



Area Chamber of Commerce

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Written Testimony ONLY in Support of the HB 2308

House Committee on Commerce, Labor, and Economic Development

March 3, 2025

Dear Chairman Tarwater and honorable committee members,

Thank you for the opportunity to provide testimony in support of HB 2308 proposed AIM-K (Aviation and Innovative Manufacturing in Kansas) bill. The Salina Area Chamber of Commerce speaks in favor of this critical piece of legislation that will help secure the future of Kansas as a leader in aerospace and advanced manufacturing. Furthermore, this bill will work in tandem with the investments we've made in Salina to further attract aviation, aerospace, and advanced manufacturing companies and workforce.

As the state faces an ever-evolving economic landscape, with rapid technological developments and shifts in transportation manufacturing, it is essential that we remain competitive in attracting cutting-edge industries to our state. The AIM-K bill represents an exciting and necessary step forward in making Kansas an even more attractive location for investment, innovation, and job creation in the aerospace and sustainable manufacturing sectors.

Key Benefits of AIM-K

1. Strengthening Kansas' Position in Aerospace and Manufacturing

Aerospace manufacturing, sustainable aviation fuel, and sustainable vehicles are not just the industries of the future—they are the industries of today. As global demand for cleaner, more efficient transportation technologies continues to grow, Kansas is uniquely positioned to be at the forefront of these developments. The AIM-K bill will provide the state with the necessary tools to recruit top-tier manufacturers in aircraft assembly, component manufacturing, and cutting-edge research and development, reinforcing our status as a hub for innovation.

2. Targeted and Effective Incentives

The AIM-K bill enhances Kansas' existing incentive programs, making our state even more competitive while maintaining strong accountability and oversight. This bill offers targeted incentives that reward companies only after they meet specific milestones, such as making substantial capital investments and creating high-quality jobs. These provisions ensure that Kansas taxpayers' money is well spent and that businesses are held to rigorous performance standards.

3. Robust Job Creation and Economic Development

The AIM-K bill requires that participating companies create at least 250 jobs within five years of project initiation, with base wages at or above the county's median wage. This provision ensures that the benefits of this program are felt by local communities across the state, creating long-term employment opportunities and fostering economic growth. The focus on high-wage, high-skill jobs is crucial for strengthening Kansas' workforce and ensuring that these investments provide lasting value to our state.

4. State-of-the-Art Workforce Development

The AIM-K bill also emphasizes workforce development, offering no-cost access to community colleges and technical colleges for production worker training. With a cap of \$5 million per project, this incentive ensures that workers have the skills they need to succeed in the advanced manufacturing sector, which is critical for the success of both businesses and employees. By partnering with Kansas' world-class educational institutions, this bill will help develop a workforce that is highly skilled, adaptable, and ready for the future.

5. Strengthening Local Economies and Supply Chains

The inclusion of the Kansas First provision will provide an additional incentive for companies to source goods from Kansas-based suppliers. This strengthens our state's supply chain, fosters growth for local businesses, and ensures that Kansas businesses remain a vital part of the state's economic engine. By encouraging companies to buy locally, AIM-K promotes a robust and interconnected business ecosystem.

6. Accountability Through Clawbacks

The AIM-K bill ensures that businesses are held accountable for their commitments. If companies fail to meet capital investment or job creation targets, clawback provisions will ensure that earned benefits are returned to the state. This provides a safety net for taxpayers, ensuring that companies fulfill their promises to Kansas and that public funds are used responsibly.

Conclusion

The AIM-K bill is a forward-thinking and strategic tool for Kansas to continue its legacy as a leader in aerospace and innovative manufacturing. It supports the growth of high-tech industries, strengthens our workforce, and ensures that Kansas remains competitive in a rapidly changing global market. This legislation will foster job creation, drive investment, and ultimately make Kansas a more prosperous state.

We urge you to support HB 2308 proposing AIM-K bill, as it will help secure the future of our state and ensure that Kansas remains at the cutting edge of aerospace and manufacturing innovation. Thank you for your time and consideration.

Sincerely,



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President/CEO
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