



## ***Oklahoma Aeronautics Commission***

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## **NEWS RELEASE**

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### **Legislators Tour OKC to Gather More Information on State's Aerospace Industry**

**OKLAHOMA CITY** – After spending the day in Tulsa early last month touring some of that city's top aerospace companies and listening to concerns from industry leaders, a group of state lawmakers were in Oklahoma City last week for Part 2 of the House interim study focusing on the state's aerospace industry.

The goal of the interim study is to examine how the state is fostering the growth of the aerospace industry in Oklahoma and how the state's air transportation system is funded, particularly when compared to other states. House Speaker Lance Cargill, R- Harrah, granted the interim study at the end of the 2007 legislative session.

The aerospace industry is one of the top employers in the state. It provides 150,000 direct, indirect and induced jobs.

"That's about 10 percent of our workforce in Oklahoma and that translates into a payroll of over \$5 billion," said Victor Bird, director of the Oklahoma Aeronautics Commission.

But perhaps the most important figure is that the average salary of an employee in the aerospace industry in Oklahoma is \$54,719. That compares favorably to the salary of an average Oklahoman, which is \$29,000.

"These are good jobs. The kind we must keep and expand in order to keep and attract the intellectual capital necessary for a viable industry and state," Bird said.

The aerospace industry also produces an industrial output of \$12 billion, a figure that represents 10 percent of the state's total industrial output.

Members of the House Aerospace and Technology Subcommittee first met at Northrop Grumman where they heard from several public and private officials concerning some of the issues Oklahoma City aerospace companies are facing in today's global economy, namely the lack of a skilled workforce and available space to grow their companies. Tulsa aerospace industry leaders expressed those same sentiments.

Lawmakers next boarded a bus provided by the Greater Oklahoma City Chamber of Commerce that transported them and other officials to various aerospace sites around the city including the Maintenance, Repair and Overhaul Technology Center and the Tinker Business Industrial Park in Midwest City. They also traveled to Will Rogers World Airport where they made brief stops at the Metro Technology Center's Aviation Campus and AAR Aircraft Services. Their last stop was at the ARINC hangar located on the east side of the airport.

"As a result of this interim study, it's clear that we (legislators) have a very important task ahead of us," said Rep. Mike Jackson (R-Enid), who serves as subcommittee chairman. "We need to make our case at the Capitol and pass legislation that will assure the viability and growth of the industry and, therefore, our state."

Oklahoma Commerce and Tourism Secretary Natalie Shirley echoed many of Bird's statements, telling lawmakers that the Oklahoma Department of Commerce was currently examining the aerospace industry in the context of what it means to the state and its citizens. She encouraged those in attendance to not forget about the power of partnerships and their importance in growing the state's aerospace industry.

During the visit at AAR Aircraft Services, company president Don Wetekam told lawmakers that his company had run out of room to grow and that employees were now working 10-hour days to handle the increased workload.

"We have need for 100 additional workers, and 85-percent of those positions are for aircraft mechanics," Wetekam said. He also emphasized the need for a more modern general aviation terminal that would not only serve as an attractive front door to the city for business travelers but would also provide them with more convenient services.

"These business travelers from companies such as Dillard's, Target and AT&T are the people investing in our state and creating jobs. I would think we would want an equally attractive and accommodating terminal for them," Wetekam said.

Ben Robinson, Oklahoma City's site director for Boeing, said his company is ready for growth in Oklahoma City. As proof of Boeing's future commitment to the city, he pointed to the construction of a new 200,000-square-foot building going up in southeast Oklahoma City across from Tinker Air Force Base.

"We (Boeing) need aerospace engineers just as Spirit AeroSystems and NORDAM do in Tulsa and just as Northrop Grumman and ARINC do here in the Oklahoma City area. We encourage you to pass the initiatives that were talked about today," he said.

During the 2007 legislative session, two bills were overwhelmingly passed by the House and Senate that would have addressed some of the industry's concerns, House Bill 2085, the Engineer Workforce Bill, and House Bill 2082, the Airport Modernization Bill. However, legislative leaders could not agree on an omnibus tax incentives/tax credit bill at the end of the session that would have included HB 2085. No appropriations were available to fund HB 2082. Both of the bills will be reconsidered during the 2008 legislative session.

HB 2085 would provide tax credits to both Oklahoma aerospace companies that hire engineering graduates and engineering graduates who choose to work for an Oklahoma aerospace company.

HB 2082 would provide \$30 million for the renovation or construction of airport terminals and hangars for general aviation purposes, including any pavement work associated with those projects, at many of Oklahoma's regional business airports. The funds would also help airports acquire the necessary navigational equipment pilots need to safely land their aircraft, even in bad weather.

Lawmakers are also being asked to consider legislation that would fund the Oklahoma Center for Aerospace Supplier Quality, an effort to help Oklahoma companies compete more effectively for the \$5 billion worth of federal contracts that are outsourced annually by Tinker Air Force Base, as well as contracts from other defense installations. Additionally, industry leaders are urging lawmakers to increase funding to the Career Tech system, which trains workers for the industry, and to create a facilities fund that could help Tulsa and Oklahoma City build additional facilities that are needed by growing aerospace companies.

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