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Governor Bill Walker
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January 23, 2018

The Honorable Bryce Edgmon
Speaker of the House
Alaska State Legislature
State Capitol, Room 208
Juneau, AK 99801-1182

Dear Speaker Edgmon,

Under the authority of Article III, Section 18, of the Alaska Constitution, I am transmitting a bill relating to the Alaska microloan revolving fund.

The Alaska microloan revolving fund exists to assist state residents with small business venture loans to facilitate entrepreneurial enterprise throughout the state, with a specific policy emphasis on job creation in rural communities.

This bill would improve the program by allowing a loan term for up to 15 years (as opposed to the current six years) and increase the interest rate from one percentage point above the prime rate to two percentage points above the prime rate. Further, the minimum interest rate would be modified to not less than four percent a year (rather than the current six percent a year). The maximum interest rate would remain eight percent a year.

These changes will allow the program to incentivize the startup and expansion of small and micro businesses, growing the small business sector while still protecting the state's financial interests.

I urge your prompt and favorable action on this measure to create a Stronger Alaska.

Sincerely,

A handwritten signature in blue ink that reads "Bill Walker".

Bill Walker
Governor

Enclosure