



Kansas State Senate Committee on Assessment and Taxation

Justin Welner
Vice President, Human Resources,
Corporate Affairs, Information Technology, CEO Business Management, and Strategy

Testimony in support of SB 282

March 22, 2021

Chairman Tyson, Ranking Member Holland, and Members of the Committee:

Good afternoon, and thank you for giving me the opportunity to submit testimony before your Committee about the importance of attracting and retaining highly-skilled aerospace workers for advanced manufacturing.

My name is Justin Welner, and I am Vice President at Spirit AeroSystems with responsibility for human resources at our Kansas headquarters and our global sites. As many of you know, Spirit is the world's leading aerostructures tier 1 supplier with a diverse set of commercial and defense customers. Spirit's manufacturing operations around the globe span about 16 million square feet with more than 12 million square feet of that manufacturing space located in Wichita.

Following two acquisitions in 2020, we now have U.S. operations in Wichita, Kansas; Tulsa, Oklahoma; McAlester, Oklahoma; Dallas, Texas; Kinston, North Carolina; and Biddeford Maine. Internationally, we have operations in Subang, Malaysia; Prestwick, Scotland, Belfast, Northern Ireland; Saint-Nazaire, France; and Casablanca, Morocco.

Many of you have constituents who work in the aircraft industry, either for a large company or for one of the hundreds of small and mid-sized businesses located throughout the state who represent a diverse supply chain for products and services to our industry. Unfortunately, I know many also have friends and relatives who have been furloughed or who lost their jobs in recent months. Every aerospace company who supports the commercial aviation market has had to face the extraordinary challenges presented by COVID-19 and the bitter realities of the world-wide decline in demand for new aircraft.

These pandemic challenges have been well documented, so I will keep my testimony focused on where we are today and how we can ensure Kansas is well positioned for a strong recovery.

At Spirit, we expect to have growing demand over the next several years for highly-skilled workers needed to design, build, and assemble complex aerostructures for commercial aircraft as the market recovers. Spirit's growing presence on existing and new defense work packages is also expected to drive more demand for engineers, mechanics, and other professionals needed to support our customers.

Senate Assessment and Taxation
Date _____

Attachment # _____

A few years ago when our industry was experiencing unprecedented annual growth in production rates, the pipeline of qualified aerospace workers struggled to keep up with demand – not only in Kansas but around the world. During that time, we know the Legislature considered ways to attract workers to Kansas to help fill high-paying jobs that could lead to promising careers.

While Spirit's employment demand in 2021 is nowhere near the demand of 2019, as we continue to recall workers and hire new employees, the day will come when we will again be faced with a shortage of qualified aerospace workers in Kansas.

My testimony in support of SB 282 is because we believe it will help create an incentive to attract workers into Kansas. Other states such as Oklahoma have a similar program as proposed in SB 282, and this bill would give recruiters another reason to convince prospective candidates to consider locating to Kansas from out-of-state.

Spirit already invests in scholarship programs for Kansas engineering and technical education students in addition to offering intern programs for college and high school students in a variety of career fields that can lead to full-time jobs. We also partner with institutions of higher education to provide recommendations about the skills needed by our industry. I am privileged to serve on the Wichita State University Tech Industry Advisory Board, which helps the National Center for Aviation Training focus on the critical job skills needed in our highly-technical manufacturing environment.

SB 282 would support recruitment efforts by companies such as ours to keep more talent in the state when students graduate from a Kansas technical program or university degreed program in aerospace. Likewise, it will help attract new talent into the state to meet hiring needs we will not be able to support without growing our overall population.

While the provisions of SB 282 are targeted at meeting the needs of the aviation industry, we have been told by non-aerospace industry leaders that increasing the pipeline of technical employees in aviation can have positive effects on the workforce pools for other sectors of our economy. In this sense, SB 282 has indirect benefits to other technical trades.

Spirit's Wichita site depends on having access to highly-skilled engineers and mechanics. I respectfully ask you to support SB 282 because of the positive effect it would have for students seeking engineering degrees and aerospace manufacturing certifications – and for companies needing to hire qualified employees.

Justin Welner
Vice President, Human Resources, Corporate Affairs, Information Technology, CEO Business Management, and Strategy
Spirit AeroSystems