Approved: 3-19-2007
Date

MINUTES OF THE HOUSE TAXATION COMMITTEE

The meeting was called to order by Chairman Kenny Wilk at 9:00 A.M. on February 6, 2007 in Room 519-S of the Capitol.

All members were present.

Committee staff present:
Chris Courtwright, Legislative Research Department
Martha Dorsey, Legislative Research Department
Gordon Self, Office of Revisor of Statutes
Richard Cram, Department of Revenue
Rose Marie Glatt, Committee Secretary

Conferees appearing before the committee:
Ron Gaches, Kansas Association of Financial Services
Representative Tom Holland
Representative Barbara Craft
Representative Virgil Peck, Jr.
Representative Mario Goico
Representative Tom Hawk
Tom Thornton, President/CEO, Kansas Bio-Science Authority (KBA)
Laura Janas Gasbarre, Mayor, City of Leavenworth
Charles H. Gregor, Jr., Leavenworth-Lansing Area Chamber of Commerce
Sue Peterson, Presidents Office, Kansas State University
Stan R. Ahlerich, President, Kansas Inc.

Others attending:
See attached list.

The Chairman called for bill introductions.

Ron Gaches, Kansas Association of Financial Services, requested a bill introduction regarding authority for a finance company to request a sales tax refund or credit. Representative Carlson moved the introduction. Representative Owens seconded the motion. The motion carried.

Representative Tom Holland made a motion to introduce a bill regarding a sales tax exemption for certain classes of medical equipment. Representative Davis seconded the motion. The motion carried.

Representative Barbara Craft made a motion to introduce a bill regarding transient guest tax for cabins offered throughout state parks. Representative Owens moved to introduce the bill, seconded by Representative Carlson. The motion carried.

Representative Virgil Peck, Jr. made a motion to introduce a bill regarding a **one** year pilot program for border tax on motor vehicle fuel. Representative Davis seconded the motion. The motion carried.

HCR 5009 - National Bio Agrodefense Facility (NBAF)

Chris Courtwright briefed the Committee on **HCR 5009** which would pledge the Kansas Legislature's support for the National Bio and Agrodefense Facility (NBAF) and urge agencies in Washington DC to consider two sites in Kansas as the location for this new federal laboratory. He explained the purpose of NBAF and the rationale behind Kansas being the ideal location for this facility.

The Chairman opened the public hearing on **HCR 5009**

Representative Mario Goico, Chair of the Kansas Security Commission, said the Joint Committee on Kansas Security had passed unanimously the resolution before them. He said the Committee had endorsed **HB 2303**, **SB 252** and **HCR 5009** to support the application for this particular phase of the site competition, due February 16, 2007. He urged them to pass the resolution as soon as possible (Attachment 1).

MINUTES OF THE House Taxation Committee at 9:00 A.M. on February 6, 2007 in Room 519-S of the Capitol.

Representative Tom Hawk appeared in support of **HCR 5009.** He said Manhattan and Leavenworth communities are united in their efforts to secure NBAF, knowing that it would be good for Kansas if either location was selected. He spoke of the efforts made by Representative Wilk to promote cooperation between the communities (No written testimony).

Tom Thornton, President/CEO, Kansas Bio-Science Authority (KBA), testified of their support of NBAF in Kansas. He explained the time line involved in the site selection process and described the distinct advantages offered by Kansas. He said that its highest asset is purposeful action, including action taken by the Legislature, and the unique partnership between local, state and federal government. He described the importance of Senator Pat Roberts and his enthusiastic leadership as the honorary chair of a distinguished task force. He spoke of KBA's financial pledge, as well as their other efforts toward securing NBAF in Kansas (No written testimony).

Laura Janas Gasbarre, Mayor, City of Leavenworth, rose in support of the National Bio and Agro-Defense Facility. She spoke of the significant economic benefits to the state and local communities (Attachment 2).

Charles H. Gregor, Jr., Leavenworth-Lansing Area Chamber of Commerce, said that the consideration of Kansas as a potential site for the placement of a new National Bio & Agrodefense Facility represents an unprecedented opportunity. He spoke about the significance of the facility to the nation and the economic impact it would have on the state (Attachment 3).

Sue Peterson, Presidents Office, Kansas State University, gave a description of the location being sought by the Department of Homeland Security. She listed the advantages from a K-State perspective and the economic development, business and educational benefits NBAF would bring to Kansas (Attachment 4).

The Chairman closed the public hearing.

Hearing no opposition to working **HCR 5009**, the Chairman questioned the desire of the Committee.

Representative Menghini made a motion that **HCR 5009** be passed out favorably. Representative Siegfreid seconded the motion. The motion carried.

The Chairman invited Stan Ahlerich, President, Kansas Inc, to the podium for a briefing on IKE.

Mr. Ahlerich provided background on IKE, a project which was initiated in July 2004, at the request of the Board of Directors. The goal was to identify critical variables that would explain the current condition of Kansas economy. The *Indicators of the Kansas Economy* (IKE) would provide a single source of objective and consistent information that allows public and private leadership to better understand the economy and enhance decision-making capacity.

In reviewing the IKE data he provided a current "snapshot" of the state economy in comparison with the 6-State Region average and the U.S. average (Attachment 5). In his narrative on employment numbers in the public and private sectors, he observed that the numbers listed in the public-local level may have been higher in the past 4 to 5 years, since casinos are counted in the public sector local workforce, except for those that are nationally based. Questions were raised over the rationale of that classification and whether casino employees' payroll were also listed in the public sector. Mr. Ahlerich agreed it seemed odd and that staff would check for details and report back to the Committee. He said that Kansas will face future challenges due to the ratio between low unemployment numbers and demand for an increased workforce. A philosophical discussion regarding business strategies followed.

In addition to the distributed information packet, the following items were provided: 1) **Kansas, Inc.** *Publications List*; 2) An overview of *Trends in the Kansas Economy 1985- 2006* and 3) a summary page of answers to frequently asked questions from previous committees (Attachment 6).

The Chairman adjourned the meeting at 10:30 a.m. The next meeting is February 7, 2007.

TAXATION COMMITTEE

DATE: FEBRUARY 6

NAME	REPRESENTING
Dan Korber	Kansas, Inc
Stan Ahlerich	Kansas, Inc
Dana Peterson	Ks Assoc of Wheat Growers
MARK P. MATTEZ	VIA CHRISTI HEALTH SYSTEM
Ron Gaches	KAFS
Rep. Barbara Craft	65th District
REP. STAN FROWNFELTER	31st DISTRICT
Ed Gray	KDOC
RONALD RICHEY	ME
JOHN DOUGHERTY	ESU
Allison Green	Intuit
ROBYN HORTON	KMCA
Tom Hawk	67th
Mark Tallman	KASB
JIM HAYS	KASB
Josh Harlow	Speaker Neufeld
Matt Bryant	Carter Grey
BRAD HARRELSON	KFB
Michelle Peterson	Capitol Strategies

STATE OF KANSAS

MARIO GOICO
REPRESENTATIVE, 100TH DISTRICT
SEDGWICK COUNTY
1254 N. PINE GROVE CT.
WICHITA, KS 67212
316-721-3682

STATE CAPITOL—182-W
TOPEKA, KS 66612-1504
785-296-7667
TOLL FREE (DURING SESSION) 1-800-432-3924
FAX: 785-368-6385
E-MAIL: goico@house.state.ks.us

TOPEKA

HOUSE OF
REPRESENTATIVES

COMMITTEE ASSIGNMENTS
MEMBER: FINANCIAL INSTITUTIONS
GOVERNMENTAL ORGANIZATION AND ELECTIONS
HEALTH AND HUMAN SERVICES
TAXATION
KANSAS SECURITY

On behalf of the Joint Committee on Kansas Security, we are writing you to tell you of recent committee action that took place on February 5, 2007. In particular, the Joint Committee reviewed information related to the proposed National Bio and Agro Defense Facility that the federal government is considering locating in Kansas.

The National Bio and Agro Defense Facility will be a $451 million federal laboratory that will research and develop counter measurers to animal, human and zoonotic (infecting both animals and people) diseases. The proposed facility will provide the nation with an integrated research and response capabilities to protect the public health and enhance the nation's capability to protect livestock and the livestock industry from both naturally occurring and internationally introduced disease threats. This research facility will employ anywhere from 250 to 500 scientists, technicians and other support staff.

Kansas is one of 11 states that has qualified for this phase of the laboratory site selection process of the federal government. In fact, Kansas has two sites in the competition, one in Manhattan and the other in Leavenworth. Both of which would make excellent sites for the location of the federal laboratory.

The Joint Committee **unanimously endorsed** two bills and one concurrent resolution at our recent meeting. The recommended legislation includes:

- **House Bill No. 2303** (as amended by the House Committee on Appropriations) that would establish the National Bio and Agro Defense Facility Interagency Working Group. This Working Group would give the federal government a single point of contact for assistance in preparing the environmental impact statement on the Kansas sites;

- **Senate Bill No. 252** which would authorize the Board of Regents to convey land on the campus of Kansas State University to the federal government should that site be selected as the location for the laboratory; and

- **House Concurrent Resolution No. 5009** which pledges the full support of the Kansas Legislature to do what ever is necessary for Kansas to be selected as site of the National Bio and Agro Defense Facility and urges various federal officials and agencies to give full consideration to the Kansas sites.

The Kansas application for this phase of the site competition must be completed by Friday, February 16, 2007. The Joint Committee urged that the Legislature consider favorable action on these two bills and resolution with the upmost speed and deliberation.

HS TAXATION COMMITTEE
2-6-2007
ATTACHMENT 1

Should you have any questions regarding the action of the Joint Committee, please do not hesitate to contact us. By working together, the Joint Committee believes that Kansas can be successful in convincing the federal government that one of our sites should be selected as the location for the National Bio and Agro Defense Facility.

Sincerely,

Mario Goico

Representative Mario Goico
Chairperson
Joint Committee on Kansas Security

Jay Scott Emler

Senator Jay Emler
Vice-Chairperson
Joint Committee on Kansas Security

Judith Loganbill

Representative Judith Loganbill
Ranking Minority Member
Joint Committee on Kansas Security

C:\Documents and Settings\Cbainum\Local Settings\Temp\XPgrpwise\National Bio and Agro Defense Facility.wpd

TESTIMONY OF LAURA JANAS GASBARRE
MAYOR
CITY OF LEAVENWORTH, KANSAS
HOUSE TAXATION COMMITTEE
HOUSE CONCURRENT RESOLUTION NUMBER ~~2303~~ 5009
February 6, 2007

Mr. Chairman, members of the Committee, on behalf of the City of Leavenworth and the Leavenworth community, I am pleased to have the opportunity to speak with you today.

The federal government has recognized the need to construct a new facility in order to continue research vital to our national security. The National Bio and Agro-Defense Facility will replace the Plum Island facility and play a key role in defending our country from threats to human health, animal health and our food supply.

Kansas has the opportunity to be selected as the site for this impressive facility. Not only will the facility help protect our nation; it will also generate significant economic benefits to the state and local communities.

Leavenworth is actively supporting the Heartland Bio Agro Consortium's proposal and is excited about the possibility of attracting the facility to Kansas and perhaps Leavenworth. We strongly encourage support of all initiatives designed to strengthen our proposal.

Thank you for your time. I will happily respond to questions.

HS TAXATION COMMITTEE
2-6-2007
ATTACHMENT 2

100 N. 5th Street • Leavenworth, Kansas 66048-1970 • (913
www.lvks.org

Leavenworth-Lansing Area Chamber of Commerce

TESTIMONY OF CHARLES H. GREGOR, JR.
EXECUTIVE VICE PRESIDENT
LEAVENWORTH-LANSING AREA CHAMBER OF COMMERCE
HOUSE TAXATION COMMITTEE
HOUSE CONCURRENT RESOLUTION 5009
February 6, 2007

Mister Chairman, members of the Committee, on behalf of the Leavenworth - Lansing – Fort Leavenworth community and as a member of the Governor's Task Force to bring the national Bio & Agro-Defense Facility (NBAF) to Kansas, I am pleased to have the opportunity to come before you to speak as a proponent for House Concurrent Resolution 5009.

I will be brief. The consideration of the State of Kansas as a potential site for the placement of a new National Bio & Agro Defense Facility represents an unprecedented opportunity for the State of Kansas. The state that is selected by the United States Department of Homeland Security will become the national focal point for the research and development of diagnostic capabilities for foreign animal and zoonotic diseases that can impact public health, animal health and the national food supply.

The adjective "unprecedented" before the word "opportunity" is neither hyperbole nor even exaggeration. The significance of the Bio & Agro-Defense Facility to the nation cannot be overstated. It will provide the nation with integrated research and response capabilities to protect animal and pubic health and enhance the nation's capability to protect livestock and the livestock industry from both natural and intentionally introduced disease threats. It will include and combine resources and efforts of the Department of Agriculture, the Department of Health and Human Services and the Department of Homeland Security. Its location in Kansas would further the position of Kansas as a national, indeed, an international leader in the field of biosciences.

The Kansas Bioscience Authority says that the economic impact of the placement of the Bio & Agro-Defense Facility in Kansas would transform the Kansas economic base. The impact of the facility alone is estimated at $3.5 billion in the first 20 years. The additional attraction of private companies, world class researchers and related private sector facilities and professionals has virtually unlimited potential.

There are, as you know, two sites that passed initial muster in Kansas. Essentially they anchor the geographic ends of the Animal Health Corridor we have heard discussed. The proposed sites are very different in their characteristics, yet both are, I think, extremely viable based on their separate and combined merits. We do not consider ourselves in competition but rather as co-contributors to a two part package that will support and strengthen the submission of the Kansas proposal and bring the NBAF to Kansas.

It is most appropriate that Kansas be considered and selected as the site for this critical national facility. In the words of Senator Pat Roberts, "The merits are on our side". House Concurrent Resolution 5009 makes clear the determined intent and deep commitment of our great state and the Kansas NBAF Task Force to work with and fully cooperate with all entities involved to make the NBAF happen here in Kansas.

Thank you. I will be happy to stand for questions now or at your convenience.

518 Shawnee • P.O. Box 44 • Leavenworth, Kansas 6604
Phone (913) 682-4112 • Fax (913) 682-8170 • www.leavenworth-lansingareach

HS TAXATION COMMITTEE
2-6-2007
ATTACHMENT 3

TESTIMONY
HOUSE TAXATION COMMITTEE
TUESDAY, 06 FEBRUARY 2007

SUE PETERSON
PRESIDENTS OFFICE
KANSAS STATE UNIVERSITY

CHAIRMAN WILK AND MEMBERS OF THE COMMITTEE:

Thank you for allowing me the opportunity to speak to you today regarding House Concurrent Resolution 5009.

First, let me describe the facility being proposed. The Department of Homeland Security (DHS) is seeking a location to build a $450 million, 500,000 square-foot, biocontainment laboratory to research and develop countermeasures to animal, human, and zoonotic diseases, the latter affecting both animals and people. DHS is calling this projected center the National Bio and Agro-defense Facility, or NBAF. NBAF will provide the nation with integrated research and response capabilities to protect both animal and public health and to enhance America's ability to safeguard livestock and the livestock industry from naturally occurring and intentionally introduced disease threats.Two sites in Kansas are under consideration for NBAF, one in Manhattan and one in Leavenworth. NBAF represents a seminal opportunity to secure a federal laboratory in Kansas in a research area where the state has internationally recognized strengths.

NBAF FROM A K-STATE PERSPECTIVE:

- Kansas State University has nationally and internationally recognized expertise and programs in livestock medicine, and in zoonotic, emerging, reemerging infectious diseases.
- Kansas State foresaw the need for NBAF-type biocontainment research in Kansas and proposed such a facility in March of 1999 in the "*Homeland Defense Food Safety, Security, and Emergency Preparedness Program.*"
- K-State President Jon Wefald testified before the U.S. Senate's Emerging Threats Subcommittee in October of 1999 regarding biological hazards that could ravage America's food crops, food animals, and food supply.

HS TAXATION COMMITTEE
2-6-2007
ATTACHMENT 4

- Kansas State's newly constructed Biosecurity Research Institute provides complementary capabilities to NBAF (plus unique transitioning prospects), and K-State is home to the National Agricultural Biosecurity Center.
- Kansas has a superb post-secondary education system to support NBAF workforce needs, with the Kansas Board of Regents governing 3 doctoral research universities (K-State being one) and 3 masters' level universities, while coordinating and supervising 1 municipal university, 19 community colleges, 5 technical colleges, and 6 technical schools.
- Moreover, the region offers additional workforce capabilities thanks to five major research universities within a 350-mile radius that have animal science and/or veterinary programs; again, K-State being one with both.
- Plus, the Kansas City region has emerged as the animal health epicenter of the world. The Animal Health Corridor includes more than 120 animal health organizations — with nearly 40 global leaders — employing a total of more than 13,000 scientists and support personnel.
- And, perhaps most notably, Kansans understand, accept, and value the importance of NBAF research for the state, the nation, and the world.

BENEFITS TO KANSAS:

Economic Development

- Projected facility construction cost: $450 million (DHS estimate).
- Construction jobs: 1,000 to 1,500 over a four-year period.
- Facility employees: 250 to 500 scientists, technicians, and support staff.
- Economic impact to Kansas: estimated to top $3.5 billion during first 20 years of its projected 50-year life span.

Business and Educational

- NBAF will serve as a magnet for attracting private biotechnology companies, scientists, professionals, and support infrastructure, further anchoring Kansas' existing strengths in animal health and plant sciences.
- NBAF will generate new education and training programs for Kansas' students and scientists, enhancing collaborations across the state.
- NBAF will bring international recognition to the state and its citizens if one of the sites in Kansas is selected.
- And, most importantly, NBAF research activities will help safeguard public health regionally and globally, as well as America's agricultural infrastructure and food industries, which underpin the national economy.

HCR 5009 expresses the support of the Kansas Legislature and the State of Kansas for the National Bio and Agro-defense Facility. We appreciate the Legislature's endorsement through this Joint Resolution.

Mr. Chairman, Members of the Committee: this concludes my testimony, but I would be happy to respond to questions if there are any questions

HS TAXATION COMMITTEE
2-6-2007
ATTACHMENT 5

Research Report

Indicators of the Kansas Economy (IKE)

Prepared by

Kansas, Inc.

December 2006

5-2

Kansas, Inc.

Indicators of the Kansas Economy
December 2006 Data Book

Dec-06

About IKE

During July 2004, the Kansas, Inc. Board of Directors initiated a project with the goal of identifying critical variables that would explain the current condition of the Kansas economy relative to its surrounding states and the U.S. The *Indicators of the Kansas Economy (IKE)* project concept was the result of a perceived need for a single source of objective and consistent information that allows public and private leadership, as well as all interested Kansans to better understand the economy and enhance decision-making capacity.

Working with a broad range of professionals, including researchers, university professors, state program staff, and the Kansas, Inc. Board of Directors, a set of 26 variables have been identified and reviewed for their comprehensiveness and ability to depict key elements of the Kansas economy. Whenever possible, regional and national data is included to illustrate how Kansas compares to both the 6-State Region and the U.S. The 6-State Region includes: Arkansas, Colorado, Iowa, Missouri, Nebraska, and Oklahoma. Data for most of the variables in this version of IKE was collected in the time period beginning during January 1996, enabling the data to include trends from the most recent national recession during 2001. When identifying variables, efforts centered on data that are mostly:

- Electronically accessible;
- Can be captured for all states and the U.S.; and,
- Released at least annually with preference to monthly data.

This version of the IKE report includes 21 variables, with an additional five variables to be included in future releases.

During 2005, Kansas, Inc. received a grant from the Information Network of Kansas to significantly advance the sophistication, outreach, and quality of the IKE project. Through this grant, Kansas, Inc. partnered with the University of Kansas, Policy Research Institute to develop the framework for several variables to be displayed interactively, on a county, state, regional, and national level. A portion of the project provided the model for a future IKE website where all data will be displayed and archived in a user-friendly format. Along with the framework, this project also allowed an advisory committee to provide comments and suggestions regarding the direction of the IKE project. Individuals from several organizations and backgrounds participated in this portion of the project to significantly add value to the final product. Included in the project were several suggestions and prototypes for additional variables still in the developmental stage, including a Kansas stock index, Kansas agricultural commodity index, "Biz-Trakker", and several other variables of interest.

As the IKE project evolves, many portions remain in the developmental and experimentation stage, however, several suggestions and ideas from the both the INK grant project and end-users have been incorporated into this updated version of IKE to enhance the value and usability of this report. Besides the U.S., state, and local variable analysis, a planned component of IKE is quarterly bulletins to highlight key aspects of the Kansas economy and provide a more in-depth understanding of the variables and economic issues impacting the state.

This updated release is another step in IKE becoming the one-stop resource of economic data for policymakers, university researchers and the general public. As the Kansas economy changes, Kansas, Inc. recognizes that the IKE project will continue to evolve to meet the needs of all individuals. Kansas, Inc. welcomes feedback to improve the value of future IKE releases.

For further information regarding the IKE project or any other Kansas, Inc. projects, feel free to contact us.

