



FOR IMMEDIATE RELEASE

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Governor Parnell Signs Economic Development, Energy Legislation

June 12, 2012, Anchorage, Alaska – Governor Sean Parnell today signed two pieces of legislation to promote economic development and accelerate energy production throughout Alaska.

Governor Parnell signed Senate Bill 25, the Alaska Sustainable Strategy for Energy Transmission and Supply (ASSETS). SB 25 creates opportunity for new energy infrastructure in the state. Sponsored by Senator Lesil McGuire and Representative Lance Pruitt, the bill establishes a new fund in the Alaska Industrial Development and Export Authority (AIDEA) for financing energy development throughout Alaska. AIDEA can now make direct loans to borrowers for energy projects or participate in loans through banks or credit unions. AIDEA will also be able to insure project obligations by offering a loan or bond guarantee. Examples include improving energy efficiency in commercial buildings and renewable energy development.

"I appreciate the leadership of Senator McGuire and Representative Pruitt on this legislation that will lead to financing of energy projects across Alaska," Governor Parnell said. "It will bring the state closer to achieving its goal of 50 percent electricity generated by renewable energy by 2025."

Senate Bill 66, introduced by the governor, creates a new markets tax credit assistance guarantee and loan program with AIDEA. The program allows AIDEA to issue guarantees and finance projects in low-income areas or otherwise serving low-income populations. There have been several successful projects that have been financed through the use of new markets tax credits including the Platinum Seafood Plant, Kotzebue Elder Care Facility and the Yukon-Koyukuk Elder Assisted Living Facility in Galena.

"This legislation represents a real hand up, not a hand out," Governor Parnell said. "Entrepreneurs who want to get businesses up and running in low-income communities should be very excited about this new way to generate capital. By incentivizing development in these regions, our ability to offer an economic boost to areas of the state that need it most is increased significantly."

During the past two budget cycles, the state has funded more than \$1.5 billion for energy infrastructure and investments.

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