

March 10, 2023

Testimony to the SENATE APPROPRIATIONS COMMITTEE – GOVERNMENT OPERATIONS DIVISION for House Bill No. 1018

Frank Matus on behalf of the Northern Plains UAS Test Site and Vantis Program
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Mr. Chairman and members of the committee, my name is Frank Matus and I run the Air Traffic Control business for Thales USA, Inc, the State's systems integrator partner for the Vantis Beyond Visual Line of Site drone program. As many of you are aware, the Vantis program represents the first of its kind infrastructure program supporting unmanned aircraft systems or UAS integration into the national airspace system. Vantis is developing and implementing a commercially operational UAS BVLOS flight system to serve our communities. North Dakota continues to lead industry in the development of UAS aviation infrastructure and operations with the support of our State and Federal partners.

The Governor's 2023-2025 budget request is for \$30,000,000 in new funding for Vantis that will drive our vision to the next level. This funding enables program management oversight, sustains the Mission and Network Operations Center (MNOC) in Grand Forks, supports operations and maintenance of Vantis infrastructure, design and deployment of new operational sites and services across the State, and onboarding of commercial/public UAS operators with appropriate Federal Aviation Administration (FAA)/government approvals.

The Vantis program not only represents the first of its kind infrastructure program supporting UAS integration into the national airspace system, but it is also a major driver of economic growth and job creation in the State. The program has already attracted significant private sector investment of \$400 million and has the support of federal partners such as the

DoD, CBP, and FAA. Nearly 50 UAS companies are currently based in North Dakota, employing over 1,000 people in the industry.

I am pleased to report that the Vantis program is making enormous strides because of the trust and the investments the legislature has made. Other states and countries from around the world have approached us in hopes of emulating the approach we are taking on this monumental program. Just last week, Executive Director Woods and I, along with Aeronautics Commissioner Wanner, had the opportunity to brief more than 30 state aviation officials at the National Association of State Aviation Officials (NASAO) where Vantis is seen as the “gold standard” for UAS integration. In less than a week, we have had five requests to help other states set up programs that mimic Vantis. In one state alone, programs in excess of \$25 million are being established to do what we are doing here. We are doing this together – the State, Thales, and Grand Sky. This replication means that each time we deploy Vantis services, a portion of the sale of a similar system is returned to the State as a royalty to recover its initial investment. Changes to the Century Code will allow the Northern Plains UAS Test Site to work directly with Thales to determine the royalty or percentage of the revenue will come back to the State and UAS Fund.

However, this is just a start. To eliminate unnecessary red tape and to increase efficiency, we are recommending changes to the Commerce Century Code to ensure that the Northern Plains UAS Test Site be given the authority to act independently under the Department of Commerce. This will reduce many layers of unnecessary bureaucracy that were not envisioned originally but are stifling the efficiency of the North Dakota State government and Thales alike. I urge you to support those changes.

The Vantis program is not only significant for North Dakota, but it also has broader implications for the entire UAS industry. By developing and implementing a commercially

operational UAS BVLOS flight system, we are setting a standard for the safe and efficient integration of UAS into the national airspace system. This will pave the way for a multitude of applications and use cases, from package delivery and infrastructure inspection to emergency response and public safety.

In addition to the economic benefits, the Vantis program will also create new job opportunities in areas such as UAS operation, maintenance, and design and deployment of new operational sites and services across the State. It is important to note that this program was so important to not only me but Thales that my family and I have relocated to the State so that I can personally ensure the mission and vision of the Vantis program is realized and to increase the number of jobs that will unlock the potential of UAS. The program will attract more commercial/public UAS operators to the State, which will in turn lead to even more job opportunities. This is truly a win-win situation for both the State and the UAS industry.

In conclusion, I would like to express my gratitude to the committee for your continued support of the Vantis program. With your help, we can drive our vision to the next level and unlock the full potential of UAS for North Dakota and beyond. I urge you to support those changes. Thank you..