies worldwide, is dependent, an increasingly so, on forces that are much larger than, and beyond the direct influence of any state or local government ----

Sure --- local and state governments --- can work to create the right "investment climate" --- and government leaders can declare themselves "open for business" ---

But there is no escaping the truth that the global economy is for real --- and it is the global consumer that now runs the show --- this global economic reality dictates that the global consumer's relentless pursuit of those goods and services that provide the greatest value at the lowest cost --- drives global capital markets that logically allocate investments to those locales that offer the greatest relative competitive advantage: --- and, end of day --- dictate whether or not

Brett Carlson has a private sector economic future in Coldfoot, Alaska --- or any other Alaskan has a private sector economic future in Anywhere, Alaska.

Yet ---

There are times when state government does have an opportunity to positively influence the future of Alaska's private sector economy ---

I would respectfully submit that the two bills before this committee today --- HB147 and HB 167 --- represent exactly such an opportunity ---

I encourage this committee to view these two bills as an economic development proposal --- you are the investment committee for Alaska, Inc. --- we, the proposers, are Alaska Travel Industry Inc. --- over 1,100 primarily small Alaska travel industry businesses, that together, are a big business --- this year our big business will take in over 1.6 billion in annual revenues and employ over 40,000 Alaskans.

I further encourage this committee to carefully scrutinize our economic development proposal carefully to ensure that it provides an adequate return on investment for Alaska and Alaskans ---

And --- this committee, and all legislators --- have a commitment from Alaska's travel industry to spare no effort in rolling-up our sleeves and making a case for the reinvestment of travel industry tax dollars into destination marketing that is grounded in solid facts and hard evidence.

Five quick points related to this investment proposal:

- 1) Travel is a natural resource industry --- fortunately, the Alaska travel product brings significant competitive advantages to the global marketplace --- natural beauty and cultural heritage that cannot be manufactured by other destinations --- and, that will become more scarce in the global travel marketplace over time.
- 2) Great product means nothing if it can't be brought to market --- in the global travel marketplace ALASKA is a brand --- brand is a very real asset, a little bit of a consumer's mindshare that is built upon firsthand experience, word-of-mouth, unpaid media, and paid advertising --- Alaskans are very fortunate to collectively own a strong and powerful brand --- but we cannot take its existence for granted --- destination marketing plays an important role in keeping brand ALASKA strong and vibrant --- the decreased funding for Alaska's destination marketing efforts since 1990 has begun to have a negative effect --- a new marketing study indicates that the number of high potential Alaska travelers in the United States has recently declined for the first time in twenty years.

- 3) A strong brand creates a strong market but we still have to make the sale --- if we do not ask people to visit, they will NOT come anyway --- each of us have destinations on our personal B4UDIE lists - none of us will make it to each of the places on our list --- we are most likely to visit those destination that invite us --- the 70 million dollars cruise companies spend inviting people to Alaska each year certainly has shown us that which we already knew --- **MARKETING WORKS**
- 4) The dollars proposed for reinvestment back into destination marketing are dollars coming into state government from the travel industry --- they represent a sustainable funding source --- the state receives a net return of over 20 million from the travel industry ---- that money can either be spent on growing state government or reinvested into growing the private sector.
- 5) Our proposal's ROI --- IF you choose to reinvest travel industry tax dollars into destination marketing --- the return will be a substantial dividend for Alaska --- for the private sector economy --- for the quality of life --- for local governments --- AND for state government --- the term investment is not used as a euphemism for "spending" --- the difference between a budget increment for destination marketing and thousands of other competing priorities is that reinvesting in destination marketing today will bring more travel industry tax dollars into state government tomorrow --- our investment proposal will help not hurt the state's future ability to balance its budget.

Having a great Alaska travel industry is not a matter of chance, it is a matter of choice --- but for good or for bad, it must be realized that it is not a choice that the thousands of Alaskan small business entrepreneurs can make on their own - --- the laws of economics and the global marketplace dictate that it is a choice that must be made in partnership with you, the elected representatives of the State's public sector --- Alaska's entrepreneurs CAN provide the great ideas and the 24/7 energy required to produce great travel product --- but it will require private industry, the Legislature, and the Governor all working together if we are to find a way to overhaul and upgrade the destination marketing pipeline that must exist if Alaska's travel resource is to continue to be brought to market --- the reward for success in this effort will be great --- a balanced, sustainable, and growing Alaska travel industry that will continue to deliver its significant economic and quality of life benefits to Alaskan's for decades to come.

Mar 29 07 06:08p

p. 1

Talkeetna Air Taxi, Inc.

EXPEDITION AIR SUPPORT
 MT. MCKINLEY SCENIC FLIGHTS
 AERIAL PHOTOGRAPHY
 GLACIER LANDINGS

March 23, 2007

CUSTOM SKI, BACKPACKING TRIPS
 WHITEWATER RAFTING & KAYAKING TRANSPORT
 AIRCRAFT ON WHEELS AND SKIS

Attention: Finance Committee & Economic Development Trade and Tourism
 Committee

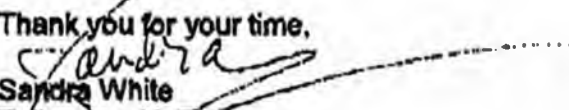
I firmly believe that tourism is one of the biggest brightest spots for the future economical health of our State of Alaska. My family has been earning a healthy living in tourism since 1968 and now my daughter is being trained in the essential real world skills of business, customer service and professionalism thanks to tourism. I have trained many young people in the upper Su-Valley and showed them a viable future in tourism enabling them to live and thrive in Alaska.

It is imperative that our State stand by the original intent of the Vehicle Rental Tax. House Bill #167 will remedy this oversight and fund the marketing of Alaska and benefit all the small mom and pop businesses that rely on the tourism season to sustain their families.

Also, House Bill #147 is vital to the tourism industry. Having been a member and past president of the Mat-Su Convention and Visitors Bureau as well as a lifetime resident of the Upper Susitna Valley I have watched the rural businesses fade and struggle. It seems that the beginning of the struggle matched the beginning of the steady decline in the State's contribution towards tourism marketing, while at the same time other "destinations" have increased their funding. The cruise ship industry has marketed our state very well and the numbers show it, they are the only reason the number of visitors to our state haven't bottomed out. My small company does not have a contract with a cruise company, however we know our clients and my estimate is that 45-70% of our clientele are the "disappearing cruiser" (pre or post cruisers who travel the Interior on their own). Without their marketing efforts we would be almost out of business. With the new "head tax" we are in danger of losing those marketing dollars as the world market place becomes more and more competitive. Other "destinations" have been much quicker on the up-take in seeing the economic value of tourism dollars... or money flowing into state coffers (licences, fees, jobs, construction, infrastructure, taxes).

We have gone from being in the top ten to the 38th in rank for tourism marketing funds. Twenty five states spent more than double. Please support small business; have the vision to bring the benefits of this renewable industry home and add to the economic stability of our State.

Thank you for your time,


 Sandra White
 Talkeetna Air Taxi
 PO-Box 73
 Talkeetna AK 99676
 (907)733-1881

Valdez

CONVENTION & VISITORS BUREAU

P.O. Box 1603 • Valdez, Alaska 99686 • Ph: (907) 835-2984 • Fax: (907) 835-4845 • www.valdezalaska.org

EVEN MOTHER NATURE HAS FAVORITES! SEE WHY, VISIT VALDEZ.

Representative Mark Neuman
State Capitol, Room 432
Juneau, AK 99801

RE: HB 147 and HB 167

Dear Representative Neuman:

On behalf of the 175 members of the Valdez Convention and Visitors Bureau we are writing you this letter to urge you to support HB 147 and HB 167.

The community of Valdez is often known in the State as an oil town; however we are also a tourism town with the ability to host over 2500 guests in a given night. Our community and member businesses are directly dependent on the travelers coming to Alaska and therefore dependent on the generic marketing program of the Alaska Travel Industry Association.

In the last year the programs of the Alaska Travel Industry Association have produced major results for Valdez such as:

- 6 travel related features in national newspapers, magazines, and on radio stations,
- 5 new itineraries in brochures from international tour operators, and
- Thousands of leads from cooperative advertising and marketing programs.

These amazing results are created from the current budget; imagine the results that could be realized if the increase in the funding equations and levels outlined in HB 147 and HB167 were a reality.

Currently Alaska ranks 38th among the 50 States in the amount of public funds used for tourism marketing. The public funding in other states and even cities has continued to grow larger than that of the State of Alaska, causing Alaska to quickly lose its ability to properly compete in the marketplace both nationally and internationally. Additional funding is necessary to stop the loss and allow Alaska to make the necessary gain in the marketplace. The communities that stand to benefit the most from increased generic marketing for Alaska are those like Valdez – the smaller towns of the State.

The Valdez Convention and Visitors Bureau urges you to support HB 147 and HB 167 because by supporting these pieces of legislation you are supporting the health of the tourism industry in Alaska.

Sincerely,

Colleen Stephens

Colleen Stephens
President of the Board of Directors
Valdez Convention and Visitors Bureau
PO Box 1603
Valdez, AK 99686
info@valdezalaska.org

CC: Representative John Harris
Alaska Travel Industry Association

Rex Shattuck

From: Karen Hess [riveradventures@aptalaska.net]
Sent: Sunday, March 18, 2007 10:17 AM
To: Rep. Mark Neuman
Subject: *****SPAM***** Support HB147 & HB167

I am sending this e-mail to let all of you know that I am in support of the following bills: HB 147 & HB 167

My husband and I own and operate a tour company in Haines and have been in business since 1991. During those years we have grown our company from the simple Mom & Pop (literally) operation, to a business that owns property, has infrastructure in place to accommodate our customers, feed lunches and provide a wilderness experience to our visitor's. We work with the cruise ships but also try our best to attract the independent clients that can spend more time in Alaska. I would encourage the State of Alaska to increase funding for marketing Alaska as a destination. It amazes me that we can see commercials advertising states like Idaho, Iowa, Nebraska and countries like Ireland and yet our own State of Alaska, the most beautiful State in the Union cuts funding each year for marketing. Although the cruise lines do a great job of advertising Alaska for us, that does not bring the "rubber tired" traffic that we are losing. We need it all, cruise ships, air traffic, rubber tire traffic and visitors that spend time and money. We need to grow our economy and the only way to do that is to advertise that we are "open for business".

As a business owner and a member of ATIA I am very actively involved in promoting our state but we need more funding from the State level. Please consider funding the Alaska Marketing Program as requested. When AVA and ATMC combined in 1999 it lifted employee burden from the state and reduced expenses. I believe this was a good move but continuing to reduce funding and expecting the private sector to pick up that slack is not adequate.

Thank you for your consideration.

Karen M. Hess
Chilkat River Adventures, Inc.
Haines, Ak.
(907) 766-2050

Representative Neunan,

We own a vacation rental business, the Homer Retreat, in Homer, Alaska. We also own and operate the Chicken Gold Camp & Outpost, a tourist resort in Chicken Alaska on the Taylor Highway. We have operated businesses in the Chicken area for 28 years. Our tourism business, which incorporates a campground, restaurant, gift store, adventure tours and National Historic Site, has grown significantly over its 6 years of existence. Our businesses have provided a number of benefits to the rural local economy and the State, including increased employment, more local services, etc. But we are concerned with the continuing downturn in individual highway travelers.

The number of travelers using the Taylor Highway and Top of the World Highway has decreased from highs in the late 1990's to a decade low last summer. The number of border crossings at the Poker Creek station in July of 2006, was down 42.5% from the previous year and more than 50% from the past 10 year average. The 2006 numbers were actually worse than 2004, which was an exceptionally bad year due to the Taylor Complex fires. Border crossings at all borders were lower last year than any in this decade. This reduction corresponds with the inadequate funding to promote independent travel statewide.

The Alaska Travel Industry Association has proposed seeking \$8.5 million in State funding for independent and highway travel marketing. In our view, it is warranted and long overdue. HB 167 has been introduced and we strongly encourage you to support this bill as well as HB147. The passage of HB167 would help re-invigorate the independent travel segment of State tourism. Although the Homer market has fared rather well in comparison to other areas, it too would benefit with passage of this Bill. The independent campground owner, fishing charter operator, gift store operator, bed and breakfast owner, small tour operator, rental agencies, etc, all can benefit by marketing independent travel.

Added promotional marketing of independent travel will serve to spread the tourism economy to some of the under-served, rural areas of the State as well as encouraging visitors to see more and stay longer. Increased spending for marketing of independent and highway travel will help to develop more destinations and reduce some of the overuse of the high profile destinations. For our business and other small, rural, seasonal businesses, increased marketing can prime the pump and foster more local hire and economic growth in the areas of the State with the highest un-employment. Thanks for your consideration.

Respectfully,

Mike & Lou Busby

Chicken Gold Camp & Outpost

www.chickengold.com

Homer Retreat

www.homerretreat.com



Alaska State Legislature

Please enter into the record my testimony to the **House Special Committee on Economic Development, Trade and Tourism**, dated 3/13/07.

We would like to add our voice to the chorus asking that the funding for Alaska Tourism be maintained at the highest level possible. We have had the advantage of true wilderness authenticity for 50 years but as new worldwide adventure destinations multiply Alaska will be forced to compete---via elevated advertising and promotion---for the traveler dollars.

Without aggressive financial support from our government, our industry can possibly hold our own--- for awhile. But the state needs, not status quo, but a growth industry that benefits all Alaskans.

Thanks you for maximum financial support of an important economic engine.

Laurence

Laurence John
Great Alaska Adventure lodge
www.greatalaska.com

800 544 2261

Notes on CS HB 147(FIN)

CS HB 147 (FIN) Tourism Contract Matching Funds

The Finance Committee Substitute for HB 147 changes the match required of the qualified trade association (QTA) to receive State funds for the tourism marketing campaign. The current formula requires a 50/50 contribution from the State and the QTA based on the total funding for the campaign.

Under the CS, the QTA would be required to provide matching funds equal to at least 30 percent of the state money used for the marketing campaign. The State money used for the campaign may not exceed \$8 million.

Why do we need a new fiscal note?

Now that the dust has settled, for the most part, on the operating budget, it was decided that a fiscal note should accompany HB 147 that includes an appropriation that would bring the total amount available for the contract to \$8 million. This approach would be best, since if HB 147 is not passed by the Legislature this year, the QTA would operate under the current program, which is a 50/50 matching program and the QTA cannot match \$8 million.

There is \$4.2 million in the FY 09 operating budget currently. A fiscal note that appropriates \$3.79 should be attached to the bill. This would bring total funding for a QTA to \$8 million in FY 09 if HB 147 passes.

It was also agreed upon that the QTA would not seek supplemental grant authority in the capital budget either this year, or in the following years. Currently, there is \$3.0 million in the capital budget that will be removed.

Why did Finance not adopt a fiscal note to accomplish this?

The FY 09 operating budget was still being considered by subcommittees when HB 147 was back before the Finance Committee this year for consideration. It was unknown at that time if an amendment would be made to add the funds to the Department of Commerce, Community and Economic Development's budget. Since the appropriation should be contingent on passage of the legislation, than it most accurately reflected in a fiscal note.

HB

2017

Alaska State Legislature

Representative Peggy Wilson

House District 2

Putting Alaska's Families First

MEMORANDUM

Date: March 10, 2008

To: Representative John Coghill, Chairman, Rules Committee

From: Representative Peggy Wilson ^{du}

Re: CSHB 207 – Student Questionnaires and Surveys

I would like to request CSHB 207 be calendared on the House Floor as soon as possible. CSHB 207 will change the parental consent requirement for surveys and questionnaires in schools from active to passive.

School based surveys continue to be a reliable method for gathering valuable population based information on youth. The current active consent overburdens the school system and significantly increases the costs involved in conducting student surveys. It is estimated that over 80% of the parents who do not return written permission for participation in surveys is not because they do not want their child to take the survey, but rather because of apathy, oversight or student error. This bill will change the current practice of active permission to passive permission so that the parent has the option to deny permission rather than the requirement to provide written permission.

Thank you for considering this important piece of legislation.

ALASKA STATE LEGISLATURE

Interim:
P.O. Box 109
Wrangell, AK 99929
Phone: (907) 874-3088
Fax: (907) 874-3055



Session:
State Capitol, Room 403
Juneau, AK 99801-1182
Phone: (907) 465-3824
1-800-686-3824
Fax: (907) 465-3175

**REPRESENTATIVE PEGGY WILSON
HOUSE DISTRICT 2**

SPONSOR STATEMENT Committee Substitute House Bill 207

“An Act relating to questionnaires and surveys administered in the public schools.”

HB 207 changes the parental consent requirements for surveys in schools from active to passive for anonymous surveys.

School-based surveys are a reliable method for gathering valuable population based information on youth that helps policy makers, educators, program planners and parents to better understand important health and social issues that affect their chances of success.

Routine standardized surveys such as the national and state Youth Risk Behavior Survey track trends over time and help guide and evaluate important health and prevention programs. State and federal grant programs that rely on these surveys include tobacco prevention and control, obesity prevention, diabetes, heart disease and stroke, safe and drug free schools and other substance abuse prevention, injury prevention, including violence and suicide prevention, HIV and STD prevention, and more.

Active parental consent requires written permission to opt in to participate in the survey. Active parental consent overburdens the school system and drastically increases the costs and labor involved in conducting student surveys. Though research and experience suggests that the vast majority of parents would consent to their students participating in such surveys, many schools are unable to use the data they collect because there are not enough participants. Most of the research indicates parental failures to provide written permission are driven by apathy, oversight, or student error, not by refusal. Passive parental consent notifies and informs the parents about the nature of the surveys and allows for parents to provide a written refusal to opt out of the survey.

Notification of surveys and their content will still be sent to every parent of a child that is a candidate participant in the survey. A parent will have the option of reviewing the entire survey and how it will be administered before it is administered. Any parent who doesn't want their child to participate will have the option to opt-out.

The House Health, Education and Social Services Committee Substitute made a change to clarify that written permission is required for non-anonymous surveys and written denial of permission is required for anonymous surveys.

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB207
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Education
 Title Student Questionnaires and Surveys RDU Teaching & Learning Support
 Component Student and School Achievement
 Sponsor Representative Wilson
 Requester House HESS Component No. 2796

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
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						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2007) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill has no fiscal impact on the Department of Education and Early Development. We are, therefore, submitting a zero fiscal note.

Prepared by: Terri Campbell
 Division: Teaching & Learning Support
 Approved by: Barbara Thompson, Deputy Commissioner
 Agency: Education and Early Development

Phone 907-465-8719
 Date/Time 4/2/07 12:00 AM
 Date 4/2/2007

ALASKA STATE LEGISLATURE



Interim:
P.O. Box 109
Wrangell, AK 99929
Phone: (907) 874-3088
Fax: (907) 874-3055

Session:
State Capitol, Room 403
Juneau, AK 99801-1182
Phone: (907) 465-3824
1-800-688-3824
Fax: (907) 465-3175

**REPRESENTATIVE PEGGY WILSON
HOUSE DISTRICT 2**

Sectional Analysis

Committee Substitute for House Bill 207

"An Act relating to questionnaires and surveys administered in public schools."

Section 1. Requires a school district to get written permission to administer a questionnaire or survey. It exempts anonymous surveys. Surveys that concern public information are also exempted.

Section 2. Requires a school district to provide a parent or guardian the opportunity to deny permission to take an anonymous questionnaire or survey. Written permission is not required.

Section 3. Defines a 2 week time frame for school districts to notice parents of an upcoming questionnaire or survey so that they may either deny permission, for anonymous, or grant permission, for non-anonymous, surveys.

Section 4. Defines what a written notice must contain.

Section 5. Adds language to current statute that defines how a parent can deny permission for student to participate in an anonymous survey.

ALASKA STATE HOUSE OF REPRESENTATIVES



Contact:

Interim Address:

**3340 Badger Road
North Pole, AK 99705
(907)-488-5725
Fax# (907)-488-4271**

Session

**(907)-465-3719
FAX# (907)-465-3258
State Capitol
Room 204**

REPRESENTATIVE JOHN COGHILL

MEMORANDUM

Date: March 26, 2008

To: Jean Mischel, Legal Counsel

From: Rynnieva Moss, Legislative Aide

A handwritten signature in cursive script, appearing to read "Rynnieva Moss".

Re: HB 207

Thank you for the amendment. Representative Wilson talked to Representative Coghill this morning and requested we do a CS in Rules to make the changes to HB 207 as per the amendment. Please prepare a Rules Committee CS for HB 207 reflecting the changes in 25-LS0680\L.1. Thanks.

Rynniva Moss

From: Rep. John Harris
Sent: Tuesday, February 19, 2008 11:43 AM
To: Rynniva Moss
Subject: FW: thank you

Rynniva:

I know HB207 has been probably been flagged for your attention...but wanted to make sure you saw this opposition note from Debbie Joslin. I have also received opposition messages from Jim Minnery at AK Family Council. Thank you!!

John W. Bitney
Office of Rep. John Harris
Speaker of the House
(907) 465-3721

From: Debbie Joslin [mailto:joslin@wildak.net]
Sent: Sunday, February 17, 2008 8:02 PM
To: Rep. John Harris
Subject: thank you

Dear Rep. Harris:

Thank you for making time in your schedule to do the photo op for Victoria while she was in Juneau with me last month. She was so excited and she appreciated the extra attention.

I also wanted to let you know that Eagle Forum Alaska has taken a position against Rep. Peggy Wilson's bill HB207. This is a bill that would place an undue burden on families by giving public schools the right to administer nosy questionnaires and surveys to children without parent's permission. If HB207 is made law, parents will have to take the initiative to opt their student out. As you know Rep. Harris, parents are already very busy and there is a chance that parents would not be notified and given the option of opting out. This bill undoes the good that was done by legislation sponsored by Senator Fred Dyson just a couple of years ago.

Eagle Forum hopes we can count on you to allow this bill to die where it lies, so that the rights of parents are not infringed upon for the convenience of the public school system.

Working for the family,

Debbie Joslin

2/19/2008

President, Eagle Forum Alaska

(907) 460 9573

From: Cathy Carter [ccarter@bartletthospital.org]
Sent: Tuesday, April 24, 2007 7:59 AM
To: Rep. Jay Ramras
Subject: FW: HB 207

From: Cathy Carter
Sent: Tuesday, April 24, 2007 7:56 AM
To: 'Representative_Jay_Ramras@legis.state.ak.us'; 'Representative_Nancy_Dahlstrom@legis.state.ak.us';
'Representative_John_Coghill@legis.state.ak.us'; 'Representative_Bob_Lynn@legis.state.ak.us';
'Representative_Ralph_Samuels@legis.state.ak.us'
Cc: 'Representative_Max_Gruenberg@legis.state.ak.us'; 'Representative_Lindsay_Holmes@legis.state.ak.us'
Subject: HB 207

Legislators,
I respectfully submit my comments. I was recently involved as a consultant through the University of Arkansas in Little Rock to develop a multi-county network to promote access to health care in the rural areas of the Mississippi Delta. We relied heavily on data. Our job was hampered by the quality of data available. Accurate data is so hard to come by. I implore you to support HB 207 in order to promote meaningful data collection. As a nurse manager, I strive to promote health at every opportunity. Spending for health care should be based on scientific study and caring decision-making.

Thank you for your work to promote quality of life for Alaskans.
Catherine Price Carter, MSN, RN



American Heart Association | American Stroke Association

Learn and Live.

Pacific/Mountain Affiliate
3700 Woodland Drive, Suite 700
Anchorage, AK 99517-2555
907.865.5303 (phone)
888.276.0858 (tol-free)
907.865.5310 (fax)
americanheart.org

April 24, 2007

Representative Jay Ramras
State Capitol, Room 118
Juneau, AK 99801-1182

Dear Representative Ramras:

The American Heart Association is writing to you in support of HB 207, a bill that would change the requirements of parental consent for students to participate in anonymous questionnaires and surveys. Currently, parents must actively consent in order for their child to participate in anonymous surveys about student health and behavior. If HB 207 were to become law, parents and students could still opt out of participation, but if they declined to opt out, their consent to participate would be implied.

The American Heart Association is a national voluntary health agency whose mission is to reduce disability and death from cardiovascular diseases and stroke. The American Heart Association supports HB 207 because it would make it feasible to collect weighted, statistically significant data to accomplish important public health tasks like tracking childhood physical activity levels, and ensuring that tobacco prevention programs directed at our youth are on-target and actually effective in reducing tobacco use.

By allowing the state to track the health of our children, HB 207 will result in better, more effective programs directed at Alaska's children, and ultimately reduce preventable threats to cardiovascular health like tobacco use and chronic obesity.

Thank you.

Suzanne Meunier
Director of Advocacy

RECEIVED
APR 12 2007

George W. Brown, MD
Community Pediatrician
1640 Second St. Douglas, AK 99824 907 364 2726 gwbrown76@yahoo.com

Representative Peggy Wilson
Alaska State Capitol Room 403
Juneau, AK 99801

April 11, 2007

Dear Representative Wilson:

Thank you for the opportunity to speak on behalf of HB 207 yesterday. Since returning to Juneau after 1 & ½ years medical work in Kenya, I sense a fresh wind is blowing for the future of Alaska. The discussion about HB 207 is an example. I know you and your legislative colleagues must look hard at state government costs. It is also obvious that all the requests and worthwhile ideas thrown at you cannot be supported. Making and sticking with priorities is hard work. The study your HESS committee did last year is an example.

One of the most important priorities for Alaska's future is her children. I am most grateful SB 4 and CS for HB 198 have addressed Denali Kid Care (DKC). Yet for children, it is necessary to promote further improvements for child health care access. SB 87, as well as HB 140, aims to do this. Their ultimate goal is extending DKC to 200% of the federal poverty level for all and to 300% for families willing and able to provide a co-pay. Such increase in access to child health care will cost us state dollars for many years. But, as Dr. Monica Gross said in her testimony for HB 140, the process of getting many more children into regular medical care (we call it their "medical homes") means work on prevention and on-going health education for parents and children. It is a pleasure to see hard working families bring in their children for regular well child and adolescent care to receive these preventive and education services. Public health and child health economists have calculated the cost savings from such regular care which decreases emergency room and hospital use. This gives back \$4.50 to DKC for every \$1 spent.

Please make HB 140 a priority for consideration through the necessary committee process so it, or a similar CS, will go for a floor vote this session. As citizens continue to see the legislative and administration work of consensus and cooperation this year, the "answer" truly seems to be "blowing in the wind".

Respectfully,

George W. Brown

cc: House and Senate Finance and Rules members

From: Chris Chandler & Randy Magen [mailto:chrisrandy@gcl.net]
Sent: Thursday, April 12, 2007 1:10 PM
To: Rep. Peggy Wilson
Subject: HB 207

Dear Representative Peggy Wilson,
I support your efforts with HB 207:

HB 207, an act relating to questionnaires and surveys administered in schools, sponsored by Representative Peggy Wilson, changes the permission required for students to participate from active to passive. That means a student participates unless a parent/guardian says "no". As you may recall, the permission requirement was changed to active in the late 1990's with the result that survey data collected was insufficient or not valid for use. The Youth Risk Behavioral Survey (YRBS) suffered the most.

As a Family Nurse Practitioner Graduate Student and am currently completing a thesis on adolescent and young adult males and sexual risk taking behaviors. It has been extremely difficult, if not impossible to find appropriate outlets to gather information for my survey. I support your effort in bring this bill into action.

Christine Chandler, RN, BSN, MSN/FNP graduate student

From: Redwood, Diana [mailto:dredwood@anmc.org]
Sent: Thursday, April 12, 2007 9:55 AM
To: Rep. Peggy Wilson
Cc: Rep. Bob Roses; Rep. Anna Fairclough; Rep. Mark Neuman; Rep. Paul Seaton; Rep. Sharon Cissna; Rep. Berta Gardner
Subject: *****SPAM***** FW: HB 207,House H&SS Thursday at 3PM, change permission for surveys

Good morning,

I just wanted to take a moment to voice my support for HB 207, an act relating to questionnaires and surveys administered in schools, changing the permission required for students to participate from active to passive. Information from surveys such as the YRBS are vital to preventing and reducing health risks.

I am in full support of this bill, and hope that it passes into law. Thank you for the opportunity to write.

Sincerely,
Diana Redwood

Diana Redwood, MS, MPH
Nutrition Research Specialist
Office of Alaska Native Health Research
Alaska Native Tribal Health Consortium
4315 Diplomacy Dr
Anchorage AK 99508
Phone: 907.729.3959
Fax: 907.729.2924
E-mail: dredwood@anmc.org



April 3, 2007

The Honorable Peggy Wilson, Chair
House Health, Education and Social Services Committee
Alaska State Capitol, Room 403
Juneau, AK 99801-1182

RE: HB 207 (Wilson)—Support

Dear Chair Wilson:

On behalf of the members of AARP in Alaska, we strongly encourage you and your colleagues on the House Health, Education and Social Services Committee to support your bill HB 207.

AARP is the world's largest organization of grandparents. There are over 89,000 AARP members in Alaska. Most of our members benefited from participating in America's public education program. We are strong supporters of public education. We understand that, to be successful, educators must be able to secure information that aids in their decision-making. This includes student surveys.

Currently parents must opt-in to have their students participate in surveys. HB 207 would return us to our previous system in which a parent would have to opt-out if they did not wish their child to participate in a survey.

Knowing how difficult the current situation has been for successful surveys, AARP supports HB 207, recognizing that surveys of students will only be worthwhile if sufficient numbers participate. The grandparents of AARP support public education and successful survey research for our Alaska students.

We urge an "AYE" vote on HB 207.

Should you have any questions about our position, please feel free to contact me (586-3637) or Patrick Luby, AARP Advocacy Director (907-762-3314).

Thank you for your consideration.

Sincerely,

Marie Darlin

Marie Darlin, Coordinator
AARP Capital City Task Force
415 Willoughby Avenue, Apt. 506
Juneau, AK 99801
586-3637 (voice)
463-3580 (fax)

CC: Vice-Chair Bob Roses
Representative Anna Fairclough
Representative Mark Neuman
Representative Paul Seaton
Representative Berta Gardner
Representative Sharon Cissna
Representative Mike Kelly



YRBSS

Youth Risk Behavior Surveillance System

What is the Youth Risk Behavior Surveillance System (YRBSS)?

The YRBSS was developed in 1990 to monitor priority health risk behaviors that contribute markedly to the leading causes of death, disability, and social problems among youth and adults in the United States. These behaviors, often established during childhood and early adolescence, include

- Tobacco use.
- Unhealthy dietary behaviors.
- Inadequate physical activity.
- Alcohol and other drug use.
- Sexual behaviors that contribute to unintended pregnancy and sexually transmitted diseases, including HIV infection.
- Behaviors that contribute to unintentional injuries and violence.

What are the purposes of the YRBSS?

The YRBSS was designed to

- Determine the prevalence of health risk behaviors.
- Assess whether health risk behaviors increase, decrease, or stay the same over time.
- Examine the co-occurrence of health risk behaviors.
- Provide comparable national, state, and local data.
- Provide comparable data among subpopulations of youth.
- Monitor progress toward achieving the Healthy People 2010 objectives and other program indicators.

What are the components of the YRBSS?

The YRBSS includes national, state, and local school-based surveys of representative samples of 9th through 12th grade students. These surveys are conducted every two years, usually during the spring semester. The national survey, conducted by CDC, provides data representative of high school students in public and private schools in the United States. The state and local surveys, conducted by departments of health and education, provide data representative of public high school students in each state or local school district.

The YRBSS also includes additional national surveys conducted by CDC:

- The Youth Risk Behavior Survey, conducted in 1992 as a follow back to the National Health Interview Survey among nearly 11,000 persons aged 12–21 years.
- The National College Health Risk Behavior Survey, conducted in 1995 among a representative sample of about 5,000 undergraduate students.
- The National Alternative High School Youth Risk Behavior Survey, conducted in 1998 among a representative sample of almost 9,000 students in alternative high schools.
- A series of methodological studies conducted in 1992, 2000, 2002, and 2004 to improve the quality and interpretation of the YRBSS data.

Where can I get more information? Visit <http://www.cdc.gov/yrbss> or call 800-CDC-INFO (800-232-4636).



DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR DISEASE CONTROL AND PREVENTION





ESEA Information Update

Wisconsin Department of Public Instruction/Elizabeth Burmaster, State Superintendent, P.O. Box 7841/Madison, WI 53707-7841

Bulletin No. 02.14

Created: April 11, 2003
Updated: August 4, 2003

Topic: Student Surveys

In January 2002, the Protection of Pupil Rights Amendment (PPRA) was amended by the Elementary and Secondary Education Act of 2001 (also known as the No Child Left Behind Act). The amendment added an additional category (religious practices, affiliations, or beliefs of the student or student's parent) to the existing categories that impact student surveys and made minor changes to the existing seven categories. If a survey contains one or more of the identified categories, schools and contractors must protect student privacy and give parents the right to inspect the survey. The eight categories are:

1. Political affiliations or beliefs of the student or the student's parent
2. Mental and psychological problems of the student or the student's family;
3. Sex behavior or attitudes
4. Illegal, anti-social, self-incriminating, or demeaning behavior
5. Critical appraisals of other individuals with whom respondents have close family relationships
6. Legally recognized privileged or analogous relationships, such as those of lawyers, physicians, and ministers
7. Religious practices, affiliations, or beliefs of the student or student's parent
8. Income (other than that required by law to determine eligibility for participation in a program or for receiving financial assistance under such program).

A local educational agency (LEA) that receives funds under any U.S. Department of Education program is required to develop and adopt policies, in consultation with parents, concerning student privacy. The policies relating to surveying of students must address:

- The right of parents to inspect, upon request, a survey created by a third party before the survey is administered or distributed by a school to students, and procedures for granting a parent request to access the survey within a reasonable period of time after the request is received
- Arrangements to protect student privacy in the event of the administration of a survey to students, including the right of parents to inspect, upon request, the survey if the survey contains one or more of the eight categories of information noted above.

However, an LEA is not required to develop and adopt new policies if it has in place -- and did so on the date of enactment of the Elementary and Secondary Education Act of 2001 -- policies covering the requirements set forth in the law.

LEAs must directly notify parents of these policies, and at a minimum, they shall provide the notice at least annually, at the beginning of the school year. Also, an LEA shall notify parents

Copies of this and other ESEA Information Updates can be found at www.dpi.state.wi.us/dpi/esea

within a reasonable period of time if any substantive change is made to the policies. In the notification, the LEA shall:

- Provide an opportunity for parents to opt out of (remove their child from) participation in the administration of any survey containing one or more of the eight categories of information noted above, and
- Provide parents with the specific or approximate dates during the school year when the surveys are scheduled.

Confusion often exists about prior written parental consent, also known as "active" parental permission, and if it is required before a student may participate in a survey that asks for personal information described in PPRA (e.g., sexual behavior, illegal or antisocial behavior, and mental or psychological problems). Examples of common surveys used in Wisconsin that collect personal information are the Youth Risk Behavior Survey (YRBS) and the Search Institute Profiles of Student Life: Attitudes and Behaviors. Currently, PPRA only requires active parental permission before minor students are required to participate in any survey, funded in whole or in part by the U.S. Department of Education that reveals information concerning one or more of the eight categories noted above. Most student surveys administered in Wisconsin, such as the YRBS, are voluntary, and if administered properly (students are instructed on the voluntary nature), active parental permission is not required and "passive" parental permission is allowable. "Passive" means the parent is provided an opportunity to opt out of (remove the child from) participation. The district may assume parental consent if they hear no timely objection from the parent.

Specific questions related to this bulletin should be directed to:

Doug White, Director
Student Services/Prevention and Wellness Team
(608) 266-5198
douglas.white@dpi.state.wi.us

References:

1. U.S. Department of Education, Family Policy Compliance Office, (2002). Hot topics: Recent changes affecting FERPA & PPRA. (http://www.ed.gov/offices/OM/fpco/hot_topics/ht_10-28-02.html) Washington, D.C.
2. U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, Division of Adolescent School Health, (2002). Parental Permission: Conducting a successful Youth Risk Behavior Survey (YRBS) with Active Parental Permission, Atlanta, GA.

When: Annually at start of school year.

Who: Any Title-funded schools and districts.

Sample Parental Permission Forms (Passive and Active) for Student Surveys

PASSIVE Parental Permission Form

Our school is taking part in the 2003 Youth Risk Behavior Survey sponsored by [name of state or local agency]. The research survey will ask about the health behaviors of 9th through 12th grade students. The survey will ask about nutrition, physical activity, injuries, tobacco, alcohol, and other drug use. It also will ask about sexual behaviors that cause AIDS, other sexually transmitted diseases, and pregnancy.

Students will be asked to fill out a questionnaire that takes about 45 minutes to complete.

Doing this paper and pencil survey will cause little or no risk to your child. The only potential risk is that some students might find certain questions to be sensitive. The survey has been designed to protect your child's privacy. Students will not put their names on the survey. Also, no school or student will ever be mentioned by name in a report of the results. Your child will get no benefit right away from taking part in the survey. However, the results of this survey will help children in the future. We would like all selected students to take part in the survey, **but the survey is voluntary**. No action will be taken against the school, you, or your child, if your child does not take part. Students can skip any question that they do not wish to answer. In addition, students may stop participating in the survey at any point without penalty.

Please read the section below. If you do **not** want your child to take part in the survey, check the box and return the form to the school no later than [Date]. Please see the other side of this form for more facts about the survey. If your child's teacher or principal cannot answer your questions about the survey, call [name of state or local agency contact] at [phone number]. Thank you.

Child's name: _____ Grade: _____

I have read this form and know what the survey is about.

My child may **not** take part in this survey.

Parent's signature: _____

Date: _____

Phone number: _____

GUIDELINES FOR PASSIVE CONSENT

Based on recent change to state law,¹ CDE has determined that under certain circumstances LEAs conducting the California Healthy Kids Survey (CHKS) have the option of using passive parental consent, rather than active (written) consent as previously required.² Under passive-consent procedures, parents/guardians inform the school only if they *don't want* their child to participate in a study (opt out).³ To adopt passive consent, the following conditions must be met:

- The survey is limited to grades 7 through 12. Passive consent cannot be used below grade 7.⁴
- It is anonymous, confidential, and voluntary. Active consent must still be used if respondent data are linked to a respondent's name in any form or manner, such as in longitudinal tracked surveys.
- The school board formally adopts, in consultation with parents, a written passive consent policy for the administration of the CHKS (and any other survey or test) consistent with California Education Code sections 51513 and 51938(b) and the federal Protection of Pupil Rights Act (PPRA), 20 USC 1232h.
- Parents/guardians are notified in writing at the beginning of the school year about the survey and when it is to be administered, and given a reasonable opportunity to review the survey and to decline their child's participation (opt out).
- Parents/guardians are notified of any substantive changes in survey policies, dates, or content that occur after the initial notification.
- The parental notice contains all the required elements specified in the CHKS Guidebook for protection of human subjects and in the federal Protection of Pupil Rights Act.
- Questions are not added to the survey that elicit reports of parental attitudes or behaviors or any other category that requires active consent under Ed Code 51513 but not exempted under Ed Code 51938.

The following guidelines are designed to help you determine whether you should switch from written to passive consent and the steps you should take if you decide to make the change.

Benefits of Passive Consent

- Passive consent involves less cost and labor, particularly for the classroom teacher.
- If you have *not* been successful in meeting your target sample using written consent, passive consent will likely increase your response rates.
- Research also suggests that passive consent will result in a more representative sample, as many hard-to-reach subgroups, including groups at high-risk of substance use and other problem behaviors, are underrepresented in written consent surveys.⁵

¹ See Education Code 51938(b), which stipulates: "Notwithstanding Section 51513, anonymous, voluntary, and confidential research and evaluation tools to measure pupils' health behaviors and risks, including tests, questionnaires, and surveys containing age appropriate questions about the pupil's attitudes concerning or practices relating to sex may be administered to any pupil in grades 7 to 12, inclusive, if the parent or guardian is notified in writing that this test, questionnaire, or survey is to be administered and the pupil's parent or guardian is given the opportunity to review the test, questionnaire, or survey and to request in writing that his or her child not participate."

² Written consent requirements and strategies are detailed in the CHKS Guidebook, available online at www.wested.or/hks.

³ As described in the CHKS Guidebook, under active-consent procedures parents must confirm in writing that they consent or not, usually by signing and returning a form. If a form is not returned, it must be assumed that parental permission is not granted.

⁴ Education Code 51938(b) authorizes passive consent only for grades 7 through 12 (see note 1).

Considerations for Changing from Active to Passive Consent

- **Written consent provides extra protection** against surveying a student whose parents did not receive notification or did not approve of participation but failed to inform the school. This extra protection may be important if risk behavior surveys are a sensitive issue in your community.
- If passive consent reduces the burden on the classroom teacher, **schools must take special precautions** to demonstrate that they made every reasonable effort possible to inform parents about the survey (and any subsequent changes) and to give them opportunities to opt out.
- If your sample changes (e.g., becomes more representative), it will **complicate interpretation of current trends**. Did student behavior change or the sample? Most research suggests reported AOD use will increase. WestEd will provide talking points to address this issue.
- **If you have been meeting your target response rates using written consent**, you might want to continue using it to avoid the issues listed above, especially if your district will still need to use written consent with 5th grade.

Recommendations for Passive Consent Implementation

Survey procedures must ensure that parents receive the consent materials, pay attention to them, and have sufficient time and opportunities to refuse participation. To assure PPRA compliance and reduce the risk of inadvertently surveying a child without parent permission, we recommend the following:

- **Stress that survey participation is voluntary in all communications.** This is a key requirement for the use of passive consent procedures in the PPRA. Notify students in writing and verbally (before survey administration) that they have the right to decline participation and to not answer any question that makes them uncomfortable. Make sure nothing is done that might cause a student to feel uncomfortable if he doesn't want to participate.
- **Send all consent information and forms via a method that guarantees receipt**, such as by mail. Preferably, use a method that documents receipt. For example, the information can be put into a parent handbook that the parent signs for.
- **Use multiple contact techniques.** Do everything possible to insure parents receive notification.
- **Make sure all materials are language appropriate** for parents with limited English reading ability.⁶
- **Make disapproval notification convenient.** Again, use multiple venues: a written form that can be turned into a teacher, a phone number to call, or email address. Each channel should reach a single person or office, identified in district policies, responsible for monitoring consent. This will help avoid parent refusals from slipping through the cracks.
- **Document all your efforts to notify parents.**

*For more information about consent procedures,
call your regional CHKS advisor at 888.841.7536.*

⁵ The application of active-consent procedures to anonymous, voluntary surveys with rigorous data safeguards and minimal risks to students—such as the CHKS—has been criticized for jeopardizing access to essential information by imposing overly rigid, stringent, and costly consent procedures.

⁶ CDE policy is that, in addition to English, notification must also be in each primary language other than English where 15 percent of the students speak that primary language.

APA ONLINE
AMERICAN PSYCHOLOGICAL ASSOCIATION

APA Government Relations SCIENCE POLICY

SCIENCE POLICY PUBLIC INTEREST POLICY EDUCATION POLICY NEWS TAKE ACTION FELLOWSHIPS ABOUT

SEARCH GO

>> SCIENCE DIRECTORATE HOME

Archive: Action Alert for School Based Research

YOUR HELP NEEDED

Action Alert for School-based Research Threats

January 30, 2002

Dear Colleagues:

You may be aware that APA has worked in coalition with a number of science, education and public health organizations to protect the ability of scientists to conduct research in schools without having an absolute requirement of prior, written parental consent. Due to our advocacy efforts on the recent education reform legislation ("Leave No Child Behind"), the federal government has not imposed a written consent standard. However, the legislation does require school districts to establish policies on privacy that extend to in-school surveys about risk behaviors and attitudes. Thus, the focus of our concern must expand from the federal level to the state and local levels. You may have read that the state of New Jersey has recently approved legislation requiring prior, written parental consent for in-school surveys. Below is a Washington Times story in which several prominent researchers are quoted about the New Jersey law. We are interested in your reaction to these developments. Please contact me directly if you have questions or concerns.

Pat Clem Kober
Senior Science Policy Analyst
American Psychological Association
(202) 336-5933
(202) 336-6063-1

All that schools survey
Cheryl Wetzstein
THE WASHINGTON TIMES
Published 1/29/2002

Have you ever had sexual intercourse ('gone all the way, made love')? As of this month, students in New Jersey public schools can't be asked this kind of personal question on a survey without their parents' prior written consent. The Jan. 9 law enacting this change has been hailed as a victory for privacy rights of parents and their children and something that should be adopted nationally. Researchers, however, say the law is "excessive" and will jeopardize important research into teen behavior. There has long been a tug-of-war over student surveys in schools. Researchers agree that schools are the ideal place to survey teens and have typically addressed the need for parental consent with a technique called "passive consent," "active dissent" or "opt out."

With this technique, schools inform parents of an upcoming survey and ask them to tell the school if they don't want their children to take it — parents must "actively dissent" or "opt out." If the school doesn't hear from the parents, it assumes it has their "passive consent" to give the survey to their children.

The New Jersey law requires "active consent," which means parents must tell the school that their children can take a survey. If parents don't say yes, their children cannot participate in any school survey that asks questions about politics, sex, drugs and other personal issues. The law stems from a battle over a 156-question survey that was given in 1999 to more than 2,000 public middle- and high-school students in Ridgewood, N.J. The survey asked teens about sexual activity, birth control, drugs, liquor, cigarettes, binge eating, depression, suicide, stealing, physical violence, and relationships with family and friends. School officials said they notified parents several times about the survey but did not seek parental consent because the survey was voluntary. Many Ridgewood parents were outraged by the survey, saying it introduced children to bad behaviors, invaded family privacy and instilled a politically liberal worldview.

"The questions were so politically correct," said Ridgewood mother Frances Edwards, noting that students were asked to assess their feelings about race relations, poverty and "speaking up for equality." Amid a lengthy battle — which includes an ongoing lawsuit — New Jersey officials passed their law, which was hailed as a "great victory for parents" by Phyllis Schlafly, founder of the Eagle Forum. "The school system is just obsessed with giving these nosy questionnaires," Mrs. Schlafly said. Schools shouldn't use valuable classroom time on social surveys, but if they do, they should all require active parental consent, she said.

"Now in New Jersey, there will be one state where the parents will not always lose," said Michael Schwartz, vice president for government relations at Concerned Women for America, which supports parental rights in surveys.

Getting active parental consent for student surveys is "analogous to doing medical research," Mr. Schwartz said. Medical research can only be

conducted on people who consent to it, he said. "Why in the world would we think you can do research on children without their parents' knowledge and consent?" Shepherd Smith, president of the Institute for Youth Development, which publishes a journal on teen behaviors, is "empathetic to both sides" in the issue.

"Clearly as a parent, I'm not real excited about intrusive surveys in high school," he said. "At the same time, I understand that the data gained in these surveys is critically important to ultimately reducing the negative behaviors."

Supporters of the N.J. law "may have won a Pyrrhic victory," said Lloyd D. Johnston, director of the Monitoring the Future (MTF) survey. The federally funded MTF, founded in 1975, goes into 400 schools every year to ask eighth, 10th and 12th graders about their substance abuse and other behaviors. MTF uses active dissent in almost all its schools, said Mr. Johnston, who works at the Institute for Social Research at the University of Michigan.

In the few schools that require active consent, he said, MTF researchers have found that many parents don't return the consent form — "they didn't open their mail or get around to answering it," Mr. Johnston said. As a result, as many as 30 percent of students are excluded from taking the MTF survey, even though, based on deeper research, fewer than 2 percent of parents actually object to the survey. The loss of so many students "skews the findings in a serious and important way," Mr. Johnston said. "Parents, more than anyone, stand to benefit from our having this knowledge," he said, noting that the MTF helped alert the nation to expanding marijuana use in the 1970s, cocaine use in the 1980s and ecstasy use in the 1990s.

"So I'm not sure the interests of parents are being well-served, even though it's in their name that these efforts are taken," he said.

"I have yet to hear someone come up with an alternative approach to getting data other than asking the question," said Sarah Brown, director of the National Campaign to Prevent Teen Pregnancy. Parental concerns about sensitive surveys of young teens are reasonable and should be addressed, perhaps with opt-out techniques, said Mrs. Brown. But there are compelling public health concerns that require data about teen behavior that have to be addressed as well, she said.

It's difficult to ask teens questions about topics such as oral sex, and yet "every time there's something in the paper, we get hysterical calls asking isn't it true that all the middle schoolers are having oral sex?" "And I have to say, 'Well, I actually don't have any information. All I have is anecdotes,'" Mrs. Brown said. "I see [the N.J. law] as excessive," said Michael D. Resnick, a pediatrics professor at the University of Minnesota and researcher with the National Longitudinal Study of Adolescent Health (Add Health). "The vast majority of parents are all right [with surveys] as long as they are informed," he said, citing his two decades of experience in researching teen behavior.