Source: www.kansasinc.org

5-3

Kansas, Inc.

Indicators of the Kansas Economy
December 2006 Key Trends

Dec-06

IKE - Key Trends in Kansas: September 2006

Employment and Unemployment

	Nov-06	Nov-05	Nov-01	Nov-96	1-yr Chg	5-yr Chg	10-yr Chg
Total Nonfarm Employment - *(all employees, thousands)*							
Kansas	1,359.3	1,355.7	1,355.0	1,255.7	0.3%	0.3%	8.3%
Private Sector Employment - *(all employees, thousands)*							
Kansas	1,092.8	1,095.2	1,097.6	1,009.6	-0.2%	-0.4%	8.2%
Manufacturing Employment - *(all employees, thousands)*							
Kansas	180.4	180.2	192.8	189.0	0.1%	-6.4%	-4.6%
Service Employment - *(all employees, thousands)*							
Kansas	840.5	841.5	833.3	755.3	-0.1%	0.9%	11.3%
Public Sector Employment - *(all employees, thousands)*							
Kansas	266.5	260.5	257.4	246.1	2.3%	3.5%	8.3%
Unemployment Rate - *(%)*							
Kansas	4.2%	5.0%	4.7%	4.5%	-0.8%	-0.5%	-0.3%
Initial Claims for Unemployment - *(all employees)*							
Kansas	11,242	10,801	14,536	9,273	4.1%	-22.7%	21.2%

Entrepreneurship

Establishment Data - (all sizes, total establishments)

	2004	2003	1999	1-yr Chg	5-yr Chg
Kansas	75,827	74,972	74,486	1.1%	1.8%

Kansas Firm Birth and Termination

	2005	2004	2000	1995	1-yr Chg	4-yr Chg	9-yr Chg
Firm Births	7,095	6,742	6,483	7,600	5.2%	9.4%	-6.6%
Firm Terminations	7,330	7,250	6,981	8,387	1.1%	5.0%	-12.6%
Firm Bankruptcies	410	268	169	419	53.0%	142.6%	-2.1%

Agriculture

KFMA Average Net Farm Income by Region

Region	NW	NC	NE	SW	SC	SE	Avg. All Assn.
2004	$ 45,801	$ 51,670	$ 77,393	$ 29,927	$ 52,709	$ 84,394	$ 62,604
2005	$ 66,930	$ 42,065	$ 68,325	$ 23,779	$ 36,535	$ 76,283	$ 56,982
5-yr avg	$ 39,909	$ 37,951	$ 45,629	$ 21,621	$ 34,318	$ 59,958	$ 43,548
10-yr avg	$ 44,783	$ 38,700	$ 41,724	$ 34,852	$ 38,451	$ 53,686	$ 43,747

Energy

Oil Production and Price - *(most recent month of production and price)*

	Aug-06	Aug-05	Aug-01	Aug-96	1-yr Chg	5-yr Chg	10-yr Chg
Production (bbl)	3,067,389	2,943,334	2,952,000	3,694,937	4.2%	3.9%	-17.0%
Price ($/bbl)	$ 73.04	$ 64.98	$ 27.37	$ 21.90	12.4%	166.9%	233.5%

Natural Gas Production and Price - *(most recent month of production and price)*

Production (mcf)	30,573,132	33,032,772	41,134,974	59,683,658	-7.4%	-25.7%	-48.8%
Price ($/mcf)	$ 6.51	$ 7.68	$ 3.33	$ 2.10	-15.2%	95.5%	210.0%

Other Economic Data

Gross State Product - *(millions of current dollars)*

	2005	2004	2000	1995	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	105,574	98,927	82,812	63,699	6.7%	27.5%	65.7%
6-State Region	825,072	779,988	650,792	484,864	5.8%	26.8%	70.2%
U.S.	12,409,555	11,655,335	9,749,103	7,232,722	6.5%	27.3%	71.6%

Personal Income Quarterly Estimates - *(millions of dollars)*

	2006-Q3	2005-Q3	2001-Q3	1996-Q3	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	94,578	90,830	77,678	60,096	4.1%	21.8%	57.4%
6-State Region	720,317	692,353	590,468	443,832	4.0%	22.0%	62.3%
U.S.	10,700,889	10,248,460	8,726,357	6,557,721	4.4%	22.6%	63.2%

Per Capita Personal Income Annual Estimates - *($)*

	2005	2004	2000	1995	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	32,948	31,312	27,694	21,558	5.2%	19.0%	52.8%
6-State Region	31,682	30,494	26,854	20,897	3.9%	18.0%	51.6%
U.S.	34,495	33,090	29,845	23,076	4.2%	15.6%	49.5%

CFNAI

	Nov-06	Oct-06	Sep-06	Aug-06	Jul-06	Jun-06	Nov-05
CFNAI	(0.26)	(0.30)	(0.39)	0.05	(0.16)	0.31	0.88

Consumer Price Index

	Nov-06	Nov-05	Nov-01	Nov-96	1-yr Chg	5-yr Chg	10-yr Chg
Midwest Urban	192.8	190.3	172.5	155.0	1.3%	11.8%	24.4%
U.S. City Average	201.5	197.6	177.4	158.6	2.0%	13.6%	27.0%

Kansas Consumer Sentiment

4th Quarter 2005	68.2
1st Quarter 2006	82.1
2nd Quarter 2006	75.4
3rd Quarter 2006	80.7

Building Permits

	Nov-06	Nov-05	Nov-01	Nov-96	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	1,037	1,621	877	955	-36.0%	18.2%	8.6%

Sales Tax Collections

	Aug-06	Aug-05	Aug-01	Aug-96	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	155,967,252	147,042,865	120,317,747	105,977,377	6.0%	22.8%	50.0%

Population

	Jul-06	Jul-05	Jul-01	Jul-96	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	2,764,075	2,748,172	2,702,446	2,614,554	0.6%	2.3%	5.7%

Source: Kansas, Inc. http://www.kansasinc.org

5-4

Kansas, Inc.

Indicators of the Kansas Economy
December 2026 Variables

Dec-06

IKE - Variables

\vailable in Future IKE Reports

Source: www.kansasinc.org

Kansas, Inc.

Indicators of the Kansas Economy
Total Nonfarm Employment

Dec-06

Short-Term - 2005 to 2006
- Kansas total nonfarm employment up 3,600 (0.3%)
- 6-State Region total nonfarm employment up 136,000 (1.3%)
- U.S. total nonfarm employment up 1,787,000 (1.3%)

Long-Term - 1996 to 2006
- Kansas total nonfarm employment up 103,600 (8.3%)
- 6-State Region total nonfarm employment up 1,045,300 (11.3%)
- U.S. total nonfarm employment up 15,261,000 (12.5%)

November 2006 Total Nonfarm Employment Levels
(all employees, thousands)

State	Employment
Kansas	1,359.3
Arkansas	1,202.2
Colorado	2,291.7
Iowa	1,535.7
Missouri	2,780.4
Nebraska	965.4
Oklahoma	1,558.0

About the data and graphs

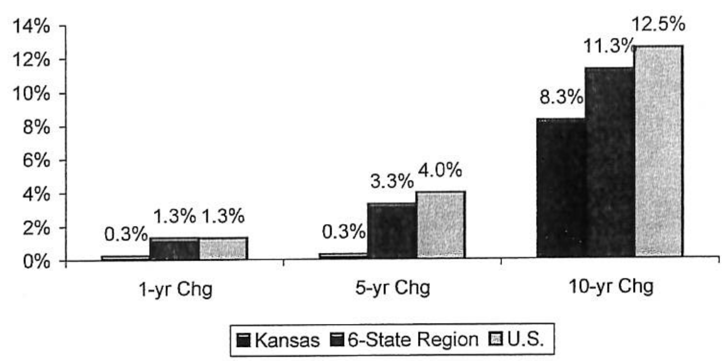
The Bureau of Labor Statistics (BLS) publishes several monthly data series on employment by sector from its Current Employment Statistics (CES) program. Data for the series come from a monthly survey of employers. The data are subject to major and minor revisions. The series counts the number of jobs in the state or region, not the number of employed people. Hence a person with two jobs, one in the manufacturing sector and one in the service sector, would be counted in both sectors.

The data series chosen for IKE are not adjusted for seasonal variation.

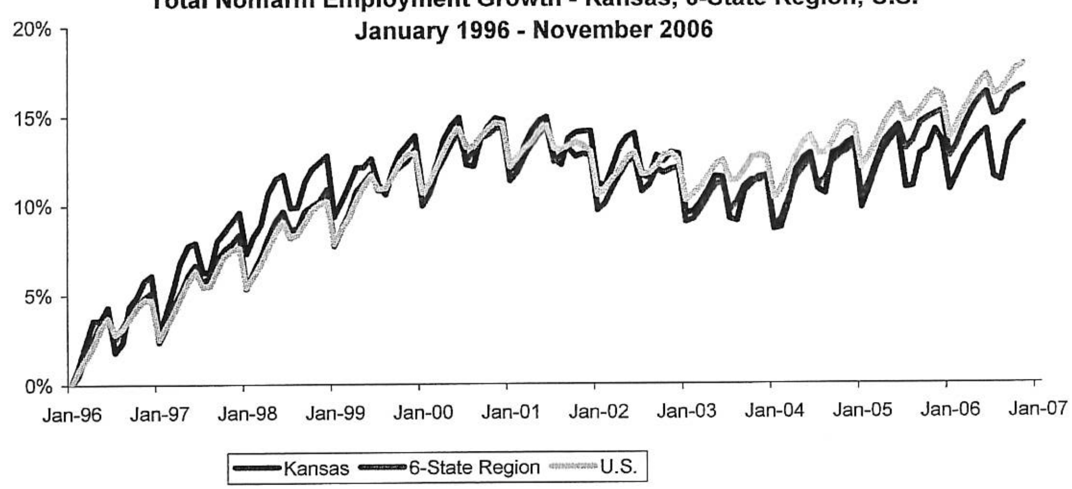
Total Nonfarm Employment
(all employees, thousands)

	Nov-06	Nov-05	Nov-01	Nov-96	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	1,359.3	1,355.7	1,355.0	1,255.7	0.3%	0.3%	8.3%
6-State Region	10,333.4	10,197.4	10,002.6	9,288.1	1.3%	3.3%	11.3%
U.S.	137,103.0	135,316.0	131,880.0	121,842.0	1.3%	4.0%	12.5%

Percent Change in Total Nonfarm Employment
1yr, 5yr, 10yr



Total Nonfarm Employment Growth - Kansas, 6-State Region, U.S.
January 1996 - November 2006



November 2006 monthly data
Source: U.S. Department of Labor - Bureau of Labor Statistics - http://www.bls.gov/bls/employment.htm

5-6

Kansas, Inc.

Indicators of the Kansas Economy
Private Sector Employment

Dec-06

Short-Term - 2005 to 2006

- Kansas private sector employment down 2,400 (-0.2%)
- 6-State Region private sector employment up 105,600 (1.3%)
- U.S. private sector employment up 1,504,000 (1.3%)

Long-Term - 1996 to 2006

- Kansas private sector employment up 83,200 (8.2%)
- 6-State Region private sector employment up 849,400 (11.0%)
- U.S. private sector employment up 12,677,000 (12.5%)

November 2006 Private Sector Employment Levels

(all employees, thousands)

State	Employment
Kansas	1,092.8
Arkansas	989.6
Colorado	1,911.9
Iowa	1,279.7
Missouri	2,334.4
Nebraska	796.3
Oklahoma	1,230.7

About the data and graphs

The Bureau of Labor Statistics (BLS) publishes several monthly data series on employment by sector from its Current Employment Statistics (CES) program. Data for the series come from a monthly survey of employers. The data are subject to major and minor revisions. The series counts the number of jobs in the state or region, not the number of employed people. Hence a person with two jobs, one in the manufacturing sector and one in the service sector, would be counted in both sectors.

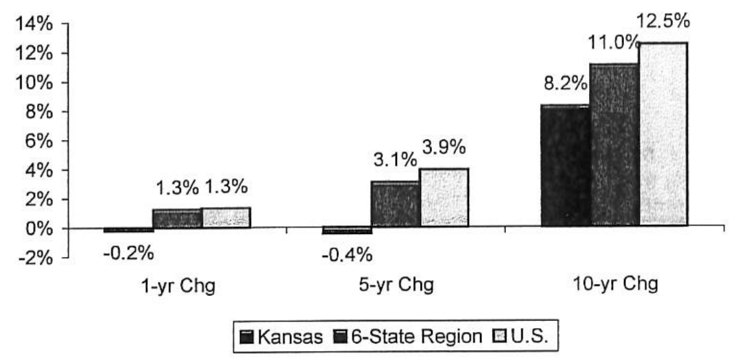
The data series chosen for IKE are not adjusted for seasonal variation.

Private Sector Employment

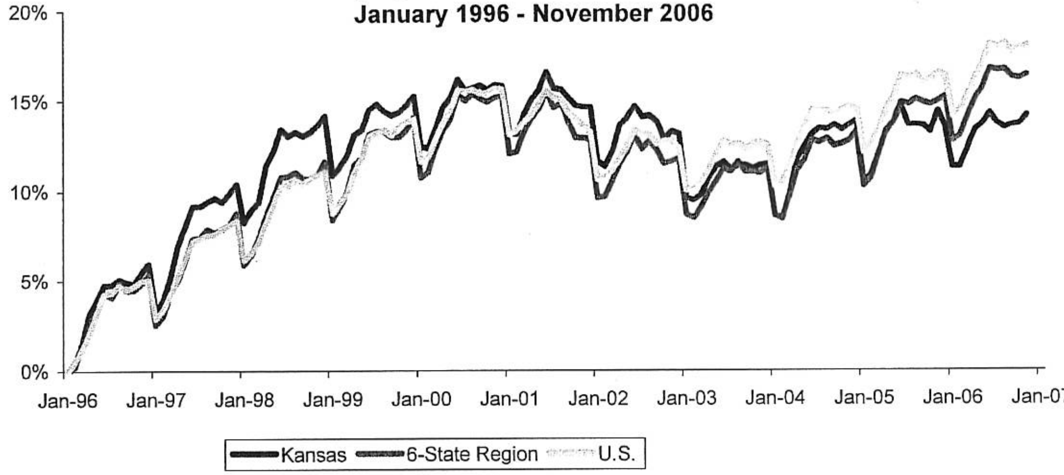
(all employees, thousands)

	Nov-06	Nov-05	Nov-01	Nov-96	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	1,092.8	1,095.2	1,097.6	1,009.6	-0.2%	-0.4%	8.2%
6-State Region	8,542.6	8,437.0	8,286.8	7,693.2	1.3%	3.1%	11.0%
U.S.	114,489.0	112,985.0	110,148.0	101,812.0	1.3%	3.9%	12.5%

Percent Change in Private Sector Employment
1yr, 5yr, 10yr



Private Sector Employment Growth - Kansas, 6-State Region, U.S.
January 1996 - November 2006



.ovember 2006 monthly data

Source: U.S. Department of Labor - Bureau of Labor Statistics - http://www.bls.gov/bls/employment.htm

5-7

Kansas, Inc.

Indicators of the Kansas Economy
Manufacturing Employment

Dec-06

Short-Term - 2005 to 2006
- Kansas manufacturing employment up 200 (0.1%)
- 6-State Region manufacturing employment down 6,400 (-0.6%)
- U.S. manufacturing employment down 58,000 (-0.4%)

Long-Term - 1996 to 2006
- Kansas manufacturing employment down 8,600 (-4.6%)
- 6-State Region manufacturing employment down 184,300 (-14.0%)
- U.S. manufacturing employment down 3,138,000 (-18.1%)

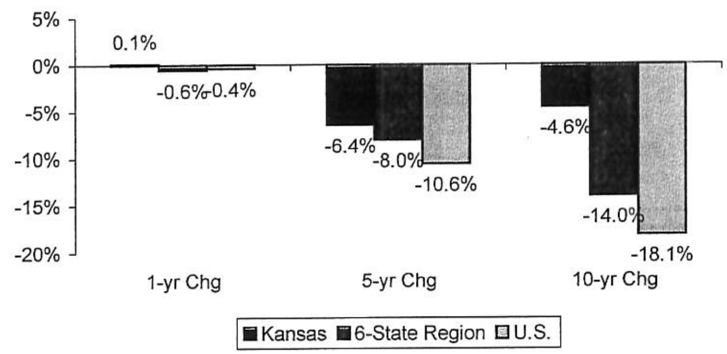
Manufacturing Employment
(all employees, thousands)

	Nov-06	Nov-05	Nov-01	Nov-96	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	180.4	180.2	192.8	189.0	0.1%	-6.4%	-4.6%
6-State Region	1,131.8	1,138.2	1,230.3	1,316.1	-0.6%	-8.0%	-14.0%
U.S.	14,175.0	14,233.0	15,847.0	17,313.0	-0.4%	-10.6%	-18.1%

November 2006 Manufacturing Employment Levels
(all employees, thousands)

State	Employment
Kansas	180.4
Arkansas	192.6
Colorado	151.8
Iowa	236.0
Missouri	300.6
Nebraska	103.0
Oklahoma	147.8

Percent Change in Manufacturing Employment
1yr, 5yr, 10yr

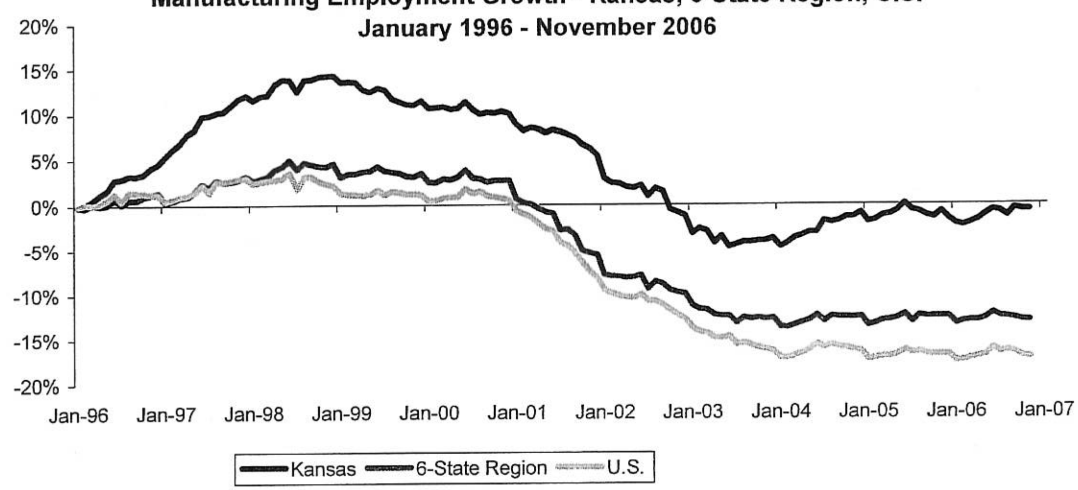


About the data and graphs

The Bureau of Labor Statistics (BLS) publishes several monthly data series on employment by sector from its Current Employment Statistics (CES) program. Data for the series come from a monthly survey of employers. The data are subject to major and minor revisions. The series counts the number of jobs in the state or region, not the number of employed people. Hence a person with two jobs, one in the manufacturing sector and one in the service sector, would be counted in both sectors.

The data series chosen for IKE are not adjusted for seasonal variation.

Manufacturing Employment Growth - Kansas, 6-State Region, U.S.
January 1996 - November 2006



ovember 2006 monthly data
Source: U.S. Department of Labor - Bureau of Labor Statistics - http://www.bls.gov/bls/employment.htm

5-8

Kansas, Inc.

