

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Kevin Yoder at 9:05 a.m. on January 25, 2010, in Room 346-S of the Capitol.

All members were present except:

Representative Owen Donohoe- excused

Committee staff present:

Nobuko Folmsbee, Office of the Revisor of Statutes
Alan Conroy, Kansas Legislative Research Department
J.G. Scott, Kansas Legislative Research Department
Heather O'Hara, Kansas Legislative Research Department
Jonathan Tang, Kansas Legislative Research Department
Stephen Huggins, Chief of Staff, Appropriations Committee
Kathy Holscher, Committee Assistant, Appropriations Committee

Others attending:

See attached list.

- Attachment 1 Kansas Department of Wildlife and Parks
- Attachment 2 Kansas Legislative Research - State Debt Service and Bond Indebtedness

Chairman Yoder welcomed committee members and reviewed the meeting agenda. He referred to the follow up information from the Kansas National Guard Armory, which was distributed.

Representative Whitham made a motion to approve the November 23 and 24, 2009 committee minutes. The motion was seconded by Representative Lane. Motion carried.

J. Michael Hayden, Secretary, Department of Wildlife and Parks, presented an agency update, (Attachment 1). He stated that State General Fund (SGF) funds the park programs and the wildlife and fisheries programs are fee funded and receive federal aid from excise taxes. Visitors to the state parks have increased due in part to the recession and individuals staying closer to home, he noted. For FY 2010 the approved budget included a reduction in SGF expenditures and substituted \$997,553 which was transferred from the State Highway funds for park road maintenance. For FY 2011 expenditures of over \$1 million are recommended from the road fund to substitute SGF appropriations. He noted that \$300,000 from the Cabin Revenue Fund was included as a substitution for SGF appropriations in FY 2010 and FY 2011. Secretary Hayden stated that the budget for the Department of Wildlife and Parks has experienced additional reductions which were taken from approved amounts for capital improvement projects at state parks. He noted that the Governor's Budget Report for FY 2011 includes further reductions, which will have an impact on park maintenance and improvements and vehicle access permit pricing. Secretary Hayden added that use of the public cabin program has increased 30% with another 23 cabins planned for FY 2010. He stated that seven positions have not been filled, and he discussed the impact of closing correctional facilities and the reduction in the inmate labor force with regard to the Department of Wildlife and Parks' Cabin Program.

Secretary Hayden responded to questions from committee members. He stated that 30% of the cabin program revenue is from out of state individuals, and the reduction of vehicle access permits from \$40 to \$20 was a positive impact. Road funds were used just to keep the parks up and ramp dollars may be available through the Department of Transportation, he noted. Secretary Hayden responded that he would provide committee members with additional staffing information, camping revenues and criteria used to determine hunting on private property. He discussed the transfer of land from the federal government to the local redevelopment authority, of which the Department of Wildlife and Parks plans to purchase 2,000 acres for public recreation, and another 1,000 acres will be purchased from the Department of Defense to address easement concerns at Fort Riley. He reviewed licensing time frames.

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CONTINUATION SHEET

Minutes of the House Appropriations Committee at 9:05 a.m. on January 25, 2010, in Room 346-S of the Capitol.

Julian Efird, Principal Analyst, Kansas Legislative Research Department, presented an overview of the State Debt Service and Bond Indebtedness included in the Governor's Budget Report, (Attachment 2). He stated that new bonds were issued in order to make FY 2010 principal payments for the State General Fund (SGF) indebtedness, as approved by the 2009 Legislature. The increased debt service for FY 2011 includes the Governor's recommendation for reporting principal payments which were paid from bond proceeds in FY 2010. Dr. Efird stated that the increase in State General Funds bond indebtedness was the result of \$500 million in pension obligation bonds, \$215 million in Capitol restoration bonds and \$209.5 million in comprehensive transportation program bonds. He referred to the Moody's Investors Services Report for comparing Kansas to other state rankings.

Dr. Efird responded that he would provide additional information from census bureau reports that would compare debt per capita. He reviewed the State's procedure for issuing bonds. Most of the bonds issued on behalf of the state are issued through the Kansas Development Finance Authority, which serves as an agent of the state. This corporate entity was established by the Legislature as the bond issuing/bond servicing agency for the state. Most of the bonds issued are revenue bonds, which are repaid by SGF or fee funds and subject to appropriation by the Legislature. The Kansas Department of Transportation has the ability to use revenues paid into the State Highway Fund from dedicated revenue sources. Dr. Efird reviewed the proposed debt issuance, which are bonds approved by the Legislature that have not been issued.

Steve Weatherford, President, Kansas Development Finance Authority, reviewed the FY 2009 Kansas Debt Study. He reviewed the four state debt areas, which are user-fee supported debt, self-supporting debt, tax-supported debt and private activity bond debt.

Dr. Efird and Steve Weatherford responded to questions from committee members. Mr. Weatherford stated that the Boeing/Spirit bond falls under private activity indebtedness. This specific piece of economic legislation allowed this business to capture a portion of the state withholding tax to pay for the indebtedness tax. This debt is not an obligation of the State General Fund, he noted. Authorized but not issued bonds are a part of a specific piece of legislation and do not have a time frame identified until the revenue source to repay the debt is known. Repayment of debt services is subject to appropriations on a yearly basis as part of the bond payment. We do not issue bonds used by the state for general operations, Mr. Weatherford responded. Dr. Efird reviewed the certificate of participation. This is a temporary obligation and not bond issued through the budget director's office when there are cash flow issues. This information would be included in the Governor's debt schedule. As requested by committee members, Dr. Efird responded that data would be made available that would provide a distinction between State General Funds and all other funds prior to FY 2008. Mr. Weatherford reported that the Kansas Public Employee Retirement System (KPERs) debt was secured by SGF and allowed for injection of \$450 million to help off set unfunded liability. The bonds will be repaid by a pledge from SGF. The \$38.8 million for capitol renovations represents all of the funds the Legislature has appropriated, he noted.

Duane Goossen, Secretary, Department of Administration, addressed questions from committee members, regarding certificates of indebtedness. Secretary Goossen reported that in July, 2010, \$700 million of certificates of indebtedness were authorized and scheduled to be repaid before the end of this fiscal year. No additional certificates are expected to be issued this year, he added.


The meeting was adjourned at 10:55 a.m.


Kevin Yoder, Chairman

APPROPRIATIONS COMMITTEE GUEST LIST

DATE: January 25, 2010

NAME	REPRESENTING
Korrie Heffler	DOB
Maura Jean Smith	KMHU
Wigh Beck	Hein Law firm
Dick Carter	TIAA
Megan Botteberg	KDOC
Ron Menley	KENNEDY & ASSOC.

Testimony on KDWP Agency Status and Budget Reductions
To
The House Committee on Appropriations
By J. Michael Hayden 
Secretary
Kansas Department of Wildlife and Parks
January 25, 2010

The Kansas Department of Wildlife and Parks (KDWP) appreciates the opportunity to discuss the status of the Department and the impact of budget reductions that have occurred since July 1, 2009. Like other state agencies KDWP has had to adjust to the diminished State General Fund (SGF) revenues. The Department is unique in that there are two major streams of funding for the operations of the agency, one for wildlife and fisheries programs and one for park programs. These funding sources are separate by state and federal law.

The wildlife and fisheries programs are funded by license and permit fees for hunting, fishing, and other pursuits such as trapping. In addition, federal aid from the U.S. Fish and Wildlife Service obtained from excise taxes on firearms, ammunition, and fishing equipment provides additional fiscal support for these programs. By State and Federal law these funds can only be used for wildlife and fisheries programs and related expenses such as law enforcement. There are no SGF funds used to support the wildlife and fishing programs. The park program is funded with appropriations from the SGF and park permit fees such as vehicle access and camping. By state law park fees can only be used for the expenses to operate the state parks.

As stated above, SGF appropriations are used to finance the operations of the state parks and reductions to this source of funding impacts the operations of the state parks. From FY 2008 to FY 2011 the amount of SGF expenditures for KDWP has decreased from \$8,797,365 to \$5,528,736, a reduction of \$3,268,629. For FY 2010, the approved budget for park operations includes a reduction of SGF expenditures and a substitution of \$997,553 from road funds which are transferred from the State Highway for park road maintenance. For FY 2011 expenditures of \$1,012,347 are also recommended from the road fund to substitute for SGF appropriations which have reduced the funds available for park road maintenance. In addition, the approved FY 2010 and FY 2011 budgets for park operations include \$300,000 from the Cabin Revenue Fund as a substitution for SGF appropriations.

