

Alaska Bankers Association

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April 8, 2013

The Honorable Kevin Meyer, Co-Chair
The Honorable Pete Kelly, Co-Chair
Senate Finance Committee
State Capitol
Juneau, AK 99801

RE: Support for SB23 - AIDEA: LNG Project; Dividends; Financing
Support for HB4 - Alaska Gasline Development Corporation; RCA

Dear Senators Meyer and Kelly:

The Alaska Bankers Association (ABA) represents eight member banks, including Alaska Pacific Bank, Denali State Bank, First Bank, First National Bank Alaska, KeyBank, Mt. McKinley Bank, Northrim Bank and Wells Fargo Bank.

The ABA supports Senate Bill 23 and House Bill 4 as complimentary legislation necessary to achieve a complete natural gas energy solution for Alaska. Trucking LNG and propane from the North Slope as provided for under SB23 is a vital short-term solution for Interior and Rural Alaska. Advancing the longer-term solution embodied in HB4 by authorizing the Alaska Gas Development Corporation to continue its work on an in-state gas pipeline is important to help grow and make Alaska's economy competitive.

The ABA also supports enabling the Alaska Industrial Development and Export Authority (AIDEA) to participate in direct development project financing as provided for in SB23. Alaska banks have worked successfully with AIDEA on many commercial business developments where the banks are the initial lender interface with a prospective commercial borrower, and believe that providing AIDEA with this new financing tool would encourage and compliment private sector funding of qualified economic development projects. Working in conjunction with Alaska's banking sector and allowing certain credit enhancements will attract investors and lenders, alike.

The ABA urges your support for and passage of both SB23 and HB4 in this 2013 legislative session.

Sincerely,



Steve Lundgren
President-Elect