

ALASKA STATE LEGISLATURE

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***Session:***

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REPRESENTATIVE WES KELLER DISTRICT 14

Sponsor Statement HB 354

“An Act relating to eligibility for loans from the Alaska capstone avionics revolving loan fund.”

In 2008 the Alaska Legislature commissioned the Capstone Avionics Loan Program. It was designed to provide access to a new generation of avionics for Alaskan aircraft owners and operators. The impetus for the program was an FAA pilot program that confirmed the substantial value and effectiveness of the technology. The results of the pilot program revealed a 47 percent decrease in accident rates in the trial area, and the FAA estimates that full implementation will result in 33 percent fewer fatalities statewide.

HB 354 is being proffered to amend existing statute in order to carry out the mission and original intent of the Capstone Avionics Program more effectively. As initially conceived, the program was intended to provide loans that would allow in-state operators and carriers to upgrade their avionics. However, there is an unforeseen gap in eligibility standards precluding significant portions of the target market from participation. Because the threshold for eligibility is predicated upon ownership of aircraft, an owner or carrier that chooses to lease its aircraft or fleet is deemed ineligible to access the program. This bill seeks to redress this deficiency by allowing for maximal participation. HB 354 is being offered only as an improvement to the Capstone Avionics Program because we believe it is in the interest of public safety, especially as it pertains to flights in and out of rural Alaska. Thanks for your consideration!