

February 4, 2019

Committee on Commerce, Labor and Economic Development Re: HOUSE BILL No. 2118, AN ACT concerning income taxation; relating to credits, providing certain credits for graduates of aerospace and aviation-related educational programs and their employers.

Don Weiser President/CEO Salina Area Chamber of Commerce

I first want to thank Chairman Tarwater, Vice Chair Corbet and fellow distinguished committee members for the opportunity to address House Bill 2118. House Bill 2118 offers certain income tax credits for graduates of aerospace and aviation-related educational programs and their employers.

Our organization represents 1,000 small, mid-market and large companies across Saline County, with the mission to mobilize private and public sector leadership, expertise and resources to support job creation, expansion, and development of all segments of Salina and Saline County, Kansas.

Salina, KS has a large cluster of aviation related research, training and businesses located in the Salina Airport Authority's industrial center. One of the largest anchors in the industrial center is the Kansas State University Polytechnic Campus. Kansas State Polytechnic has become a global leader in both aviation and within the last decade a rising star in the UAS arena.

Kansas State Polytechnic understands the importance of providing its students with research opportunities, cutting edge technology and equipment and an exclusive education. The community continues to support the efforts of Kansas State Polytechnic as a global leader in the Aviation and UAS fields with the strategic goal of incubating aviation technology related start-ups.

Part of that strategic goal is an effort called the Global Aeronautics Initiative. The initiative was developed because of K-State Polytechnic's unique ability to leverage the convergence of rapid technological advancements in manned and unmanned aeronautics, demand for advanced systems and processes from those systems, and educational opportunities due to the increasing demand for qualified and certified technical experts.

Establishing global leadership in this area requires specific strategic focus in an array of areas. The strategy that would have the most positive effect from implementation of HB 2118 is establishing a talent pipeline to keep recent graduates in Salina and attract new students to the community.



While tax expenditures represent forgone revenue to the state, we know that tax credit programs serve as significant economic development tools to local communities and counties. House Bill 2118 would continue that by providing a value added incentive for both businesses and employers that currently have operations in Salina and also to businesses seeking to call Salina and Kansas home. It addition it will also help reverse the brain drain effect of highly qualified and Kansas Board of Regents institutions trained graduates leaving Salina and Kansas.

Thank you for your attention to this important issue and your commitment to economic advancement of Salina, Saline County and the state of Kansas as a whole.