State Economic Survey and Incentive Comparison

CONTACT INFORMATION

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US State Name: Kansas

State Abbreviation: KS

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Additional Relevant Links for Relocating Companies: http://www.thekansasedge.com/

INCOME AND OUTPUT

Gross Domestic Product, in millions (2014): $147,075

Gross Domestic Product % Growth (2009-2014): 20.5

Per Capita Personal Income (2014) *(*GDP/Population) This is often used as a standard of living measurement*: $45,546

Per Capita Personal Income % Change (2009-2014): 20.4

WORKFORCE

Total Population (2014): 2,904,021

Population % Change (2009-2014) *Used to determine economic growth, land development, potential talent, and available workforce:* 2.5

Total Civilian Labor Force (2014): 1,487,004

Total Number of Persons Employed (2014): 1,420,540

Total Number of Persons Unemployed (2014): 66,464

Unemployment Rate % (2014): 4.5

Labor Force Participation Rate % (2014) *Used as a more accurate unemployment measurement by including discouraged workers:* 67.3

Nonagricultural Employment (2014): 1,403,600

Nonagricultural Employment % Change (2009-2014): 4.5

Manufacturing Employment (2014): 162,100

Manufacturing Employment % Change (2009-2014): 1.1

Manufacturing Employment as % of Nonagricultural Employment (2014): 11.5

Professional and Business Services Employment (2014): 170,300

Professional and Business Services % Change (2009-2014): 7.8

Service Employment as % of Nonagricultural Employment (2014): 12.1

State Right-to-Work Law (2015) Y/N: Yes

% of Workers Covered by Unions (2014):

% Union Membership (2014): 7.5

% Private Sector Union Membership (2014):

Large Factory Openings during Previous year (2015): Newell Rubbermaid expansion of Winfield, KS plant added 320 jobs

Large Factory Closures during Previous year (2015):

EDUCATION

% High School Diploma or More (2014): 89.8

% Bachelor's Degree or Higher (2014): 30.3

Enrollment in Higher Education Institutions (Fall 2014): 252,408

Science and Engineering Graduate Students (2014):

Expenditures per Pupil in Public Schools (2014-2015): $12,959

List of Highschool, College, or University Manufacturing Partnership Programs (2015) *These are partnerships with manufacturers to help train future employees in certain skills:*

- Wichita State's Innovation Campus
- Workforce Aligned With Industry Demand (Workforce AID)
- Mid-America Manufacturing Technology Center

List of Additional Manufacturing Training Programs (2015):

- Career Technical Education training initiative
- Kansas Industrial Training program
- Kansas Industrial Retraining program

List of Future Planned Manufacturing Training Programs *If known please include expected implementation date:*

COST OF DOING BUSINESS

Average State and Local Sales Tax % (2014): 8.15

State and Local Taxes per Capita (2014): $3,849 (2011)

State and Local Taxes per $1000 Income (2014):

State Corporate Income Tax % (2015): 7% top rate

State Individual Income Tax % (2015): 4.6% top rate

State Level Sales Tax % (2015): 6.5

State Single Sales Factor Apportionment:

State Use Tax: Yes

Unemployment Insurance Tax % (2014 estimate): Ranges from 0.11% minimum to 7.4%

Unemployment Insurance Tax per Employee (2014 estimate):

Taxable Wage Base for Unemployment Insurance (2014 estimate): $8000

Additional Relevant Taxes:

Workers' Compensation Employer Insurance Costs per $100 of Payroll (2014): $1.25 (2012)

Average Industrial Electric Rate (2015): 7.40 Cents per Kilowatthour

Average Price of Natural Gas Delivered to Industrial Consumers (2014): $6.40 per Thousand Cubic Feet

Average Annual Cost Paid by Employers for Health Premiums for Family Coverage (2014): $11,494

Average Annual Cost of Employment-Based Health Premiums for Family Coverage (2014):

Average Hourly Earnings of Production Workers in Manufacturing (2014): $24.50

Minimum Wage (2015): $7.25

Pending Legislation Regarding Minimum Wage: No

If you answered YES to the above question, What is the proposed minimum wage:

If you answered YES to the above question, What is the legislative bill number:

FISCAL STRENGTH

General Obligation Bond Ratings (2015): Aa3, outlook stable

State and Local Long Term Debt per Capita (2014):

Total State Debt per Capita (2014): $2,009 (2011)

ENTREPRENEURSHIP AND INNOVATION

% of Total Federal Obligations for R&D and Plants (2015) *Used to determine the portion of US funding to be used in individual state:* 1.3 (2013)