Indicators of the Kansas Economy
Service Employment

Dec-06

Short-Term - 2005 to 2006
- Kansas service employment down 1,000 (-0.1%)
- 6-State Region service employment up 93,100 (1.4%)
- U.S. service employment up 1,478,000 (1.6%)

Long-Term - 1996 to 2006
- Kansas service employment up 85,200 (11.3%)
- 6-State Region service employment up 885,000 (15.0%)
- U.S. service employment up 13,982,000 (17.9%)

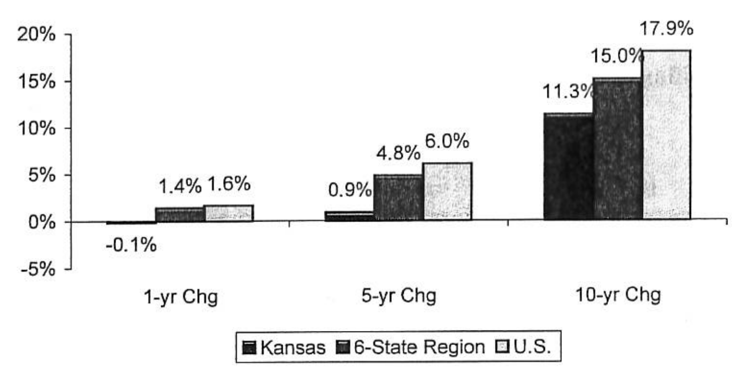
November 2006 Service Employment Levels
(all employees, thousands)

State	Employment
Kansas	840.5
Arkansas	733.9
Colorado	1,571.4
Iowa	960.6
Missouri	1,883.5
Nebraska	646.5
Oklahoma	973.6

Service Employment
(all employees, thousands)

	Nov-06	Nov-05	Nov-01	Nov-96	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	840.5	841.5	833.3	755.3	-0.1%	0.9%	11.3%
6-State Region	6,769.5	6,676.4	6,460.9	5,884.5	1.4%	4.8%	15.0%
U.S.	92,061.0	90,583.0	86,813.0	78,079.0	1.6%	6.0%	17.9%

Percent Change in Service Employment
1yr, 5yr, 10yr

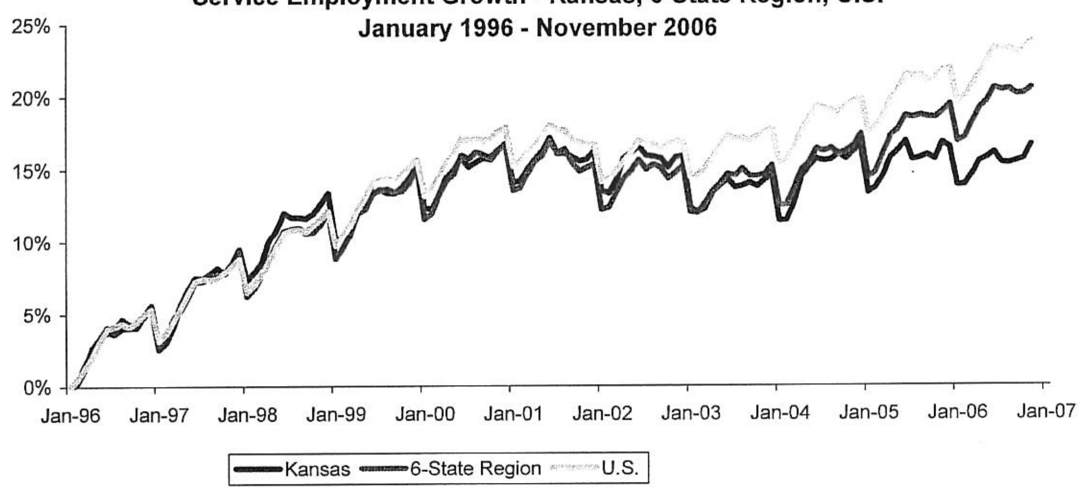


About the data and graphs

The Bureau of Labor Statistics (BLS) publishes several monthly data series on employment by sector from its Current Employment Statistics (CES) program. Data for the series come from a monthly survey of employers. The data are subject to major and minor revisions. The series counts the number of jobs in the state or region, not the number of employed people. Hence a person with two jobs, one in the manufacturing sector and one in the service sector, would be counted in both sectors. The data series chosen for IKE are not adjusted for seasonal variation.

Kansas, Inc., has defined the overall service sector to include the following detailed BLS sectors: trade, transportation, and utilities; information; finance; professional and business; education and health; leisure and hospitality; and other services.

Service Employment Growth - Kansas, 6-State Region, U.S.
January 1996 - November 2006



.ovember 2006 monthly data
Source: U.S. Department of Labor - Bureau of Labor Statistics - http://www.bls.gov/bls/employment.htm

Kansas, Inc.

Indicators of the Kansas Economy
Public Employment

Dec-06

Short-Term - 2005 to 2006
- Kansas public sector employment up 6,000 (2.3%)
- 6-State Region public sector employment up 30,400 (1.7%)
- U.S. public sector employment up 283,000 (1.3%)

Long-Term - 1996 to 2006
- Kansas public sector employment up 20,400 (8.3%)
- 6-State Region public sector employment up 195,900 (12.3%)
- U.S. public sector employment up 2,584,000 (12.9%)

November 2006 Public Sector Employment Levels
(all employees, thousands)

State	Employment
Kansas	266.5
Arkansas	212.6
Colorado	379.8
Iowa	256.0
Missouri	446.0
Nebraska	169.1
Oklahoma	327.3

About the data and graphs

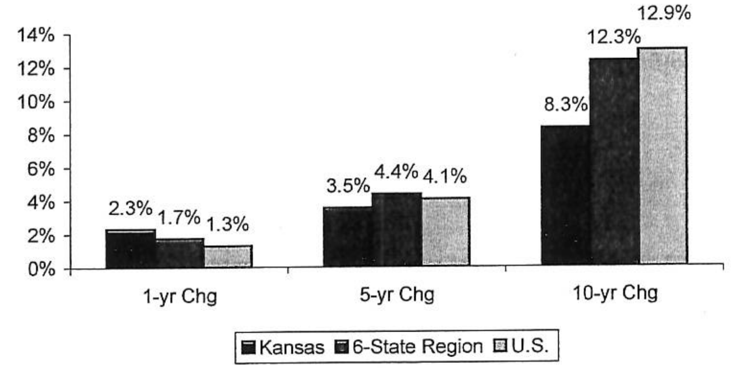
The Bureau of Labor Statistics (BLS) publishes several monthly data series on employment by sector from its Current Employment Statistics (CES) program. Data for series come from a monthly survey of employers. The data are subject to major and minor revisions. The series count the number of jobs in the state or region, not the number of employed people. Hence a person with two jobs, one in the public sector and one in retail, would be counted in both sectors.

The data series chosen for IKE are not adjusted for seasonal variation; hence the short term employment graph shows substantial decreases in July and August when most public school personnel are off the job.

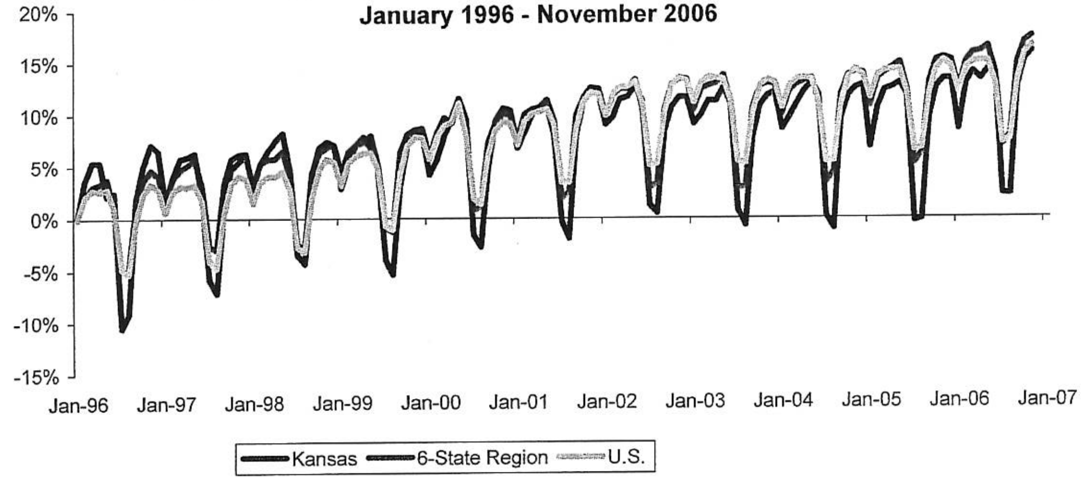
Public Sector Employment
(all employees, thousands)

	Nov-06	Nov-05	Nov-01	Nov-96	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	266.5	260.5	257.4	246.1	2.3%	3.5%	8.3%
6-State Region	1,790.8	1,760.4	1,715.8	1,594.9	1.7%	4.4%	12.3%
U.S.	22,614.0	22,331.0	21,732.0	20,030.0	1.3%	4.1%	12.9%

Percent Change in Public Sector Employment
1yr, 5yr, 10yr



Public Sector Employment Growth - Kansas, 6-State Region, U.S.
January 1996 - November 2006



November 2006 monthly data
Source: U.S. Department of Labor - Bureau of Labor Statistics - http://www.bls.gov/bls/employment.htm

5-10

Kansas, Inc.

Indicators of the Kansas Economy
Unemployment and Unemployment Rate

Dec-06

Short-Term - 2005 to 2006

- Kansas unemployment down 11,978 (-16.2%)
- 6-State Region unemployment down 39,794 (-7.9%)
- U.S. unemployment down 695,000 (-9.6%)
- Kansas unemployment rate down (-0.8%)
- 6-State Region unemployment rate down (-0.4%)
- U.S. unemployment rate down (-0.5%)

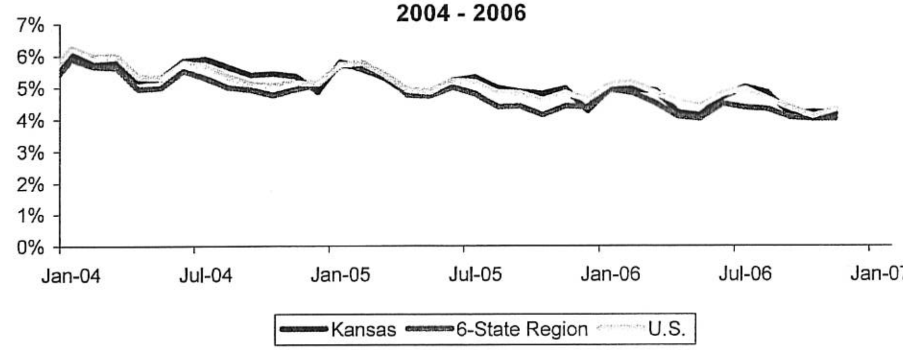
Long-Term - 1996 to 2006

- Kansas unemployment down 228 (-0.4%)
- 6-State Region unemployment up 57,878 (14.2%)
- U.S. unemployment down 240,000 (-3.5%)
- Kansas unemployment rate down (-0.3%)
- 6-State Region unemployment rate up (0.1%)
- U.S. unemployment rate down (-0.7%)

Unemployment and Unemployment Rate
(all employees)

	Nov-06	Nov-05	Nov-01	Nov-96	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	61,907	73,885	66,589	62,135	-16.2%	-7.0%	-0.4%
6-State Region	464,742	504,536	480,141	406,864	-7.9%	-3.2%	14.2%
U.S.	6,576,000	7,271,000	7,617,000	6,816,000	-9.6%	-13.7%	-3.5%
Kansas (%)	4.2%	5.0%	4.7%	4.5%	-0.8%	-0.5%	-0.3%
6-State Region (%)	4.0%	4.4%	4.4%	3.9%	-0.4%	-0.4%	0.1%
U.S. (%)	4.3%	4.8%	5.3%	5.0%	-0.5%	-1.0%	-0.7%

Unemployment Rate - Kansas, 6-State Region, U.S.
2004 - 2006

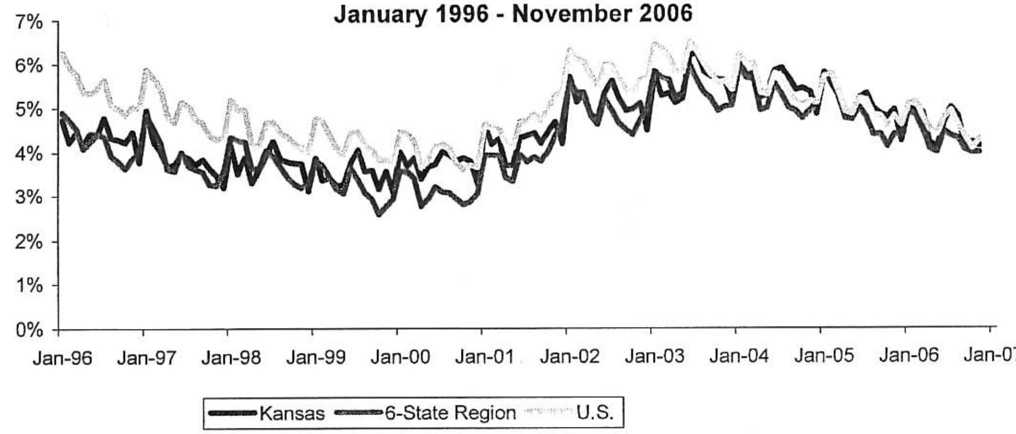


About the data and graphs

The unemployment rate represents the number unemployed as a percent of the labor force. As defined in the Current Population Survey, unemployed persons are persons aged 16 years and older who had no employment during the reference week, were available for work, except for temporary illness, and had made specific efforts to find employment sometime during the 4-week period ending with the reference week. Persons who were waiting to be recalled to a job from which they had been laid off need not have been looking for work to be classified as unemployed.

The unemployment rate contains a seasonal component, it rises during summer as new high school and college graduates enter the civilian labor force and in January, when retailers lay off holiday employees. The unemployment rate also contains a business cycle component, rising during recessionary periods when people currently in the labor force lose jobs.

Unemployment Rate - Kansas, 6-State Region, U.S.
January 1996 - November 2006



ovember 2006 monthly data
Source: U.S. Department of Labor - Bureau of Labor Statistics - http://www.bls.gov/bls/employment.htm

5-11

Kansas, Inc.

Indicators of the Kansas Economy
Initial Claims for Unemployment

Dec-06

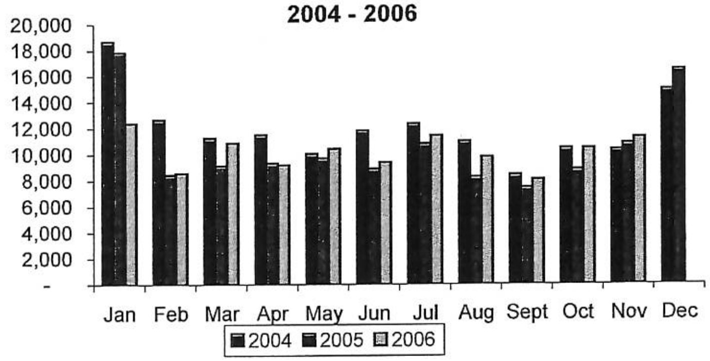
Short-Term - 2005 to 2006
- Kansas initial claims up 441 (4.1%)
- 6-State Region initial claims up 8,073 (8.8%)
- U.S. initial claims down 22,112 (1.5%)

Long-Term - 1996 to 2006
- Kansas initial claims up 1,969 (21.2%)
- 6-State Region initial claims up 10,575 (11.8%)
- U.S. intial claims up 68,521 (4.7%)

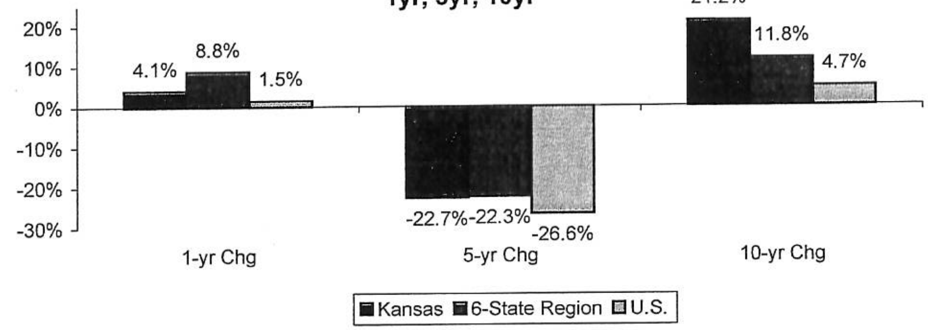
Initial Claims for Unemployment
(all employees)

	Nov-06	Nov-05	Nov-01	Nov-96	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	11,242	10,801	14,536	9,273	4.1%	-22.7%	21.2%
6-State Region	100,086	92,013	128,832	89,511	8.8%	-22.3%	11.8%
U.S.	1,518,648	1,496,536	2,067,739	1,450,127	1.5%	-26.6%	4.7%

Kansas Initial Claims for Unemployment
2004 - 2006



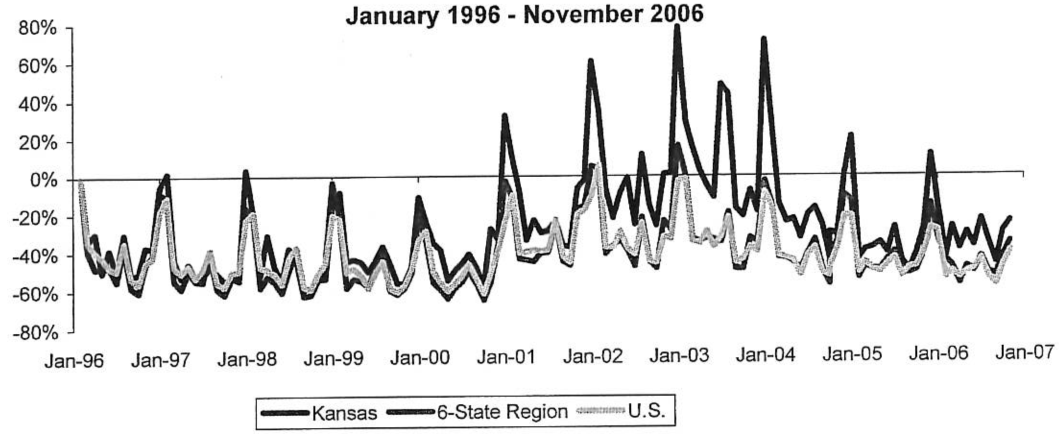
Initial Claims for Unemployment
1yr, 5yr, 10yr



About the data and graphs

Initial claims for unemployment count the number of applicaions of workers who separated from their jobs and who wish to begin unemployment compensation or to extend the period of eligibility. The data are collected by the U.S. Department of Labor, Employment and Training Administration. The data produced by this agency are not seasonally adjusted. Initial claims for unemployment typically rise as the economy moves into recession and fall as the economy recovers. Initial claims for unemployment traditionally peak in the winter months of November, December, and January.

Initial Claims For Unemployment - Kansas, 6-State Region, U.S.
January 1996 - November 2006



ovember 2006 monthly data
Source: U.S. Department of Labor - Employment and Training Administration - http://workforcesecurity.doleta.gov/unemploy/claimssum.asp

5-12

Kansas, Inc.

Indicators of the Kansas Economy
Establishment Data

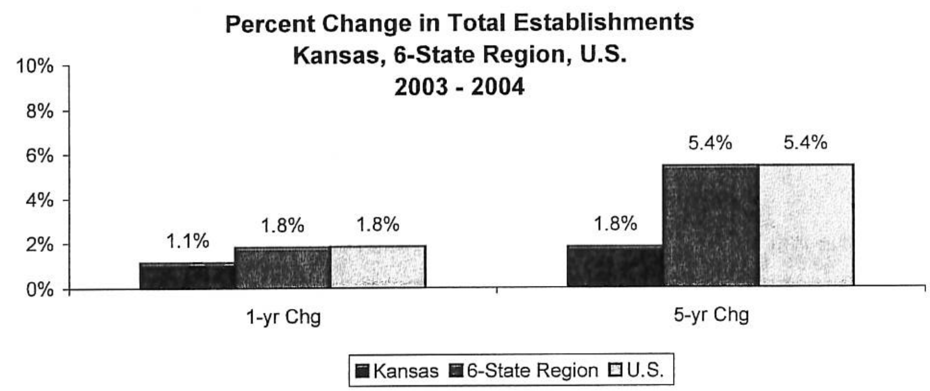
Dec-06

Short-Term - 2003 to 2004
- Kansas total establishments up 855 (1.1%)
- 6-State Region total establishments up 10,388 (1.8%)
- U.S. total establishments up 132,979 (1.8%)

Long-Term - 1999 to 2004
- Kansas total establishments up 1,341 (1.8%)
- 6-State Region total establishments up 30,134 (5.4%)
- U.S. total establishments of 379,280 (5.4%)

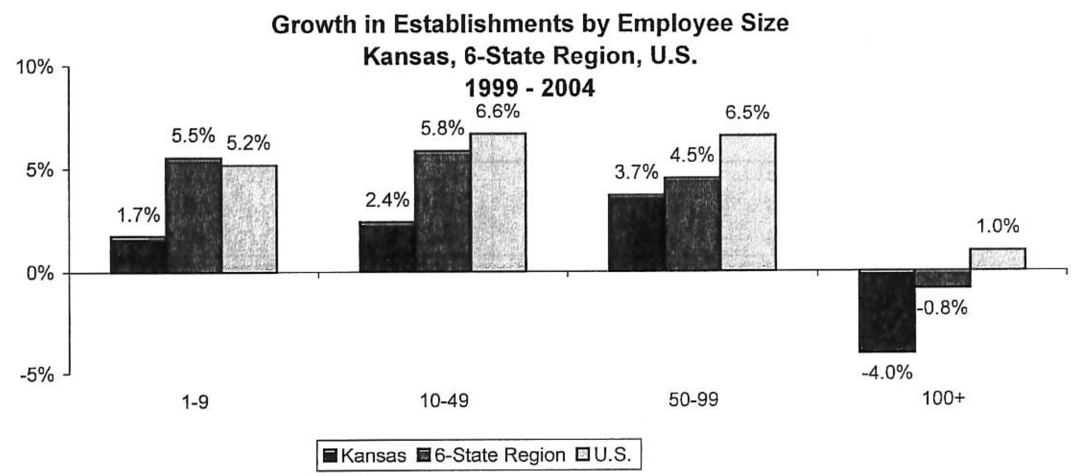
Establishment Data
(all sizes, total establishments)

	2004	2003	1999	1-yr Chg	5-yr Chg
Kansas	75,827	74,972	74,486	1.1%	1.8%
6-State Region	586,523	576,135	556,389	1.8%	5.4%
U.S.	7,387,724	7,254,745	7,008,444	1.8%	5.4%



Kansas Establishment Data
(by establishment size)

Year	1-9	10-49	50-99	100+
1999	54,885	15,836	2,082	1,683
2000	54,836	16,207	2,198	1,698
2001	54,716	16,032	2,120	1,697
2002	55,202	16,176	2,090	1,609
2003	54,977	16,228	2,151	1,616
2004	55,837	16,216	2,159	1,615
1yr%	1.6%	-0.1%	0.4%	-0.1%
5yr%	1.7%	2.4%	3.7%	-4.0%



About the data and graphs

According to the U.S. Small Business Administration, small businesses provide approximately 75 percent of the net new jobs added to the economy and employ 50.1 percent of the private work force. Encouraging entrepreneurship and fostering opportunities for small businesses are key components of the Economic Growth Act of 2004. This data tracks the number of business establishments by employee size to help understand what size businesses are growing.

