



THE STATE  
of **ALASKA**  
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community,  
and Economic Development

DIVISION OF COMMUNITY AND REGIONAL AFFAIRS  
Anchorage Office

550 West Seventh Avenue, Suite 1640  
Anchorage, Alaska 99501  
Main: 907.269.4581  
Fax: 907.269.4539

May 15, 2026

The Honorable Lyman Hoffman  
Co-Chair Senate Finance Committee  
Alaska State Legislature  
Capital Building, Room 518  
Juneau, AK 99801

The Honorable Bert Stedman  
Co-Chair Senate Finance Committee  
Alaska State Legislature  
Capitol Building, Room 532  
Juneau Alaska, 99801

The Honorable Donald Olson  
Co-Chair Senate Finance Committee  
Alaska State Legislature  
Capitol Building, Room 532  
Juneau Alaska, 99801

Dear Co-Chairs Hoffman, Stedman, and Olson

At the Senate Finance Committee hearing for HB 388 Bulk Fuel Loan Cap on May 14, 2026, members requested additional information about the Bulk Fuel Revolving Loan Fund (BFRLF).

The BFRLF was created in 1993 by the Alaska State Legislature, and Alaska Statute instituted a cap of \$100,000 per borrower. The cap has increased a few times since, with the most recent increase being in 2008 when it increased from \$500,000 to \$750,000.

Approved Bulk Fuel loans have an interest rate that ranges from zero to four percent depending on a few factors, such as whether it is a new initial loan and credit history. The interest revenues from loan repayments go back into their revolving loan fund. Both the Bulk Fuel and Bulk Fuel Bridge funds, when not lent out, are pooled with General Fund and Other Non-Segregated Funds, (GeFONSI) which is managed by the Department of Revenue's Treasury Division. The GeFONSI interest earnings for Bulk Fuel and Bulk Fuel Bridge funds are retained within their own funds.

Please let us know if there are further questions.

Sincerely,

DocuSigned by:  
*Sandra Moller*  
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Sandra Moller, PE  
Director

cc: Lizzie Kubitz, Legislative Liaison, DCCED  
Jordan Shilling, Legislative Director, Office of the Governor