

Department of Commerce  
1000 S.W. Jackson St., Suite 100  
Topeka, KS 66612-1354



Phone: (785) 296-3481  
Fax: (785) 296-5055  
KansasCommerce.gov

David C. Toland, Secretary

Laura Kelly, Governor

**Written Only Proponent Testimony on HB 2464**  
**Rachel Willis, Director of Legislative Affairs, Kansas Department of Commerce**  
**House Commerce**  
**January 27, 2026, 1:30 p.m.**  
**Room 346 S**

The Kansas Department of Commerce supports HB 2464, which extends the Aviation and Aerospace Tax Credit sunset to December 31, 2036, and respectfully requests that the House Commerce Committee pass the bill favorably. This is a targeted, practical tool that helps Kansas compete for aerospace and defense investment.

Under current statute, no new credits can be earned after December 31, 2026. Removing or allowing this credit to expire would eliminate Kansas' only dedicated aviation workforce tool at the exact moment when demand is accelerating, particularly in the defense sector. Aerospace and defense programs operate on multi-year planning and production cycles. Site-selection and capital investment decisions being made in 2026 and 2027 affect project pipelines through 2028 and beyond. Uncertainty about Kansas' incentive posture today will directly weaken our competitiveness for those future projects. In short, allowing this credit to sunset now would undercut Kansas' strategic position in a core legacy industry at the worst possible time.

Not only does the tax credit directly strengthen our efforts to recruit and retain aviation and aerospace companies, it also helps address one of the most acute constraints facing the industry today: workforce. Aviation and aerospace remain talent-constrained nationally, on both the commercial and defense sides of the industry. Backlogs, reshoring, and new defense programs are driving new production facilities, research and development activity, and maintenance demands. This is intensifying competition for aviation-capable engineers, technicians, and advanced manufacturing workers. Without modern, sector-specific workforce tools, our state is at a structural disadvantage when these projects are sited.

Most importantly, the credit sends a clear market signal that Kansas is serious about remaining the Air Capital of the World. It strengthens workforce pipelines, supports business retention and expansion, and keeps Kansas competitive in a national site-selection environment. Thank you for your time, and we respectfully ask you to support HB 2464.