

Denver South EDP Support HB 1080

Mike Fitzgerald's Testimony in Support of HB 1080

- Mister/Madam Chair and members of the committee, good afternoon, I am Mike Fitzgerald, here today in support of House Bill 1080. I am President and CEO of the Denver South Economic Development Partnership.
- We are a non-profit economic development organization of government and business leaders committed to the economic vitality and sustainability of the Denver South region. We are committed to the belief that if the economy is growing, diversifying and the tax base is expanding, most other dreams are possible.
- In the past year, we have seen an increase in aviation and aerospace companies interested in Colorado. We have a highly educated and technical workforce, a network of successful general aviation airports including Centennial Airport. Denver South is the commercial center of Colorado's aerospace industry, the 2nd largest in the nation with 66,000 jobs paying an average wage of \$92,000.
- Recently, the advanced manufacturing skills arising from companies such as Vestas and the availability of workers experienced with carbon fiber technology are getting noticed by emerging aviation companies.
- Colorado has a real opportunity to build on our current strengths and attract even more aviation and aerospace companies to our state. We believe that House Bill 1080 is a critical piece of legislation that can help create a new manufacturing industry in Colorado.
- Aircraft manufacturing has the potential to create excellent jobs for highly-educated researchers and developers and highly skilled manufacturing jobs.
- These new companies could create a new era of advanced industry manufacturing and innovation in this state.
- The \$1,200 tax credit for net jobs created is a small investment when compared to the subsequent economic benefits that each of those new jobs creates.
- Partnering with Arapahoe/Douglas Works, our organization has done economic analysis showing that each new job created in this industry sector, paying competitive wages has the potential to add about two new additional jobs.
- In our economic model, an aircraft manufacturing company adding 600 direct jobs would create an additional 1,140 direct, indirect and induced jobs with a total added earnings of \$126,702,504 annual payroll.
- Please see the attached analysis for details.
- You can see then how important these incentives can be to economic developers and perhaps more importantly, the message this bill sends that Colorado welcomes these aerospace companies.
- I want to thank Representative Holbert for initiating this proposal, urge the members of this committee to support House bill 1080 and I'm happy to answer any questions at this time.

Input/Output Table for Aircraft Manufacturing									
NAICS	Jobs Mult.	Earnings Multiplier	Description	Initial Jobs Added	Direct, Indirect, and Induced Jobs Added	Initial Earnings Added	Direct, Indirect, and Induced Earnings Added	Total New Jobs	Total Added Earnings
336411	2.90	1.99	Aircraft Manufacturing	600	1,140	\$63,669,600	\$63,032,904	1,740	\$126,702,504
	2.90	1.99		600	1,140	\$63,669,600	\$63,032,904	1,740	\$126,702,504

*Source Arapahoe/Douglas Works!