

Alaska Bankers Association

February 14, 2011

Senator Bill Wielechowski
AK State Capitol, Room #101
Juneau, AK 99801

Dear Senator Wielechowski:

The Alaska Bankers Association consists of the following eight member banks: Alaska Pacific Bank, Denali State Bank, First Bank Ketchikan, First National Bank Alaska, KeyBank, Mt. McKinley Bank, Northrim Bank, and Wells Fargo Bank.

The Alaska Bankers Association would like to express our thanks for working with us to amend Senate Bill 34; the Small Business Revolving Loan Fund. The addition of the "turn down" language for loans over \$35,000 is of particular importance. We are satisfied with the changes made in the Senate Labor & Commerce Committee and are now in support of the bill.

As Craig Dahl, President of Alaska Pacific Bank, indicated in his testimony, the Alaska banks are actively engaged in making loans to the small business community. While the nation's headlines spoke to bank's not making loans, the banks watched loan demand slow or stop all together depending on the market. However, at no time during the last two plus years have any of the community banks in Alaska stopped lending in any of their portfolios.

To give you a sense of recent loan volume over the last two years, we have acquired a range of lending from several of our members. The following data represents the 2009 and 2010 new business loans under \$100,000 made by First National Bank, Northrim Bank and Alaska Pacific Bank.

2009	2010
1,060 \$34,146,278	1,035 \$37,796,775

This data represents three of our eight member banks in Alaska.

All banks, not just in Alaska, have excess liquidity and are looking forward to increased loan demand. If a viable business proposal walks into any of the Alaskan institutions, the proposal is going to receive a fair review. We want to make the loan as bad as the borrower wants it.

Again, thank you for working with the Alaska Bankers Association to craft a committee substitute that works for all of us.

Sincerely,



Joe Beedle
President, Alaska Bankers Association