

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

The meeting was called to order by Chairperson Karin Brownlee at 3:40 P.M. on March 5, 2008 in Room 783-Docking Bldg.

All members were present except:

Jay Emler- excused  
Jean Schodorf- excused  
Ruth Teichman- excused

Committee staff present:

Jennifer Thierer, Kansas Legislative Research Department  
Jason Long, Revisor of Statutes  
Jackie Lunn, Committee Assistant

Conferees appearing before the committee:

Jeff Turner, President/CEO, Spirit AeroSystems, Inc.

Special guests appearing before the committee:

Representing Learjet:

John Decker, General Manager

Representing Spirit AeroSystems, Inc.

John Lewelling, Sr. VP /Gen Mgr Aerostructures,  
John Pilla, Sr. VP/Chief Technology Officer  
Debbie Gann, Director Communications

Representing Boeing:

John Frederick, Dir. State & Local Government Relations, Central Region  
Derek McLuckey, General Manager/Director of Operations  
Scott Beaubout, Director Finance  
Tom Konieczny, Director of Engineering  
Jared Bartlett, Communications Manager

Representing Cessna:

Mike Shonka, Executive VP/Chief Financial Offer  
Ron Aberti, Senior VP in charge Integrtated Supply Chain

Representing Hawker Beechcraft:

Jim Sanders, Vice President and Chief Financial Officer  
Randy Nelson, Senior VP Product Developing and Engineering  
Jackie Berger, VP Communications and Public Affairs  
Dan Dymarkowski, Director Labor Relations  
Lisa Haffner, Director Tax

Others attending:

See attached list.

To read testimony submitted by conferees go to

<http://skyways.lib.ks.us/government/KansasSenateCommerceCommittee>.

Chairperson Brownlee welcomed the special guest and asked a representative from each aircraft company to introduce their special guest and the role that they play. Upon the completion of the introductions of special guest, Mr. Turner proceeded with his presentation. Mr. Turner presented written copy (Attachment 1) which can be seen in its entirety on the link shown above. During Mr. Turner's presentation he noted that the aviation industry comprises 22% of the states economy.

Upon the conclusion of Mr. Turner's presentation there was a question and answer discussion session with

## CONTINUATION SHEET

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the special guests and the Committee. The first question asked of the aviation industry was to Boeing. The Committee had questions regarding the contract that was awarded to Air Buss in France by the Unites States Air Force instead of Boeing. It was noted right away that Boeing was not at liberty to discuss the issue since they had not been briefed as of yet.

The questions turned to the National Center for Aviation Training located in Wichita. Mr. Turner noted that the National Center for Aviation Training was up and running in temporary quarters at this time and is centered around and through the Wichita Technical School. The permanent quarters will be available by January of 2010. He stated that it is just not only aviation training, even though aviation is the cornerstone, other programs are also being offered. The aviation programs have 210 students enrolled with the entire enrollment being 2500. The requirements to be accepted into the National Center for Aviation Training were also discussed.

The number of jobs needed for the aviation industry in the future was discussed and the impact on these jobs by the loss of the contract. Spirit stated that it will have some impact on their jobs. The questions moved back to the loss of the contract and it was noted at that time that Boeing would be briefed on the situation the next day and would be releasing a statement early in the next week. At that time it was also noted by Boeing that they will still have considerable job growth because there were other opportunities they are excited about. It was understood that the people of Kansas are upset over the decision and have an interest in getting that decision changed.

The next topic was the economic impact that the aviation industry has on the state of Kansas and the wages paid by the aircraft industry. It was noted that the aircraft industry jobs pay well but are not always the cleanest jobs since they are in manufacturing plants. The fact that these jobs are jobs that cycle and the workers are laid off from time to time until the work picks up was discussed. It was noted by Spirit there is a need for retraining and they are trying to come up with a program to make opportunities for training and retraining available while the workers are laid off. He mentioned a need to find a way to acquire some form local aid during these down times to allow workers to obtain this training.

The questions turned back to workforce development for the aviation industry and what needs to be done in the future. There is a need for a trained workforce and the key is to train them in the state and keep them in the state after they are trained. It was noted that better marketing for technical training needs to be done all across the state and the mind set of technical schools needs to change with the citizens of Kansas, the teachers K through 12 and also the counselors in the schools that are helping students map out their futures.

In closing, each aircraft company represented voiced their appreciation for the support the state of Kansas has given to the aircraft industry and thanked the Committee for inviting them to take part in this meeting.

Chairperson Brownlee thanked the aircraft industry for taking the time from their busy schedules to attend the meeting. Chairperson Brownlee adjourned the meeting at 5:00 p.m. with the next meeting being a joint meeting with House Economic Development and Tourism an Tourism scheduled for March 6, 2008 at 8:30 a.m. in room 123 S.