

REPRESENTATIVE DAN ORTIZ

Alaska State Legislature / Ketchikan, Saxman, Wrangell, Hydaburg, Metlakatla, Hyder, Loring and Meyers Chuck

SESSION ADDRESS:

Alaska State Capitol
Juneau, Alaska 99801
Phone: 907-465-3824
Toll Free: 1-800-686-3824
Fax: 907-465-3175



INTERIM ADDRESS:

1900 First Avenue, Suite 310
Ketchikan, Alaska 99901
Phone: 907-247-4672
907-465-5269
Fax: 907-225-8546

HB 56 Commercial Fishing Vessel Loan Sponsor Statement

This bill increases the section amount a borrower may hold unpaid from \$300,000 to \$400,000. The amount of 300,000 was assigned in 1982. This bill does not raise the aggregate amount a borrower may hold unpaid, and therefore does not affect the solvency of the fund. Due to inflation and technological advances, this \$300,000 amount has become outdated. According to the calculation method of the Consumer Price Index, \$300,000 in 1982 is equivalent to approximately \$746,136 today. This is why a \$100,000 increase to the aggregate limit of \$300,000 to \$400,000, is reasonable and pertinent today. An aggregate limit of \$400,000 is a reasonable aggregate unpaid limit for Alaska's commercial fishing businesses.