



CITY OF FAIRBANKS

John Eberhart, Mayor

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February 10, 2014

**Honorable Steve Thompson
House of Representatives
State Capitol, Room 500
Juneau AK 99801**

Re: Support for Military Facility Zones; HB 223

Dear Representative Thompson:

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

This legislation is very important to the Fairbanks community where 30% of our economy and 38% of our payroll comes from the military. At a time of significant cuts by the 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 military facility zones.

An example of a military support business is one dealing with unmanned aircraft. Historically, this was a largely military program. The Alaska Center for Unmanned Aircraft Integration Systems (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 such vehicles.

With the test site designation, support businesses that will be valuable both to the military and community will look to locate near test sites. HB223 provides a tool to give them added incentive to locate in Alaska.

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

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

Yours sincerely,

A handwritten signature in black ink, appearing to read "John Eberhart", is written over the typed name.

Mayor John Eberhart

cc: City Council Members