Total Small Business Innovation Research (SBIR) Awards (2014) *Found at: https://www.sbir.gov/reports/state-summary?year=2014&program_tid=105791:* $8,074,728.76

Total Small Business Technology Transfer (STTR) Awards (2014) *Found at: https://www.sbir.gov/reports/state-summary?year=2014&program_tid=105792:* $723,765.00

Total Value of SBIR and STTR Awards (2014): $8,798,493.76

Venture Capital Deals, in millions (2014): 11

Value of Venture Capital Deals, in millions (2014): $51.4

% of State with Internet Accessibility (2014): 100

Newly Registered Businesses (2014): 15,780

Newly Registered Patents (2014): 1,036

FOREIGN DIRECT INVESTMENT

Foreign Direct Announcements (2015):

Foreign Direct Employment (2014):

Foreign Direct Investment, in millions (2014):

TRANSPORTATION AND INFRASTRUCTURE

of major 2 or 4-Lane Highways running through state: 11

# of major railways going through state: 17

# of major ports connected to state: 1

# of airports throughout state: 140 public use airports

# of International airports throughout state: Businesses in Kansas City have close proximity to the Kansas City International Airport in Missouri

Distance from largest manufacturing region to nearest metro area: The Wichita MSA is the center of the state's largest manufacturing region

# of distribution centers: Many, largest of which is Logistics Park Kansas City

# of foreign trade zones: 2

INCENTIVES

Pending Legislation

Proposed Incentives Currently Pending Approval (Y/N): No

If you answered YES above, Please describe the pending incentives including the bill number if applicable:

Cash Incentives

Does your state provide any CASH incentives? (Y/N): Yes

If you answered YES above, Please provide details of this incentive including the contact information and website if applicable: The Promoting Employment Across Kansas program allows qualified employers creating jobs to retain 95 percent of the payroll withholding taxes of the PEAK eligible jobs they create. The Job Creation Fund is also available for eligible projects. Visit KansasCommerce.com to learn more.

State Tax Credits

Does your state provide any Tax Credit incentives? (Y/N): Yes

If you answered YES above, Please describe the available tax credits: Kansas provides several different types of tax credits for eligible projects. Visit KansasCommerce.com to learn more.

State Tax Exemptions

Does your state provide any Tax Exemptions? (Y/N):

If you answered YES above, Please describe the available tax exemptions: Kansas provides several different types of tax exemptions for eligible projects including sales and property tax exemptions. Visit KansasCommerce.com to learn more.

State Grants

Does your state provide any Grant incentives? (Y/N):

If you answered YES above, Please describe the available grants:

State Loans

Does your state provide any Low-Interest Financing incentives? (Y/N): Yes

If you answered YES above, Please describe the available financing opportunities: NetWork Kansas offers matching loans to eligible businesses in Kansas that need gap financing to become fully capitalized. Visit NetWorkKansas.com to learn more.

Training Programs

Does your state provide any Specialized Training Program incentives? (Y/N): Yes

If you answered YES above, Please describe the available training programs: Kansas offer the Kansas Industrial Training and Kansas Industrial Retraining programs to help eligible employers train new hires or retrain current employees. The Workforce Aligned with Industry Demand program allows employers to partner with technical colleges to train new workers.

Zoning

Does your state provide any Special Zoning incentives? (Y/N):

If you answered YES above, Please describe the available special zoning opportunities:

State Marketing and Promotions

Does your state provide any Marketing and Promotional incentives? (Y/N): Yes

If you answered YES above, Please describe the available special marketing or promotional opportunities: Incentives are sometimes available to help exporters market their products.

Innovation Centers

Does your state have Innovation Centers or Additional Resource available for companies? (Y/N):

If you answered YES above, Please describe the available innovation centers or additional resources:

REGIONAL INFORMATION

Region One

Name of Region (This can include nicknames such as Silicon Valley): South Central Kansas/Wichita

Does this region have a designated web site? (Y/N):

If you answered YES to the question above, What is the website:

Geographic Location Information (For example, Silicon Valley spans several major cities including San Jose, Fremont and Mountain View):

What industry or industries are prominent in this region?

