AIR MOBILITY AND AVIATION ECONOMIC DEVELOPMENT TASK FORCE

Minutes of the 3rd Meeting of the 2025 Interim

October 14, 2025

Call to Order and Roll Call

The third meeting of the Air Mobility and Aviation Economic Development Task Force was held on October 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; Representative Stephanie Dietz, Co-Chair; Senators Greg Elkins, Stephen Meredith, and Matt Nunn; and Representatives John Hodgson, Michael Meredith, Rachel Roarx, and Aaron Thompson.

<u>Guests:</u> Brigadier General Jerry B. Bancroft, Jr.; Jeff Wafford, Corporate Public Affairs Manager, United Parcel Service (UPS); and Bruce Marsh, Senior Director, Corporate Public Affairs, DHL Group.

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

Approval of September 16, 2025, Minutes

A motion was made and seconded and the minutes for the September 16, 2025, meeting were approved.

KY Air National Guard

Brigadier General Jerry B. Bancroft, Jr. briefed the task force on the general operations of the 123rd Airlift Wing of the Air National Guard. He highlighted the leadership positions as well as authorized manning and deployments, unit awards, and aircraft utilized. He discussed the 123rd division operations group, special tactics squadron, maintenance group, mission support group, explosive ordinance disposal, medical group, and contingency response group.

In response to Representative Hodgson, General Bancroft stated under a state active-duty order, mental health treatment should be covered under workers compensation.

Co-Chair Dietz reiterated the importance of mental health care for military personnel.

In response to Chair Storm, General Bancroft stated the Air National Guard is 75 percent funded by federal dollars. He stated their biggest needs are air crews and pilots, and

communication positions. Both types of positions have lucrative job opportunities outside of the military, so it is a challenge to retain this talent.

In response to Senator Elkins, General Bancroft stated retention should be focused on midcareer guardsman and sharing the passion for the Air National Guard that cannot be replicated in the private sector.

Shipping Companies and Aviation Operations

Bruce Marsh, Senior Director, Corporate Public Affairs, DHL Group, briefed the task force on the DHL Group, its corresponding aviation operations, and its broader impact on Kentucky's economic landscape and workforce development. He discussed DHL's global footprint as a world leading logistics company, operating in over 220 countries and territories. In the U.S., DHL employs approximately 65,000 associates in 45 states. Kentucky ranks as one of the largest in the U.S. with some 6,500 employees, 5,000 of those at the CVG DHL hub. Mr. Marsh discussed the CVG DHL hub and the role it plays as a strategic asset.

In response to Chair Storm, Mr. Marsh stated he believes the most in demand profession at the CVG DHL hub is customs and trade compliance. He stated the volume of flights at the Kentucky hub has declined over the last few months due to some federal policy changes, but approximately 60 flights arrive daily at the airport.

In response to Representative Roarx, Mr. Marsh stated trade and tariff changes have created a challenging situation, including a time lag from what is shared at the federal level to when the actual regulations are implemented by customs and border protection, which leads to having to hire more experienced people in those niche areas. Globally, there have been some declines in the flow of goods into the United States, particularly from Asia.

In response to Co-Chair Dietz, Mr. Marsh stated when hiring the 300 new positions at the CVG DHL hub, it is the intent to hire from within Kentucky and regionally. Because of the location of the hub, some Ohio residents will likely apply as well. Mr. Marsh stated he is unaware of any issues with housing shortages, but he will investigate that issue.

Jeff Wafford, Corporate Public Affairs Manager, UPS, briefed the task force on UPS, its corresponding aviation operations, and its economic impact on Kentucky. UPS chose Louisville as the site for its global air hub due to its strategic location within 500 miles of 80 percent of the U.S. population, two hours flight time from 75 percent of the U.S. population, and within a two day drive of two-thirds of the country. Mr. Wafford highlighted recent investments within the region such as \$334 million for two new

healthcare facilities in Jefferson and Bullitt counties, and \$750 million in infrastructure upgrades, including a new aircraft maintenance hangar and expanded aviation training facilities. There are 26,000 UPS employees within Louisville and 32,000 in Kentucky.

Mr. Wafford discussed UPS Airlines and UPS Flight Forward. UPS operates 400 flights per day in and out of Louisville's airport and approximately 1,100 domestic and 890 international flights daily. On October 1, 2019, UPS Flight Forward became the first company to receive the Federal Aviation Administration's full Part 135 Standard certification, which allows the operation of a remote-controlled drone delivery network in the United States.

Mr. Wafford spoke on the Louisville sorting facility and UPS healthcare and supply chain solutions. He also highlighted the importance of the Metropolitan College Program through UPS, and workforce needs for the next 10 years.

Adjournment

With no further business to come before the task force, Chair Storm adjourned the meeting at 4:30 PM.