

House Bill 166 Interested Party Testimony – May 23, 2019 Ohio Senate Finance Committee Columbus 2020 Kenny McDonald

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Thank you Chairman Dolan, Vice-Chairman Burke, Ranking Member Sykes and members of the Senate Finance Committee for allowing me to testify. My name is Kenny McDonald and I serve as the President and Chief Economic Officer of Columbus 2020. I am before you today to offer interested party testimony in support of an amendment to Substitute House Bill 166 to maintain tax exemptions for fractional aircraft sales, aircraft parts and maintenance and flight simulators.

Columbus 2020 serves as the economic development organization for the 11-county Columbus Region, working in partnership with state and local partners to generate opportunity and build capacity for economic growth.

Each day we compete with other cities, states and countries that put tremendous resources and effort into securing good jobs and investment for their economies. The aviation industry is coveted because of its global footprint and downstream economic impact. As we all know Ohio has a storied history in aviation and aerospace and it continues to be a major contributor of jobs and investment in across the state. Our state's other aviation-related companies support thousands of Ohio families and generate hundreds of millions of dollars of economic activity each year.

According to Emsi Labor Market Analytics, there are 5,688 aircraft mechanics and service technicians in Ohio, 2,369 right here in Columbus. Based on a workforce analysis conducted by Columbus 2020, we can say that the veteran presence among aircraft mechanics and service technicians in our region and state is at least double the overall civilian adult population. NetJets alone employs more than 500 men and women who have served our country.

NetJets, one of our region's major employers, pioneered the fractional aircraft management model in 1986 and today with more than 430 aircraft in its U.S. fleet, they are the largest private aviation company in the world. The Columbus region has made great strides in the past decade to be in the global spotlight by being a leader in technology and innovation and working every day to draw employers and young professionals from around the world. NetJets is one of our signature companies that has helped us build out our global brand. I believe that the consequence of this action would lead NetJets and the other members of our state's aviation industry to consider the competitiveness of other states should the elimination of these exemptions be signed into law.

Our economy is outperforming our Midwestern peers because we have proven Ohio is a great state to do business. Thank you for your stewardship of the state's economy and for your dedicated service to Ohio. I am happy to take any questions the committee may have.

KENNY McDONALD, CEcD President and Chief Economic Officer Columbus 2020, 150 South Front St, Suite 200 Columbus, OH 43215