- Aerospace
- Apparel
- Appliances
- Automotive
- Biomedical
- Building Materials and Equipment
- Computer and Electronic Products
- Distribution Centers
- Food or Beverage
- Furniture
- Machinery and Capital Equipment
- Paper
- Plastics
- Telecom
- Toys or Children's Products
- Warehousing
- Other:

What are some unique aspects of this region? *Could include information about transportation, education, weather etc...*: South Central Kansas was recently designated by the U.S. Department of Commerce as one of 12 manufacturing regions

in the country, in large part because of the many aerospace manufacturers in Wichita. The city is home to the National Institute for Aviation Research and the National Center for Aviation Training. In addition, Wichita State University is partnering with manufacturers on its Innovation Campus to facilitate industry research and commercialization. I-35 also runs through the region, giving manufacturers direct access to the NAFTA corridor.

Are there any special programs or incentives for companies wanting to move to this region? (Y/N): Yes

If you answer YES to the question above, Please list the programs or incentives for this region if not already mentioned in the Incentives section:

Does this region offer site selection assistance? (Y/N) *Please describe programs and resources*:

If you answer YES to the question above, Please list the contact information for the site selection assistance:

Is there an Extraordinary Information that you would like to add about this region?

Region Two

Name of Region (This can include nicknames such as Silicon Valley): Kansas City

Does this region have a designated web site? (Y/N):

If you answered YES to the question above, What is the website:

Geographic Location Information (For example, Silicon Valley spans several major cities including San Jose, Fremont and Mountain View): Johnson and Wyandotte Counties

What industry or industries are prominent in this region?

- Aerospace
- Apparel
- Appliances
- Automotive
- Biomedical
- Building Materials and Equipment
- Computer and Electronic Products
- Distribution Centers
- Food or Beverage
- Furniture
- Machinery and Capital Equipment
- Paper
- Plastics
- Telecom
- Toys or Children's Products
- Warehousing
- Other:

What are some unique aspects of this region? *Could include information about transportation, education, weather etc...*: Edgerton, Kansas, is home to Logistics Park Kansas City, BNSF Railway's newest intermodal hub. The 443 acre development offers the broadest combination of rail services in the western two-thirds of the country and a central location that allows manufacturers to easily ship goods to either coast.

Kansas City also boasts a rapidly growing bioscience industry cluster. The University of Kansas Cancer Center positions Kansas City, Kansas as a leader in human health. The Kansas City area also lies at the heart of the Animal Health

Corridor, which stretches west to Manhattan and the under-construction National Bio and Agro Defense Facility.

Are there any special programs or incentives for companies wanting to move to this region? (Y/N): Yes

If you answer YES to the question above, Please list the programs or incentives for this region if not already mentioned in the Incentives section:

Does this region offer site selection assistance? (Y/N) *Please describe programs and resources*:

If you answer YES to the question above, Please list the contact information for the site selection assistance:

Is there an Extraordinary Information that you would like to add about this region?

INDUSTRY

This section highlights the major industries in your state. Even if you answered the questions about the industry in your region please indicate which industries your state supports in general.

- Aerospace
- Apparel
- Appliances
- Automotive
- Biomedical
- Building Materials and Equipment
- Computer and Electronic Products
- Distribution Centers
- Food or Beverage
- Furniture
- Machinery and Capital Equipment
- Paper
- Plastics
- Telecom
- Toys or Children's Products
- Warehousing
- Other

If you would like to add additional industries or comments about the industries in your state please do so here:

Kansas is a leader in wind energy both in megawatts already installed and those under development. This has attracted major wind turbine manufacturers, such as Siemens, to the state.

AMERICAN MADE LABEL REQUIREMENTS

Federal Trade Commission oversees “Truth in Advertising” regulations including promotion or disclosure of products displaying “Made in USA” labeling. FTC requires products advertised as “Made in USA” be "all or virtually all" made in the U.S. “all or virtually all” means the product should contain no – or negligible – foreign content.

Made In USA Requirements

Does your state have any specific requirements for labeling products "Made in USA"? (Y/N): No

If you answered YES to the question above, What are the requirements for labeling products "Made in USA":

Is there pending legislation regarding these requirements? (Y/N): No

If you answered YES to the question above, Please describe the proposed legislation including the bill number:

Made In YOUR STATE Requirements

Does your state have any specific requirements for labeling products "Made in YOUR STATE"? (Y/N):

If you answered YES to the question above, What are the requirements for labeling products "Made in YOUR STATE":

Is there pending legislation regarding these requirements? (Y/N):

If you answered YES to the question above, Please describe the proposed legislation including the bill number:

Is there an organization or entity that monitors state labeling? (Y/N):

If you answered YES to the question above, Please provide the name and contact information for the the organization or entity: