

February 23, 2009

Senator Con Bunde
State Capitol, Room 104
Juneau, AK 99801-1182

Senator Bunde,

I am writing to thank you again for supporting the passage of HB147 last year, and to urge your continued support of the reinvestment of visitor tax dollars to Alaska's tourism marketing efforts. As you are aware, HB147 requires a 30% match of industry dollars to the \$9 million dollar reinvestment from the state. This created an \$11.7 million marketing budget in FY09. I know that destination marketing efforts pay off for the state of Alaska's economy. The visitor industry represents 40,000 annual jobs, and over \$1.8 Billion in direct visitor expenditures, which helps to diversify our state's economy.

As the President of ATIA, I have contact with a number of our 1,200 members. Many of them qualify as small Alaskan owned businesses that have a passion for our great state and want to share it with travelers. They do not have the financial ability to tell their story in an expensive and highly competitive global marketplace. They rely on ATIA's national and international marketing efforts to provide affordable options to present their product. Supporting Alaskan businesses who contribute in a positive way to the state's economic base is especially important to these companies. In my past employment with businesses that utilized Alaska's cooperative marketing offerings, I can state unequivocally that these programs work!

Reinvesting a portion of targeted visitor industry taxes and fees is simply a sound decision. The visitor industry presently accounts for over \$119 million in statewide taxes and fees. The following is breakdown of estimated visitor taxes and fees:

Statewide car rental tax	\$ 9,000,000
Cruise ship head tax	\$46,000,000
Cruise Ocean Ranger tax	\$ 4,000,000
Cruise Gaming tax	\$ 6,700,000
Cruise Corporate income tax	\$15,000,000
Non-resident fishing licenses	\$16,500,000
Marine Highway nonresident fees	\$22,000,000

I would appreciate your continued support of the visitor industry and urge you to continue supporting Alaska's tourism promotion efforts by funding FY10 at the same level as is currently allocated in the Administration's DCCED budget: \$9 Million.

Best Regards,

Ron Peck
President and COO
ATIA