



February 4, 2014

The Honorable Steve Thompson
House of Representatives
State Capitol, Room 500
Juneau, Alaska 99801

Dear Rep. Thompson,

Thank you for introducing HB 223 which will provide an economic incentive within military facility zones that is left broad at the state level giving local communities the ability to further refine to fit their local distinct needs.

This legislation is very important to the Fairbanks community with 30% of our economy and 38% of our payroll coming from the military. At a time of significant cuts by Department of Defense, and communities with installations feeling the impact, this legislation assists us in staying competitive with other states as military support businesses transition into new areas.

One example of a military support business is one for unmanned aircraft which was historically largely military. The Alaska Center for Unmanned Aircraft Systems Integration (UAF) program has been performing research for commercial use of these vehicles for over 12 years.

Then, on December 30, 2013, Alaska was selected as one of six FAA test sites for integrating unmanned aircraft into the national airspace and expanding the commercial use of the vehicles.

With the test site designation, support businesses that will be valuable both to the military and community will be looking to locate near test sites. This bill provides a tool that gives them added incentive to locate in Alaska.

How important is that incentive? The Association of Unmanned Vehicle Systems International (AUVSI) study on the economic impact of unmanned aircraft nationwide provides an analysis by state on page 4 showing that in Alaska, direct jobs have the potential to bring in \$19 million with 95 jobs from 2015 to 2017 and it increases from there to \$112 million with 141 jobs between 2015 to 2025. The full study is available at: <http://www.auvsi.org/econreport>.

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Thank you for introducing this legislation to support our military and provide a tool that will draw business to Alaska.

Sincerely,



Luke T. Hopkins, Mayor
Fairbanks North Star Borough