



Southwest Alaska Municipal Conference

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Alaska Peninsula
Aleutian Chain
Bristol Bay
Kodiak Island
Pribilof Islands

January 11, 2012

Dear Governor Parnell,

This letter is written in support of HB 121, a bill aimed at creating a micro revolving loan fund for the State of Alaska, in addition to fund creation for commercial charter fisheries and mariculture. 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. The mariculture and commercial charter components of the bill address two opportunities that have great potential in the SWAMC region – and most of coastal Alaska – where small business startups have traditionally been difficult to seed fund and maintain.

Alaska is one of only three 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 HB 121 is a valuable piece of legislation 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".

Executive Director