04 annual data
Source: U.S. Census Bureau - County Business Patterns - http://censtats.census.gov/cbpnaic/cbpnaic.shtml

5-13

Kansas, Inc.

Indicators of the Kansas Economy
Kansas Firm Birth and Termination

Dec-06

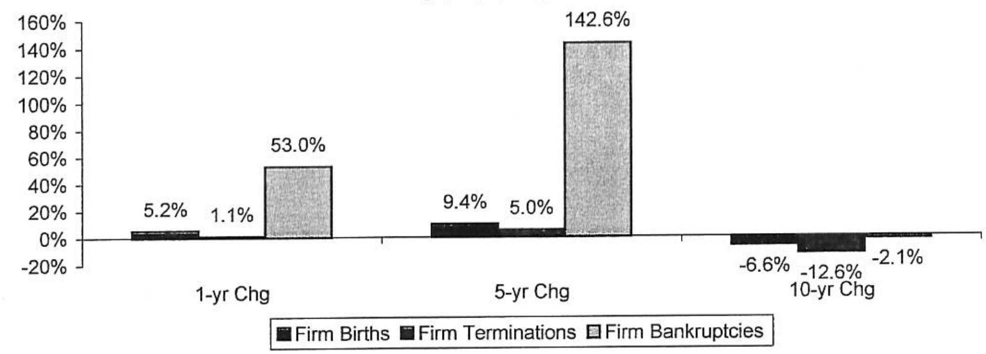
Short-Term - 2004 to 2005
- Firm Births up 353 (5.2%)
- Firm Terminations up 80 (1.1%)
- Firm Bankruptcies up 142 (53.0%)

Long-Term - 1995 to 2005
- Firm Births down 505 (-6.6%)
- Firm Terminations down 1,057 (-12.6%)
- Firm Bankruptcies down 9 (-2.1%)

Kansas Firm Birth and Termination

	2005	2004	2000	1995	1-yr Chg	5-yr Chg	10-yr Chg
Firm Births	7,095	6,742	6,483	7,600	5.2%	9.4%	-6.6%
Firm Terminations	7,330	7,250	6,981	8,387	1.1%	5.0%	-12.6%
Firm Bankruptcies	410	268	169	419	53.0%	142.6%	-2.1%

Percent Change in Kansas Firm Birth, Termination, Bankruptcies 1yr, 5yr, 10yr



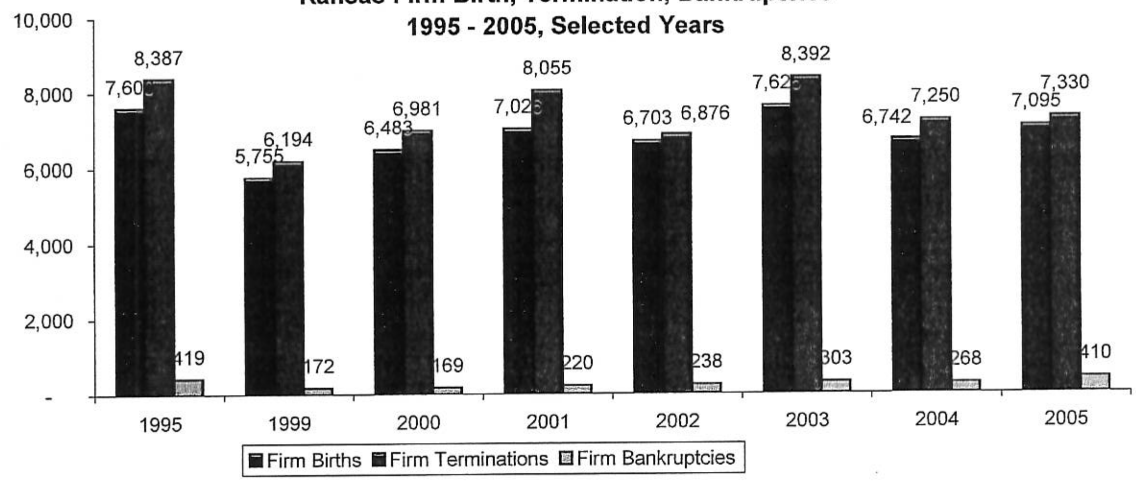
About the data and graphs

Tracking the number of employer firm births, terminations, and bankruptcies may help understand the environment for new firm development.

Firms terminate operations for a variety of reasons, not all of which have a negative impact on the economy. For example, an owner of a profitable small business may chose to cease operations to become an employee of another firm or a new business opportunity replaces an outmoded operation. Firm termination rates are nearly always higher than firm formations, as some firm terminations result in a successor firm (firms that are acquired by a new owner) which is not listed as a new firm.

Firm bankruptcies are included in the count of firm terminations.

Kansas Firm Birth, Termination, Bankruptcies 1995 - 2005, Selected Years



)05 annual data
Source: U.S. Small Business Administration - Office of Advocacy - http://www.sba.gov/advo/research/profiles

5-14

Kansas, Inc.

Indicators of the Kansas Economy
Kansas Farm Management Association Data

Dec-06

Short-Term - 2005

- 1,532 farms reported farm operation data to KFMA
- KFMA farms averaged $294,230 in value of farm production
- $237,247 in total farm expense
- KFMA average net farm income was $56,982
- SE region had the highest net farm income at $76,283
- SW region had the lowest net farm income at $23,779

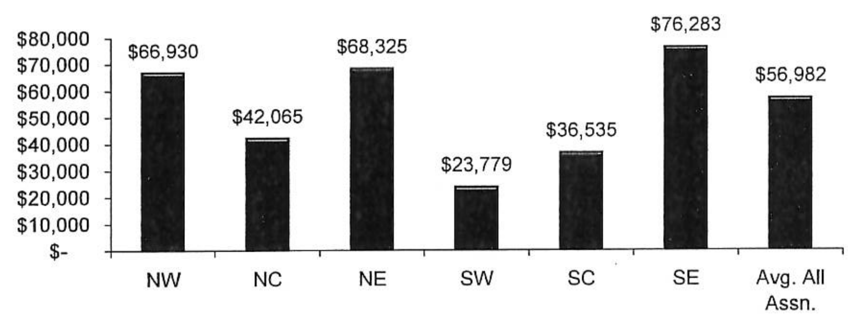
KFMA Average Net Farm Income by Region

Region	NW	NC	NE	SW	SC	SE	Avg. All Assn.
2004	$ 45,801	$ 51,670	$ 77,393	$ 29,927	$ 52,709	$ 84,394	$ 62,604
2005	$ 66,930	$ 42,065	$ 68,325	$ 23,779	$ 36,535	$ 76,283	$ 56,982
5-yr avg	$ 39,909	$ 37,951	$ 45,629	$ 21,621	$ 34,318	$ 59,958	$ 43,548
10-yr avg	$ 44,783	$ 38,700	$ 41,724	$ 34,852	$ 38,451	$ 53,686	$ 43,747

Long-Term - 1995 to 2005

- KFMA average net farm income varies widely from year to year
- From 2000 to 2005, average net farm income was $43,548
- From 1995 to 2005, average net farm income was $43,747

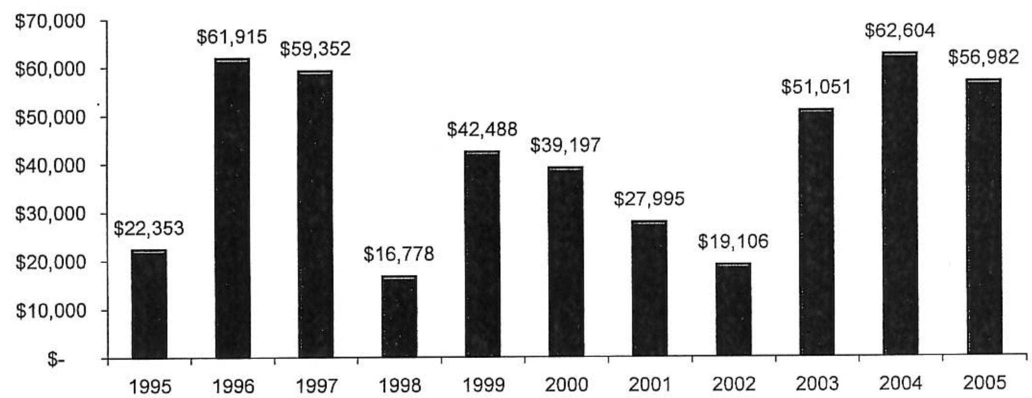
2005 Kansas Farm Management Association Average Net Farm Income by Region



About the data and graphs

The Kansas Farm Management Association (KFMA) program is one of the largest publicly funded farm management programs in the U.S. Membership in the KFMA program includes over 2,500 farms and over 3,200 families. The goal of the KFMA program are to provide each member with information about business and family costs to improve farm business organization, farm business decisions, and farm profitability; and minimize risk. The KFMA program is organized into six regional associations.

Kansas Farm Management Association Average Net Farm Income 1995 - 2005



05 annual data

Source: Kansas State University - Kansas Farm Management Association - www.agecon.ksu.edu/kfma

Kansas, Inc.

Indicators of the Kansas Economy
Monthly Summary of the Farm Economy

Dec-06

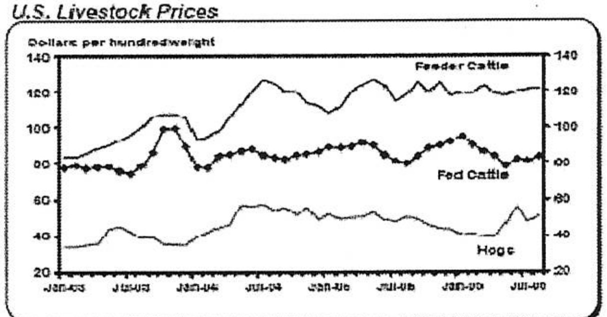
Overview (August 2006):

Livestock prices were stronger in August while crop prices fell throughout most of the month. Strong beef demand underpinned fed cattle prices, despite the large numbers of cattle in feedlots. Feeder cattle prices remained solid due to continued short supplies of feeder calves. Crop prices tumbled after USDA's prediction of large corn and soybean crops this fall. Soybean markets had not turned higher at the end of the month due to a combination of large supplies and big crop expectation. Corn and wheat prices, however, did tick upward at the end of August. Although a large corn crop is expected this fall, soaring ethanol production will continue to use more of the crop and trim available corn stocks in the coming years. Wheat prices moved up due to low supplies globally.

Drought conditions spurred early concerns about the corn and soybean crops. But these concerns did not materialize as timely moisture was received in major corn and soybean producing regions during the critical points of the growing season. As a result, nearly 60 percent of both crops were in good to excellent condition at the end of the month. Pasture conditions, however, have suffered from the drought in many regions and only 23 percent of the nation's pasture area was in good or excellent condition. This has caused ranchers to cull their herds in many parts of Texas, Oklahoma, and the northern Plains. Thus the current expansion of the nation's cattle herd could slow. Going forward, the most recent drought outlook does suggest a large area of improvement throughout the central United States.

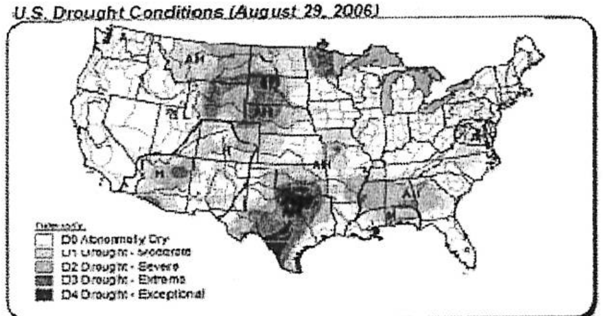
USDA released an updated forecast of U.S. net farm income in August. Net farm income is expected to decline significantly from the record-setting levels of the previous two years. At $54.4 billion, the estimate is also below the 10-year average. Lower livestock receipts and government payments and higher farm expenses led to the decline in the forecast of overall farm income.

U.S. Livestock Prices



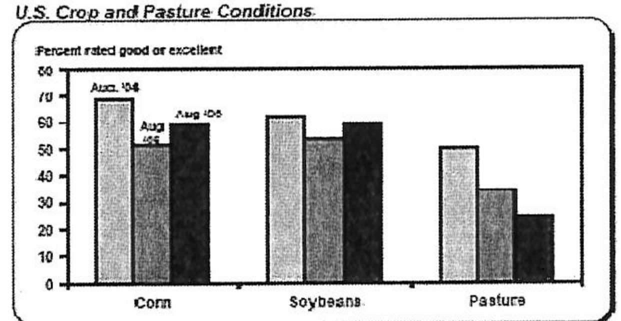
Source: *The Wall Street Journal* and USDA

U.S. Drought Conditions (August 29, 2006)



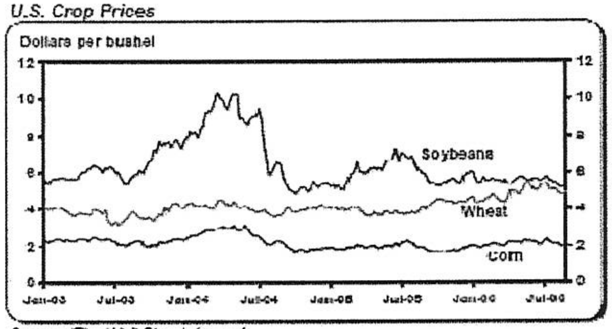
Source: National Drought Mitigation Center

U.S. Crop and Pasture Conditions



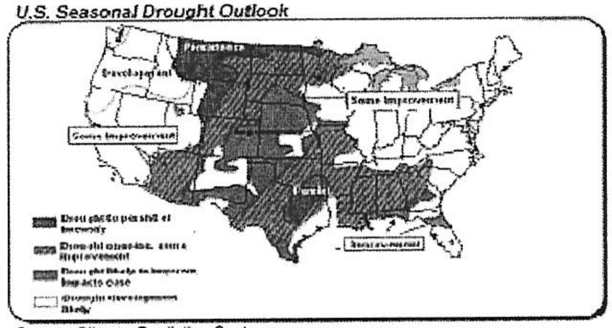
Source: USDA

U.S. Crop Prices



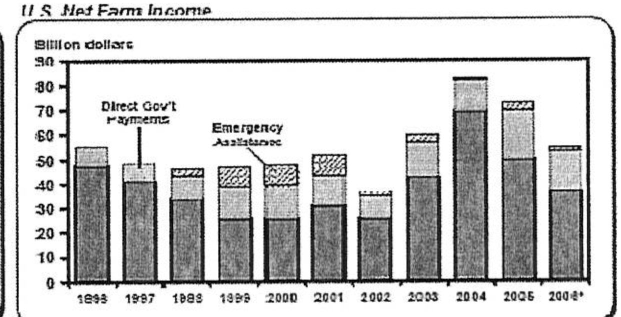
Source: *The Wall Street Journal*

U.S. Seasonal Drought Outlook



Source: Climate Prediction Center

U.S. Net Farm Income



Source: USDA

*Forecast

ugust 2006 monthly data
Source: Federal Reserve Bank of Kansas City and USDA - www.kc.frb.org/ruralcenter/ataglance/ataglancemain.htm

5-16

Kansas, Inc.

Indicators of the Kansas Economy
Kansas Oil Production and Price

Dec-06

Short-Term - 2005 to 2006
- Kansas oil production up 124,055 bbl (4.2%)
- Kansas oil price up $8.1 (12.4%)

Long-Term - 1996 to 2006
- Kansas oil production down 627,548 bbl (-17.0%)
- Kansas oil price up $51.1 (233.5%)

2006 Oil Production/Price

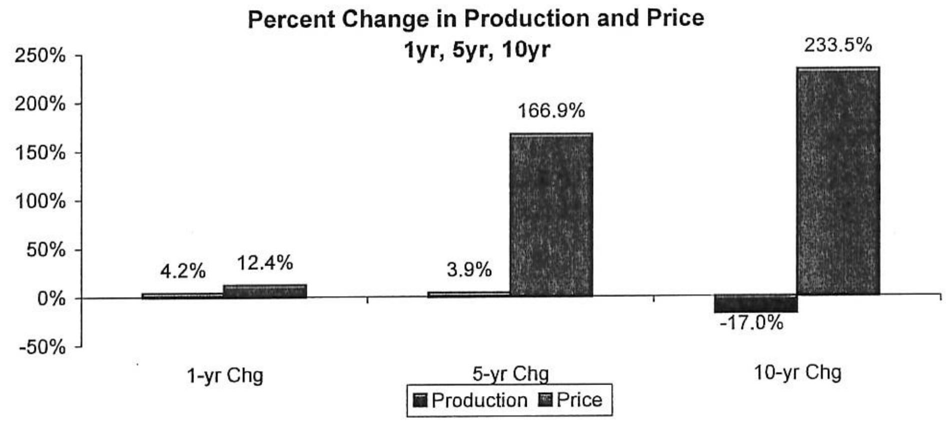
Month	Production*	Price	Month	Production*	Price
January	3,008,738	$ 65.48	July	2,997,402	$ 74.41
February	2,694,619	$ 61.63	August	3,067,389	$ 73.04
March	3,027,141	$ 62.69	September		$ 63.80
April	2,929,625	$ 69.44	October		$ 58.89
May	3,114,128	$ 70.84	November		$ 59.08
June	2,990,271	$ 70.95	December		

** Recent months production usually incomplete and revised upwards.*

Oil Production* and Price

(most recent month of both production and price information)

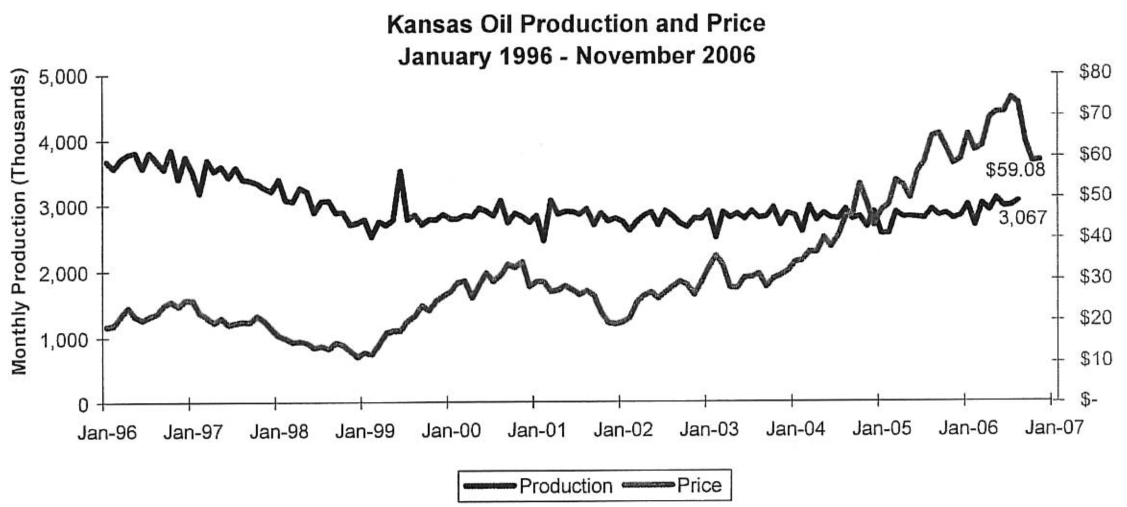
	Aug-06	Aug-05	Aug-01	Aug-96	1-yr Chg	5-yr Chg	10-yr Chg
Production (bbl)	3,067,389	2,943,334	2,952,000	3,694,937	4.2%	3.9%	-17.0%
Price ($/bbl)	$ 73.04	$ 64.98	$ 27.37	$ 21.90	12.4%	166.9%	233.5%



About the data and graphs

Since the 1990's, monthly production of oil has steadily declined in Kansas. Kansas has experienced a natural decline in oil production as it becomes increasingly difficult to extract oil over time. CO_2 sequestration and other oil recovery techniques show great promise in recovering a larger share of the know oil reserves in Kansas. The higher prices received for oil along with new technology developments have helped to stabilize oil production levels since 1999.

