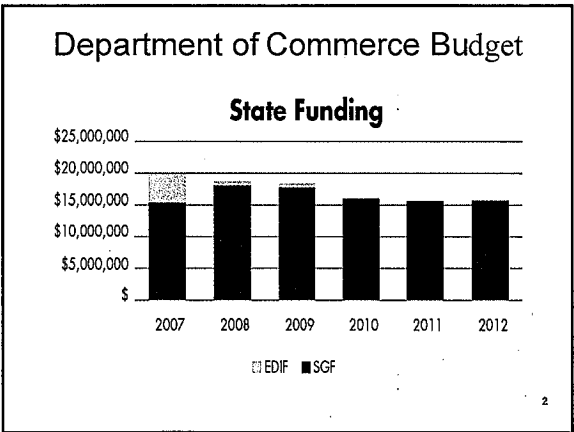
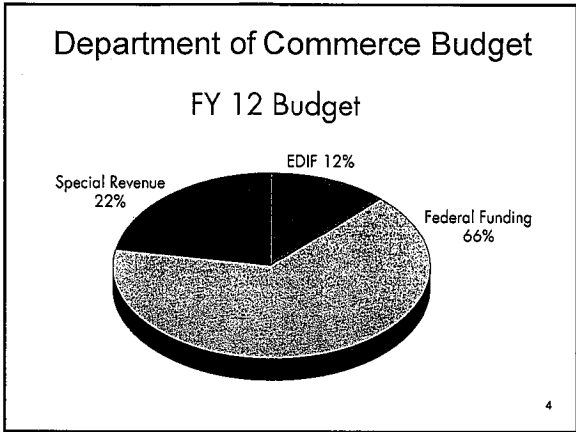


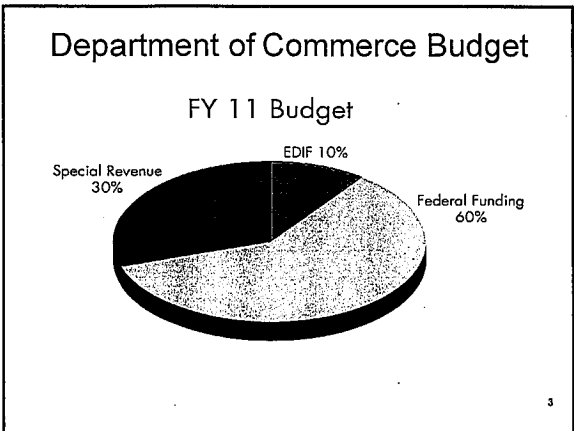
KANSAS
DEPARTMENT OF COMMERCE
Fiscal Year 2011 YTD Update
House Appropriations Committee

By Pat George, Acting Secretary
January 19, 2011



Department of Commerce Budget
Kansas Department of Commerce
State Funding Status - January 14, 2011

Description	Budget	Encumbrance	Expense	Balance
Economic Development Initiatives Fund - Block Grant	\$13,080,487	\$1,235,007	\$ 4,998,952	\$6,846,528
Older Kansans Employment Program	\$294,682	\$219,366	\$61,821	\$13,496
Rural Opportunity Program	\$1,765,017	\$634,072	\$436,618	\$694,327
Senior Community Service Employment Program - state match ARRA	\$5,200	\$-	\$1,679	\$3,521
Senior Community Service Employment Program	\$3,941	\$-	\$-	\$3,941
Kansas Commission on Disability Concerns	\$201,250	\$-	\$96,952	\$104,298
Strong Military Bases Program	\$307,050	\$-	\$245,640	\$61,410
Total	\$5,657,627	\$2,088,445	\$5,841,661	\$7,727,521



- Divisions**
- Business Development
 - Rural Development
 - Trade Development
 - Travel & Tourism
 - Workforce Services

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Attachment 1

Target Industries

The Department works to grow all sectors of the economy, with a focus on the following:

- Advanced Manufacturing (aviation, etc.)
- Value-added Agriculture
- Bioscience (animal science, pharmaceuticals, etc.)
- Energy (traditional and renewable sources)
- Professional Services (banking, engineering, etc.)

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Business Development Division

FY2010 recruitment highlights:

- **Cerner**, Kansas City (4,500 jobs, \$170M)
- **General Motors**, Kansas City (1,000 jobs, \$88M)
- **U.S. Bank**, Overland Park (1,100 jobs, \$21M)
- **J.P. Morgan**, Overland Park (650 jobs, \$30M)
- **Regent Asset Mgmt.**, Overland Park (1,250 jobs, \$2M)
- **Tindall**, Newton (400 jobs, \$66M)
- **Redbarn Pet Products**, Great Bend (200 jobs, \$2M)
- **Allen Foods**, Topeka (50 jobs, \$30M)
- **Jupiter Group**, Junction City (169 jobs, \$3.2M)

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Business Development Division

Goal:

- To encourage job creation and capital investment in Kansas through the recruitment of out-of-state firms, the expansion of existing Kansas companies and the creation of new companies.

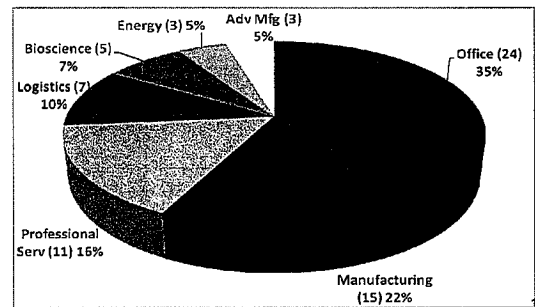
Products and services:

- Financial incentives such as tax credits and loans
- Site location consultation and cost-benefit analysis
- Assistance in working with State regulatory agencies and community organizations

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Business Development Division

FY2010 recruitment results by type:



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Business Development Division

FY2010 recruitment results:

	FY10	FY09
- Projects opened:	178	185
- Successes:	68	42
- Jobs created:	13,870	9,100
- Jobs retained:	1,218	3,546
- Average salary:	\$52,000	\$60,320
- Payroll:	\$721M	\$550M
- Capital Investment:	\$838M	\$900M

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Business Development Division

FY2010 retention/expansion results:

	FY10	FY09
- Projects opened:	150	155
- Successes:	42	84
- Jobs created:	5,584	3,548
- Jobs retained:	1,887	3,921
- Average salary:	\$39,880	\$30,742
- Payroll:	\$222.7M	\$117.6M
- Capital Investment:	\$471.3M	\$1B

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Attachment 1-2

Business Development Division

FY2010 media accolades and ranks:

- Kansas ranked **Top 10** in eight of 20 categories in *Business Facilities'* 2010 Rankings Report, our best-ever finish.

Business Facilities
THE LOCATION ADVISOR

- Kansas was ranked **No.3** in *Southern Business & Development's* "Top Deals and Hot Markets" report, the state's best-ever finish and our second straight Top 5 ranking.

SOUTHERN
BUSINESS DEVELOPMENT

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Business Development Division

FY2011 YTD recruitment results:

- 7,331 jobs
- \$153M in capital investment

FY2011 YTD recruitment highlights:

- Key Bank (600 jobs, \$10M)
- Draka (25 jobs, \$1M)
- Plastikon (126 jobs, \$7.3M)
- Bombardier Learjet (300 jobs, \$600M)

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Business Development Division

FY2010 media accolades and rankings:

- Kansas was ranked the **No. 7** most pro-business state in the Pollina "Top 10 Pro-Business States" report for the second straight year. It was our third straight Top 10 finish. **Pollina Corporate**

- Kansas was ranked **No. 11** in CNBC's annual "America's Top States for Business" report for the second time in three years.

 **CNBC**

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Business Development Division

FY2011 YTD retention/expansion results:

- 732 jobs
- \$227M in capital investment

FY2011 YTD retention/expansion highlights:

- Zeolyst International (33 jobs, \$83M)
- KOCH-Glitch, LP (40 jobs, \$8.1M)
- Snow Hill Rock Co. (27 jobs, \$15M)
- Philips Lighting Company (10 jobs, \$1.3M)
- WAFFLE-CRETE International (100 jobs, \$2M)

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Business Development Division

- *Area Development* magazine named Kansas the **Silver Shovel Award** winner for excellence in job creation and capital investment. This was our fourth Silver Shovel in five years.

AREADEVELOPMENT
ONLINE

- *Site Selection* magazine named Kansas one of the nation's **Top 10** most competitive states for capital investment and facility development. This was our second straight Top 10 finish.

SITE
Selection

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Rural Development Division

Goal:

- To elevate the focus on rural development and encourage collaboration among rural groups.