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Since July 1, 2009 KDWP has had additional reductions for FY 2010. On July 1, 2009 the Governor announced allotments which reduced the approved SGF budget by an additional \$116,794. This reduction was taken from approved amounts for capital improvement projects at the state parks. The Governor's Budget Report for FY 2011 includes a further reduction of \$434,876 from the SGF appropriations for FY 2010. This reduction was implemented by lapsing \$262,885 from underutilized SGF appropriations to provide free hunting, fishing, and park licenses and fees to Kansas National Guard members and disabled veterans and by reducing the amount for salaries and wages for state parks by \$171,991. The reduction in salaries was implemented by not filling seven vacant positions until May, 2010.

The continued reduction in SGF support for the operations of the state parks will have an impact on the ability of KDWP in the future to provide a quality recreational experience at the parks. The inability to replace needed equipment such as trucks and lawnmowers will impact the maintenance provided at the parks. In addition, the elimination of capital improvement funding will result in hastening the deterioration of structures such as shower buildings and restroom facilities.

There are two other issues that KDWP will discuss with the Committee. The FY 2011 Governor's Budget Report includes a list of possible consequences if no additional SGF revenue is provided for FY 2011. Included on the list is elimination of the ½ price vehicle access permit to state parks and return to full price admission. The reduction in the vehicle access permit fee to half-price has had a very positive impact on park visitation. Visitation at the state parks had decreased from 7.9 million in 2002 to 6.0 million in 2006. For calendar year 2007 the ½ price vehicle access permit was initiated and visitation increased to 6.2 million for 2007. For 2008 park visitation increased to 6.5 million and for 2009 visitation increased to 7.2 million. KDWP is very concerned that a return to full price admission will have a negative impact on park visitation and revenue to the Park Fee Fund.

The other issue that KDWP will discuss with the Committee is the public cabins program began by the Department in 1993. The program has grown from "converted" mushroom shelters to fully equipped cabins constructed by the inmates at Department of Corrections facilities and recently a private vendor in Arkansas City. KDWP now has 75 cabins available with another 23 planned for 2010. These cabins are located on state parks and public lands and are very popular for those who desire to be outdoors and need an alternative to traditional camping. For 2009 the cabins were reserved for a total of 9,532 nights.

KDWP is aware of the concerns that need to be considered regarding the SGF and is prepared to work with the Legislature to address these concerns. Please advise if the Committee needs additional information or has any questions. Thank you.

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January 25, 2010

To: House Committee on Appropriations
From: Julian Efird, Principal Analyst
Re: State Debt Service and Bond Indebtedness

The *Governor's Budget Report* includes recommended payments of \$350,183,764 in FY 2011, including \$96,122,661 from the State General Fund (SGF), for debt service principal and interest. This is an increase of \$37,603,437, including \$36,376,501 from the SGF, from the revised FY 2010 recommendation. The increased payments in FY 2011 may be attributed in part to the Governor's plan, approved by the 2009 Legislature, for budgetary relief through debt restructuring in which new bonds were issued to make FY 2010 principal payments for SGF indebtedness. Planned refinancing in FY 2010 was estimated to achieve \$39.0 million in budgetary relief. Most of the increased debt service in FY 2011 includes the Governor's recommendations for reporting a number of debt service payments for which principal was paid from bond proceeds in FY 2010 and not categorized as reportable debt service in the Indebtedness of the State Schedules (pp. 206-214) in Volume 1 of the *Governor's Budget Report*. Payments from bond proceeds typically are treated as non-reportable when expenditures from bond proceeds occur, and then the principal and interest payments are reflected as reportable expenditures later in the state accounting system to avoid double-counting such transactions.

Governor's Recommended Debt Service Payments

On-Budget	Actual FY 2009	Gov. Rec. FY 2010	Gov. Rec. FY 2011	FY 10-FY 11 Change
SGF	\$ 77,915,095	\$ 59,746,160	\$ 96,122,661	\$ 36,376,501
AOF	208,410,461	250,126,958	250,657,795	530,837
Subtotals	\$ 286,325,556	\$ 309,873,118	\$ 346,780,456	\$ 36,907,338
Off-Budget				
AOF	3,446,412	2,707,209	3,403,308	696,099
Grand Totals	<u>\$ 289,771,968</u>	<u>\$ 312,580,327</u>	<u>\$ 350,183,764</u>	<u>\$ 37,603,437</u>

The Kansas Development Finance Authority (KDFA) annually performs a Kansas Debt Study which it reports to the Governor, the Budget Director, and the State Finance Council. KDFA is the entity which issues most of the bond debt on behalf of the state. In addition to providing several metrics about state bond debt and financing sources, the report also presents listings of proposed and authorized debt issuance, and comparisons to surrounding states based on a report from Moody's on *State Debt Medians*. Both the KDFA 2009 Kansas Debt Study and the 2009 Moody's *State Debt Medians* (which includes 2008 data) are attached for reference.

The state's debt service payments reflect an underlying bond indebtedness that will total an estimated \$3.67 billion in FY 2011, including an estimated \$1.08 billion of debt pledged from the State General Fund, according to Volume 1 of the *Governor's Budget Report*. Most of the recent growth in SGF bond indebtedness may be attributed to three areas: \$500 million in pension obligation bonds, \$215 million in Capitol restoration bonds, and \$209.5 million in comprehensive transportation program bonds. Much of the all other funds (AOF) debt reflects the comprehensive transportation program bonds pledged from the State Highway Fund.

State Bond Indebtedness

Estimated	SGF Amount	AOF Amount	AF Amount
FY 2000	***	***	\$ 1,427,911,190
FY 2001	***	***	\$ 1,781,202,105
FY 2002	***	***	\$ 2,506,059,479
FY 2003	***	***	\$ 2,334,940,984
FY 2004	***	***	\$ 2,519,100,301
FY 2005*	***	***	\$ 3,713,838,876
FY 2006	***	***	\$ 3,830,183,786
FY 2007	***	***	\$ 3,951,759,149
FY 2008**	\$ 905,830,000	\$ 2,349,729,844	\$ 3,255,559,844
FY 2009	\$ 945,325,000	\$ 2,867,225,065	\$ 3,812,550,065
FY 2010	\$ 996,975,000	\$ 2,800,372,000	\$ 3,797,347,000
FY 2011	\$ 1,084,395,000	\$ 2,581,584,338	\$ 3,665,979,338

Notes:

* \$500 million in pension obligation bonds were issued in FY 2004, first reflected in FY 2005 state debt, as were \$597 million in highway bonds, to account for most of the increase of over \$1.2 billion in state debt from year-to-year.

** Almost \$648 million of FY 2007 debt for the Department of Health and Environment was designated as local water resource bonds in FY 2008. By recharacterizing the bonds as local obligations to repay the debt, those bonds were no longer considered a state debt.

*** Not Available.

Sources:

Governor's Comparison Report, FY 2000 to FY 2010.
Governor's Budget Report Volume 1 – FY 2011.