These prices represent the Cushing, OK WTI Spot Price FOB ($/Barrel). The amount of oil produced is measured in bbl (barrels of oil).



2006 monthly data

Source: Kansas Geological Survey, Energy Information Administration -

http://www.eia.doe.gov/
http://www.kgs.ku.edu/PRS/petro/interactive.html

5-17

Kansas, Inc.

Indicators of the Kansas Economy
Kansas Natural Gas Production and Price

Dec-06

Short-Term - 2005 to 2006
- Kansas natural gas production down 2,459,640 mcf (-7.4%)
- Kansas natural gas price down $1.2 (-15.2%)

Long-Term - 1996 to 2006
- Kansas natural gas production down 29,110,526 mcf (-48.8%)
- Kansas natural gas price up $4.4 (210.0%)

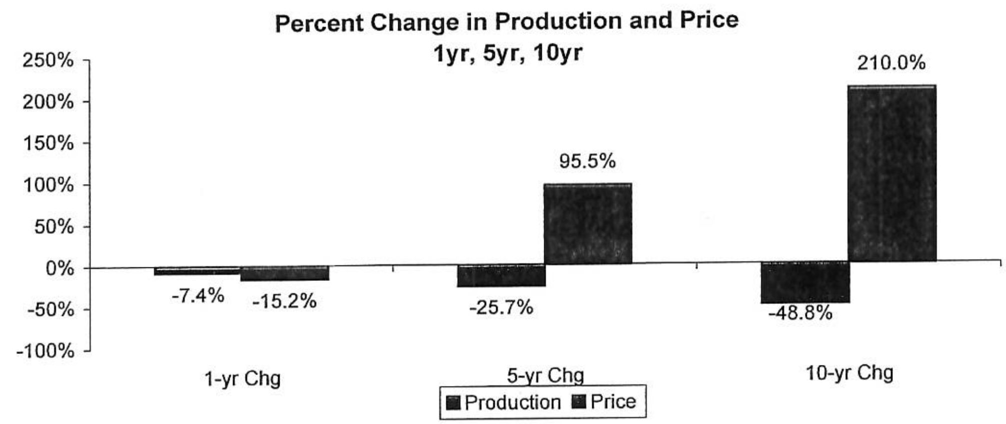
2006 Natural Gas Production/Price

Month	Production*	Price	Month	Production*	Price
January	31,697,928	$ 8.66	July	31,699,798	$ 5.82
February	28,149,870	$ 7.28	August	30,573,132	$ 6.51
March	31,285,177	$ 6.52	September		$ 5.51
April	30,392,971	$ 6.59	October		
May	31,414,951	$ 6.19	November		
June	30,716,870	$ 5.80	December		

** Recent months production usually incomplete and revised upwards.*

Natural Gas Production and Price*
(most recent month of both production and price information)

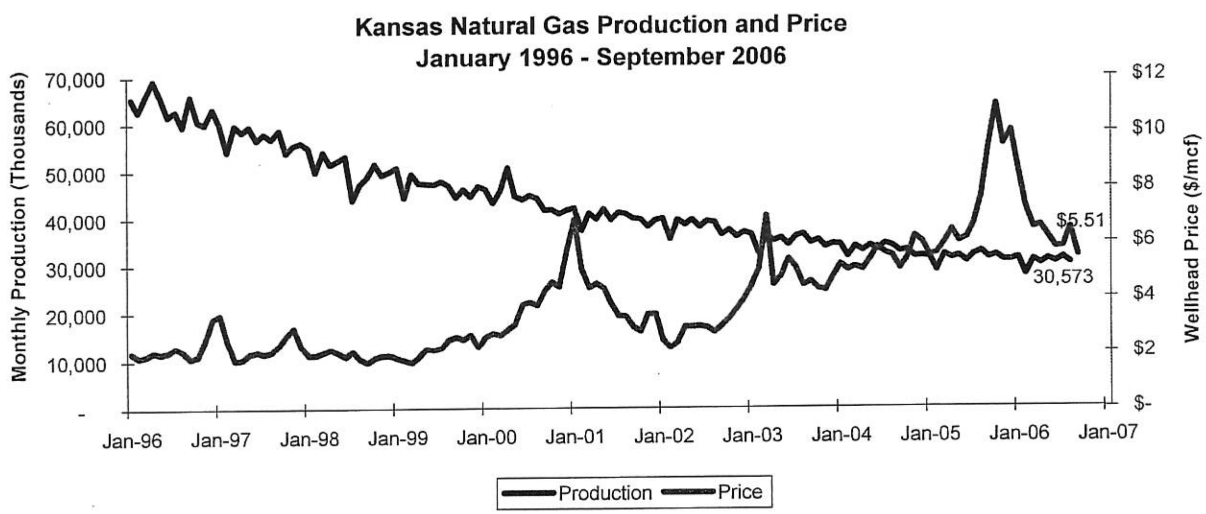
	Aug-06	Aug-05	Aug-01	Aug-96	1-yr Chg	5-yr Chg	10-yr Chg
Production (mcf)	30,573,132	33,032,772	41,134,974	59,683,658	-7.4%	-25.7%	-48.8%
Price ($/mcf)	$ 6.51	$ 7.68	$ 3.33	$ 2.10	-15.2%	95.5%	210.0%



About the data and graphs

Since the 1990's, the monthly production of natural gas has declined in Kansas, as the Hugoton natural gas field has decreased in production. The Hugoton natural gas field is the state's largest natural gas field and extends into Oklahoma and Texas. As with Kansas oil production, natural gas production is experiencing a natural decline in production. Price for natural gas has remained fairly constant in the 1990's, and since March 1999 prices have rose considerably.

These prices represent wellhead price, the value at the mouth of the well. The amount of natural gas produced is measured in Mcf's (thousand cubic feet).



2006 monthly data
Source: Kansas Geological Survey, Energy Information Administration - http://www.eia.doe.gov/ http://www.kgs.ku.edu/PRS/petro/interactive.html

Kansas, Inc.

Indicators of the Kansas Economy
Gross State Product

Dec-06

Short-Term - 2004 to 2005
- Kansas GSP up $6,647 million (6.7%)
- 6-State Region GSP up $45,084 million (5.8%)
- U.S. GSP up $754,220 million (6.5%)

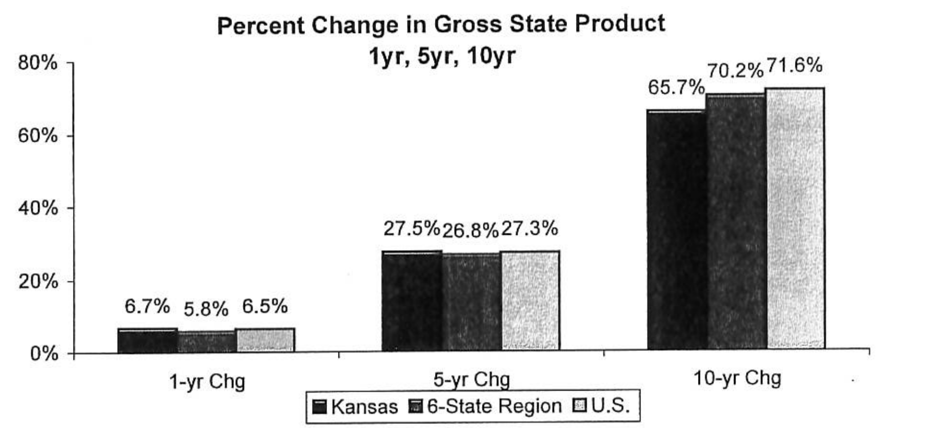
Long-Term - 1995 to 2005
- Kansas GSP up $41,875 million (65.7%)
- 6-State Region GSP up $340,208 million (70.2%)
- U.S. GSP up $5,176,833 million (71.6%)

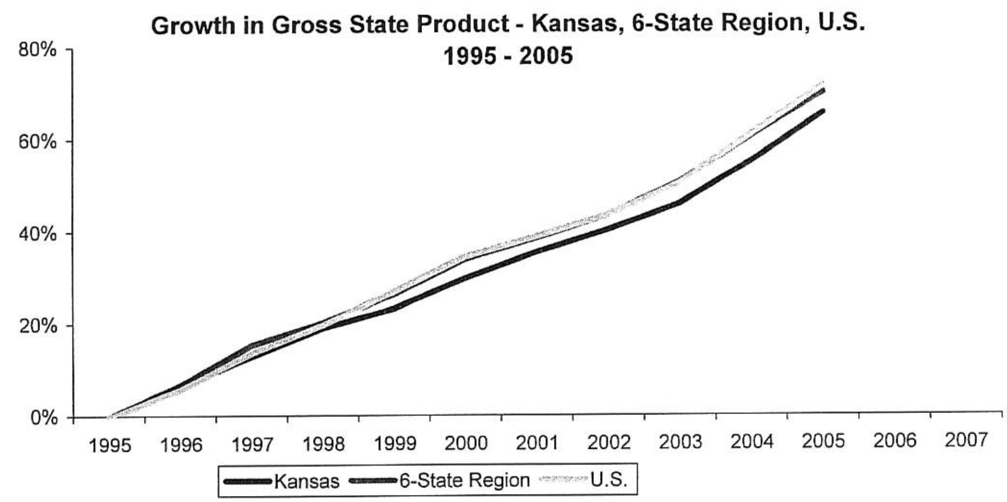
2005 Gross State Product
(millions of current dollars)

Region	Gross State Product	
Kansas	$	105,574
Arkansas	$	86,752
Colorado	$	216,537
Iowa	$	113,552
Missouri	$	216,065
Nebraska	$	70,676
Oklahoma	$	121,490
6-St Region (w/o KS)	$	825,072
U.S.	$	12,409,555

Gross State Product
(millions of current dollars)

	2005	2004	2000	1995	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	105,574	98,927	82,812	63,699	6.7%	27.5%	65.7%
6-State Region	825,072	779,988	650,792	484,864	5.8%	26.8%	70.2%
U.S.	12,409,555	11,655,335	9,749,103	7,232,722	6.5%	27.3%	71.6%





About the data and graphs

GSP captures state economic growth, providing an overall analysis of the performance of the economy. GSP is the value added in production by the labor and property located in the state.

In concept, an industry's GSP, referred to as its "value added," is equivalent to its gross output (sales or receipts and other operating income, commodity taxes, and inventory change) minus its intermediate inputs (consumption of goods and services purchased from other U.S. industries or imported.)

All GSP data is displayed in current dollars and are not adjusted for inflation.

.)05 annual data
Source: U.S. Department of Commerce - Bureau of Economic Analysis - http://www.bea.gov/bea/regional/data.htm

Kansas, Inc.

Indicators of the Kansas Economy
Personal Income/Per Capita Personal Income

Dec-06

Short-Term - 2005 to 2006, 2004 to 2005
- Kansas PI up $3,748 million (4.1%)
- 6-State Region PI up $27,964 million (4.0%)
- U.S. PI up $452,429 million (4.4%)
- Kansas PCPI up $1,636 (5.2%)
- 6-State Region PCPI up $1,188 (3.9%)
- U.S. PCPI up $1,405 (4.2%)

Long-Term - 1996 to 2006, 1995 to 2005
- Kansas PI up $34,482 million (57.4%)
- 6-State Region PI up $276,485 million (62.3%)
- U.S. PI up $4,143,168 million (63.2%)
- Kansas PCPI up $11,390 (52.8%)
- 6-State Region PCPI up $10,785 (51.6%)
- U.S. PCPI up $11,419 (49.5%)

About the data and graphs

Personal income is the income that is received by all persons from all sources and is reported quarterly and is seasonally adjusted at annual rates. Per capita personal income is the annual personal income divided by the population.

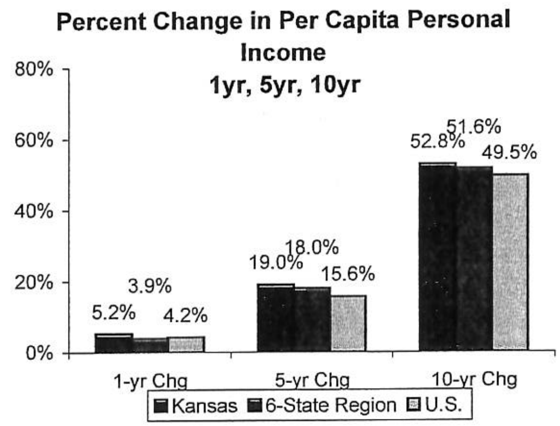
Personal income is calculated as the sum of wage and salary disbursements, supplements to wages and salaries, proprietors' income with inventory valuation and capital consumption adjustments, rental income of persons with capital consumption adjustment, personal dividend income, personal interest income, and personal current transfer receipts, less contributions for goverrnment social insurance. The personal income of an area is the income that is received by, or on behalf of, all of the individuals who live in the area; therefore, the estimates of personal income are presented by the place of residence of the income recipients. All state estimates are in current dollars (not adjusted for inflation).

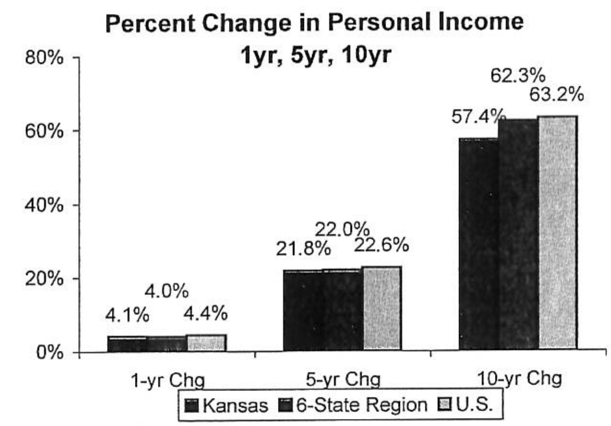
Personal Income Quarterly Estimates - (millions of dollars)

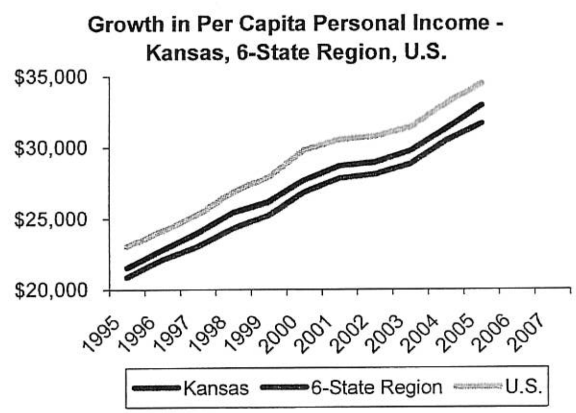
	2006-Q3	2005-Q3	2001-Q3	1996-Q3	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	94,578	90,830	77,678	60,096	4.1%	21.8%	57.4%
6-State Region	720,317	692,353	590,468	443,832	4.0%	22.0%	62.3%
U.S.	10,700,889	10,248,460	8,726,357	6,557,721	4.4%	22.6%	63.2%

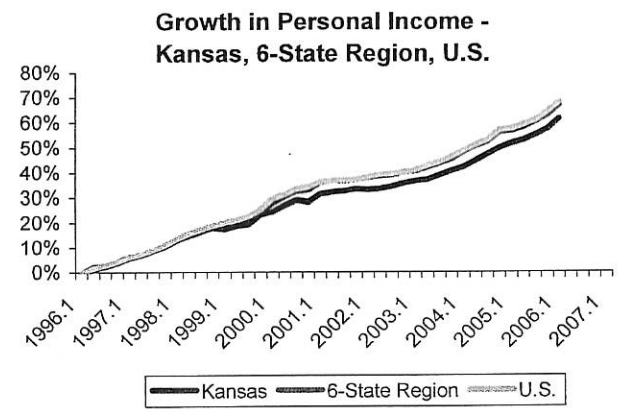
Per Capita Personal Income Annual Estimates - ($)

	2005	2004	2000	1995	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	32,948	31,312	27,694	21,558	5.2%	19.0%	52.8%
6-State Region	31,682	30,494	26,854	20,897	3.9%	18.0%	51.6%
U.S.	34,495	33,090	29,845	23,076	4.2%	15.6%	49.5%









005 annual, 2006 quarterly data

Source: U.S. Department of Commerce - Bureau of Economic Analysis - http://www.bea.gov/bea/regional/data.htm

5-20

Kansas, Inc.

Indicators of the Kansas Economy
Chicago Fed National Activity Index (CFNAI)

Dec-06

Short-Term - 2006

During November 2006, the CFNAI was (-0.26), slightly up from the (-0.30) in October. All of the four broad categories of indicators made negative contributions. Production-related indicators made a negative contribution of (-0.04) in November after making a negative contribution of (-0.23) in October. Employment-related indicators made a negative contribution of (-0.15) after making a negative contribution of (-0.04) in October. Consumption and housing indicators made a negative contribution of (-0.05) in November after making a contribution of (-0.03) in October. The sales, orders, and inventories category made a small negative contribution of (-0.02) to the November CFNAI.

Long-Term - 1996 to 2006

Since January 1990, the CFNAI has demonstrated excellent predictive power as CFNAI values have fallen substantially prior to each of the two most recent recessions, from July 1990 to March 1991, and from March 2001 to November 2001.

About the data and graphs

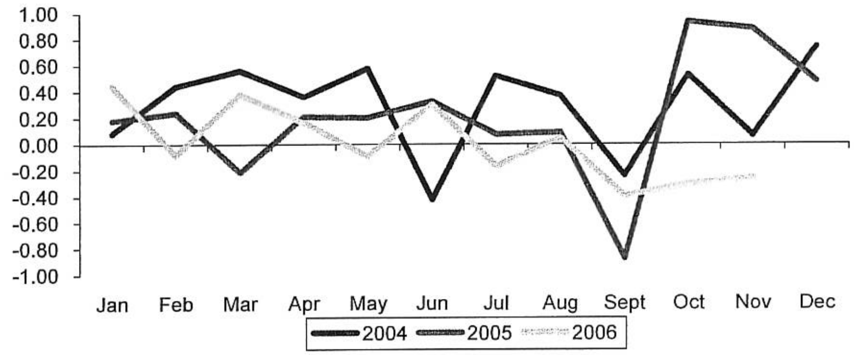
The performance of the U.S. economy has a major impact on the performance of the Kansas economy.

The Chicago Fed National Activity Index (CFNAI) is a monthly U.S. index designed to better gage overall economic activity and inflationary pressure.
The index uses 85 economic indicators from four broad categories of data: production and income; employment, unemployment and hours; personal consumption and housing; and sales, orders and inventories. **A positive number indicates above average growth while a negative number indicates below average growth. Sustained CFNAI readings above zero suggest increased inflationary pressures over the coming year.**

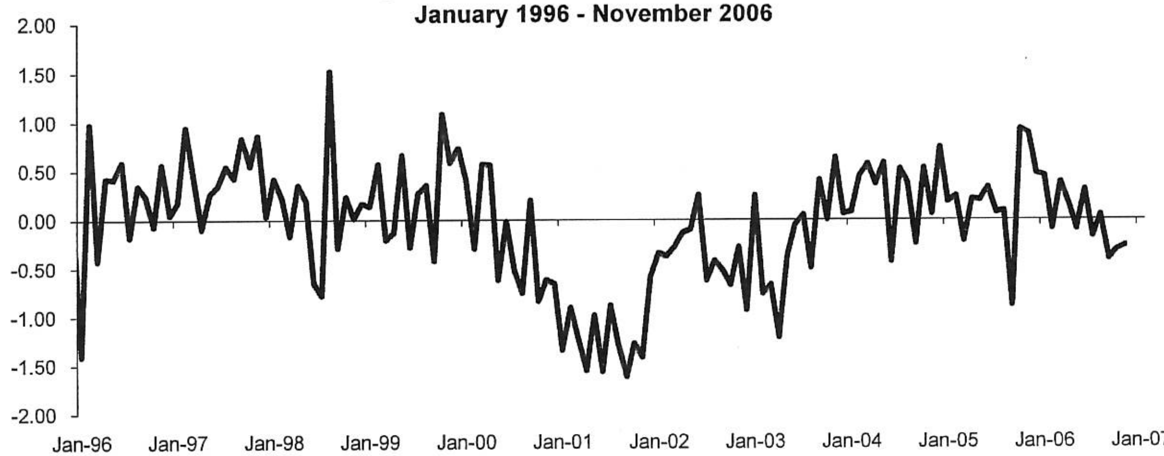
CFNAI

	Nov-06	Oct-06	Sep-06	Aug-06	Jul-06	Jun-06	Nov-05
CFNAI	(0.26)	(0.30)	(0.39)	0.05	(0.16)	0.31	0.88

Chicago Federal Reserve National Activity Index
2004 - 2006



Chicago Federal Reserve National Activity Index
January 1996 - November 2006



November 2006 monthly data
Source: Federal Reserve Bank of Chicago - www.chicagofed.org/economic_research_and_data/cfnai.cfm

Kansas, Inc.

