



Senate Majority News

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More Money, More Marketing More Visitors To Alaska

(Juneau)- Responding to declines in non-cruise ship visitors to Alaska, Senate President Gene Therriault, R-North Pole, today filed tourism marketing legislation that will allow Alaska to increase its marketing budget. The Alaska Travel Industry Association requested the measure.

Modeled largely after the Alaska Seafood Marketing Institute, Senate Bill 254 allows the industry to impose a 2 percent assessment on tourism related goods and services in the state. Those services range from day tours to overnight accommodations. The assessment will generate an estimated \$18 million.

“I support marketing Alaska as a tourism destination because of the benefits it brings to Alaskan owned and operated businesses,” Therriault said. “These benefits include jobs, increased property tax base for local governments, and increased sales tax revenues for those communities that have them.”

Over 1.5 million people visit Alaska each year, spending over \$1.8 billion in the state. Surveys conducted by the Department of Community and Economic Development found visitors coming to Alaska by domestic air, highway, and ferry declined 2 percent over 2002 arrivals. Other studies done for ATIA have shown that small adventure-based businesses and those in the Interior have been hit the hardest by the downturn in tourism. Many businesses experiencing declines are located along the Richardson Highway corridor, which Therriault represents.

“ATIA’s mission to create demand in the marketplace for all sectors of Alaska tourism is inextricably connected to our obligation to nurture these small, independent businesses,” said Ron Peck, ATIA president and chief operating officer. “The assessment, we believe, will make our statewide tourism-marketing program more competitive with other destinations. This, in turn, will increase the number of visitors to the state, generating additional business for Alaska’s smaller, visitor industry operators.”

“For years, legislators have been asking the tourism industry to identify a way to pay for increased marketing efforts. Now that they have come forward with such a proposal, I want to make sure they have an opportunity to make their case to other legislators,” Therriault said.

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