LJE/kal

2009 Kansas Debt Study



Prepared by:  Kansas Development Finance Authority

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Background

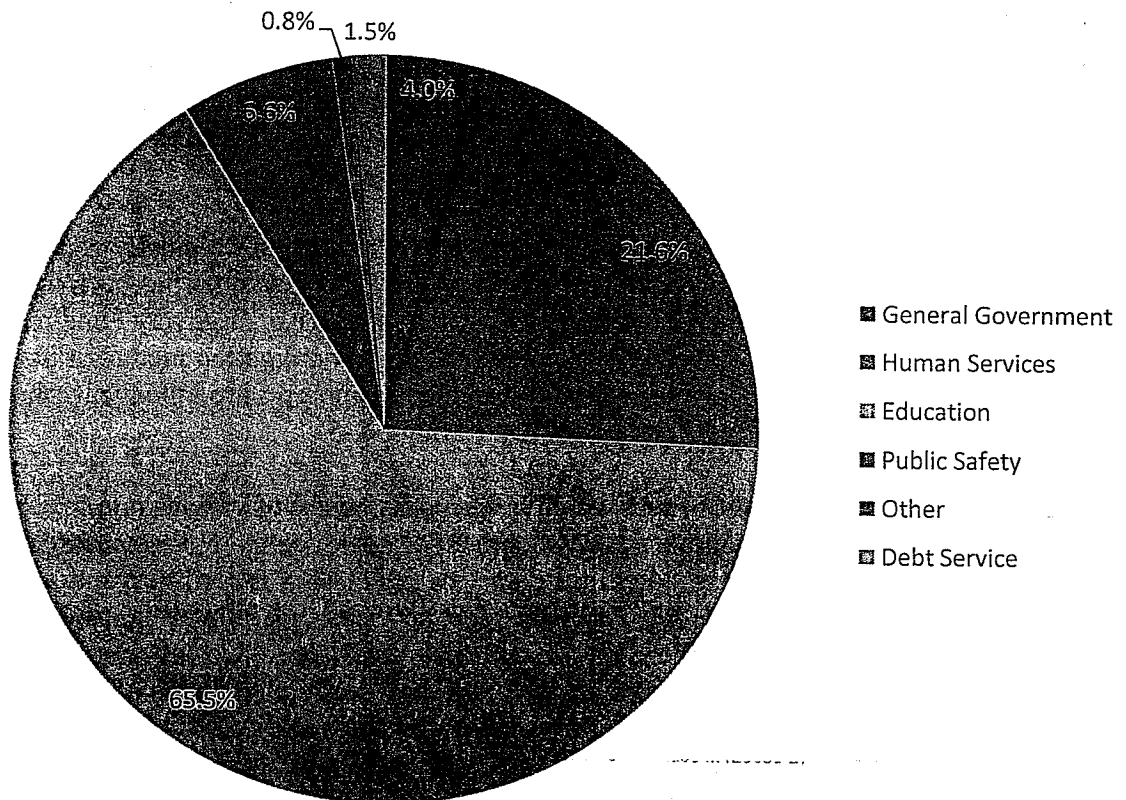
Kansas Development Finance Authority ("KDFFA") was created by the Kansas legislature as a public body politic and corporate, with corporate succession, to be an independent instrumentality of the State of Kansas. KDFFA was created as an independent instrumentality, to clearly establish a separate entity from the State of Kansas for purposes of debt issuance in order that the debt may clearly be characterized as debt of the Authority, and not direct debt of the State of Kansas. The Authority's independent public corporation status also serves to contain liability exposure related to its debt issuance and post-issuance administration practices to KDFFA, and not the State of Kansas.

In early 2008, KDFFA developed its first annual debt study to provide relevant data to assist policymakers in making financing decisions for the State. The purpose of this 2009 Debt Study is to give policymakers a picture of the State's debt position on June 30, 2009. It is anticipated that this report will continue to be prepared annually such that the State's debt trends can be monitored. Further, the report makes some projections to help policymakers understand and measure the financial impact of future debt issuance.

The information generated by this analysis is provided to: the KDFFA Board of Directors; the Governor's office; the State Budget Director; and, members of the State Finance Council. This analysis will also be posted on the KDFFA website (www.kdfa.org). The information can be used by the legislature to establish priorities during the legislative appropriation process. Additionally, as the legislature considers new financing initiatives, the long-term financial impact of any proposal can be evaluated upon request. The information generated by this analysis is important for policymakers to consider because their decisions on additional borrowing affect the fiscal health of the State.

This study is not meant to be a replication of the Comprehensive Annual Financial Report's (CAFR) Long-term Obligations section. The CAFR is prepared annually by the Division of Accounts and Reports.

State General Fund (SGF) Debt Service as a Percent of Expenditures (FY2010)



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Terminology & Nomenclature

User-Fee Supported Debt is debt secured by revenues generated from the operation of the associated facilities that were financed by the debt issuance. Some examples are debt payable from parking garage fees, housing revenues, or other available revenues of the obligor. *These obligations are not secured by traditional State tax revenues or the State General Fund.* None of this debt is secured by a general obligation pledge or an annual appropriation by the Legislature of State revenues. Tabulated in Appendix page A-1.

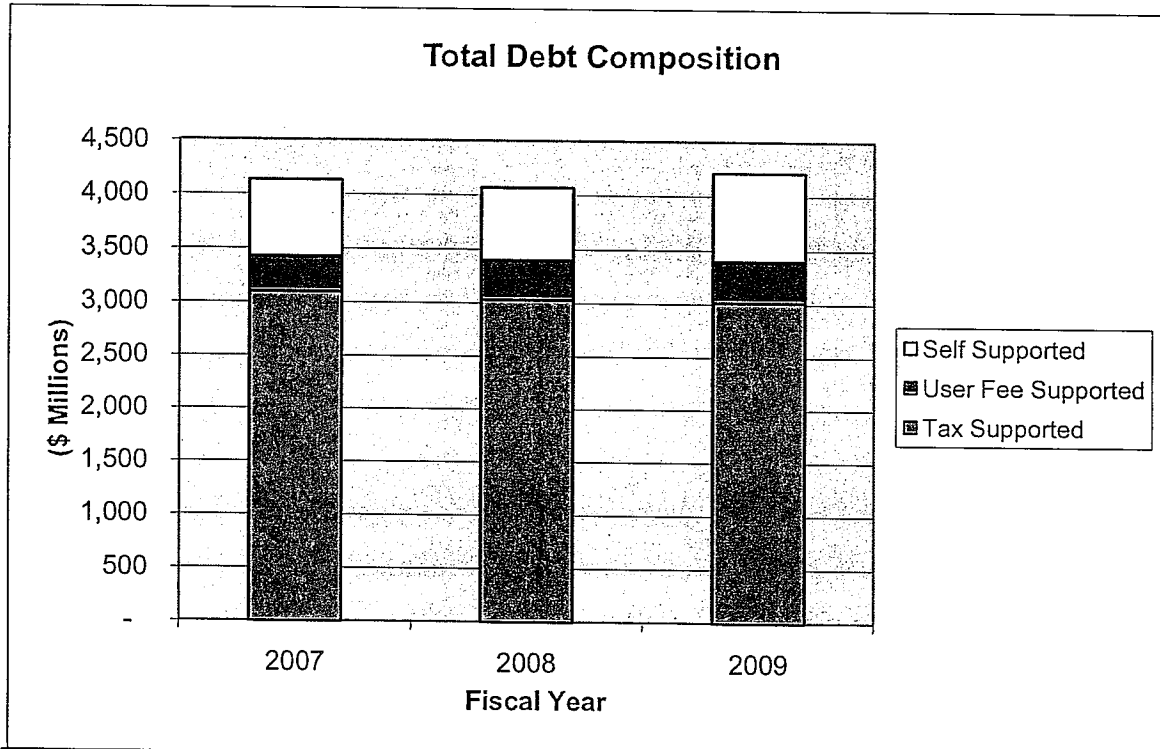
Self-Supporting Debt is the primary obligation of a legal entity other than the State (in most cases these entities are city and county government units in the State). None of this debt is secured by a general obligation pledge or an annual appropriation by the Legislature of State revenues. Tabulated in Appendix page A-2.

Tax-Supported Debt is debt secured by traditional State revenues typically generated through taxation. For each debt issuance a specific pledge of revenues has been made to secure the repayment of principle and interest for the bonds (e.g. Highway Fund revenues for KDOT debt). None of this debt is secured by a general obligation pledge of State revenues. A portion of this debt is secured by an annual appropriation pledge by the Legislature. Tabulated in Appendix pages A-3 through A-5.

Private Activity Bond Debt is debt which is issued on behalf of various non-governmental entities to facilitate the development of health care facilities, affordable housing facilities, manufacturing facilities, activities of 501(c)(3) facilities, and various other private activities. Private Activity Bond debt service is the **sole obligation** of the private activity borrower, and there is no recourse to the State of Kansas or any taxing subdivision thereof. The debt service is typically repaid through a pledge of the revenues generated by the financed facility or other general revenues of the private activity borrower. As such, private activity debt issued by KDFA is not included in this report.

Debt Outstanding

Total State debt outstanding at June 30, 2009 was \$4.217 billion approximately \$147 million MORE than at June 30, 2008. User-fee supported debt totaled \$380 million (Appendix page A-1). This represented a \$13 million INCREASE from the prior year. Additionally, self-supporting debt outstanding at June 30, 2009 was \$816 million which was \$146 million MORE than at June 30, 2008 (Appendix page A-2). Tax-supported debt totaled \$3.020 billion for financings supported by State tax revenues or tax-like revenues which was an annual DECREASE of approximately \$13 million (Appendix pages A-3 to A-5). Approximately one quarter of all debt is supported by the State General Fund (SGF).