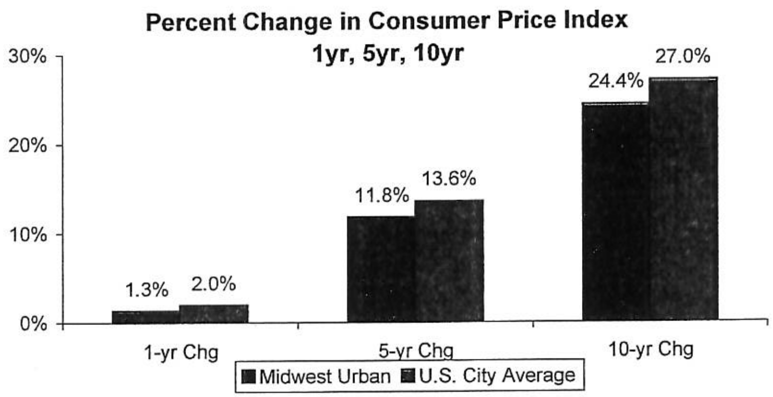
Indicators of the Kansas Economy
Consumer Price Index

Dec-06

5-21

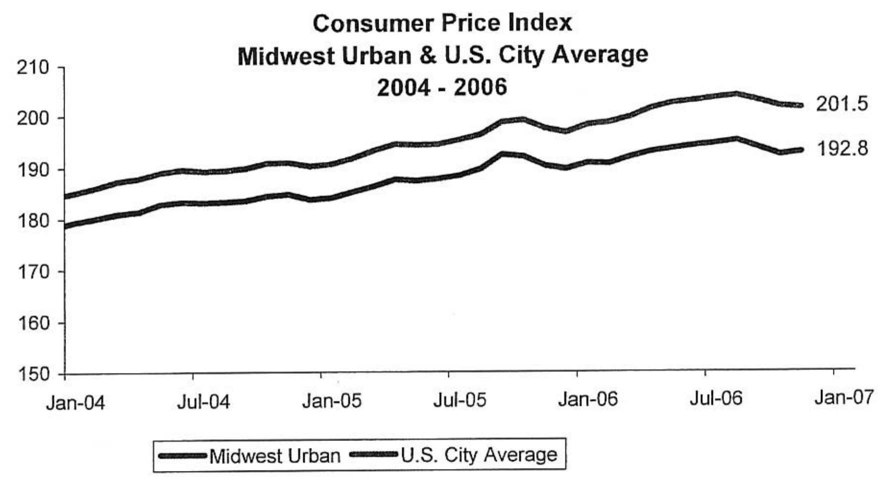
Short-Term - 2005 to 2006
- Midwest Urban CPI up 2.5 (1.3%)
- U.S. City Average CPI up 3.9 (2.0%)

Long-Term - 1996 to 2006
- Midwest Urban CPI up 37.8 (24.4%)
- U.S. City Average CPI up 42.9 (27.0%)



Consumer Price Index

	Nov-06	Nov-05	Nov-01	Nov-96	1-yr Chg	5-yr Chg	10-yr Chg
Midwest Urban	192.8	190.3	172.5	155.0	1.3%	11.8%	24.4%
U.S. City Average	201.5	197.6	177.4	158.6	2.0%	13.6%	27.0%

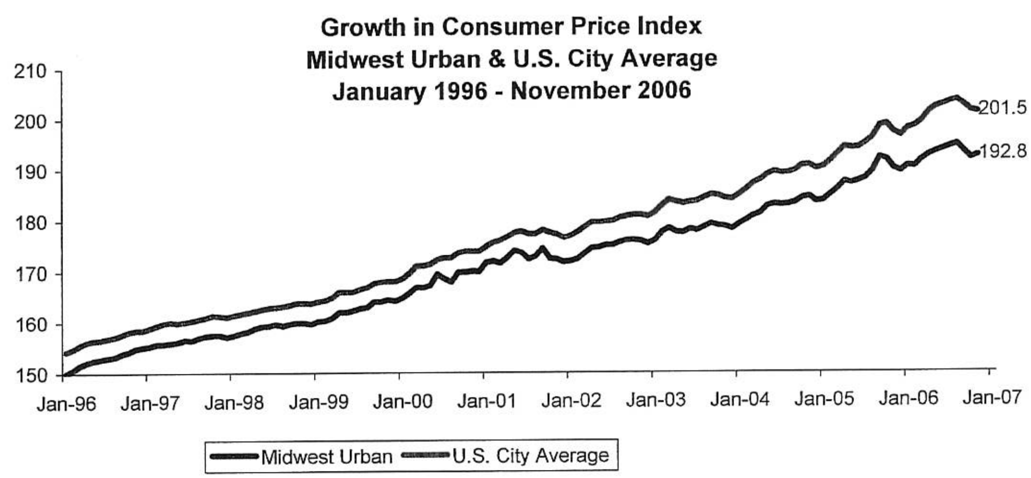


About the data and graphs

The CPI program produces monthly data on changes in the prices paid by urban consumers for a representative basket of goods and services. It is the most widely used measure of inflation.

The U.S. City Average is a measure of the average change over time in the prices paid by urban consumers throughout the United States for a market basket of consumer goods and services. It is adjusted to equal 100 during the base period of 1982-1984. The U.S. City Average CPI reflects spending patterns for all urban consumers, who represent about 87 percent of the total U.S. population.

The Midwest Urban Consumer Price Index is calculated in the same way as the U.S. City Average CPI, however, the Midwest CPI is limited to urban consumers within the Midwest Census region.



.ovember 2006 monthly data
Source: U.S. Department of Labor - Bureau of Labor Statistics - http://stats.bls.gov/cpi/home.htm

5-22

Kansas, Inc.

Indicators of the Kansas Economy
Kansas Consumer Sentiment - 3rd Quarter 2006

Dec-06

Methods
- Random telephone survey of a representative sample of adult Kansans from July 6 to September 18, 2006.
- 2006 3rd quarter number of responses is 304.
- 2006 3rd quarter full sample margin of error is 5.6%.

2006 3rd Quarter Kansas ICS = (((Q1 + Q2 + Q3 + Q4 + Q5) / 6.7558) + 2.0)

2006 3rd Quarter Kansas ICS = (((113 + 137 + 80 + 78 + 125) / 6.7558) + 2.0) = **80.7**

Kansas Consumer Sentiment

4th Quarter 2005	68.2
1st Quarter 2006	82.1
2nd Quarter 2006	75.4
3rd Quarter 2006	80.7

About the data

Kansas, Inc. has contracted with the Docking Institute of Public Affairs at Fort Hays State University to conduct a statewide telephone survey on a quarterly basis. The general objectives of the study were to: determine consumer sentiment in Kansas, analyze sentiment by a number of socio-demographic indicators, determine attitudes toward state levels of spending in particular economic development areas, analyze attitudes toward state spending by a number of socio-demographic indicators, examine the rating of the state government's performance at helping the state economy, and analyze the rating of state government performance by a number of socio-demographic indicators.

Table 1. Index of Consumer Sentiment (ICS) Item Response: 3rd Quarter 2006

Survey Item	Response Distribution Frequencies N (%)	Among Favorable and Unfavorable Replies: *% Favorable*	Among Favorable and Unfavorable Replies: *% Unfavorable*	Rounded Relative Score (Percent Favorable minus Percent Unfavorable) + 100
Q1. We are interested in how people are getting along financially these days. Would you say you and your family living there are better off or worse off financially than you were a year ago?	Better = 110 (36%) Same = 108 (36%) Worse= 85 (28%) DK = 1 (<1%)	56.41026	43.58974	113
Q2. Now looking ahead, do you think that a year from now you and your family living there will be better off financially, or worse off, or just about the same as now?	Will be better off = 86 (28%) Same = 164 (54%) Will be worse off = 40 (13%) DK = 14 (5%)	68.25397	31.74603	137
Q3. Now turning to business conditions in the country as a whole, do you think that during the next twelve months we'll have good times financially, or bad times, or what?	Good/mostly good times = 94 (31%) Pro-Con = 40 (13%) Bad/mostly bad times= 142 (47%) DK = 14 (9%)	39.83051	60.16949	80
Q4. Looking ahead, which would you say is more likely, that in the country as a whole we'll have continuous good times during the next five years or so, or that we will have periods of widespread unemployment or depression, or what?	Majority good comments = 94 (31%) Majority bad comments = 147 (48%) DK or refused = 63 (21%)	39.00415	60.99585	78
Q5. About the big things people buy for their homes, such as furniture, a refrigerator, a stove, a television, and things like that - generally speaking, do you think now is a good time or a bad time for people to buy major household items?	Good time = 120 (40%) Pro-Con = 31 (10%) Bad time = 72 (24%) Only buy when need = 28 (9%) DK = 53 (17%)	62.50000	37.50000	125

3rd Quarter 2006 data

Source: Docking Institute of Public Affairs at Fort Hays State University and Kansas, Inc. - http://www.kansasinc.org

5-23

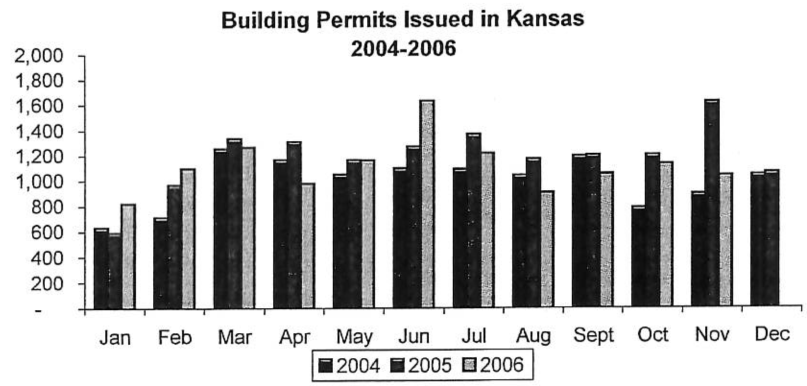
Kansas, Inc.

Indicators of the Kansas Economy
Building Permits

Dec-06

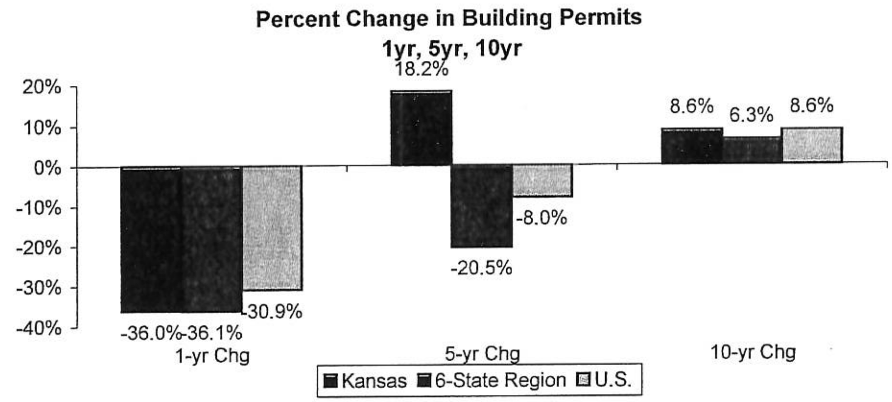
Short-Term - 2005 to 2006
- Kansas building permits down 584 (-36.0%)
- 6-State Region building permits down 3,858 (-36.1%)
- U.S. building permits down 49,443 (-30.9%)

Long-Term - 1996 to 2006
- Kansas building permits up 82 (8.6%)
- 6-State Region building permits up 407 (6.3%)
- U.S. building permits up 8,711 (8.6%)

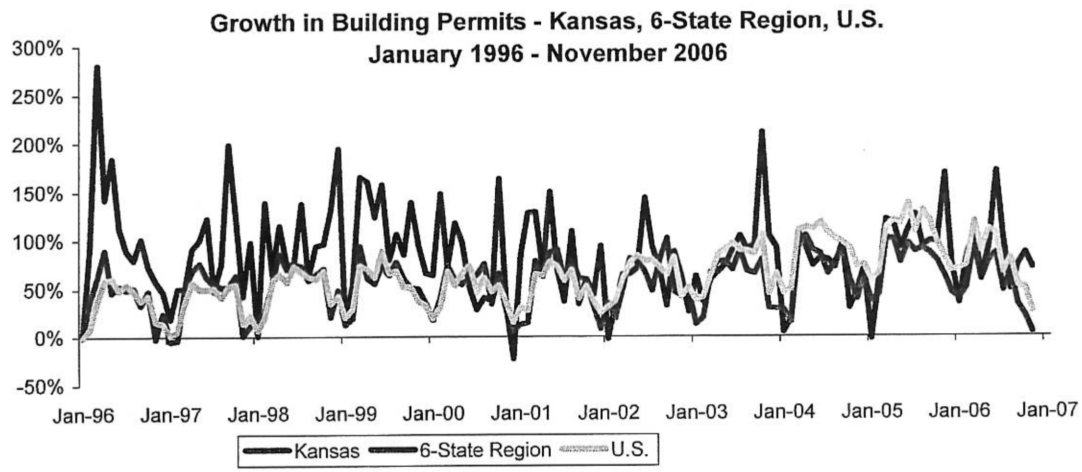


Building Permits

	Nov-06	Nov-05	Nov-01	Nov-96	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	1,037	1,621	877	955	-36.0%	18.2%	8.6%
6-State Region	6,840	10,698	8,600	6,433	-36.1%	-20.5%	6.3%
U.S.	110,370	159,813	119,964	101,659	-30.9%	-8.0%	8.6%



A housing unit is a house, an apartment, a group of rooms or a single room intended for occupancy as separate living quarters. Separate living quarters are those in which the occupants live separately from any other individuals in the building and which have a direct access from the outside of the building or through a common hall.



.ovember 2006 monthly data

Source: U.S. Census Bureau - http://www.census.gov/econ/www/index.html

5-24

Kansas, Inc.

Indicators of the Kansas Economy
Kansas Sales Tax Collections

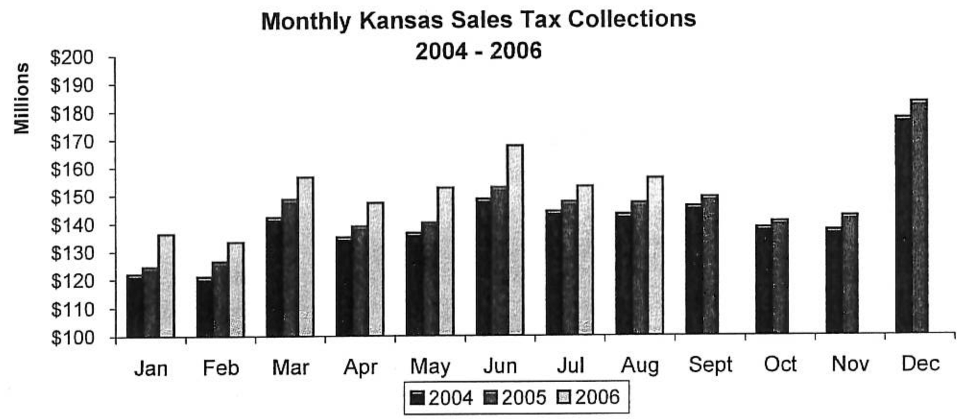
Dec-06

Short-Term - 2005 to 2006
- Kansas sales tax collections up $8,924,386 (6.1%)
- $1,203,202,427 collected ytd during 2006
- $1,740,749,106 collected total during 2005

Sales Tax Collections

	Aug-06	Aug-05	Aug-01	Aug-96	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	$ 155,967,252	$ 147,042,865	$ 120,317,747	$ 105,977,377	6.1%	29.6%	47.2%

Long-Term - 1996 to 2006
- Kansas sales tax collections up $49,989,874 (47.2%)
- $1,286,136,133 collected total during 1996

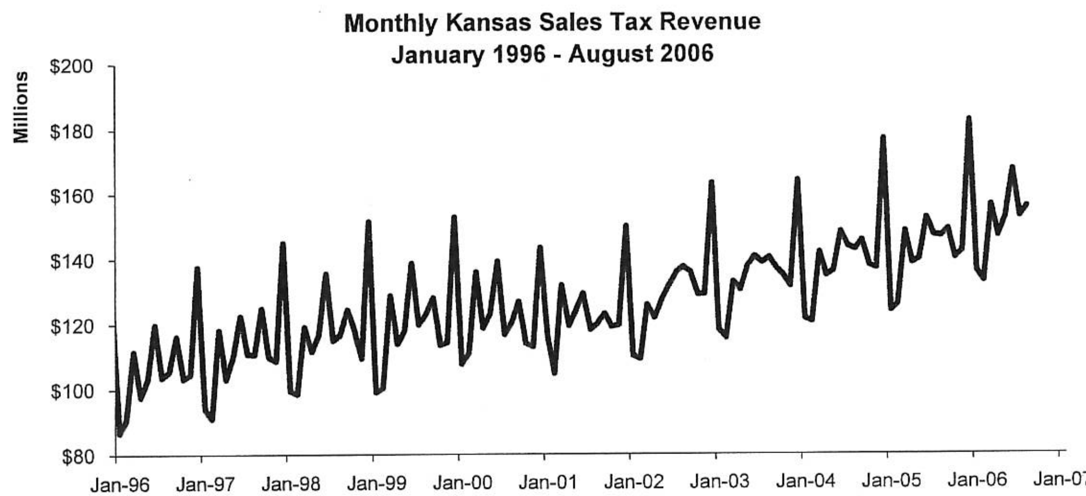


Monthly sales tax collections have trended higher as the economy has grown and two sales tax rate increases have been enacted. Annually, December typically collects the highest sales tax revenue, with January and February collecting the least. Consumers tend to delay purchases during a downturn in the economy, which can be reflected in lower sales tax collections in months proceeding and during a recession. Monthly sales tax collections tend to increase as the economy improves and consumer spending increases.

About the data and graphs

Tracking sales tax collections in Kansas gives insight into consumer behavior and demand. Sales tax collections can fluctuate widely from month to month. Since January 1990, state sales tax rates have increased on two occasions. In June 1992, the state sales tax rate increased from 4.25% to 4.90% and in July 2002 the state sales tax rate increased to 5.30%.

Various cities and counties in Kansas have an additional local sales tax. The entire listing of local sales tax rates is available at http://www.ksrevenue.org/salesrates changes.htm



.ugust 2006 monthly data
Source: Kansas Department of Revenue - http://www.ksrevenue.org/salesreports.htm

5-25

Kansas, Inc.

Indicators of the Kansas Economy
Population

Dec-06

Short-Term - 2005 to 2006
- Kansas population up 15,903 (0.6%)
- 6-State Region population up 232,755 (1.1%)
- U.S. population up 2,891,423 (1.0%)

Long-Term - 1996 to 2006
- Kansas population up 149,521 (5.7%)
- 6-State Region population up 1,919,087 (9.7%)
- U.S. Population up 30,004,200 (11.1%)

July 1, 2006 Population Estimates

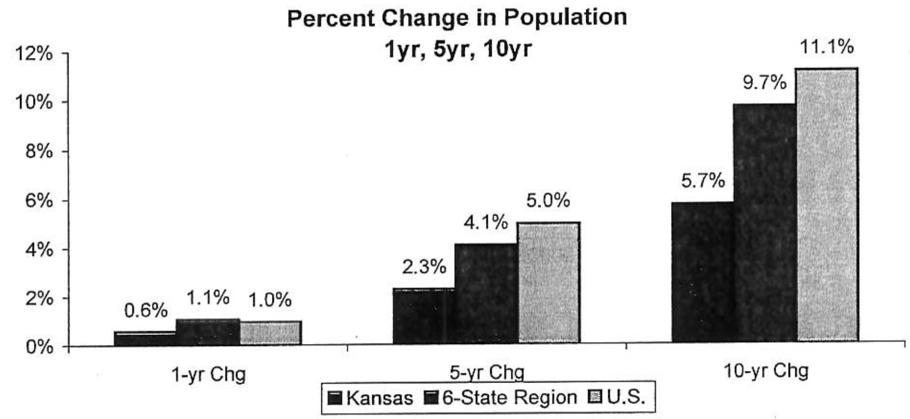
Region	Population
Kansas	2,764,075
Arkansas	2,810,872
Colorado	4,753,377
Iowa	2,982,085
Missouri	5,842,713
Nebraska	1,768,331
Oklahoma	3,579,212
6-St Region (w/o KS)	21,736,590
U.S.	299,398,484

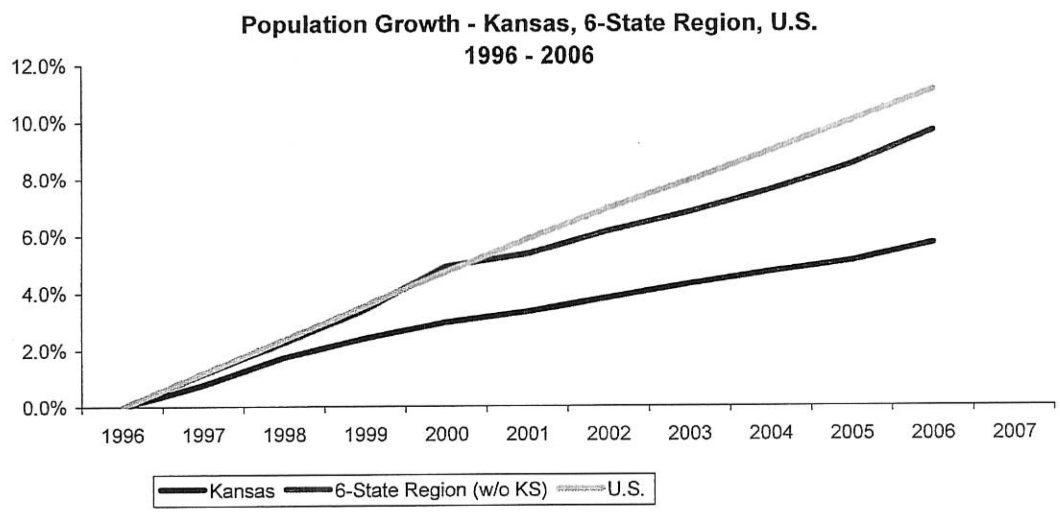
About the data and graphs

The U.S. Census Bureau publishes total resident population estimates and demographic components of change (births, deaths, and migration) each year. The reference date for estimates is July 1. Estimates usually are for the present and the past, while projections are estimates of the population for future dates. These estimates are developed with the assistance of the Federal State Cooperative Program for Population Estimates (FSCPE). These estimates are used in federal funding allocations, as denominators for vital rates and per capita time series, as survey controls, and in monitoring recent demographic changes. With each new issue of July 1 estimates, the estimates are revised for years back to the last census.