Sub-Divisions:

- Agriculture Marketing
- Community Development
- Office of Rural Opportunity

Programs and services:

- Simply Kansas
- Value Added Loan
- CDBG
- Agritourism development
- Main Street
- Tax credits

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Attachment 1-03

Rural Development Division

FY2011 YTD highlights:

- Continue to advance Connect Kansas, a Recovery Act-funded initiative to increase broadband Internet adoption statewide.
- Conducted two mission trips to Russia to promote the sale of Kansas animal genetics.
- Helped Royal Farms Dairy of Garden City present a virtual farm tour at the World Dairy Expo.
- Hosted agritourism workshops statewide.
- Attended the Kansas State Fair to promote Kansas ag producers.

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Trade Development Division

FY2011 YTD highlights:

- Arranged for Governor Parkinson to meet with key aviation executives at the Farnborough Air Show in England in July.
- Attended HUSUM WindEnergy 2010, Europe's largest wind energy trade show, next month. Staff will also visit key companies in Denmark and attend a global wind supply chain conference in Germany.

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Rural Development Division

FY2011 YTD highlights:

- Continuing partnerships with the 25 communities in our Kansas Main Street Program, which saw a significant increase in projects between Fiscal Year 2009 and 2010.

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Trade Development Division

FY2011 YTD highlights:

- Organized an October animal health mission to China, enabling eight Kansas companies to exhibit at the first national convention of the Chinese Veterinary Association in Beijing.
- Working with KSU in their bid to establish a China-U.S. Animal Health Center facility in Kansas.

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Trade Development Division

Goal:

- To help Kansas companies expand sales to foreign markets and recruit foreign companies to set up facilities in Kansas.

Programs and services:

- Organize trade delegations to foreign countries
- Provide export data and foreign market research
- Provide funds for firms to attend trade shows
- Connect Kansas companies with foreign buyers through our international trade offices
- Recruit international companies to locate in Kansas

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Travel & Tourism Division

Goal:

- To increase tourism expenditures in Kansas

Programs and services:

- Marketing
- Product development
- Research
- Industry outreach and education

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Attachment 1-4

Travel & Tourism Division

FY2011 YTD highlights:

- Led fall hunting travel campaign with print ads, e-blasts, website revisions and partnership with Ks. Sport Hunting Association
- Expanded digital marketing to highly targeted leisure travel market deploying 10 e-blasts to 226,137 consumers
- Assisting Flint Hills Tourism Coalition in efforts to develop network of Equestrian Trails
- Launched Scenic Byway marketing campaign and secured grant funding to expand future digital marketing

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Workforce Development Division

FY2011 YTD highlights:

- Collaborated with key industry and agency partners to secure an additional \$26 million in funding to support job growth and training, such as:
 - Green-related training
 - Health professionals training
 - Employment opportunities for hard to serve offenders, veterans, and those with disabilities.
- Recognized nationally as a top 10 state for workforce services by business developers and site locators for the first time ever - ranked number 3.

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Travel & Tourism Division

FY2011 YTD highlights:

- Fulfilled 26,400 Visitor Inquiry packets FY '11 YTD - an increase of 3% over FY '10
- Generated 155,000 unique website visitors since July 1.
- Completed Tourism Satellite Account for 2009
 - Kansas attracted 30.2 million person stays
 - Tourism injected \$7.2 billion in economy
 - Tourism is 3rd largest private sector employer in Ks, with 125,000 direct FTE jobs
 - Every 203 visitors/travelers create a new job in Ks.
 - Tourism generated 27.4% of all state & local tax revenue
 - Out of state visitation grew from 50% to 56% of total

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Workforce Development Division

FY2011 YTD highlights:

- Partnered with the Kansas Departments of Labor, Education, Corrections and the Board of Regents to integrate web services to better serve users.
- Fully implemented video conferencing throughout the workforce system to better serve customers and saved nearly \$270,000 in travel costs over the past year.
- Partnered with the Kansas Board of Regents to increase the awareness of business and industry-focused training, credentials and certifications.

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Workforce Development Division

Goal:

- To link businesses, job seekers and educational institutions to ensure a pool of skilled Kansas labor

Programs and services:

- KIT, KIR and IMPACT programs
- Workforce Centers
- KANSASWORKS.com
- Registered Apprenticeship
- Trade Adjustment Assistance and Rapid Response

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KANSAS
DEPARTMENT OF COMMERCE
KansasCommerce.com

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Attachment 1-5