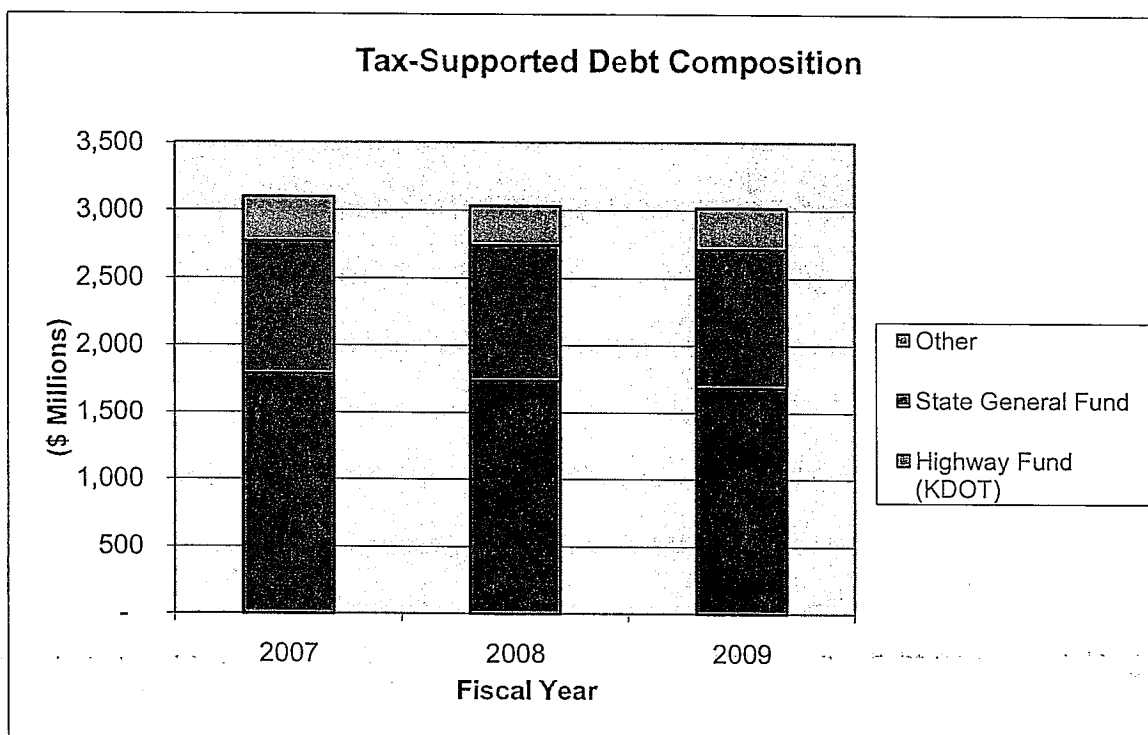


TOTAL DEBT (\$ Millions)	Fiscal Year End					
	2007		2008		2009	
Tax Supported	3,100	75.0%	3,033	74.5%	3,020	71.6%
User Fee Supported	326	7.9%	367	9.0%	380	9.0%
Self Supported	706	17.1%	670	16.5%	816	19.4%
Total	4,132		4,070		4,217	

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Tax-Supported Debt

Tax-supported debt comprises the majority of the State's debt. Further, the majority of tax-supported debt comes from the State's investment in transportation infrastructure as detailed below. Highway Fund (KDOT) debt was issued in conjunction with the State's Comprehensive Transportation Programs and is financed by motor fuel taxes, vehicle registration fees, sales taxes and federal aid reimbursements (Appendix A-5). State General Fund debt is backed by an annual appropriation pledge from the Legislature (Appendix A-4). Other Tax-Supported debt includes bonds secured by the Educational Building Fund and other Special Revenue Funds (Appendix A-3).



TAX-SUPPORTED DEBT (\$ Millions)	<i>Fiscal Year End</i>					
	2007		2008		2009	
State Highway Fund	1,789	57.7%	1,739	57.3%	1,686	55.8%
State General Fund	982	31.7%	1,003	33.1%	1,028	34.0%
Other	328	10.6%	292	9.6%	305	10.1%
Total	3,100		3,033		3,020	

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State General Fund Debt Ratio

While there has been measurable growth in the percentage of SGF Revenues going towards debt service over the past several years, the overall percentage of SGF Revenues going towards debt service is small. The largest contributors for the growth in SGF Debt Service in recent years are from the following issuances of debt:

- 2004C Kansas Public Employees Retirement System (\$500.0M)
- Various Series of State Capitol Restoration Project (\$215.1M)
- 2006A Kansas Department of Administration – Comprehensive Transportation Program (\$209.5M)

SGF DEBT RATIO	<i>Fiscal Year</i>						
	(\$ Millions)	2006	2007	2008	2009	2010*	2011*
SGF Revenue		5,394.4	5,809.0	5,694.9	5,589.0	5,301.0	5,179.0
SGF Debt Service		48.2	63.3	86.0	83.6	87.3	92.9
Debt Service as % of Revenue		0.89%	1.09%	1.51%	1.50%	1.65%	1.79%

** November 2009 Revenue Estimate*

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Proposed Debt Issuance

As of June 30, 2009, approximately \$520 million of debt is expected to be issued over the next several years based on current authorizations from the State Legislature. This is approximately \$30 million less than a year ago. The most notable additions are the State's obligation to provide financing to the University of Kansas to construct and remodel the School of Pharmacy (\$30 million); continued renovation of the State Capitol (\$38 million); and, improvements to University facilities that will be financed through user fees (Housing, Research Revenue, etc.). The user fee financed facilities are not an obligation of the State General Fund.

Authorized Proposed Debt Issuance

DESCRIPTION	AUTHORIZED BY (OR REAUTHORIZED)	BALANCE AT 06/30/08	ISSUED FY 2009	AUTHORIZED IN FY 2009 (OR REAUTHORIZED)	BALANCE AT 06/30/09	ISSUED YTD FY 2010	Repayment Security
KSU Greenhouse Lab	HB2354	1,700,000		1,700,000	1,700,000		Tax - EBF
KSU Horticulture Research Center	HB2354	1,500,000		1,500,000	1,500,000		Tax - EBF
		3,200,000		3,200,000	3,200,000		TOTAL Tax - Other

DESCRIPTION	AUTHORIZED BY (OR REAUTHORIZED)	BALANCE AT 06/30/08	ISSUED FY 2009	AUTHORIZED IN FY 2009 (OR REAUTHORIZED)	BALANCE AT 06/30/09	ISSUED YTD FY 2010	Repayment Security
BOR Community College loans (PEI Loan Program)		80,000,000	20,000,000		60,000,000		SGF - Interest; Self-Supporting - Principal
Adjutant General - renovate armories	HB2482, Sec 47, pg 22	3,000,000			Lapsed		Tax - SGF
DOA - Capitol Renovations	HB 2368 Sec 171 Page 185	37,020,011	37,020,011		0		Tax - SGF
DOA - Capitol Renovations	SB 534 Sec 137(i)	38,800,000			38,800,000	38,800,000	Tax - SGF
Dept of Corrections - expand prison capacity	HB 2946 Sec 11(d)	17,825,000			Lapsed		Tax - SGF
KU Construct & Remodel School of Pharmacy	HB 2946 Sec 36(a)	20,000,000	20,000,000				Tax - SGF
KU Construct & Remodel School of Pharmacy	HB2354			30,000,000	30,000,000	30,000,000	Tax - SGF
NBAF	KSA 74-8963	105,000,000		105,000,000	105,000,000		Tax - SGF
DWP - New office space	HB2354			1,665,000	1,665,000	1,665,000	Tax - SGF
DOA - Capitol Renovations	HB2372			38,000,000	38,000,000		Tax - SGF
		308,045,011	77,020,011	181,065,000	279,865,000	70,465,000	TOTAL Tax - SGF

CONTINUED NEXT PAGE

DESCRIPTION	AUTHORIZED BY (OR REAUTHORIZED)	BALANCE AT 06/30/08	ISSUED FY 2009	AUTHORIZED IN FY 2009 (OR REAUTHORIZED)	BALANCE AT 06/30/09	ISSUED YTD FY 2010	Repayment Security
KSU Child Care Facility	HB2354	6,000,000		6,000,000	6,000,000	5,000,000	User-Fee
KSU Renovation of Bramlage Coliseum & Bill Snyder Family Stadium	HB2354	45,000,000		45,000,000	45,000,000		User-Fee
KSU Renovation of Bramlage Coliseum & Bill Snyder Family Stadium	HB2354	24,000,000		24,000,000	24,000,000		User-Fee
KSU Housing (JARDINE)	HB2354	38,000,000		38,000,000	38,000,000		User-Fee
PSU - Parking Improvements	HB2354	4,000,000	4,000,000	4,000,000	0		User-Fee
PSU - Student Housing	HB2354	22,000,000	12,000,000	22,000,000	10,000,000		User-Fee
PSU - Student Health Center	HB2354	3,750,000	1,500,000	3,750,000	0		User-Fee
KUMC parking facilities 4	HB2354	8,550,000		9,200,000	9,200,000		User-Fee
KUMC ambulatory care facility	SB 534 Sec 153(f)	66,000,000			Lapsed		User-Fee
KUMC Remodel Clinical Research Center	HB2354			25,000,000	25,000,000		User-Fee
KUMC Renovate Hixon/Wahl Lab	HB2354			34,000,000	34,000,000		User-Fee
KU Renovation of Jayhawk Towers - Phase 1	HB2354	8,100,000	5,000,000	6,000,000	1,000,000		User-Fee
KU Renovation of Jayhawk Towers - Phase 2	HB2354			6,950,000	6,950,000		User-Fee
KU Renovation of Pearson Hall	HB2354	13,075,000		13,075,000	13,075,000		User-Fee
KU Construct Bldg #4 - Edwards Campus	HB2354			24,950,000	24,950,000		User-Fee
		238,475,000	22,500,000	261,925,000	237,175,000	5,000,000	TOTAL User-Fee
		549,720,011	99,520,011	446,190,000	520,240,000	75,465,000	GRAND TOTAL

This table does not take into account future plans for any other planned capital expenditure that has not already been authorized by the Legislature to be financed through debt issuance.