Population

	Jul-06	Jul-05	Jul-01	Jul-96	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	2,764,075	2,748,172	2,702,446	2,614,554	0.6%	2.3%	5.7%
6-State Region	21,736,590	21,503,835	20,881,612	19,817,503	1.1%	4.1%	9.7%
U.S.	299,398,484	296,507,061	285,226,284	269,394,284	1.0%	5.0%	11.1%





J06 annual data
Source: U.S. Census Bureau - http://www.census.gov/popest/estimates.php

5-26

KANSAS, INC.

Created by the Legislature in 1986, Kansas, Inc. is an independent, objective, and non-partisan organization designed to conduct economic development research and analysis with the goal of crafting policies and recommendations to insure the state's ongoing competitiveness for economic growth. To attain our mission, Kansas, Inc. undertakes these primary activities: 1) Identifying, building, and promoting a Strategic Plan for economic development efforts in the State of Kansas; 2) To complement the Strategic Plan, Kansas, Inc. develops and implements a proactive and aggressive research agenda, which is used to identify and promote sound economic development strategies and policies; 3) Through collaboration and outreach with economic development entities and other potential partners, Kansas, Inc. conducts evaluation reviews and provides oversight of economic development programs to benchmark development efforts in the State of Kansas.

Co-Chaired by the Governor, Kansas, Inc. is governed by a 17-member Board of Directors. Board members, as mandated by legislation, include four members of Legislative leadership, a representative from the Board of Regents, the Secretary of Commerce, the Commanding General of the Kansas Cavalry, a representative from labor, and eight other members from the private sector representing key Kansas industrial sectors. Private sector members are appointed by the Governor and confirmed by the Kansas Senate.

5-27

Kansas, Inc.

632 SW Van Buren, Suite 100
Topeka, KS 66603
(785) 296-1460
(785) 296-1463 (fax)
www.kansasinc.org
ksinc@ink.org

Kansas, Inc.

Kansas, Inc. Publications List

The following publication list outlines recent Kansas, Inc. research. Several publications are available through our website www.kansasinc.org or a copy may be obtained by contacting our office. Depending on availability, a charge may be associated with a hard copy. Please contact us for more information at (785) 296-1460.

Annual Publications

Kansas, Inc. FY 2006 Annual Report, Kansas, Inc., October 2006

Grants and Loans: Report for Fiscal Year 2006, Kansas, Inc., December 2006.

County Economic Vitality and Distress, 2005 Report Update, Kansas, Inc., August 2006.

Economic Development Legislation in Kansas: A Chronological History FY 2006 Report Update, Kansas Inc., December 2006.

Indicators of the Kansas Economy

Indicators of the Kansas Economy, Kansas, Inc., March 2006, July 2006, September 2006, & December 2006.

Economic Trends Reports

Trends in the Kansas Economy 1985 – 2006, by Charles Krider, Professor, School of Business, University of Kansas, and Genna Hurd, Research Associate and Dane Hanson, Research Assistant, Institute for Policy and Social Research, University of Kansas for Kansas, Inc., August 2006.

Issues and Trends Identification in Kansas, by Mary Jane Townsend, Research Associate, Debra Franklin, Regional Labor Force Analyst, Janet Harrah, Director, and Anne Gallagher, Senior Research Associate, Center for Economic Development and Business Research, W. Frank Barton School of Business, Wichita State University for Kansas, Inc., December 2006.

Industry-Specific Reports

Kansas Aerospace Industry Forecast, by Janet Harrah, Director and Steven Miller, Ph.D., Regional Economic Analyst and Anne Gallagher, Senior Research Associate, Center for Economic Development and Business Research, W. Frank Barton School of Business, Wichita State University for Kansas, Inc., May 2006.

Agriculture Commodities Future: Assess Competitive Threats to the Kansas Economy, by James Mintert, Ph.D., Professor and Michael Woolverton, Ph.D., Professor and Terry Kastens, Ph.D., Professor and John Leatherman, Ph.D., Associate Professor, Department of Agricultural Economics, Kansas State University for Kansas, Inc., January 2006.

Energy Research Survey & Database for Kansas, by Richard Nelson, Director, Engineering Extension Programs and Andrew Barkley, Department of Agricultural Economics, Kansas State University and Scott White, Energy Research Center, University of Kansas for Kansas Inc., January 2006.

HS TAXATION COMMITTEE
2-6-2007
ATTACHMENT 6

Taxation Reports

The County-to-County Migration Patterns of Kansas Taxpayers, 1985-2004, by Arthur P. Hall, Ph.D., Executive Director, Center for Applied Economics, University of Kansas School of Business and J. Scott Moody, President and Wendy P. Warcholik, Ph.D., Vice-President, Economic Analysts, Inc. for Kansas, Inc., October 2006.

Property Tax Comparisons Among Kansas Localities and Select Cities of the United States, by Arthur P. Hall, Ph.D., Executive Director, Center for Applied Economics, University of Kansas School of Business for Kansas, Inc., May 2006.

Consumer Sentiment Reports

Kansas Consumer Sentiment & Rating of State Government's Performance at Assisting the Kansas Economy 2006, by Brett Zollinger, Ph.D. Director, The Docking Institute of Public Affairs, Fort Hays State University for Kansas, Inc., December 2006.

Kansas Consumer Sentiment 3rd Quarter 2006

Kansas Consumer Sentiment 2nd Quarter 2006

Kansas Consumer Sentiment 1st Quarter 2006

Miscellaneous Reports

Attracting and Retaining National Corporate Headquarters in Kansas, by David Burress, Ad Astra Institute of Kansas, Inc. for Kansas, Inc., November 2006.

A Brief History of Workforce Development in Kansas, Kansas, Inc., June 2006.

Kansas Industry Concentration Initiative: Further Analysis of the Southeast Kansas Region, Kansas, Inc., June 2006.

Productivity Reports

A Brief Economic History of Kansas, 1969-2003: An Executive Summary for a Series of Reports, by Arthur P. Hall, Ph.D. and Peter F. Orazem, Ph.D., University of Kansas School of Business for Kansas, Inc., August 2005.

Long-Term Economic Trends in the Regions of Kansas, 1969-2003

Long-Term Industry Trends in the Regions of Kansas, 1969-2000: Part I - An Industry Focus

Long-Term Industry Trends in the Regions of Kansas, 1969-2000: Part II - A Regional Focus

Economic Trends Along the Kansas-Oklahoma Border, 1969-2003

Economic Trends Along the Kansas-Nebraska Border, 1969-2003

Economic Trends Along the Kansas-Missouri Border, 1969-2003

Economic Trends Along the Kansas-Colorado Border, 1969-2003

Kansas, Inc.

Upcoming Publications/Research

The following list outlines upcoming Kansas, Inc. publications and research. (This list is subject to change.) As publications are completed, they will be available through our website www.kansasinc.org or a copy may be obtained by contacting our office. Depending on availability, a charge may be associated with a hard copy. Please contact us for more information at (785) 296-1460.

Research

In-House – Vitality & Distress, Grants & Loans, Chronological History, Indicators of the Kansas Economy

Post K-12 Education & Technical Training: Meeting the Needs of the Business Community

Quantifying the Financial Burden of Health Insurance for Small Employers

Evaluation and Assessment

Evaluation of the Kansas Department of Commerce – Expected to be completed by June 2007.

Evaluation of the Kansas Technology Enterprise Corporation – Will be staged after the completion of the Commerce evaluation.

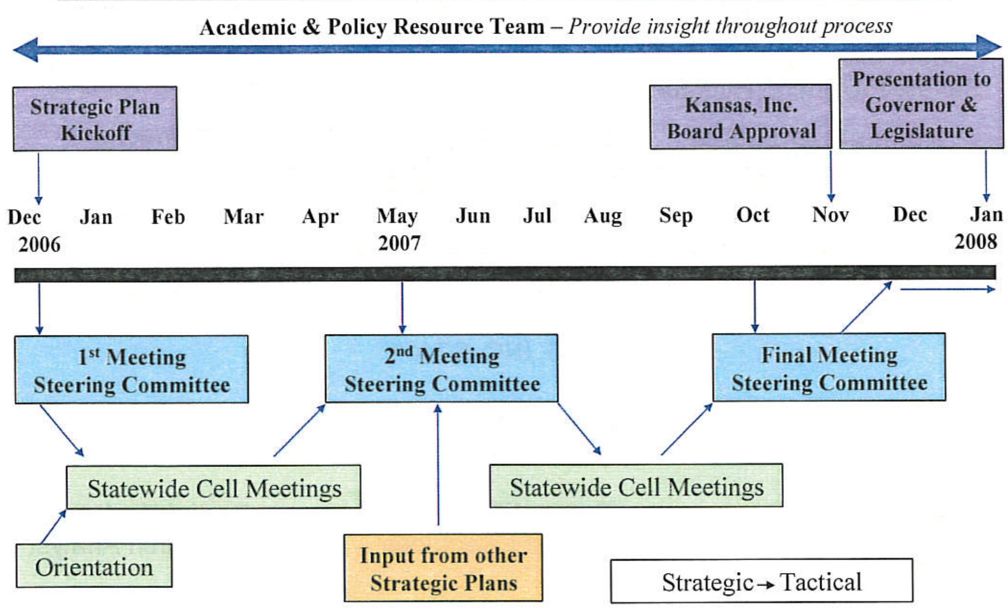
Evaluation of the Kansas Center for Entrepreneurship – As designated by statute, Kansas, Inc. will deliver the Center for Entrepreneurship evaluation to the Legislature during January 2008.

Evaluation of the Kansas Bioscience Authority – Tentatively, Kansas, Inc. will deliver the Bioscience Authority evaluation after the Center for Entrepreneurship evaluation.

Strategic Planning

Kansas, Inc. 2007 Statewide Economic Development Strategic Plan – Leveraging our Foundations & Designing the Future: A Kansas Economic Renaissance – Expected to be completed by January 2008.

2007 Strategic Planning Timeline



6-3

KANSAS, INC.

Created by the Legislature in 1986, Kansas, Inc. is an independent, objective, and non-partisan organization designed to conduct economic development research and analysis with the goal of crafting policies and recommendations to insure the state's ongoing competitiveness for economic growth. To attain our mission, Kansas, Inc. undertakes these primary activities: 1) Identifying, building, and promoting a Strategic Plan for economic development efforts in the State of Kansas; 2) To complement the Strategic Plan, Kansas, Inc. develops and implements a proactive and aggressive research agenda, which is used to identify and promote sound economic development strategies and policies; 3) Through collaboration and outreach with economic development entities and other potential partners, Kansas, Inc. conducts evaluation reviews and provides oversight of economic development programs to benchmark development efforts in the State of Kansas.

Co-Chaired by the Governor, Kansas, Inc. is governed by a 17-member Board of Directors. Board members, as mandated by legislation, include four members of Legislative leadership, a representative from the Board of Regents, the Secretary of Commerce, the Commanding General of the Kansas Cavalry, a representative from labor, and eight other members from the private sector representing key Kansas industrial sectors. Private sector members are appointed by the Governor and confirmed by the Kansas Senate.

Through analysis and open dialogue, Kansas, Inc. identifies policy options and builds the consensus essential for concerted action on vital economic issues. Kansas, Inc. is designed to be a public-private partnership with expectations that state investments are leveraged with other funds to maintain a strong research portfolio.

Overview

Trends in the Kansas Economy, 1985 – 2006

This report will serve as background information for the state's strategic economic development planning effort that is being undertaken by Kansas, Inc. This report analyzes the current state of the Kansas economy as well as discusses the major trends facing the state. An understanding of the Kansas economy's strengths and weaknesses is essential to strategic planning, but, just as important is an understanding of the major trends that are taking place in the state, national, and international economies. Significant trends are changing the way businesses operate, and these trends are the focus of this analysis.

Within this report, several trends and conclusions are drawn in each section. The following highlights a few of these:

The New Integrated Global Economy – More than importing and exporting is involved in the emerging global economy, as firms integrate their operations across the national boundaries, resulting in competition, outsourcing, new markets, and new sources of capital investment.

Innovation and Technology – Crucial to Kansas economic development, technological change occurs rapidly and firms must have access to new technology to remain competitive.

Access to Financial Capital – Crucial for economic growth, the state needs to support the financing needs of entrepreneurs and existing firm expansions.

Demographic and Labor Force Trends – Population growth in urban areas, population decline in rural areas, population growth from Hispanics and Latinos, and the aging of the state's overall population are all trends affecting Kansas.

Changing Role of Historically Dominant Industries – Manufacturing, agriculture, and oil & gas industries have historically been the cornerstones of the Kansas economy, and the roles of these industries may be changing as we transition into a new integrated economy.

Focus on Services as a Source of New Employment Opportunities – The relative growth of service sectors, such as financial activities, health care, social assistance, and business demonstrates that much of the state's growth in employment will come from service-providing industries.

Growing Importance of Well-Educated and Skilled Workforce – A major trend is for firms to outsource lower-skilled work to other countries with lower wages, of which Kansas may not be able to compete, and as a result the state must focus on developing a workforce that can compete for higher-skilled, higher-wage jobs.

Continuing Lag in Personal Income – Two major trends, Kansas' per capita income and average annual pay lag the U.S., and per capita personal income in non-metropolitan areas of Kansas lags that of metropolitan areas by about 25 percent.

Competitive Position and Economic Dynamism – These measures paint a picture of Kansas as a good area in terms of infrastructure, education, and environmental policy, but mediocre to bad in terms of business incubation and the government/fiscal environment for business.

Overview

Issues and Trends Identification in Kansas

This report identifies major issues and trends that could affect the Kansas economy over the next decade. Using a literature search, an examination of statistical trends and personal interviews, 30 trends and issues are identified.

Trends and Issues – A Summary

Four trends emerge from the examination of Kansas demographic data:

- A declining labor force
- Fewer school-aged children
- More people aged 65 and older
- A larger Hispanic population

From the work force and industry data and information gathered, these trends emerge:

- A slower job growth rate than the nation
- An expected shortfall of workers through 2012
    - A reduced labor force participation rate
    - A need for skilled workers for high-paying jobs
    - A need to reverse net outflow of workers to other states and increase inflow of foreign-born workers
- A current industry structure unlikely to maximize employment growth through 2012
- Continuing unequal pay and employment opportunities for women

Below are the trends and issues surrounding Kansas trade and globalization:

- Kansas exports are growing
- The U.S. trade deficit is growing
- Outsourcing is expected to grow
- More international education is needed

The following trends emerge regarding technology infrastructure in Kansas:

- Technology infrastructure and economic growth
- Increasing Internet use
- Legislative issues
- Technology security
- The Farm Security and Rural Investment Act of 2002

Five trends emerged in our discussion of the environment:

- Declining water supply
- Polluted streams and lakes
- Loss of wetlands
- Continuing issues regarding solid waste
- Increasing development of alternative sources of energy

Five trends emerge from our rural development data:

- Depopulation in rural areas
- Continuing environmental issues
- Rural health care needs
- Changing rural economics
- Agricultural prosperity that could be dampened by lowered productivity

The issues below emerged in our discussion of agriculture and homeland security:

- Threat of foot-and-mouth disease
- Crop vulnerabilities related to terrorism
- A water supply dependent on the vigilance of day-to-day management

Kansas, Inc.

Follow-up to Kansas, Inc. Testimony
2007 Legislative Session

This summary provides a more in-depth analysis of some of the questions that were asked during Kansas, Inc.'s presentation to several Committee's during the 2007 Legislative Session. If you have any further questions regarding this or any other information, feel free to let us know and we would be glad to help you.

Further information regarding Public Sector (Government) Employment within IKE. The following information is presented within IKE:

Public Sector Employment
(all employees, thousands)

	Nov-06	Nov-05	Nov-01	Nov-96	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	266.5	260.5	257.4	246.1	2.3%	3.5%	8.3%
6-State Region	1,790.8	1,760.4	1,715.8	1,594.9	1.7%	4.4%	12.3%
U.S.	22,614.0	22,331.0	21,732.0	20,030.0	1.3%	4.1%	12.9%

Source: U.S. Department of Labor – Bureau of Labor Statistics (BLS)

Within Public Sector Employment, there are three major sub-sectors, consisting of Federal, State, and Local government. The following is a similar breakout of Federal, State, and Local government sub-sectors:

Public Sector Employment - Federal
(all employees, thousands)

	Nov-06	Nov-05	Nov-01	Nov-96	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	25.5	26.1	26.5	26.9	-2.3%	-3.8%	-5.2%
6-State Region	208.0	206.5	210.7	216.0	0.7%	-1.3%	-3.7%
U.S.	2,702.0	2,721.0	2,755.0	2,839.0	-0.7%	-1.9%	-4.8%

Public Sector Employment - State
(all employees, thousands)

	Nov-06	Nov-05	Nov-01	Nov-96	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	55.6	55.1	55.3	*ND*	0.9%	0.5%	
6-State Region	462.1	455.6	456.2	426.0	1.4%	1.3%	8.5%
U.S.	5,242.0	5,185.0	5,114.0	4,722.0	1.1%	2.5%	11.0%

Public Sector Employment - Local
(all employees, thousands)

	Nov-06	Nov-05	Nov-01	Nov-96	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	185.4	179.3	175.6	*ND*	3.4%	5.6%	
6-State Region	1,120.7	1,098.3	1,048.9	952.9	2.0%	6.8%	17.6%
U.S.	14,670.0	14,425.0	13,863.0	12,469.0	1.7%	5.8%	17.7%

ND - data not available

Within these sub-sectors, it may be possible to break the data down further, based on the North American Industry Classification System (NAICS) codes; however, there may be disclosure issues with the U.S. Bureau of Labor Statistics.

