

Since the proposed fuel tax increase was not approved in Juneau during the regular session and then the two special sessions, DOT has proposed an Aircraft Registration Tax.

DOT is trying to make up a \$40M deficit. Today, revenues from airport leasing, permits, and other fees generate about \$5.1 million annually. State aviation fuel taxes account for an additional \$4.7 million, for a total revenue of \$9.8 million. In FY 2017, it cost DOT about \$35.6 million to operate and maintain the State airport system.

Tiedown fees, Transient Parking and Lease Rates have already gone up around the state. DOT is looking to increase revenues to approximately \$19 million, which would have to be supplemented with an additional \$16 million from the State's General Fund.

The State's budget problem has been tedious to try and resolve to say the least. The Alaska Airmen have been advocating for a fair, balanced, and non-draconian way to help. Of all the options talked about by DOT, a moderate increase in the fuel tax was the best choice. An increase (HB 60 and SB 25) has not approved, but the Bills are still alive for next year's session.

However, DOT is still being pressured to raise revenue. They are also required by the FAA to document the aircraft based at State airports as a condition of receiving federal grant money. The current proposal by DOT to implement a state-wide aircraft registration program is an attempt to comply with the FAA mandate and to raise additional revenue as directed by Juneau.

The Aircraft Registration Program as proposed by DOT is too cumbersome, too expensive, and overreaching. The Alaska Airmen Association does not support DOT's proposal to implement a Statewide Aircraft Registration Program.

The Governor's Aviation Advisory Board (AAB) has also recommended that DOT not pursue a registration program. In their September 30, 2016 response they cite that DOT only needs data at 27% of the airports in the state to comply with the FAA's mandate and yet requires 100% participation of all aircraft owners. This seems like an inefficient way to collect the required information that inconveniences over 8,000 aircraft owners, to gather information for less than 1,000 aircraft.

This program will not benefit the non-State owned airports around Alaska that also have the same duty to report based aircraft to the FAA.

DOT claims that this program will help them prioritize maintenance and operations and assist in system planning. As the numbers in the AAB report has shown, the vast majority of the aircraft in Alaska are not based at State-owned airports. Therefore, most traffic at state-owned airports is transient and based aircraft numbers will do nothing to help in planning, or maintenance, or operations. This is especially true in rural Alaska where there are many villages with zero-based aircraft.

The “required state insurance compliance program” referenced by DOT is for commercial operators and not for private owners. Requiring 100% participation for data on only a small percentage of the aircraft in the state is draconian, and the commercial operators are already required to submit this data to the state.

DOT claims that this program will build a database for reaching stakeholders as needs and issues arise in specific areas. The vast majority of entries in the database will be for aircraft that are not based at DOT airports. Again a massive overreach and in this world of cybersecurity concerns is this a risk worth having.

What can you do?

If you are in the Anchorage area, you can attend the public hearing Saturday, December 9th at the Coast International Hotel at 10 am and voice your concerns.

You can also submit written comments to DOT by January 5th.

Follow this link for more information:

<https://aws.state.ak.us/OnlinePublicNotices/Notices/View.aspx?id=187903>

You can reach out to your State Legislators and let them know that you do not support DOT’s Aircraft Registration proposal and that House Bill 60 and Senate Bill 25 (Fuel tax) is a better option to increases revenue for DOT. <http://akleg.gov/lios.php>

Please cc the [Alaska Airmen](#) when you comment so we can better represent your concerns.