Testimony before House Commerce Committee **HB2308** — Enacting the aviation and innovative manufacturing in Kansas act. Mike O'Neal on behalf of Bombardier <u>mike@onealconsultingks.com</u>

March 4, 2025

In-person testimony in **support**

Mr. Chairman and members of the Committee

As an innovative aircraft industry leader in Kansas, Bombardier is pleased to appear in support of HB 2308.

Kansas is the top state in the nation for supporting the aviation industry. Continuing to refine and improve economic programs in support of our industry is critical to Kansas staying on top. Given national political changes and a renewed emphasis on bringing industries and jobs to the U.S., the timing of this initiative is optimal. Kansas needs to be in the best position to attract and retain quality industry investments and a trained workforce.

The training benefits of AIM-K incentivizes partnerships with local colleges and universities through a 12-month jumpstart opportunity. This is a major selling point to companies like Bombardier that are looking for ways to expand its pipeline of workers. The start-up cost to building a new education partnership program has been the biggest challenge. AIM-K proposes to eliminate that hurdle with a year of training expense reimbursements for qualifying companies and trainees.

A strong determining factor for companies like Bombardier when considering locations for future projects are payroll tax benefits, like the ones proposed in this legislation.

Bombardier, like many attractive aviation and manufacturing companies, have multiple locations in the U.S. and abroad. Initiatives such as AIM-K can go a long way toward incentivizing companies to reduce costs and improve efficiency by bringing production centers closer to the main market, helping companies deliver products faster, reduce transportation costs, and attract supply chain partners to follow. For example, Bombardier would be looking at the potential to relocate a paint facility, construct a wheel & tire shop and a dedicated training center.