



February 8, 2011

Dear Governor Parnell,

This letter is written in support of SB 67 and HB 121, two bills aimed at creating a micro revolving loan fund for the State of Alaska. Access to startup and working capital is a key component of starting new enterprises and creating jobs in Alaska, and many rural Alaskans do not have access to this type of capital.

In Southwest Alaska, a revolving loan fund could help boat owners or smaller fish processors with equipment purchases. It could assist bed and breakfast owners with upgrades to their homes and business. Or it could provide much-needed construction capital to mechanics, service providers, and a host of other small business startups and entrepreneurs.

Alaska is one of only four states in the nation that do not have a microloan program and this bill would resolve that and fill an unmet need that would help small businesses, which is why SWAMC supports it. This is especially true in the more remote and rural regions of Alaska, where traditional financial institutions may not be familiar with local economic conditions and are sometimes more reluctant to invest.

Our organization believes SB 67 and HB 121 are valuable bills with great potential. I hope it can help add to Alaska's efforts to support our small businesses and entrepreneurs.

Sincerely,

SOUTHWEST ALASKA MUNICIPAL CONFERENCE

A handwritten signature in black ink, appearing to read "Andy Van", with a long horizontal flourish extending to the right.

Executive Director