



October 27, 2025

Chairman Tarwater, Vice Chairman Alley, and Members of the Special Committee on Commerce,

On behalf of the Wichita Regional Chamber of Commerce and our 1,400 members, thank you for the opportunity to provide testimony in support of preserving and strengthening Kansas' core economic development programs.

The High Performance Incentive Program (HPIP), Promoting Employment Across Kansas (PEAK) program, and the Aviation Tax Credit program are the foundation of Kansas' ability to attract and retain private investment and create high-wage jobs. According to the Greater Wichita Partnership, "HPIP and PEAK are the two most critical state economic development tools we have to grow the economy of Kansas." Together, they provide a balanced approach, with HPIP supporting capital-intensive manufacturing investment, PEAK rewarding labor-intensive job creation, and the Aviation Tax Credit strengthening our state's signature aviation industry.

Since 2020 in Sedgwick County alone, HPIP has generated 185 applications representing more than \$2.5 billion in capital investment, including major projects by Spirit AeroSystems, Cargill, Garmin International, and Koch Industries. Over the same period, PEAK received 39 applications, committed to 2,984 jobs, and offered \$22.9 million in benefits. The Kansas Aviation Tax Credit, set to sunset in 2026, saw 3,226 filers in 2022 and 2023, with \$9.1 million in tax credits allowed against tax liability, enabling employers to recruit and retain skilled technicians and engineers in a competitive labor market and helping us retain the title of Air Capital of the World. The Chamber strongly supports reauthorizing this credit beyond 2026 to preserve Kansas' advantage in aviation talent recruitment. These results demonstrate that Kansas' performance-based incentives are delivering measurable outcomes for taxpayers.

Kansas competes with other states and foreign countries that offer robust cash grants, property tax abatements, free land, and subsidized job training. It's important to understand that these incentives are not detracting from the public purse, as without the programs, there would be less investment in the state to begin with; investments that create a ripple effect of increased high-quality jobs, community growth, higher sales tax revenue, and a broader property tax base. HPIP, PEAK, and the Aviation Tax Credit are Kansas' primary tools to stay competitive. Reducing or eliminating them would make it significantly harder to grow Kansas' economy, and while the Chamber appreciates any efforts to lower corporate income taxes, this alone would not replace the incentive packages, especially in the aerospace industry, which is a long-lead capital-intensive business, taking years for new programs to start and even longer for high-rate production levels.



The Wichita Chamber respectfully urges the Legislature to retain and strengthen HPIP, PEAK, and the Aviation Tax Credit to ensure Kansas continues to excel in economic development, innovation, and workforce growth.

Thank you for your time and consideration, and I am happy to stand for questions at the appropriate time.

Respectfully yours,

Nathaniel Blank

Wichita Regional Chamber of Commerce