AIR MOBILITY AND AIR AVIATION ECONOMIC DEVELOPMENT TASK FORCE

Minutes of the 1st Meeting of the 2025 Interim

July 14, 2025

Call to Order and Roll Call

The first meeting of the Air Mobility & Aviation Economic Development Task Force was held on July 14, 2025, at 3:00 PM in Room 149 of the Capitol Annex. Senator Brandon J. Storm, Chair, called the meeting to order, and the secretary called the roll.

Present were:

<u>Members:</u> Senator Brandon J. Storm, Co-Chair; Senators Greg Elkins, Stephen Meredith, Matt Nunn, and David Yates; and Representatives Michael Meredith, Rachel Roarx, and Aaron Thompson.

<u>Guests:</u> Mark Carter, Commissioner, Kentucky Department of Aviation; Eric Frankl, Executive Director, Lexington Bluegrass Airport (LEX); Dann Mann, Executive Director, Louisville Regional Airport Authority; and Larry Krauter, Chief Executive Officer, Cincinnati/Northern Kentucky International Airport (CVG).

LRC Staff: John Snyder, Dana Fugazzi, Austin Johnson, Ashley Nash, and Christina Williams.

Overview of General Aviation in the Commonwealth

Mark Carter, Commissioner, Kentucky Department of Aviation, gave a brief overview of general aviation in the Commonwealth. There are 58 public use airports in Kentucky, which include the five commercial service airports in Lexington, Louisville, Northern Kentucky, Owensboro, and Paducah. Four airports are state owned: Lake Barkley, Kentucky Dam Village, Rough River, and the Capital City airports. Commissioner Carter stated the general aviation airports have a complex safety infrastructure that involves investments in runways, approaches, lighting, weather, communications, and various airport equipment.

The Department of Aviation ensures a safe and efficient system to support business, aviation, economic development, tourism, emergency response, and workforce development. Annual funding for the department is based on a six percent tax on jet fuels, which is capped at \$1 million for any single purchaser, and generates approximately \$23 million annually. After department expenses are deducted, Federal Aviation Administration (FAA) grants are matched, debt service, and recurring preventative maintenance and emergency funds, approximately \$15 million is left to invest in airports.

Commissioner Carter referenced projects completed recently, including projects at airports in Bardstown, Madisonville, Henderson, Paducah, Sparta, Danville and the Central Kentucky Regional Airport. He added there are approximately \$30 million worth of projects open. Other focus has been on data collection, return on investments, and future five-year airport needs plan.

Commissioner Carter highlighted what is working well within the department and aviation in Kentucky, which is communication, specifically with FAA, a great workforce, and successful project management. He also touched on needed improvements. More investment in workforce would be beneficial. He suggested evaluating aviation career interest in schools, and a significant need for scholarships for mechanic and flight training. Commissioner Carter stated more attention needs to be focused on innovative programs and large-scale projects, and general aviation airports need to improve marketing and explaining their value within the community.

In response to Senator Nunn, Commissioner Carter stated he does not have specific figures on the workforce gap. However, Boeing produces a report each year that shows global and United States shortage of pilots and mechanics, and those numbers are in the hundreds of thousands. If more instructors were available within the college system, more students could be taught, which would assist with the workforce development gap. The lack of instructors is an availability issue and a wage issue.

In response to Representative Roarx, Commissioner Carter stated he is unsure of what the air traffic control workforce needs are within the state. That is strictly an FAA function. He added Eastern Kentucky University and other universities are interested in developing a training program, which would have to be authorized at the federal level.

Chair Storm encouraged members to look at transponder data from the general aviation airports within their communities. He also added in reference to Senator Nunn's question, he believed there is an approximate 600,000 pilot shortage anticipated within the next year.

Overview, General Updates, and Operations of Commercial Airports

Eric Frankl, Executive Director, LEX, gave a general overview and update on operations of LEX. He focused on planning and development with input from industry professionals, community partners, and the general public. He shared forecasted activity for 20 years, and stated significant expansion is needed. Future projects were discussed, including roadway and parking expansion, terminal expansion, and air traffic control tower relocation. Mr. Frankl shared LEX's annual economic impact of \$709 million, highlighting jobs provided and annual total payroll for those positions.

Dann Mann, Executive Director, Louisville Regional Airport Authority, gave a brief update on the Louisville Muhammad Ali International Airport (SDF), which is the third busiest cargo airport in North America, and the fifth busiest cargo airport in the world. He also discussed Bowman Field, which is the longest, continuously operating general aviation airport and the busiest general aviation airport in the Commonwealth with over 140,000 annual operations. Mr. Mann spoke about the economic impact of both airports as well as recently completed projects and future investment for improvement projects.

Representative Roarx praised Mr. Mann in remaining community minded with all activities surrounding airport operations. He spoke about a federal program to help alleviate aircraft noise in the communities surrounding the airport.

Larry Krauter, Chief Executive Officer, Cincinnati/Northern Kentucky International Airport (CVG), briefed the committee on CVG's operations as well as economic impact, DHL and Amazon hubs, and maintenance hangar facilities. He highlighted Epic Academy, a private aircraft mechanic school, which supports up to 25 students per class and up to 10 separate, concurrent classes. Capital projects and investments were discussed as well as the important role alternative jet fuels play in job creation and expansion, infrastructure modernization, and enhancing competitiveness of Kentucky airports. Opportunities for Kentucky aviation industry growth was discussed.

Chair Storm encouraged members to take tours of all the flight locations mentioned.

Adjournment

Prior to adjournment, Chair Storm recognized former Representative Jonathan Dixon, who was in attendance and is now the Executive Director of the Kentucky Aviation Association. With no other business to come before the committee, Chair Storm adjourned the meeting at 4:02 PM.