

MINUTES OF THE JOINT HOUSE ECONOMIC DEVELOPMENT AND TOURISM/SENATE
COMMERCE COMMITTEE

The meeting was called to order by Senate Chair Karin Brownlee at 3:30 P.M. on March 5, 2008 in Room 783 in the Docking Building.

All members were present except:

Valdenia Winn- excused
Owen Donohoe- excused
Geraldine Flaharty- excused
Judy Morrison- excused
Robert Olson- excused

Committee staff present:

Ryan Hoffman, Kansas Legislative Research Department
Jason Long, Office of the Revisor of Statutes
Matt Todd, Office of the Revisor of Statutes
Ann Deitcher, Committee Assistant

Conferees appearing before the committee:

Jeff Turner, Pres./CEO, Spirit AeroSystems, Inc.
John Lewelling, Sr. VP/Gen. Mgr. Aerostructures, Spirit AeroSystems, Inc.
John Pilla, Sr. VP/CTO, Learjet
Debbie Gann, Director of Communications,
Derek McLuckey, Gen. Mgr/Dir. Of Operations, Boeing
Mike Shonka, Exec. VP/CFO, Cessna
Jim Sanders, VP/CFO, Hawker Beechcraft
Rich Jiwanlal, VP Human Resources, Hawker Beechcraft

Senator Brownlee called on Jeff Turner who thanked the committees for the role they played in the partnership between the State and the Aircraft Industry. (Attachment 1). He in turn introduced John Lewelling, John Pilla and Debbie Gunn, also of Spirit AeroSystems, Inc.

Mr. Turner spoke of the aviation industry in Kansas and how it was positioned for growth. Regarding the total economic impact on the state, he pointed out that Kansas delivers more than 50% of all U.S. general aviation aircraft and the aviation wages were approximately \$2.4 billion per year, while state revenues were 22% of the total state budget and generated \$1.3 billion in state tax revenue. (Attachment 2).

Speaking of the intense competition for jobs, Mr. Turner named the states as well as Malaysia, China and Mexico who wanted Kansas' high-paying jobs and tax revenue. He said that 20,000 skilled workers would be needed over the next 10 years.

A map was distributed showing the number of aviation manufacturing companies by counties. (Attachment 3).

Derek McLuckey answered questions of the Committee regarding the recent purchase by the U.S. Air Force of aircraft from France, saying they'd not been briefed on everything yet so a statement would not be issued until the next week. He did point out to them that this meant only the loss of the commercial airline base.

Other questions and answers followed.

The meeting was adjourned at 4:55 pm. The next meeting is scheduled for 8:30 am, Thurs., Mar. 6, 2008.

CONTINUATION SHEET

MINUTES OF THE House Economic Development and Tourism Committee at 3:30 P.M. on March 5, 2008 in Room D-783 of the Capitol.