

April 3, 2025

Submitted electronically via: <u>House.Finance@akleg.gov</u>

House Finance Committee Alaska State Legislature Juneau, Alaska

RE: Support for Alaska Marketing Funding in the FY26 Operating Budget

Dear Co-Chairs Josephson, Schrage, and Foster, and Members of the House Finance Committee:

The Resource Development Council for Alaska (RDC) writes in support of funding for Alaska tourism marketing initiatives in the FY26 Operating Budget. As you know, RDC is a statewide, non-profit trade association founded in 1975. Our membership is comprised of individuals and companies from Alaska's fishing, tourism, forestry, mining, and oil and gas industries and includes Alaska Native corporations, local communities, organized labor, and industry support firms. Our purpose is to encourage a strong, diversified private sector in Alaska and expand the state's economic base through the responsible development of our natural resources.

Tourism is a key pillar of Alaska's economy and substantially impacts economies around Alaska. For example, in the 2023-2024 tourism season, Alaska welcomed a record 3 million visitors to the state. This contributed \$3.9 billion in direct spending and a total economic impact of \$5.6 billion to the state. Out-of-state visitors provided \$157 million in revenue to the State of Alaska through taxes, fees, and permits; and the industry provided 48,000 jobs throughout Alaska.

Tourism has seen remarkable growth over the past decade (except for COVID-19 pandemic impacts), but travelers have a choice in where they want to visit and spend their money. In an industry that relies heavily on attracting out-of-state visitors to come spend their dollars in our state, state-funded marketing initiatives play a major role in boosting these efforts. Many other states have state-funded marketing initiatives and it is important that Alaska remains competitive. We should continue to fund marketing efforts that lead to more visitors, which will, in turn, provide more revenue to state coffers and drive growth in the state's economy.



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RDC urges you to keep in mind the impact the tourism industry has on Alaska's economy and the importance of marketing funding to continue to grow this industry as you consider the FY26 Operating Budget.

Thank you for your attention to this matter.

Sincerely,

Leila Kimbrell Executive Director









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