The projects identified in the table above are authorized to be financed through debt issuance. Certain projects may have already been financed, and the authorization represents unissued debt which may be issued, if necessary, to complete the project, or may contain remainder authorization that ultimately will not be needed or issued. In some instances, the agencies elect to pursue a different course, and debt may never be issued for an authorized project.

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As indicated by the sum total of the second to last column, \$75.465 million of the outstanding authorizations at the end of Fiscal Year 2009 had been issued in the first half of Fiscal Year 2010.

The estimated additional burden on the SGF in Fiscal Year 2011 from debt service if all of the SGF backed authorized debt was issued in Fiscal Year 2010 would be \$17.8 million which is about 0.3% of estimated Fiscal Year 2011 SGF revenue. This value was estimated using 20 year level debt service and an interest rate of 5% for the SGF authorizations indicated above except for the PEI Loan Program. For the PEI Loan Program, only \$20 million of the remaining \$60 million can be issued in Fiscal Year 2010; the program amortizes its debt over eight years; and, the SGF is only responsible for the repayment of interest.

Surrounding State Comparison

In July 2009, Moody's Investor Services published a report titled "State Debt Medians". With this report Moody's calculates a handful of debt ratios for all fifty states and tabulates the results listing all the states in order for the various ratios. In the 2009 report the following data can be found for Kansas and surrounding states for comparison:

State	Net Tax-Supported Debt ⁽¹⁾ Per Capita	Rank	Net Tax-Supported Debt as a % of 2007 Personal Income	Rank	Moody's Rating
Kansas	\$1,164	17 (up 1)	3.2%	19 (down 1)	Aa1 ⁽²⁾
Oklahoma	\$511	39	1.5%	37	Aa3
Colorado	\$340	45	0.8%	45	NGO ⁽³⁾
Nebraska	\$17	50	0.0%	50	NGO ⁽³⁾
Iowa	\$79	49	0.2%	48	Aa1 ⁽²⁾
Missouri	\$670	35	2.0%	33	Aaa
Surrounding Average	\$464		1.3%		
US Average	\$1,195		3.1%		

Notes: (1) Moody's defines Net Tax-Supported Debt to include some User-Fee Supported Debt. In the case for Kansas, this figure includes SGF backed debt, all other Tax-Supported debt including KDOT debt, and the majority of User-Fee Supported Debt. A similar S&P's study yields consistent results

(2) Issuer Credit Rating

(3) No General Obligation Rating

While Kansas's ratios are measurably higher than the surrounding state group's, *it is important to note that Moody's rating, which is an "all in" measure of a state's ability and willingness to pay its obligations on time, is consistent with the surrounding state group.* Further, different states make different financing choices which leads to variations in the level of services provided by the state and the condition of the state's infrastructure.

Kansas's ability and cost to using debt as a financing tool is determined by our credit rating not by the ranking in this study. In fact, while Oklahoma's per capita rankings are much lower than Kansas', their credit rating is two notches lower. Further, Iowa's per capita rankings are near the bottom of the rankings but has the same credit rating as Kansas.

h-r-e

Review of Credit Ratings

Credit ratings are the rating agencies' assessments of a governmental entity's ability and willingness to repay debt on a timely basis. Credit ratings are an important indicator in the credit markets and influence interest rates a borrower must pay. Each of the rating agencies believe that debt management generally, and this debt report in particular, are positive factors in assigning credit ratings.

Kansas is a strong credit as reflected in our AA+ and Aa1 ratings from S&P and Moody's respectively. There are several factors which rating agencies analyze in assigning credit ratings: financial factors, economic factors, debt factors, and administrative / management factors. Weakness in one area may well be offset by strength in another. However, significant variations in any single factor can influence a bond rating.

The outlook for the State's credit rating is stable. The rating agencies note that the State's debt burden has increased in recent years. However, the debt burden is still considered low to moderate at the current level. Positive factors listed in the rating reports include: strong management; low liability for other post-employment benefits; relatively diverse economic base; and, historically conservative fiscal management. However, challenges to the State's rating are presented by: spending pressures and revenue slowdown; use of non-recurring fiscal measures; and, suspension of the statutory reserve requirement.

Both Moody's and S&P most recent rating reports are as of August 2009. Since then the State's revenue and budget forecasts have continued to decline. All the major rating agencies have taken some rating actions against states or municipalities that have been more profoundly affected by our current economic cycle. Since Kansas is also experiencing these economic cycles it is certainly possible that S&P or Moody's could take rating actions against the State of Kansas.

User-Fee Supported Debt

Source of Repayment: revenues generated from the operation of the associated facilities that were financed by the debt issuance. These obligations are not secured by traditional State tax revenues. None of this debt is secured by a general obligation pledge or an annual appropriation by the Legislature of State revenues.

Series	Title	Balance 6/30/09
E, 1989	Kansas Board of Regents - Emporia State University Memorial Union Renovation Project	131,000
K, 1995	Kansas Board of Regents - Kansas State University Farrell Library Expansion Project	2,020,000
1997C	Kansas Board of Regents - University of Kansas Regents Center Refunding Project	550,000
1998B	Kansas Board of Regents - Kansas State University Student Union Renovation and Expansion Project	5,690,000
1998D	Kansas Board of Regents - University of Kansas Housing System Renovation Project - Lewis Hall Project	3,100,000
1998E	Kansas Board of Regents - Pittsburg State University Housing System Renovation Project - Willard Hall Project	3,715,000
1998H	Kansas Board of Regents - University of Kansas Continuing Education Building Purchase Project	930,000
1998P	Kansas Board of Regents - Pittsburg State University Horace Mann Administration Building Renovation Project	2,410,000
1999B	Kansas Board of Regents - University of Kansas Medical Center - Center for Health in Aging Project	1,920,000
1999C	Kansas Board of Regents - University of Kansas Child Care Facility Construction Project	2,045,000
1999D	Kansas Board of Regents - University of Kansas Parking Garage #2 Construction Project	4,310,000
2000B	Kansas Board of Regents - Wichita State University Parking System Project	3,095,000
2000D	Kansas Board of Regents - Kansas State University Ackert Hall Addition Project	935,000
2001B	Kansas Board of Regents - Emporia State University Student Recreation Facility Project	1,985,000
2001G-1	Kansas Board of Regents - Kansas State University - Salina, College of Technology Housing System Project	420,000
2001G-2	Kansas Board of Regents - Kansas State University Recreation Complex Expansion Project	2,925,000
2001G-3	Kansas Board of Regents - Emporia State University - Residence Hall Project	-
2001G-4	Kansas Board of Regents - University of Kansas Lawrence Campus Parking Facilities Project	-
2001T-1	Kansas Board of Regents - University of Kansas Bioscience Research Center Project	4,370,000
2001T-2	Kansas Board of Regents - University of Kansas Student Union Renovation Project	1,775,000
2002A-1	Kansas Board of Regents - University of Kansas Housing System Renovation Project- Ellsworth Hall	9,740,000
2002A-2	Kansas Board of Regents - University of Kansas Student Recreation and Fitness Center Project	9,280,000
2002K	Kansas Board of Regents - University of Kansas Edwards Campus Project	5,120,000
2002P	Kansas Board of Regents - Wichita State University Housing System Renovation Project	9,235,000
2003A	Kansas Board of Regents - Pittsburg State University Overman Student Center Renovation Project	2,055,000
2003C	Kansas Board of Regents - Scientific Research & Development Facilities Project - \$72,670,000	-
2003C	Kansas Board of Regents - Scientific Research & Development Facilities Project - KSU Food Safety	20,172,795
2003C	Kansas Board of Regents - Scientific Research & Development Facilities Project - KUMC Biomedical Research	30,809,861
2003C	Kansas Board of Regents - Scientific Research & Development Facilities Project - KU Biosciences Research	1,125,000
2003C	Kansas Board of Regents - Scientific Research & Development Facilities Project - WSU Engineering Complex	1,677,871
2003D-1	Kansas Board of Regents - Fort Hays State University Housing System Refunding & Renovation Project (refunds 1994E)	4,435,000
2003D-2	Kansas Board of Regents - Fort Hays State University Housing System Lewis Field Stadium Renovation Project (refunds 1993C)	790,000
2003J	State of Kansas Projects - \$40,235,000	-
2003J-1	Kansas Board of Regents - Energy Conservation Projects - KUMC	11,085,000
2003J-1	Kansas Board of Regents - Energy Conservation Projects - KSU	17,310,000
2004D	Kansas Board of Regents Pittsburg State University Housing System Renovation Project - Bonita Terrace Apartments	1,055,000
2005A	Kansas State University Housing System, Manhattan Campus - Jardine	41,935,000
2005D	Kansas Board of Regents - Scientific Research & Development Facilities Project - Phase II - \$66,530,000	-
2005D	Kansas Board of Regents - Scientific Research & Development Facilities Project - KSU	14,224,579
2005D	Kansas Board of Regents - Scientific Research & Development Facilities Project - KUMC	15,195,833
2005D	Kansas Board of Regents - Scientific Research & Development Facilities Project - Aviation Research Facility	-
2005D	Kansas Board of Regents - Scientific Research & Development Facilities Project - WSU	7,661,430
2005D	Kansas Board of Regents - Scientific Research & Development Facilities Project - PSU	2,481,648
2005E-1	Kansas Board of Regents - University of Kansas Housing System Refunding	14,965,000
2005E-2	Kansas Board of Regents - University of Kansas Medical Center - Parking Garage #3	2,955,000
2005F	Kansas Board of Regents - Emporia State University Towers Residential Complex Imprvmt. Proj.	8,580,000
2005G-1	Kansas Board of Regents - Fort Hays State University Memorial Union Renov.-(Tax-Exempt)	7,205,000
2005G-2	Kansas Board of Regents - Fort Hays State University Memorial Union Renov.-(Taxable)	-
2006B	Kansas Board of Regents - KU Parking Facilities Proj.	9,650,000
2007A	Kansas Board of Regents - Kansas State University Housing System, Manhattan Campus Project, Jardine Apartments	26,855,000
2007E	Kansas Board of Regents - University of Kansas Student Recreation Center	5,855,000
2007H	Kansas Board of Regents - Kansas State University Parking System	17,520,000
2007M	Kansas Law Enforcement Training Center	17,550,000
2008D	Kansas Board of Regents - Kansas State University Salina Campus Project	1,600,000
2009G	Kansas Board of Regents - Pittsburg State University Student Health System	825,000
2009H	Kansas Board of Regents - Pittsburg State University Housing System	14,630,000
2009J	Kansas Board of Regents - Pittsburg State University Parking System	4,545,000
	total	380,450,017

