

Presented by Sen RASKVAN

Talking Points

SB 125 Alaska Aerospace Corporation:

"An Act changing the name of the Alaska Aerospace Development Corporation to Alaska Aerospace Corporation."

Mr. Chairman, the Alaska Aerospace Development Corporation was established by the Alaska State Legislature in 1991 and charged with stimulating a high technology aerospace industry in the state and is designed to augment the nation's ability to place satellites into orbit and support missile defense testing. The Corporation, in partial fulfillment of its charter, built and operates the Kodiak Launch Facility, the nation's first full service commercial spaceport that was not co-located on a Federal reservation.

Senate Bill 125 simply seeks to change the name of the Alaska Aerospace Development Corporation to the Alaska Aerospace Corporation.

The word, "Development", in the Corporation's title gives the perception that they are a non-profit administrative body that simply encourages aerospace *development* in Alaska, rather than an organization that owns and operates space launch facilities that are fully developed and capable of launching rockets.

According to Dale Nash, the Chief Executive Officer of the Corporation, this name change will assist them in securing launch and other aerospace related contracts that generate significant economic benefits to Alaska by providing long-term, high paying, stable jobs; by providing local economic diversity; and by creating short-term benefits from projects and construction activities.

These are just a few facts about the economic impact of the Corporation in Alaska:

- The Alaska Aerospace Development Corporation contributed about \$28.7 million to the state last year, according to the independent firm, Northern Economics.
- During fiscal year 2008, the corporation spent about \$17.8 million in Kodiak, supporting about 100 local vendors and generating 155 jobs. Those jobs paid about \$7.7 million in wages and salaries on the island. Nearly 1,000 people visited the island during the year to support activities at the launch facility. These visits generated about \$365,000 for hotels, restaurants and retail services on the island.
- Also, the Alaska Aerospace Development Corporation was involved in a project to increase cellular phone access in areas previously unavailable on the island, and it helped generate funding for improvements to Pasagshak

Road. All totaled, the Kodiak Launch Facility was responsible for 11 percent of total earnings for the borough.

- In Anchorage, the corporation employed 20 people and paid wages, salaries and fees to employees and suppliers of \$1.7 million. All totaled it contributed about \$7.1 million to the Anchorage economy.

The launch site in Kodiak is operational, functioning and self supporting, in that no Alaska General Fund appropriations are needed for operations and maintenance of the site. The small fiscal note -- \$4,500 -- reflects the cost of new letterhead, business cards, logo, and website designs; and will be paid for with federal receipts, not the State's General Fund.

Mr. President, this name change will help the organization meet its 21st century goals. The new title, Alaska Aerospace Corporation, is unambiguous about their capabilities and will improve their ability to offer launch services to the national and international aerospace market, which benefits both our nation and our State.

I urge your support of this legislation.