

TEXTRON AVIATION

Testimony before the House Committee on Commerce, Labor and Economic Development re: House Bill 2118 Tuesday, February 5, 2019 Support for Aviation Employee Tax Credit

Chairman Tarwater and Fellow Committee Members,

As the world's largest manufacturer of general and business aviation aircraft, Textron Aviation is proud to call Kansas home. The Beechcraft and Cessna brands have benefited from the exceptional contributions of a highly skilled Kansas workforce for more than nine decades.

Today, Textron Aviation products account for more than half of all general aviation aircraft flying. Our company boasts the most versatile and comprehensive general aviation product portfolio in the world. Our broad range of products include such best-selling aircraft as Citation business jets, King Air and Caravan turboprops and T-6 military trainer aircraft, all of which are backed by the industry's most capable global service network.

Importantly, more than 9,500 of our employees live and work in Kansas. The continued strength of our business relies on the unmatched skill of our advanced manufacturing workforce and innovative thinking that keeps our new product development efforts robust. Our success as a company is impacted by our ability to attract and retain highly skilled and professional employees. To keep pace with attrition and meet our current production plans, the company is recruiting skilled and professional employees now. We are actively hiring for many skillsets across the company, including direct manufacturing jobs such as machinists, sheet metal assembly, avionics technicians, fabrication, paint, composites, and airframe and powerplant (A&P) mechanics. During 2018 we hired nearly 1,000 employees to support our current production plans, and that pace of hiring continues.

With very low unemployment, a declining Kansas population, an aging skilled workforce and fewer candidates choosing manufacturing and technical careers, the competition for employees is tightening. As a business we continue to win in the area of product innovation. As a state, however, we continue to lose in the area of talent. Regrettably, the very state that pioneered and continues to lead the world in aviation manufacturing is not leading in the area of talent attraction. Rather, Kansas is lagging.

States like Oklahoma and North Carolina have seen tremendous success in attracting new aviation-related businesses and skilled employees to their states during the past decade, thanks to programs similar to HB 2118. These states decided a to be aggressive in creating innovative solutions to attract talent and their economies have grown in response. Kansas must invest now to win the war on talent.

Your leadership in providing the investments required to ensure we are engaging and equipping the next generation of highly skilled and professional employees is essential as

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we, together, lay the groundwork for another nine decades of prosperity for our company, our state and our valued workforce.

Stephanie Harder Director, Corporate Communications & Public Affairs