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REPRESENTATIVE Paul Seaton

District 35

MEMORANDUM

TO: Representative Bob Herron
Member, House Special Committee on Fisheries

FROM: Representative Paul Seaton

DATE: February 14, 2011

RE: Response to question on HB 59

This memo is in response to the questions you submitted in writing regarding HB 59: "*What economic impact might we expect from this bill? Which regions and specific businesses stand to benefit?*"

HB 59 allows the Department of Commerce Community and Economic Development to offer a rate reduction of up to 2% if a borrower from the commercial fishing revolving loan fund, product quality improvement, or engine fuel efficiency program purchases a product manufactured in Alaska with their loan dollars. The main beneficiaries of this legislation will be borrowers who purchase items in Alaska who will enjoy a more favorable rate on their loan and small businesses in Alaska who manufacture products for the fishing industry who will see an increased demand for their products. Generally speaking, Alaskan suppliers of goods for the fishing industry are small welding shops, mechanic shops, refrigeration manufactures and canvas sewing shops in our coastal communities. These include, but are by no means limited to: Coastal Refrigeration in Kachemak City, Alaska Diesel Electric in Anchorage, Nomar in Homer, Webber Marine in Cordova, and Aluminum Fabricators in Dillingham. Over time and with greater demand for Alaska manufactured products, the marine support industry in Alaska will grow and be able to offer more diverse products and choices for our Alaskan fleet.

cc: Rep. Thompson, Chair House Special Committee on Fisheries
Curtis Thayer, Wanetta Ayers, Crystal Koeneman, Curtis Thayer, Department of Commerce
Community and Economic Development
Ben Mulligan, Department of Fish and Game