



Kentucky Aerospace Reinvestment Opportunities Act (AERO Act) 2025 Annual Report

December 2025

Summary

The Kentucky Aerospace Reinvestment Opportunities Fund, also known as the AERO Act was established during the 2024 Regular Session of the General Assembly through Senate Bill 127. The act aims to establish a sustainable framework to address workforce development challenges in the aerospace, aviation, and defense sectors, while positioning the state as a national leader in aerospace, aviation, and defense education and training.

At its core, the AERO Act focuses on fostering collaboration between education institutions, industry stakeholders, and government entities through targeted investments in scholarships and aviation-related equipment.

To date, the Kentucky Council on Postsecondary Education's (CPE) work in implementing SB127 has aligned with the legislation that seeks to:

- Improve the ability of a broad variety of Kentucky's aviation programs to meet the workforce demands and capacity of the Commonwealth;
- Raise awareness of and interest in a broad variety of aviation occupations;
- Reduce the barriers of access to the aviation programs necessary to pursue these occupations, including financial barriers;
- Improve pathways between high school career and technical programs and aviation programs; and
- Develop strategies for aviation industry partners to support career growth and development for their employees.

Accordingly, to streamline and target resources, CPE staff developed an AERO Act Implementation Plan that identified key milestones within the legislation. From this plan, strategies and deadlines were developed to guide staff in meeting key milestones.

Key milestones include:

1. Asset mapping and appropriations request;
2. Formation of the AERO Advisory Committee;
3. Setting AERO Act Priorities;
4. Announcement of Funding Opportunities (if appropriation is earmarked);
5. Partnership Proposal Evaluation and Awarding (aviation training scholarships and aviation equipment grants);
6. Awardee progress reports; and
7. AERO act annual report.

To capture postsecondary and industry buy-in, CPE staff developed an aviation, aerospace, and defense education and industry asset map. Staff identified all secondary and postsecondary aviation, aerospace, and defense programs within Kentucky along with industry organizations related to these fields.

Throughout 2025, each education program was informed of the AERO Act and its potential to assist programs in meeting the workforce demands of the Commonwealth.

Importantly, staff conducted 13 listening sessions at a mix of secondary and postsecondary aviation, aerospace, and defense programs across the state to learn what's working and what's not working regarding:

- Student recruitment, retention, graduation;
- Program growth and sustainability;
- Faculty and staff recruitment and retention;
- Employer engagement; and
- Workforce development.

Similarly, CPE staff have met with a variety of organizations in the aviation and aerospace sector, such as UPS, FEAM Aero, PrimeFlight, Aerospace Composites Solutions, Thoroughbred Aviation, C2K Air, CVG Airport and many others in an effort to more accurately understand their workforce talent needs, the obstacles they are facing, and identify opportunities for growth.

In addition, CPE staff have presented on the AERO Act to the Cabinet of Economic Development, the Kentucky Aviation Association, Kentucky Association of Manufacturers, Civil Air Patrol, and have attended workforce summits and conferences to engage a variety of stakeholders. This engagement has raised awareness about the range of aviation occupations and the AERO Act, setting a strong foundation for its success.

In May 2025, CPE staff hosted an informational webinar for industry and education partners to learn more about AERO featuring Senator Brandon Storm. In July 2025, CPE staff presented a data-driven request of \$15 million to the Interim Joint Committee on Appropriations and Revenue.

Between June 1 and October 20, 2025, CPE staff solicited nominations for the AERO Advisory Committee. On November 11, 2025, the following AERO Advisory Committee members were formally approved by the CPE Board:

Member	Name
Kentucky Council on Postsecondary Education President, Chair	Aaron Thompson, PhD
Commissioner of Aviation, Kentucky Department of Transportation	Brad Schwandt (interim until new commissioner is appointed)
Kentucky Association of Manufacturers (Aviation Manufacturing)	Luke McCowan
Experience and expertise as an aviation engineer	David Springer

Experience and expertise with Department of Defense contracts related to aviation	Curt Wilson
Experience and expertise with Department of Defense contracts related to aerospace	Brad Simms
Expertise with airport management or Federal Aviation Administration airport compliance and classifications	Jim Smith
Licensed air transport pilot	Laura Jones
Kentucky Aviation Association	Tristan Dubin
Licensed airframe and powerplant mechanic	Martin Fryer
Employees of a public aviation program [x 2]	Lindsey Case
	Todd Smith

The first AERO Advisory Committee meeting will be held on March 18, at 10 a.m. ET at CPE's offices, 100 Airport Road in Frankfort.

CPE staff continue to meet with aviation industry partners and education programs to facilitate the public-private partnership model.

The next steps in this work include building digital infrastructure and technical assistance for proposal solicitation, orienting and onboarding the AERO Advisory committee, and, if possible through a 2026 budget appropriation, soliciting and evaluating proposals to distribute aviation scholarships and equipment grants.

Expenditures and Assets

The AERO Act has yet to be funded, so no moneys have been spent nor raised. The proposal solicitation period is slated for June 1, 2026.

2026 Legislative Recommendations

Based on program listening sessions, feedback from industry, and input from aviation experts, CPE has identified three legislative recommendations for the Aero Act:

1. Extend opportunities for aviation scholarships to Pt. 61 Flight Schools with the understanding the AERO Advisory Committee will develop data driven evaluation criteria that forefronts student safety and fiscal responsibility.
2. Include a carve out for the AERO Advisory Committee Chair to appoint a proxy.
3. Appropriate the requested funds to the AERO Act.