Note: Series 2003C and 2005D are hybrid credits in that debt service for the bonds is secured partially by appropriations from the SGF and partially by university research revenue. The pro rata portion of the debt that is the responsibility of the universities' research revenues is presented on this table. The pro rata portion of the debt that is the responsibility of the SGF is presented on the Tax-Supported Debt - State General Fund Table.

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Self-Supporting Debt

Source of Repayment: Loan agreements with city and county governments in the State. None of this debt is secured by a general obligation pledge or an annual appropriation by the Legislature of State revenues.

<u>Series</u>	<u>Title</u>	<u>Balance 6/30/09</u>
1997 Series 1	Kansas Department of Health and Environment - Public Water Supply Revolving Loan Fund State Match Bonds	820,000
1997 Series 2	Kansas Department of Health and Environment - Public Water Supply Revolving Loan Fund Leveraged Bonds	12,005,000
1998 Series 1	Kansas Department of Health and Environment - Public Water Supply Revolving Loan Fund State Match Bonds	1,050,000
1998 Series 2	Kansas Department of Health and Environment - Public Water Supply Revolving Loan Fund Leveraged Bonds	12,055,000
1998 Series II	Kansas Department of Health and Environment - Water Pollution Control Revolving Loan Fund Leveraged Bonds	26,710,000
2000 Series I	Kansas Department of Health and Environment - Water Pollution Control Revolving Loan Fund State Match Bonds	1,220,000
2000 Series II	Kansas Department of Health and Environment - Water Pollution Control Revolving Loan Fund Leveraged Bonds	7,020,000
2000 Series 1	Kansas Department of Health and Environment - Public Water Supply Revolving Loan Fund State Match Bonds	585,000
2000 Series 2	Kansas Department of Health and Environment - Public Water Supply Revolving Loan Fund Leveraged Bonds	16,685,000
2001 Series I	Kansas Department of Health and Environment - Water Pollution Control Revolving Loan Fund State Match Bonds	7,555,000
2001 Series II	Kansas Department of Health and Environment - Water Pollution Control Revolving Loan Fund Leveraged Bonds	108,345,000
2002 Series 1	Kansas Department of Health and Environment - Public Water Supply Revolving Loan Fund State Match Bonds	3,375,000
2002 Series 2	Kansas Department of Health and Environment - Public Water Supply Revolving Loan Fund Leveraged Bonds	19,425,000
2002 Series II	Kansas Department of Health and Environment - Water Pollution Control Revenue Bonds	55,370,000
2004 Series I	Kansas Department of Health and Environment - Water Pollution Control Revolving Loan Fund State Match Bonds	1,000,000
2004 Series II	Kansas Department of Health and Environment - Water Pollution Control Revolving Loan Fund Leveraged Bonds	42,950,000
2004 Series II	Kansas Department of Health and Environment - Water Pollution Control Revolving Loan Fund Refunding	2,190,000
2004 Series 2	KDHE Drinking Water - Leveraged	86,810,000
2004 Series 2	KDHE Drinking Water - Leveraged Refunding	67,540,000
2004 Series 1	KDHE Drinking Water - State Match Refunding	6,080,000
2005 CW-I	KDHE Clean Water - State Match I (New & Refunding)	3,850,000
2005 CW-II	KDHE Clean Water - Leveraged II (New & Refunding)	99,605,000
2005 TR	Kansas Dept. of Transportation Revolving Loan Fund	28,455,000
2006 TR	Kansas Dept. of Transportation Revolving Loan Fund	21,595,000
2008A	KBOR - Post Secondary Educational Institutional Loan Program	17,500,000
2008G	KDOT Communication System Lease Program	12,757,600
2008DW	KDHE - Public Water Supply Revolving Loan Fund	36,445,000
2008CW	KDHE - Water Pollution Control Revolving Loan Fund	66,545,000
2009C	KBOR - Post Secondary Educational Institutional Loan Program	20,000,000
2009 TR	Kansas Dept. of Transportation Revolving Loan Fund	30,950,000
	total	816,492,600

Tax-Supported Debt		
Other		
Source of Repayment: Specific revenue fund OTHER THAN the State General Fund (SGF).		
Series	Title	Balance 6/30/09
1998L	Memorial Hall	3,480,000
1999N	DOA 7th & Harrison (partially refunded by 2002J)	350,000
1997G-1	Kansas Board of Regents - Comprehensive Rehabilitation and Repair Project	1,062,161
2001D	JJA Larned and Topeka Juvenile Correctional Facilities	34,975,000
2001F	Kansas Board of Regents - Comprehensive Rehabilitation and Repair Project	9,195,000
2001J	JJA Juvenile Correctional Facilities (Refunds 1992H)	1,760,000
2001M	Kansas Department of Commerce and Housing - IMPACT Program Project	8,075,000
2001W	Series 2001W State of Kansas Projects: (49,865,000.00)	
2001W-1	HR Acquisition & Renovation	905,000
2001W-2	KDHE Vital Statistics	800,000
2002H	DHR Acquisition & Renovation Project - 1430 Building (legally changed to DOL)	2,715,000
2002J	DOA 7th & Harrison State Office Project (Partially refunds 1999N)	29,595,000
2002N-1	SRS Larned State Hospital	38,815,000
2002N-2	KHP Fleet Operations Project	2,665,000
2004A	State of Kansas Projects - \$50,730,000	
2004A-1	Dept of Social and Rehabilitation Services - Renovation & Repairs	27,500,000
2004A-3	Kansas Highway Patrol - Facility Acquisition Project	265,000
2004F	Kansas Board of Regents-Comprehensive Rehab & Renov - \$44,860,000	
2004F	Comp Rehab & Renov - Crumbling Classrooms	500,000
2004F	Comp Rehab & Renov - 1997G-1 Refunding	10,325,000
2004F	Comp Rehab & Renov - 1997G-2 Refunding	20,690,000
2005H	State of Kansas Projects - \$88,175,000	
2005H-2	Dept. of Human Resources (DOL) - Unemployment Benefit System	15,525,000
2005N	Kansas Dept. of Commerce-IMPACT Program Proj.	17,750,000
2007F	Kansas Department of Commerce - IMPACT Program Project	28,945,000
2009F	Kansas Department of Commerce - IMPACT Program Project	49,425,000
	total	305,317,161

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Tax-Supported Debt		
State General Fund		
Source of Repayment: State General Fund (SGF)		
Series	Title	Balance 6/30/09
1996J	Energy	70,000
1999A-1	DOC El Dorado and Larned	7,250,000
1999A-2	DOC Ellsworth and Labette	150,000
1999H	DOC El Dorado Reception	2,375,000
2000V	DOA State Capitol Restoration Project, Phase I-A	2,175,000
2001L	DOA (PBC Digital Conversion) Redeems 2001C	4,215,000
2001O	DOA State Building Renovation Projects	6,800,000
2001W	Series 2001W State of Kansas Projects: (49,865,000.00)	
2001W-3	Kansas Fairgrounds Renovation	13,485,000
2001W-4	DOA Judicial Center Improvements	660,000
2001W-5	DOA State Capitol Restoration	20,965,000
2002C	DOA State Capitol Parking	12,090,000
2003C	Kansas Board of Regents - Scientific Research & Development Facilities Project - \$72,670,000	
2003C	Kansas Board of Regents - Scientific Research & Development Facilities Project - KSU Food Safety	2,312,205
2003C	Kansas Board of Regents - Scientific Research & Development Facilities Project - KUMC Biomedical Research	5,290,139
2003C	Kansas Board of Regents - Scientific Research & Development Facilities Project - KU Biosciences Research	
2003C	Kansas Board of Regents - Scientific Research & Development Facilities Project - Aviation Research Facility	1,280,000
2003C	Kansas Board of Regents - Scientific Research & Development Facilities Project - WSU Engineering Complex	627,129
2003H	Kansas Public Employees Retirement System - KPERs 13th Check Group	14,190,000
2003H	Kansas Public Employees Retirement System - TIAA Group - Board of Regents and KU Hospital Authority	7,985,000
2004A	State of Kansas Projects - \$50,730,000	
2004A-2	Kansas State Fairgrounds - Renovation Project	9,040,000
2004C	Kansas Public Employees Retirement System	489,930,000
2004G-1	DOA Capitol Restoration Project - Phase II	15,885,000
2004G-2	Dept of Admin Refunding Revenue Bond Project (KBI)	300,000
2005D	Kansas Board of Regents - Scientific Research & Development Facilities Project - Phase II - \$66,530,000	
2005D	Kansas Board of Regents - Scientific Research & Development Facilities Project - KSU	1,630,421
2005D	Kansas Board of Regents - Scientific Research & Development Facilities Project - KUMC	2,609,167
2005D	Kansas Board of Regents - Scientific Research & Development Facilities Project - Aviation Research Facility	6,075,000
2005D	Kansas Board of Regents - Scientific Research & Development Facilities Project - WSU	2,863,570
2005D	Kansas Board of Regents - Scientific Research & Development Facilities Project - PSU	518,352
2005H	State of Kansas Projects - \$88,175,000	
2005H-1	Dept. of Admin. - Capitol Restoration Phase III	27,250,000
2005H-1	Dept. of Admin. - Refunding Capitol Restoration (2000V)	7,180,000
2005H-3	Adjutant General - Refunding Armories Reonv.-BAN	5,440,000
2005H-3	Adjutant General - Refunding Armories Reonv. Phase II (2000T)	1,135,000
2005H-3	Adjutant General - Refunding Armories Reonv. Phase II (2001W-6)	1,215,000
2005H-3	Adjutant General - Refunding Armories Reonv. Phase III (2003J-2)	4,610,000
2005H-3	Adjutant General - Refunding Armories Reonv. Phase IV (2004A-4)	4,690,000
2005H-4	Dept. of Admin. - Public Broadcasting Council	1,540,000
2005H-5	Dept. of Corrections - Refunding El-Dorado Facility (1999H)	10,155,000
2006A	Kansas Dept. of Administration - Comprehensive Transportation Program (Reimbursement)	195,745,000
2006L	State of Kansas Projects - \$13,210,000	
2006L-1	Dept. of Admin - Capitol Restoration Phase IV	6,640,000
2006L-2	Kansas Board of Regents - Pittsburg State University Joint Armory Proj	3,905,000
2006L-3	Adjutant General - Pittsburg State Armory Project	1,410,000
2007K	State of Kansas Projects	
2007K-1	Dept. of Admin. - Capitol Restoration Phase V	26,635,000
2007K-2A	Adjutant General - Training Center	8,880,000
2007K-2B	Adjutant General - Refunding Armories Reonv.-BAN	3,075,000
2007K-3	Dept. of Corrections - Renovations	18,985,000
2008L	State of Kansas Projects	
2008L-1	Dept. of Admin. - Capitol Restoration Phase VI	38,995,000
2008L-2	Adjutant General - Refunding Armories Reonv.-BAN	3,195,000
2008L-3	Dept. of Corrections - Refunding BAN	1,075,000
2008L-4	KU School of Pharmacy	21,070,000
2009A&B	State General Fund - Debt Restructure	4,340,000
	total	1,027,935,983

Note: Series 2003C and 2005D are hybrid credits in that debt service for the bonds is secured partially by appropriations from the SGF and partially by university research revenue. The pro rata portion of the debt that is the responsibility of the SGF is presented on this table. The pro rata portion of the debt that is the responsibility of the universities' research revenue is presented on the User-Fee Supported Table.

Tax-Supported Debt		
Highway Fund (KDOT)		
Source of Repayment: motor fuel taxes, vehicle registration fees, sales taxes and federal aid reimbursements.		
<u>Series</u>	<u>Title</u>	<u>Balance 6/30/09</u>
1998	State of Kansas - Department of Transportation - Highway Revenue Refunding Bonds	46,670,000
2000 B & C	State of Kansas - Department of Transportation - Adjustable Tender Highway Revenue Bonds	200,000,000
2002 A	State of Kansas - Department of Transportation - Adjustable Tender Highway Revenue Bonds	55,915,000
2002 B & C	State of Kansas - Department of Transportation - Highway Revenue Bonds	320,005,000
2002 D	State of Kansas - Department of Transportation - Adjustable Tender Highway Revenue Bonds	67,840,000
2003 A & B	State of Kansas - Department of Transportation - Highway Revenue Refunding Bonds	248,190,000
2004 A	State of Kansas - Department of Transportation - Highway Revenue Bonds	250,000,000
2004 B	State of Kansas - Department of Transportation - Adjustable Tender Highway Revenue Bonds	200,000,000
2004 C	State of Kansas - Department of Transportation - Adjustable Tender Highway Revenue Bonds	147,000,000
2008 A	State of Kansas - Department of Transportation - Highway Revenue Bonds	150,870,000
	total	1,686,490,000

Special Comment

Moody's
U.S. Public Finance

July 2009

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Report
Based on 2008 Data

Summary Opinion

State net tax-supported debt increased by 4.8% in 2008 to \$416.8 billion (see Figure 1), a slight decrease from the 5.1% growth rate in 2007. The slower growth in net tax-supported debt resulted from the disruption in the bond markets during the fall of 2008, which halted or significantly reduced issuance of debt by most states for an interim period.

At the same time, median net tax-supported debt per capita decreased by 2.6% to \$865 from the preceding year's median of \$889, reflecting reductions in debt burden among some states. This resulted in a lower debt burden distribution for states and ultimately a lower debt median. This year-over-year change was significantly lower than the prior year's 12.9% increase, again reflecting market disruption during the last quarter of 2008 as well as a slow down in issuance as states anticipated receiving capital funding from the federal government as a part of the stimulus bill.

During the first half of 2008, states continued to benefit from a favorable interest rate environment, and issued debt to finance ongoing infrastructure projects as usual. While the refinancing of auction rate securities and interest rate conversions were major drivers of bond issuance volume during the second half of the year, this activity did not add debt to state balance sheets as it was only the nature of the outstanding debt that was modified.

For 2009, state debt issuance (which will be the basis of the 2010 Debt Median analysis) will likely increase as a result of stabilizing bond markets, pent up market demands, and the impact of the Federal American Recovery and Reinvestment Act which includes provisions to encourage municipal debt issuance. The current year will also see an increase in state reliance on long-term financing to alleviate budget strain resulting from the economic recession.