Add Health, which tracks the same teens, requires written prior consent, said Mr. Resnick. It also uses laptop computers for privacy and question control — when teens say they have had sex or used cocaine, they are asked more questions about those subjects. But if they say they haven't had sex or used drugs, the computer program immediately moves them to new topic.

Such computer-assisted surveys are becoming more popular and may resolve a lot of the concerns about survey content, Mr. Resnick said.

Copyright © 2001 News World Communications, Inc. All rights reserved.

[Back to Top^](#)

© 2007 American Psychological Association
750 First Street, NE, Washington, DC 20002-4242
Telephone: 800-374-2721; 202-336-5500. TDD/TTY: 202-336-6123
[PsychNET®](#) | [Contact](#) | [Terms of Use](#) | [Privacy Policy](#) | [Security](#)

Best Practices

Leadership

-
-
-

Programs and Staff

-
-
-
-

Community, Parents, and Students

-
-
-

Resources

-
-
-
-
-



Who is AASB?

The Association of Alaska School Boards is a non-profit organization that serves as a source of assistance, information, and liaison for school boards and the districts they represent.

QS2 Formation

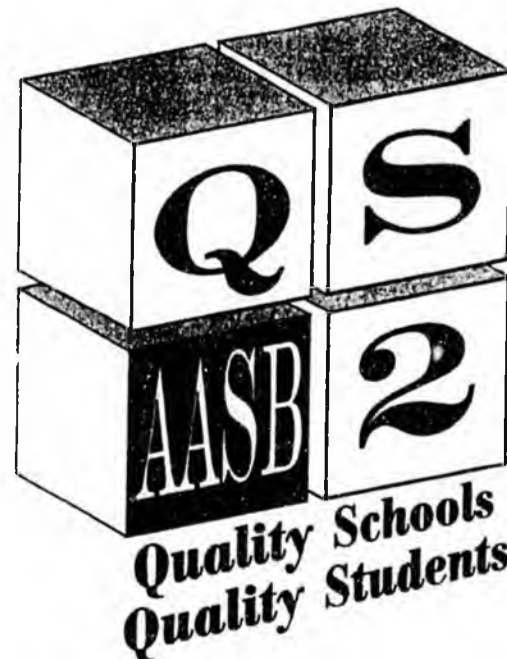
The QS2 service is guided by the Association of Alaska School Boards with contributions and a broad base of support from education and community leaders throughout Alaska. AASB and district partners are learning as the service matures. From the beginning many supportive organizations and individuals helped create the vision for QS2. The following organizations were directly involved: Northwest Regional Education Laboratory, Alaska Department of Education and Early Development, Alaska Staff Development Network, Alaska Center for Excellence in Schools, and the University of Alaska.

Costs & Reimbursement

QS2 is available to districts ready to show a 3-year commitment to the full service, including strategic planning. AASB provides direct services as well as contracted services by consultants agreed to by the district. The cost will vary depending upon the needs of the individual district.

AASB is continually seeking grant and foundation support to assist districts with finding resources in addition to their own contribution of local human and financial resources. Currently participating partner districts benefit from a federal grant, Alaska Initiative for Community Engagement (Alaska ICE). This grant provides significant support to assist partner districts in achieving greater community, parent, and student involvement and commitment. AASB views such broad base support as key to improving the achievement of all students.

Investing in Alaska's Future



Supporting Student Learning
Building on Standards-Based Learning,
Engaged Communities, and Involved Students

ASSOCIATION OF
**ALASKA
SCHOOL BOARDS**
Advocates for Alaska's Youth



Linking a Shared Vision with Successful Practices

Taking Aim on Results

Where the School Is Vs. Where the School Wants To Be.

Out of necessity, most Alaskan schools are engaged in retirement plans. Quality Schools/Quality Students (QS2) is designed to support school districts in promoting high achievement for all students by focusing effort on:

- Determining a common vision and system wide plan of action
- Promoting community ownership and engagement
- Building staff, school board, and community capacity
- Examining current student achievement
- Redirecting and securing resources
- Holding systems accountable for results

What is QS2?

QS2 is a comprehensive school improvement service that will assist school districts and their local communities in raising student achievement to meet or exceed state standards by linking a shared vision for education with successful practices. Central to QS2 is the facilitation of a strategic planning process that brings a broad spectrum of the community together to create the shared vision. It brings all efforts under one umbrella using the quality management principles of the continuous improvement cycle: Plan, Implement, Evaluate, Refine. QS2 efforts focus on the broad areas:

- Leadership
- Programs and Staff
- Community-Parent and Student Engagement
- Resources

Participating Districts

AASB welcomed SIKU as a new QS2 partner district for 2006. Only one district was selected for this year in an effort to allow an opportunity for our 2007 partners - Alaska Gateway, Kodiak and Noyah. As a new partner, taking full advantage of the Alaska ICE Community Improvement Initiative and the federal grant that helps support districts in their effort to develop greater community support for all youth. In addition to these four districts, the QS2 partnership also continues with the former, Sitka, Homer, and Bethel districts.

QS2 Benefits from Alaska ICE

Alaska ICE entering districts to get a better view of the state of our schools. Making informed decisions on how to improve our schools. The QS2 partnership is a key component of the state's education strategy. QS2's data supports the state's efforts to improve student learning and achievement. QS2's work with the district's board of education and community members is a key component of the state's efforts to improve student learning and achievement. QS2's work with the district's board of education and community members is a key component of the state's efforts to improve student learning and achievement.

How QS2 Works

Step #1 District Application

Districts interested in becoming a QS2 district make application during the early spring. Following conditional acceptance, an AASB staff member will brief the district staff and board on all facets for qualifying

district, *understand* how the community is involved, *determine* the effort directed to help students achieve state standards, and lots more. With the inventory results in hand, the board makes a formal commitment to QS2 and proceeds

Step #2 District Inventory

QS2 consultants conduct an "inventory" from which a district will be able to determine customer satisfaction as well as identify targeted areas for improvement. The inventory results, presented and discussed at a board meeting, help create a "snapshot" of the district's current condition, particularly focused on student achievement and the many factors that influence achievement.

The inventory is similar to a management review. The inventory consultants serve as visiting colleagues, not as evaluators. The review team conducts in-depth interviews with board members, administrators, teachers, community members, parents, and students. The interviews are designed to *gauge* district constituent perceptions of district strengths and weaknesses, *learn* how decisions are made within the

Step #3 Strategic Planning

Strategic planning is the next essential step for the QS2 partnership. Strategic planning helps to establish or refine a vision for the district and develops specific action plans based on an analysis of objective data that are designed to benefit student learning in quantifiable ways. Using the inventory and the action plans a district will focus on pre-determined priorities and track progress on strategic goals.

Step #4 Implementing Best Practices

Areas identified as "in need of improvement" will be the basis of a customized plan of professional assistance and guidance. All activities undertaken will be district-determined, research based, and continuously evaluated for the impact on students.



Primary Contact: **Bruce Johnson - Director of Quality Schools/Quality Students.**

1114 West North St.
Juneau, AK 99801-1900

Tel: (907) 586-7084
Fax: (907) 586-7355

www.aasb.org
www.aasb.org