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January 28, 2011

Senator Dennis Egan, Chairman
Senate Labor and Commerce Committee
State Capitol
Juneau, Alaska 99801-1182

RE: SB68

Dear Legislators:

I am writing on behalf of the Alaska member-owners, the Board of Directors, and the management and staff of the Alaska Commercial Fishing and Agriculture Bank (CFAB). CFAB is an oft-misunderstood entity; although it is a privately-owned and -operated institution (by statutory definition, supported by judicial findings), and privately financed, it is incorporated under a specific state statute rather than under a general business statute. This means, among other things, that many basic policy, strategic, or operational changes that most businesses could effect by the stroke of a pen, for us it requires the support of the Alaska State Legislature and new legislation. Hence, you have SB68 before you.

The provisions of SB68 reflect intense internal research, study and discussion - in some particulars, over several years. As has been true on many earlier occasions of CFAB-requested legislation, they reflect lessons learned over 30+ years of operations, changes that have occurred within the industries/markets served by CFAB, and cumulative indications of evolving needs among the resident participants in those industries and markets.

CFAB does not strive for, and has never strived for, "headline-worthy" accomplishments. It is committed and structured to serve resident individuals and smaller companies, one-by-one and in a highly-focused manner, who in many cases would not otherwise have access to borrowed capital on reasonable and constructive terms. We would welcome the opportunity to provide you with more details of CFAB's history, and in particular urge that you spend a few moments with CFAB's 2010 Annual Report (celebrating 30 years of operations) which was recently provided to your office.

If you have specific questions about the provisions of SB68, or would like more information about CFAB, please direct your inquiries to President Lela (Lea) F. Klingert. She may be reached by mail or by telephone as shown on this letterhead, or by e-mail at lea@cfabalaska.com.

Thank you for your interest and for your consideration. We earnestly ask for your support of SB68.

Very truly yours,

Alan D. Otness
Chairman, Board of Directors

Alaska Commercial Fishing and Agriculture Bank



February 4, 2011

The Honorable John Coghill,
Capitol Office Bldg. -- Rm 504
Juneau, Alaska 99801

Dear Senator Coghill,

I am writing to you to express my interest in SB68. We are holder of a tourism loan from CFAB. As a loan holder, I can say we are proud to be able to work with such a responsible lender. Since CFAB is owned by Alaska residents, it is available to serve Alaskan such as ourselves. I consider a direct benefit for the passage of SB68.

Originally, I understand that loans were made for agriculture, commercial fishing and other resource based operations. Their range of loans are basically the same at present, but now include loans to the tourism industry, helping another group of Alaskans.

Any of CFAB's members are eligible to hold 4 of CFAB's 5 elected Directors positions, regardless of the industry they serve. Apparently there are few agricultural loans at present, since most farmers now procure loans from established State-Federal programs. When SB68 is passed, those possibilities or serving as a Director, there is now an improved opportunity for us, as members to serve in that capacity, and that opportunity will be increased by 25%. Legislation from SB68 only affects CFAB operations, and will add value to the member's investments.

Passage of SB68 will only have positive effects for those of us who have loans, as CFAB members. I urge you to vote "YES" on SB68. Thank you.

Respectfully,

Stan Stephens
Stan Stephens Glacier and Wildlife Cruises
Valdez, Alaska