

Written Testimony in Support of House Bill 2308

Presented by: Scott Wagner, President & Shelli Swanson, Vice President On Behalf of: Kansas Association of Airports (KAA) Before the House Committee on Commerce, Labor and Economic Development February 28, 2025

Chairman Tarwater, Vice Chair Turk and Ranking Member Sawyer Clayton,

On behalf of the Kansas Association of Airports (KAA), we submit this testimony in strong support of House Bill 2308 (HB 2308) and the Aviation and Innovative Manufacturing in Kansas (AIM-K) program. The Kansas Association of Airports represents public-use airports across the state, advocating for policies that enhance aviation infrastructure, economic development, and workforce training.

Kansas has long been a leader in aviation and aerospace, with Wichita known as the "Air Capital of the World." The AIM-K program outlined in HB 2308 is a critical tool to ensure Kansas remains competitive in attracting aviation investment, workforce development, and innovation in aerospace manufacturing and sustainable aviation fuel (SAF) production.

Why HB 2308 Matters for Kansas Airports & Aviation Industry

- 1. Expanding Aviation & Aerospace Investment
 - AIM-K provides enhanced economic incentives to attract aircraft manufacturers, aerospace component suppliers, R&D facilities, and sustainable aviation fuel (SAF) producers to Kansas.
 - Kansas airports serve as key hubs for aviation economic activity, and this bill ensures they remain competitive in attracting new business opportunities.
- 2. Supporting Workforce Development & Training
 - The aviation sector faces a significant shortage of skilled workers, including aircraft maintenance technicians, air traffic controllers, and ground crews.
 - HB 2308 ensures no-cost access to Kansas community and technical colleges for workforce training, helping airports and their tenants develop the next generation of aviation professionals.
 - The bill offers up to \$5 million in training reimbursements per project, providing much-needed support to ensure the workforce pipeline meets industry demands.
- 3. Investing in Sustainable Aviation Fuel (SAF) Production

- The future of aviation depends on sustainable fuel alternatives, and Kansas is well-positioned to be a national leader in SAF production and distribution.
- HB 2308 supports SAF infrastructure development, which will enhance the longterm sustainability and competitiveness of Kansas airports while creating new economic opportunities in the state.
- 4. Competitive Incentives for Economic Growth
 - AIM-K enhances Kansas' traditional economic incentives, making the state more attractive to aviation and advanced manufacturing companies.
 - The bill includes:
 - Capital Investment Tax Credits (up to 10% of investment)
 - Payroll Tax Benefits (up to 100% withholding rebate for 10 years)
 - Sales Tax Exemptions for construction materials
 - Kansas First Program, which encourages local procurement
 - These provisions ensure that Kansas remains a destination for aviation investment while protecting taxpayer dollars through strict clawback provisions that require businesses to meet job creation and investment commitments before receiving benefits.

Conclusion

The Kansas Association of Airports fully supports HB 2308, recognizing its vital role in strengthening Kansas airports, fostering aviation workforce development, and ensuring long-term economic growth in aerospace and innovative manufacturing. This legislation is a smart investment in Kansas' future as a national leader in aviation and aerospace innovation.

We respectfully urge the committee to advance HB 2308 and stand ready to support its passage.

Thank you for your time and consideration.

Respectfully submitted,

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