SENATE COMMITTEE ON ASSESSMENT AND TAXATION TEXTRON AVIATION OPPOSES SB283

Madam Chair and Members of the Committee:

I am Douglas Scott the Manager of Government Relations and Public Affairs for Textron Aviation. I can be contacted at DScott2@TXTAV.com.

Thank you for the opportunity to provide written testimony in opposition of SB283—specifically the sunset of the High Performance Incentive Program (HPIP) and Promoting Employment Across Kansas (PEAK).

As many of you know, Textron Aviation has long been an integral part of Kansas' landscape, proudly rooted in the state for nearly 100 years. Originating from the merger of two iconic General Aviation companies, Cessna and Beechcraft, Textron Aviation continues to be a leader in the aviation industry, manufacturing a wide range of aircraft right here in Kansas. From single-engine piston planes to intercontinental business jets and special mission aircraft, our products are flown all over the world.

Textron Aviation has delivered more than 250,000 aircraft worldwide. Textron Aviation's operations span over 10 million square feet in Wichita and Independence, Kansas. With our corporate headquarters in Wichita, we employ 11,000 people in the state with a payroll of \$1.08 billion. This represents a considerable amount of investment in people and equipment in Kansas.

We oppose the elimination of the HPIP and PEAK because it would discourage large capital investments in Kansas and weaken the state's ability to attract new high-wage jobs from the private sector.

HPIP and PEAK strengthen the business case for capital-intensive industries to justify making massive investments in Kansas. The HPIP tax credit mechanism, along with the sales tax relief for materials used in the construction of new facilities, places Kansas in a more competitive position with other states that offer similar incentives. When industries invest millions of dollars in machinery, equipment, and facilities, it helps anchor manufacturing jobs in Kansas far beyond the timeframe of the incentive program.

HPIP and PEAK are for employers who pay above-average wages, create jobs, and invest in worker training. If they don't meet these goals, they don't get the benefits.

We ask the Committee to keep these programs and work with businesses on tax reform that keeps these important incentives in place and available.

Sincerely,

Douglas Scott

Manager of Government Relations and Public Affairs

Textron Aviation