Further information regarding population projections based on different age groups. This information is provided by the U.S. Census Bureau, and some of it has been summarized below:

Table 1. Comparison of Kansas to U.S. Population: April 1, 2000 to July 1, 2030							
Area	Census April 1, 2000	Projections July 1, 2005	Projections July 1, 2010	Projections July 1, 2015	Projections July 1, 2020	Projections July 1, 2025	Projections July 1, 2030
Kansas	2,688,418	2,751,509	2,805,470	2,852,690	2,890,566	2,919,002	2,940,084
U.S.	281,421,906	295,507,134	308,935,581	322,365,787	335,804,546	349,439,199	363,584,435
Five-Year Growth Rates of the Population for Kansas and the U.S.: April 1, 2000 to July 1, 2030							
Area	Percent Change 2005-2010	Percent Change 2010-2015	Percent Change 2015-2020	Percent Change 2020-2025	Percent Change 2025-2030	Percent Change 2000-2030	Percent Change 2005-2030
Kansas	2.0	1.7	1.3	1.0	0.7	9.4	6.9
U.S.	4.5	4.3	4.2	4.1	4.0	29.2	23.0
Source: U.S. Census Bureau, Population Division, Interim State Population Projections, 2005, SummaryTabB1. Internet Release Date: April 21, 2005							

Table 2. Interim Projections of the Population by Selected Age Groups for Kansas: April 1, 2000 to July 1, 2030							
Age in Years	Census April 1, 2000	Projections July 1, 2005	Projections July 1, 2010	Projections July 1, 2015	Projections July 1, 2020	Projections July 1, 2025	Projections July 1, 2030
Total	2,688,418	2,751,509	2,805,470	2,852,690	2,890,566	2,919,002	2,940,084
Under 5	188,708	194,443	199,534	201,489	199,315	197,384	197,085
5 to 13	358,195	344,606	344,793	352,833	358,172	356,566	352,393
14 to 17	166,090	163,337	154,669	153,646	156,412	159,597	159,468
18 to 24	275,592	283,235	275,807	263,146	258,659	263,025	267,337
25 to 44	769,204	740,575	728,444	738,302	741,344	727,166	710,942
45 to 64	574,400	667,244	726,908	723,526	696,745	670,508	659,768
65 and over	356,229	358,069	375,315	419,748	479,919	544,756	593,091
Under 15	588,300	579,467	582,461	593,049	596,778	593,922	589,125
16 and over	2,058,489	2,130,601	2,184,537	2,221,058	2,254,632	2,285,119	2,311,153
18 and over	1,975,425	2,049,123	2,106,474	2,144,722	2,176,667	2,205,455	2,231,138
21 and over	1,847,513	1,925,755	1,985,141	2,031,084	2,061,355	2,088,250	2,112,036
62 and over	413,585	423,779	457,937	514,212	584,152	647,091	675,873
85 and over	51,770	58,762	66,506	70,951	73,209	77,146	87,969
Median Age	35.2	35.8	36.4	36.9	37.8	38.5	39.1
Source: U.S. Census Bureau, Population Division, Interim State Population Projections, 2005, SummaryTabB1. Internet Release Date: April 21, 2005							

Table 3. Five-Year Level Changes of the Population by Selected Age Groups for Kansas: April 1, 2000 to July 1, 2030							
Age in Years	Level Change 2005-2010	Level Change 2010-2015	Level Change 2015-2020	Level Change 2020-2025	Level Change 2025-2030	Level Change 2000-2030	Level Change 2005-2030
Total	53,961	47,220	37,876	28,436	21,082	251,666	188,575
Under 5	5,091	1,955	-2,174	-1,931	-299	8,377	2,642
5 to 13	187	8,040	5,339	-1,606	-4,173	-5,802	7,787
14 to 17	-8,668	-1,023	2,766	3,185	-129	-6,622	-3,869
18 to 24	-7,428	-12,661	-4,487	4,366	4,312	-8,255	-15,898
25 to 44	-12,131	9,858	3,042	-14,178	-16,224	-58,262	-29,633
45 to 64	59,664	-3,382	-26,781	-26,237	-10,740	85,368	-7,476
65 and over	17,246	44,433	60,171	64,837	48,335	236,862	235,022
Under 15	2,994	10,588	3,729	-2,856	-4,797	825	9,658
16 and over	53,936	36,521	33,574	30,487	26,034	252,664	180,552
18 and over	57,351	38,248	31,945	28,788	25,683	255,713	182,015
21 and over	59,386	45,943	30,271	26,895	23,786	264,523	186,281
62 and over	34,158	56,275	69,940	62,939	28,782	262,288	252,094
85 and over	7,744	4,445	2,258	3,937	10,823	36,199	29,207
Median Age	0.6	0.6	0.9	0.7	0.5	3.9	3.3
Source: U.S. Census Bureau, Population Division, Interim State Population Projections, 2005, SummaryTabB1. Internet Release Date: April 21, 2005							

Population by Age

- Tables 2 - 4 show that Kansas is projected to have more than 2.9 million people by 2030, an increase of nearly 252,000 over the year 2000. Population growth will slow over time, with an expected growth rate of 2 percent from 2005 to 2010, but only a 0.7 percent increase expected from 2025 to 2030.
- The population age 16 and older is expected to show positive growth during each five-year period from 2000 to 2030; however, the population under age 15 will show positive growth from 2005 to 2020 and then decline through 2030.
- The labor force age group, ages 16-64, is expected to grow by 6.3 percent through 2010, then decline by 5 percent through 2030.
- In 2005 those who were 62 years of age or older comprised 15.4 percent of the total Kansas population; however, by 2030, that age group will comprise 23 percent of the total Kansas population. The growth rate of this age group will peak between 2015 and 2020, increasing 13.6 percent. Growth will continue from 2020 to 2030, but at a slower rate. The growth rate from 2025 to 2030 will be only 4.4 percent. Yet in that same five-year period, those aged 85 and older will grow by a higher growth rate than any of the previous five-year periods being examined in this study – 14 percent – to bring the total number aged 85 and older to nearly 88,000 by 2030.

Table 4. Five-Year Growth Rates of the Population by Selected Age Groups for Kansas: April 1, 2000 to July 1, 2030							
Age in Years	Percent Change 2005-2010	Percent Change 2010-2015	Percent Change 2015-2020	Percent Change 2020-2025	Percent Change 2025-2030	Percent Change 2000-2030	Percent Change 2005-2030
Total	2.0	1.7	1.3	1.0	0.7	9.4	6.9
Under 5	2.6	1.0	-1.1	-1.0	-0.2	4.4	1.4
5 to 13	0.1	2.3	1.5	-0.4	-1.2	-1.6	2.3
14 to 17	-5.3	-0.7	1.8	2.0	-0.1	-4.0	-2.4
18 to 24	-2.6	-4.6	-1.7	1.7	1.6	-3.0	-5.6
25 to 44	-1.6	1.4	0.4	-1.9	-2.2	-7.6	-4.0
45 to 64	8.9	-0.5	-3.7	-3.8	-1.6	14.9	-1.1
65 and over	4.8	11.8	14.3	13.5	8.9	66.5	65.6
Under 15	0.5	1.8	0.6	-0.5	-0.8	0.1	1.7
16 and over	2.5	1.7	1.5	1.4	1.1	12.3	8.5
18 and over	2.8	1.8	1.5	1.3	1.2	12.9	8.9
21 and over	3.1	2.3	1.5	1.3	1.1	14.3	9.7
62 and over	8.1	12.3	13.6	10.8	4.4	63.4	59.5
85 and over	13.2	6.7	3.2	5.4	14.0	69.9	49.7

Source: U.S. Census Bureau, Population Division, Interim State Population Projections, 2005, SummaryTabB1.
Internet Release Date: April 21, 2005

Table 5. Percent of Total Population of Each Age Group Based on Interim Projections of the Population by Selected Age Groups for Kansas: April 1, 2000 to July 1, 2030							
	% of Census April 1, 2000 Population	% of July 1, 2005, Projection	% of July 1, 2010, Projection	% of July 1, 2015, Projection	% of July 1, 2020, Projection	% of July 1, 2025, Projection	% of July 1, 2030, Projection
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Under 5	7.0	7.1	7.1	7.1	6.9	6.8	6.7
5 to 13	13.3	12.5	12.3	12.4	12.4	12.2	12.0
14 to 17	6.2	5.9	5.5	5.4	5.4	5.5	5.4
18 to 24	10.3	10.3	9.8	9.2	8.9	9.0	9.1
25 to 44	28.6	26.9	26.0	25.9	25.6	24.9	24.2
45 to 64	21.4	24.3	25.9	25.4	24.1	23.0	22.4
65 and over	13.3	13.0	13.4	14.7	16.6	18.7	20.2
Under 15	21.9	21.1	20.8	20.8	20.6	20.3	20.0
16 and over	76.6	77.4	77.9	77.9	78.0	78.3	78.6
18 and over	73.5	74.5	75.1	75.2	75.3	75.6	75.9
21 and over	68.7	70.0	70.8	71.2	71.3	71.5	71.8
62 and over	15.4	15.4	16.3	18.0	20.2	22.2	23.0
85 and over	1.9	2.1	2.4	2.5	2.5	2.6	3.0

Source: U.S. Census Bureau, Population Division, Interim State Population Projections, 2005, SummaryTabB1.
Internet Release Date: April 21, 2005

Further information regarding Building Permits data within IKE. The following information is presented within IKE:

Building Permits

	Nov-06	Nov-05	Nov-01	Nov-96	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	1,037	1,621	877	955	-36.0%	18.2%	8.6%
6-State Region	6,840	10,698	8,600	6,433	-36.1%	-20.5%	6.3%
U.S.	110,370	159,813	119,964	101,659	-30.9%	-8.0%	8.6%

This information is provided by the U.S. Census Bureau on a monthly basis, and is a measure of new privately owned housing units authorized. A housing unit is a house, apartment, a group of rooms or a single room intended for occupancy as separate living quarters. Based on their website, the difference between building permits and housing starts data is that building permits data are based on those units authorized to be built and housing starts data are based on the actual breaking of ground for footings, foundations, or beginning a new superstructure on top of an existing foundation.

The following list is the actual raw data used within the IKE report from 2000 to 2006, and as you can see there is quite a bit of fluctuation within this information, due to several factors.

Jan-00	993
Feb-00	1,499
Mar-00	1,047
Apr-00	1,318
May-00	1,197
Jun-00	920
Jul-00	780
Aug-00	857
Sep-00	836
Oct-00	1,592
Nov-00	800
Dec-00	468
Jan-01	1,120
Feb-01	1,381
Mar-01	1,386
Apr-01	1,029
May-01	1,512
Jun-01	1,022
Jul-01	833
Aug-01	1,267
Sep-01	817
Oct-01	967
Nov-01	877
Dec-01	1,174
Jan-02	594
Feb-02	803
Mar-02	999
Apr-02	1,001
May-02	1,038
Jun-02	1,473
Jul-02	1,170
Aug-02	1,025
Sep-02	805
Oct-02	1,139
Nov-02	986
Dec-02	763
Jan-03	985
Feb-03	828
Mar-03	965
Apr-03	1,013
May-03	1,056
Jun-03	1,148
Jul-03	1,236
Aug-03	1,152
Sep-03	1,183
Oct-03	1,874
Nov-03	1,236
Dec-03	1,162
Jan-04	634
Feb-04	716
Mar-04	1,254
Apr-04	1,167
May-04	1,050
Jun-04	1,097
Jul-04	1,090
Aug-04	1,040
Sep-04	1,195
Oct-04	787
Nov-04	895
Dec-04	1,042
Jan-05	593
Feb-05	970
Mar-05	1,335
Apr-05	1,310
May-05	1,164
Jun-05	1,271
Jul-05	1,367
Aug-05	1,172
Sep-05	1,203
Oct-05	1,201
Nov-05	1,621
Dec-05	1,059
Jan-06	822
Feb-06	1,097
Mar-06	1,267
Apr-06	979
May-06	1,162
Jun-06	1,633
Jul-06	1,215
Aug-06	904
Sep-06	1,052
Oct-06	1,130
Nov-06	1,037

Further information regarding comparing Kansas to other regional states. Within IKE the 6-State region average includes: Arkansas, Colorado, Iowa, Missouri, Nebraska, and Oklahoma. Within this average, there may be trends within individual states that are "covered up" by the 6-State region. Several variables within the IKE report are provided for the 6-State Region, and this information can be broken out via state as provided below.

Total Nonfarm Employment
(all employees, thousands)

	Nov-06	Nov-05	Nov-01	Nov-96	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	1,359.3	1,355.7	1,355.0	1,255.7	0.3%	0.3%	8.3%
Arkansas	1,202.2	1,191.9	1,154.2	1,099.3	0.9%	4.2%	9.4%
Colorado	2,291.7	2,250.4	2,203.7	1,936.3	1.8%	4.0%	18.4%
Iowa	1,535.7	1,508.8	1,468.7	1,407.7	1.8%	4.6%	9.1%
Missouri	2,780.4	2,758.9	2,731.9	2,617.7	0.8%	1.8%	6.2%
Nebraska	965.4	949.3	929.3	851.6	1.7%	3.9%	13.4%
Oklahoma	1,558.0	1,538.1	1,514.8	1,375.5	1.3%	2.9%	13.3%
6-State Region	10,333.4	10,197.4	10,002.6	9,288.1	1.3%	3.3%	11.3%
U.S.	137,103.0	135,316.0	131,880.0	121,842.0	1.3%	4.0%	12.5%

Private Sector Employment
(all employees, thousands)

	Nov-06	Nov-05	Nov-01	Nov-96	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	1,092.8	1,095.2	1,097.6	1,009.6	-0.2%	-0.4%	8.2%
Arkansas	989.6	980.4	954.0	913.9	0.9%	3.7%	8.3%
Colorado	1,911.9	1,878.2	1,847.9	1,618.2	1.8%	3.5%	18.1%
Iowa	1,279.7	1,254.6	1,216.4	1,168.6	2.0%	5.2%	9.5%
Missouri	2,334.4	2,321.3	2,292.5	2,198.3	0.6%	1.8%	6.2%
Nebraska	796.3	784.4	768.3	696.1	1.5%	3.6%	14.4%
Oklahoma	1,230.7	1,218.1	1,207.7	1,098.1	1.0%	1.9%	12.1%
6-State Region	8,542.6	8,437.0	8,286.8	7,693.2	1.3%	3.1%	11.0%
U.S.	114,489.0	112,985.0	110,148.0	101,812.0	1.3%	3.9%	12.5%

Manufacturing Employment
(all employees, thousands)

	Nov-06	Nov-05	Nov-01	Nov-96	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	180.4	180.2	192.8	189.0	0.1%	-6.4%	-4.6%
Arkansas	192.6	199.3	219.5	240.5	-3.4%	-12.3%	-19.9%
Colorado	151.8	150.8	171.7	184.2	0.7%	-11.6%	-17.6%
Iowa	236.0	232.0	230.5	236.7	1.7%	2.4%	-0.3%
Missouri	300.6	307.6	334.9	376.7	-2.3%	-10.2%	-20.2%
Nebraska	103.0	102.3	108.6	112.7	0.7%	-5.2%	-8.6%
Oklahoma	147.8	146.2	165.1	165.3	1.1%	-10.5%	-10.6%
6-State Region	1,131.8	1,138.2	1,230.3	1,316.1	-0.6%	-8.0%	-14.0%
U.S.	14,175.0	14,233.0	15,847.0	17,313.0	-0.4%	-10.6%	-18.1%

Service Employment
(all employees, thousands)

	Nov-06	Nov-05	Nov-01	Nov-96	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	840.5	841.5	833.3	755.3	-0.1%	0.9%	11.3%
Arkansas	733.9	719.3	673.6	617.7	2.0%	9.0%	18.8%
Colorado	1,571.4	1,543.9	1,497.4	1,304.4	1.8%	4.9%	20.5%
Iowa	960.6	945.6	916.5	869.4	1.6%	4.8%	10.5%
Missouri	1,883.5	1,865.1	1,811.8	1,698.1	1.0%	4.0%	10.9%
Nebraska	646.5	634.5	613.1	544.2	1.9%	5.4%	18.8%
Oklahoma	973.6	968.0	948.5	850.7	0.6%	2.6%	14.4%
6-State Region	6,769.5	6,676.4	6,460.9	5,884.5	1.4%	4.8%	15.0%
U.S.	92,061.0	90,583.0	86,813.0	78,079.0	1.6%	6.0%	17.9%

Public Sector Employment
(all employees, thousands)

	Nov-06	Nov-05	Nov-01	Nov-96	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	266.5	260.5	257.4	246.1	2.3%	3.5%	8.3%
Arkansas	212.6	211.5	200.2	185.4	0.5%	6.2%	14.7%
Colorado	379.8	372.2	355.8	318.1	2.0%	6.7%	19.4%
Iowa	256.0	254.2	252.3	239.1	0.7%	1.5%	7.1%
Missouri	446.0	437.6	439.4	419.4	1.9%	1.5%	6.3%
Nebraska	169.1	164.9	161.0	155.5	2.5%	5.0%	8.7%
Oklahoma	327.3	320.0	307.1	277.4	2.3%	6.6%	18.0%
6-State Region	1,790.8	1,760.4	1,715.8	1,594.9	1.7%	4.4%	12.3%
U.S.	22,614.0	22,331.0	21,732.0	20,030.0	1.3%	4.1%	12.9%

Unemployment Rate

	Nov-06	Nov-05	Nov-01	Nov-96	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	4.2%	5.0%	4.7%	4.5%	-16.0%	-10.6%	-6.7%
Arkansas	4.7%	4.1%	4.5%	4.6%	14.6%	4.4%	2.2%
Colorado	3.9%	4.6%	5.3%	3.8%	-15.2%	-26.4%	2.6%
Iowa	3.2%	4.4%	3.4%	3.3%	-27.3%	-5.9%	-3.0%
Missouri	4.8%	5.1%	4.6%	4.4%	-5.9%	4.3%	9.1%
Nebraska	2.8%	3.3%	3.1%	2.4%	-15.2%	-9.7%	16.7%
Oklahoma	3.7%	4.0%	4.3%	4.0%	-7.5%	-14.0%	-7.5%
6-State Region	4.0%	4.4%	4.4%	3.9%	-9.1%	-9.1%	2.6%
U.S.	4.3%	4.8%	5.3%	5.0%	-10.4%	-18.9%	-14.0%

Unemployment

	Nov-06	Nov-05	Nov-01	Nov-96	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	61,907	73,885	66,589	62,135	-16.2%	-7.0%	-0.4%
Arkansas	65,023	57,018	56,712	57,171	14.0%	14.7%	13.7%
Colorado	104,476	117,689	128,567	82,950	-11.2%	-18.7%	26.0%
Iowa	54,345	72,954	54,597	52,826	-25.5%	-0.5%	2.9%
Missouri	147,328	154,227	137,744	128,373	-4.5%	7.0%	14.8%
Nebraska	27,558	32,800	29,592	21,862	-16.0%	-6.9%	26.1%
Oklahoma	66,012	69,848	72,929	63,682	-5.5%	-9.5%	3.7%
6-State Region	464,742	504,536	480,141	406,864	-7.9%	-3.2%	14.2%
U.S.	6,576,000	7,271,000	7,617,000	6,816,000	-9.6%	-13.7%	-3.5%

Gross State Product

(millions of current dollars)

	2005	2004	2000	1995	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	105,574	98,927	82,812	63,699	6.7%	27.5%	65.7%
Arkansas	86,752	82,712	66,801	53,303	4.9%	29.9%	62.8%
Colorado	216,537	201,392	171,862	108,043	7.5%	26.0%	100.4%
Iowa	113,552	110,210	90,186	71,905	3.0%	25.9%	57.9%
Missouri	216,065	205,847	176,708	137,528	5.0%	22.3%	57.1%
Nebraska	70,676	67,989	55,478	44,505	4.0%	27.4%	58.8%
Oklahoma	121,490	111,838	89,757	69,580	8.6%	35.4%	74.6%
6-State Region	825,072	779,988	650,792	484,864	5.8%	26.8%	70.2%
U.S.	12,409,555	11,655,335	9,749,103	7,232,722	6.5%	27.3%	71.6%

Per Capita Personal Income Annual Estimates - ($)

	2005	2004	2000	1995	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	32,948	31,312	27,694	21,558	5.2%	19.0%	52.8%
Arkansas	26,641	25,783	21,925	18,075	3.3%	21.5%	47.4%
Colorado	37,459	35,766	33,371	24,226	4.7%	12.3%	54.6%
Iowa	31,795	30,965	26,554	20,929	2.7%	19.7%	51.9%
Missouri	31,299	30,117	27,241	21,559	3.9%	14.9%	45.2%
Nebraska	32,988	31,961	27,625	21,730	3.2%	19.4%	51.8%
Oklahoma	29,908	28,370	24,407	18,861	5.4%	22.5%	58.6%
6-State Region	31,682	30,494	26,854	20,897	3.9%	18.0%	51.6%
U.S.	34,495	33,090	29,845	23,076	4.2%	15.6%	49.5%

Building Permits

	Nov-06	Nov-05	Nov-01	Nov-96	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	1,037	1,621	877	955	-36.0%	18.2%	8.6%
Arkansas	870	1,043	805	614	-16.6%	8.1%	41.7%
Colorado	1,989	3,251	3,129	2,624	-38.8%	-36.4%	-24.2%
Iowa	966	1,482	1,053	713	-34.8%	-8.3%	35.5%
Missouri	1,346	2,287	1,869	1,528	-41.1%	-28.0%	-11.9%
Nebraska	740	701	581	393	5.6%	27.4%	88.3%
Oklahoma	929	1,934	1,163	561	-52.0%	-20.1%	65.6%
6-State Region	6,840	10,698	8,600	6,433	-36.1%	-20.5%	6.3%
U.S.	110,370	159,813	119,964	101,659	-30.9%	-8.0%	8.6%

Population

	Jul-06	Jul-05	Jul-01	Jul-96	1-yr Chg	5-yr Chg	10-yr Chg
Kansas	2,764,075	2,748,172	2,702,446	2,614,554	0.6%	2.3%	5.7%
Arkansas	2,810,872	2,775,708	2,691,665	2,572,109	1.3%	4.4%	9.3%
Colorado	4,753,377	4,663,295	4,428,562	3,919,972	1.9%	7.3%	21.3%
Iowa	2,982,085	2,965,524	2,932,151	2,880,000	0.6%	1.7%	3.5%
Missouri	5,842,713	5,797,703	5,643,232	5,431,553	0.8%	3.5%	7.6%
Nebraska	1,768,331	1,758,163	1,719,315	1,673,740	0.6%	2.9%	5.7%
Oklahoma	3,579,212	3,543,442	3,466,687	3,340,129	1.0%	3.2%	7.2%
6-State Region	21,736,590	21,503,835	20,881,612	19,817,503	1.1%	4.1%	9.7%
U.S.	299,398,484	296,507,061	285,226,284	269,394,284	1.0%	5.0%	11.1%

6-14