



## ***Oklahoma Aeronautics Commission***

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### **NEWS RELEASE**

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## **Engineer Work Force Bill for Aerospace Industry Passes, Heads to Full House**

**OKLAHOMA CITY** – A bill designed to boost Oklahoma’s aerospace industry by providing incentives to attract more engineers into the industry passed out of the House committee earlier today.

House Bill 3239 by Rep. Skye McNiell, R-Bristow, passed out of the House Energy and Technology Committee by an 18-0 vote and now heads to the House floor. The bill provides incentives in the form of tax credits to engineers who choose to work for an Oklahoma aerospace company. The bill also provides various tax credits to Oklahoma aerospace companies that hire those engineers.

“Passage of HB 3239 is critical to the well being of Oklahoma’s aerospace industry, an industry that is currently experiencing a shortage of engineers,” McNiell said. “In fact, the state’s aerospace industry is expected to experience a shortage of nearly 600 engineers by 2014, and that could potentially result in a huge negative impact on the industry itself, as well as our state’s economy. To ensure the viability and growth of the aerospace industry, we must make sure that we have the credentialed work force the industry needs. I believe this bill will help us in that area.”

Committee Chairman Dennis Adkins, R-Tulsa, agreed with McNiell’s assessment of the current status of the state’s aerospace industry.

“Aerospace is one of the top pillars of our state’s economy, and so it’s very important that we keep that industry competitive, especially when other states across our nation are enacting other measures or developing similar programs that address issues such as the need for skilled workers in the aerospace industry,” Adkins said.

Specifically, HB 3239 grants engineers hired after January 1, 2009, a tax credit of up to \$5,000 per year for a period of time not to exceed five years. It also allows aerospace companies a tax credit of 10 percent for compensation paid to a qualified graduate during the first five years of his or her employment if the employee graduated from an in-state college or university or a tax credit 5 percent if the employee graduated from an out-of-state college or university.

In addition, the bill would afford Oklahoma aerospace companies an opportunity to receive a tax credit in the amount of 50 percent of the tuition reimbursed to a new engineer graduate for the first four years of his or her employment at an Oklahoma aerospace company. The tax credit would be based upon the average annual tuition at a public college or university in Oklahoma.

“The shortage of skilled workers in the aerospace industry ranges from military scientists to commercial pilots to airframe and power plant mechanics. But the danger is most acute in engineering,” said Victor Bird, director of the Oklahoma Aeronautics Commission. “Make no mistake about it: engineering is the core of what makes the U.S. aerospace industry so very successful. And Oklahoma is no different.”

Bird noted that Oklahoma’s aerospace industry is one of the state’s largest employers, resulting in approximately 150,000 direct, indirect and induced jobs statewide. The industry yields an annual industrial output of \$12.5 billion and generates an annual payroll of \$5 billion.

One in 10 Oklahomans derive their income from the aerospace industry and the average salary for an employee in the industry is nearly \$55,000, compared to the overall state average of \$29,000. Oklahoma is one of seven centers in the world for the modification, maintenance, repair and overhaul of aircraft, Bird said.

“Jobs in Oklahoma’s aerospace industry are good jobs. They are the kind of jobs that keep our best and brightest here and attract other talented workers from out of state,” Bird said.

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*The mission of the Oklahoma Aeronautics Commission is to promote aviation, which includes fostering the growth of the aerospace industry and ensuring that the needs of commerce and communities across the state are met by the state’s 114 public airports that comprise the Oklahoma Airport System.*