

SENATE RESOLUTION NO. 230

WHEREAS, Over the past eight years, the State of Texas and the City of San Antonio have partnered in the redevelopment of Kelly Air Force Base to create a world-class aerospace center in support of the United States military and our troops; following the base realignment, San Antonio stood to lose a unique talent pool of aerospace workers that would have disappeared following the closure had it not been for this redevelopment effort; and

WHEREAS, The Center for Community and Business Research, a division of the Institute for Economic Development housed at The University of Texas at San Antonio, conducted a study to document the success of the anchor tenant of the project, The Boeing Company; and

WHEREAS, Direct economic spending by The Boeing Company in 2004 totaled \$163.7 million, the activities of suppliers produced an indirect impact of \$39.5 million, and the induced effects of employee spending on consumer goods added another \$153.9 million; this results in a total output for the Texas economy of \$357.1 million for 2004 due to the presence of Boeing in San Antonio; and

WHEREAS, Boeing's 2004 employment of 2,772 workers, including suppliers and consultants, leveraged the creation of another 1,402 indirect and induced jobs, for a total employment impact of 4,174 Texas jobs; and

WHEREAS, In San Antonio, Boeing contributes to United States defense preparedness by providing critical aircraft systems maintenance, repair, overhaul, and support services to optimize fleet utilization for the KC-135, C-17, KC-10, and C-130 programs under contract at this time; and

WHEREAS, Boeing paid \$29.2 million for goods and services from 208 Texas suppliers in 2004; San Antonio and Bexar County enjoyed the greatest supplier concentration with 52 percent of the companies and 83 percent of the financial commitments; and

WHEREAS, Manufacturing jobs typically have a higher positive economic impact, are better paid, add greater value, and bring more new dollars into the local and state economy; Boeing's production workforce in San Antonio earns an annual average of \$62,000 versus the metropolitan area average of approximately \$33,000 for all workers and \$36,000 for comparable aircraft industry workers; and

WHEREAS, Boeing provides over one-third of the aerospace products and parts manufacturing jobs in the San Antonio metropolitan area; considering that only six percent of San Antonio jobs are in the manufacturing sector, the Boeing contribution toward higher-skilled and higher-wage jobs is important for a healthy and diverse economy; and

WHEREAS, Boeing is the principal anchor tenant at KellyUSA, the redeveloped Kelly Air Force Base; the company contributes 29 percent of the private sector jobs and leases 17 percent of the marketable space; KellyUSA is the most successfully redeveloped military facility from the 1995 Base Realignment and

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Closure round, due in many ways to Boeing's decision to locate its Support Systems operations there in 1998; now, therefore, be it

RESOLVED, That the Senate of the State of Texas, 79th Legislature, 3rd Called Session, hereby congratulate The Boeing Company on its many accomplishments in providing and keeping jobs in the State of Texas; and, be it further

RESOLVED, That an official copy of this Resolution be prepared for The Boeing Company as an expression of high regard from the Texas Senate.

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President of the Senate

I hereby certify that the above Resolution was adopted by the Senate on May 12, 2006.

Secretary of the Senate

Member, Texas Senate