

Sponsor



Statement

House Bill 20: Fisheries Loans for Energy Efficiency

SPONSOR'S INTENT HOUSE BILL 20

HB20 provides technical fixes to the Commercial Fishing Loan Act in order to make low-interest loans for energy efficiency upgrades available to a larger number of Alaska's commercial fishers.

Volatility in fuel costs continues to have a worrisome impact on our commercial fishing fleets. There is also growing concern about the size of the carbon footprint of wild-catch fisheries and its potential effect on Alaska seafood marketing.

In recent years, great advances have been made in diesel and outboard engine technologies. Fuel efficiency has vastly improved, and emissions levels have been drastically reduced.

There have also been substantial developments in alternatives to traditional diesel and gasoline generator sets, and modifications to vessel hulls—such as bulbous noses and fin stabilizers—can also significantly boost energy efficiency.

Commercial fishers across the state are eager to take advantage of these and other new technologies that significantly lower operating costs and diminish impacts on the environment.

Passage of HB20 will provide many Alaskan fishers the opportunity to make these improvements sooner. At the same time, it will foster innovation and stimulate the entrepreneurial spirit in one of Alaska's most important industries.

Sectional Analysis



House Bill 20: Fisheries Loans for Energy Efficiency

Section 1 amends subsection A, paragraph (ii) of the Commercial Fishing Loan Act to allow loans to upgrade existing vessels and gear for the purpose of improving energy efficiency. Under current statute, subsection A loans are only available for improving the quality of Alaska seafood products.

Section 2 of the bill amends paragraph (i) of subsection B of the Act in two ways:

First, it eliminates the current prohibition for a borrower with a loan out under Section A from also becoming a borrower under Section B, but only if the purpose of the additional Section B loan is for an energy efficiency upgrade.

Second, it raises the total allowable balance outstanding on loans to an individual from both subsection A and subsection B from \$300,000 to \$400,000.

Section 3 makes the legislation retroactive to September 1st, 2008.

Section 4 sets an immediate effective date for the bill.