

**Alaska Travel Industry Association Grant for Tourism
Marketing and Development**

**FY2018 Request: \$3,000,000
Reference No: 61718**

AP/AL: Appropriation **Project Type:** Workforce Dev
Category: Development **Recipient:** Alaska Travel Industry Association
Location: Statewide **House District:** Statewide (HD 1-40)
Impact House District: Statewide (HD 1-40) **Contact:** Catherine Reardon
Estimated Project Dates: 07/01/2017 - 06/30/2022 **Contact Phone:** (907)465-2506

Brief Summary and Statement of Need:

This project provides economic development opportunities through the expansion of Alaska’s visitor industry through a grant to the Alaska Travel Industry Association (ATIA).

Funding:	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	Total
1004 Gen Fund	\$1,350,000						\$1,350,000
1200 VehRntITax	\$1,650,000						\$1,650,000
Total:	\$3,000,000	\$0	\$0	\$0	\$0	\$0	\$3,000,000

<input type="checkbox"/> State Match Required	<input checked="" type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Prior Funding History / Additional Information:

This project is partially funded with vehicle rental tax receipts (VRT). VRT receipts are expected to generate \$10,472,600 in FY2018 with an estimated total available balance of \$21,374,000.

In FY2016 tourism marketing received an operating appropriation of \$9,599,400 (\$7,229,400 UGF and \$2,370,000 SDPR) and in FY2017 the component received an operating appropriation of \$1,500,000 UGF.

Project Description/Justification:

Prior to FY2017 tourism marketing activities were performed by a division within the Department of Commerce, Community, and Economic Development and funded through an annual operating appropriation. In FY2017 tourism marketing and development activities were transitioned to the Alaska Travel Industry Association (ATIA) through an operating grant. Tourism development and marketing will now be funded through a multi-year capital grant to ATIA.

ATIA is a member based trade association dedicated to promoting Alaska as a visitor destination and promoting and growing the tourism industry. ATIA will perform tourism development and marketing on behalf of the state, which may include providing a marketing program for instate, national and international tourism; collecting and analyzing visitor statistics; funding and managing any marketing contracts; managing sales, marketing and distribution of the Alaska Vacation Planner; the

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TravelAlaska website; booth rental and coordination at domestic and international travel fairs; full support for the Alaska Tourism Marketing Board; and reporting on activities funded by the grant.

This capital grant provides ATIA the ability to phase out reliance on state support over several years and move to a self-sustaining, industry funded, model per legislative intent.