

Southeast Conference

Resolution 17-03

A RESOLUTION OF THE SOUTHEAST CONFERENCE, URGING THE STATE OF ALASKA TO STATUTORILY AMEND THE EXISTING MARICULTURE REVOLVING LOAN FUND TO ALLOW FOR NON-PROFIT SHELLFISH HATCHERIES TO ALSO UTILIZE THE FUND IN AN AMOUNT NOT TO EXCEED UP TO \$2 MILLION OF THE PRINCIPLE OF THE FUND

WHEREAS, the Mariculture Revolving Loan Fund was established by AS 16.10.900-945 and 3 AAC 80.410-480 to make loans for the purpose of planning, construction , and operation of a mariculture business; and

WHEREAS, under AS 16.10.910 eligible applicants for a loan must have a permitted mariculture farm located within the State of Alaska; and

WHEREAS, AS 16.10.915 limits the loan amount to \$100,000 a year, not to exceed a total loan of \$300,000; and

WHEREAS, shellfish and aquatic plant seed (i.e. oyster and geoduck) are needed for mariculture farms to succeed and therefore, hatcheries are vital component for the industry to succeed within the State of Alaska; and

WHEREAS, per Alaska Department of Fish and Game, all species of native shellfish and aquatic plant seed are required to be produced within the State of Alaska (oyster is the only exception to this requirement); and

WHEREAS, certain local governments, such as the Ketchikan Gateway Borough, understand the need for hatcheries and have provided a loan to a local non-profit agency for the purpose of a shellfish hatchery to fill this void; and

WHEREAS, Southeast Conference finds that the State of Alaska Mariculture Revolving Loan Fund is the appropriate mechanism for funding mariculture hatcheries as well as farms within the state; and

WHEREAS, Southeast Conference finds that the current revolving loan fund needs to be amended to allow non-profit shellfish hatcheries to apply for loans with the state following a similar administrative model as Alaska's salmon hatcheries which utilize the Fisheries Enhancement Revolving Loan Fund; and

WHEREAS, it is in the best interest of Southeast Conference and the communities and businesses it serves that non-profit shellfish hatcheries be eligible to utilize the fund in an amount not to exceed up to \$2 million of the principle of the fund as an efficient and effective way to encourage economic development in communities.

NOW, THEREFORE BE IT RESOLVED THAT the Southeast Conference urges the Governor and the Legislature to statutorily amend the existing Mariculture Revolving Loan Fund to allow for non-profit shellfish hatcheries to also utilize the fund in an amount not to exceed up to \$2 million of the principal of the fund.

ADOPTED BY THE SOUTHEAST CONFERENCE BOARD OF DIRECTORS ON DECEMBER 14, 2016 AND RESOLUTION WILL SUNSET ON DECEMBER 14, 2017.

Witness by:



Chelsea Goucher
President

Attest:



Shelly Wright
Executive Director