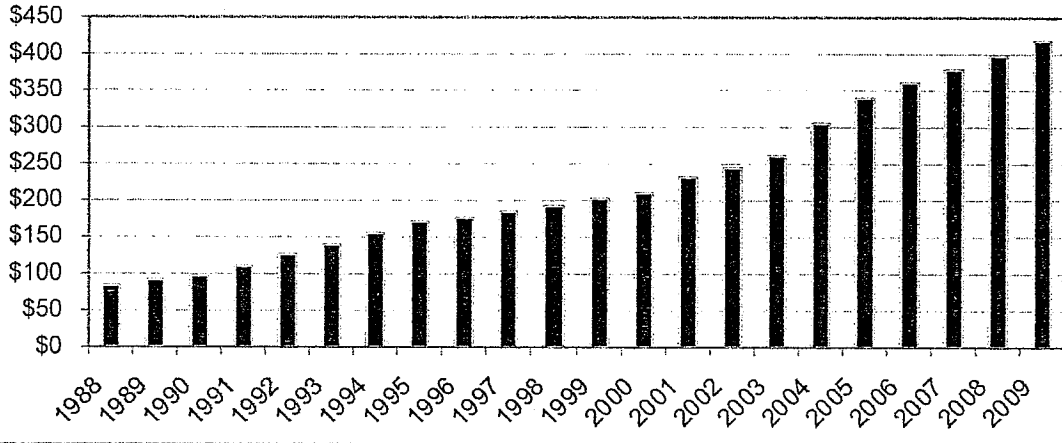
Moody's Investors Service

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2009 State Debt Medians

Figure 1

Total Net Tax-Supported Debt of the 50 States (\$B)



Every year, Moody's prepares a special comment that presents an analysis of state debt medians. The 2009 Debt Medians report examines the condition of net state tax-supported debt as of calendar year-end 2008. As in prior years, the data presented in figures 1, 2, and 3 reflect the historical trend up to the immediately preceding year's state debt issuance while the data point label corresponds to the year in which the report is produced (i.e. The data labeled 2009 reflect debt as of calendar year-end 2008). Two measures of state debt burden – debt per capita and debt as a percentage of personal income – are commonly used by analysts to compare the debt burden of one state to another. Debt burden is one of many factors that Moody's uses to determine state credit quality. In considering debt burden, Moody's also examines gross debt, which includes contingent debt liabilities that may not have direct tax support, but are included in audited financial statements.

Growth of Net Tax-Supported Debt Slows

State tax-supported debt increased by 4.8% in 2008 to \$416.8 billion, slightly lower than the 5.1% rate of increase recorded in the previous year. The slower rate of growth is reflective of the contrasting market conditions between 2008 and 2007. State debt issuance in 2007 benefited from a favorable interest rate environment and significant infrastructure capital spending. Debt issuance in 2008 was impacted by a combination of factors, starting with the downgrade of collateralized mortgage obligations brought on by the softening real estate market and, ultimately the merger or, in the case of Lehman Brothers, bankruptcy in September 2008 of some of the world's largest investment banks. As balance sheets weakened, municipal bond insurers were downgraded, requiring collateral posting by issuers with insured floaters and auction rate securities in their portfolios. Variable rate bonds were put back to banks and issuers, suddenly burdened by bank bond rates, began to restructure their debt portfolios with more fixed rate debt. This activity was unprecedented, but did not add to debt burdens; only the character of the debt was modified, as issuers converted much of their existing variable rate debt to fixed rate.

During the first half of 2008, states continued to address transportation needs through bond issuance. Idaho increased its issuance of Grant and Revenue Anticipation Vehicles (GARVEEs), bonds issued for transportation purposes which are backed by federal highway aid revenues. As a result of its \$354 million GARVEE debt issued during calendar year 2008 (Series 2008A and Series 2009A), the State of Idaho's net-tax supported debt increased 47%. However, the state still enjoys the benefits of one of the lowest debt burdens relative to the other states; Idaho ranked a low 43rd out of 50 in total net-tax supported debt at 2008 year-end.

States also issued bonds for budgetary relief. The State of California issued \$3.2 billion of Economic Recovery Bonds to provide budgetary relief for the state during one of the arguably most fiscally challenging periods for the state. One of the largest debt issues in 2008 was the State of Connecticut's \$2 billion pension obligation

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2009 State Debt Medians

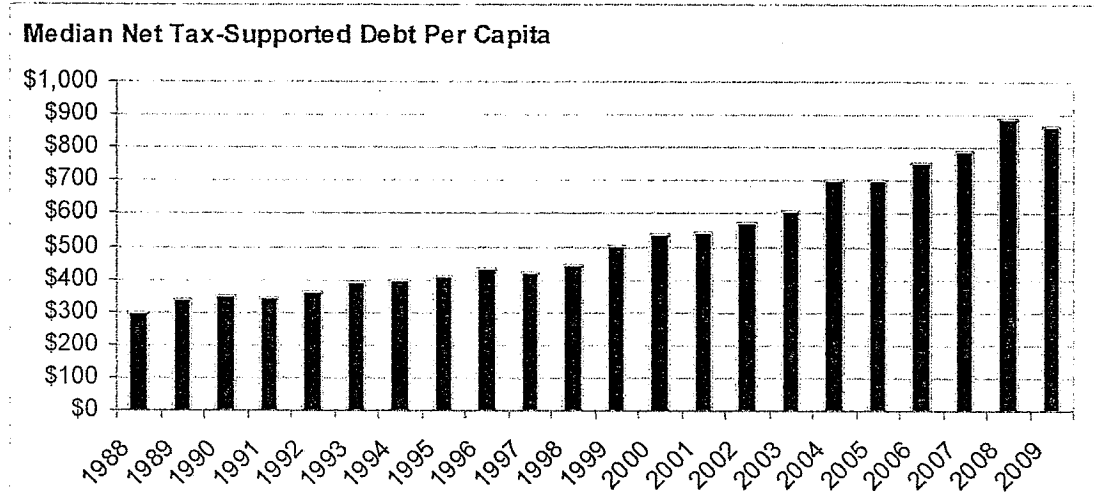
bonds. The state issued these taxable bonds to address the significant unfunded liability in the state teacher's retirement system. The \$2 billion sale contributed to the state's 21% increase in net-tax supported debt.

Median Decline Reflects Change in Debt Per Capita in Certain States

Median net tax-supported debt per capita at calendar year-end 2008 declined by 2.6% to \$865 (see Figure 2). While total net tax-supported debt increased at a slightly slower growth rate than in 2007, changes in debt burden among certain states pushed debt per capita downward and resulted in a skewed distribution relative to the median. While a handful of states sold large amounts of bonds contributing to the overall growth of total net tax-supported debt like the aforementioned State of California's \$3.2 billion of Economic Recovery Bonds and the State of Connecticut's \$2 billion of Pension Obligation Bonds, the majority of states experienced declines in total debt burden.

Most of the decline in total net tax-supported debt burden can be attributed to the disruption in 2008 debt market conditions. However, some states experienced a decline in net tax-supported debt for other reasons. For example, the State of Louisiana's net tax-supported debt burden declined by a notable 11% as a result of an overstatement of the state's 2007 net tax-supported debt. Other states which have experienced a decline in total net tax-supported debt, for reasons other than a disruption in the 2008 debt market conditions include Alabama, Iowa, and Utah. In Alabama, the decline in net tax-supported debt was a result of the state's largest debt-issuing agency, the Public School and College Authority, issuing only about \$50 million of debt, down from \$1 billion the prior year. At the same time, the state continued to amortize principal, reducing its debt burden by 7.7%. The State of Iowa, which historically has one of the lowest debt burdens of all states due to a constitutional limitation on issuance of general obligation debt, did not issue any debt in calendar year 2008, while amortizing roughly 19% of outstanding net tax-supported debt (primarily certificates of participation). Similarly, the State of Utah refrained from issuing any debt during calendar year 2008 while continuing its trend of rapid amortization, reducing outstanding net tax-supported debt in the state by 15%.

Figure 2



Median net tax-supported debt, as a percent of personal income, decreased in 2008 by one-tenth of a percentage point to 2.5% from 2.6% in the prior year. However, there were two states, Arizona and Connecticut, for which the net tax-supported debt as a percent of personal income shifted one-half a percent or more. Arizona's net tax-supported debt increased by \$1.2 billion; over 60% of that increase was related to increased issuance of appropriation-backed debt to fund capital projects, mostly K-12 school facilities. Additional debt issued for transportation-related projects accounted for almost 20% of the increase. In addition, a portion of the increase related to a change in the classification of certain outstanding debt to net tax-supported debt for the first time. The State of Connecticut experienced an increase as a result of the \$2

28-6

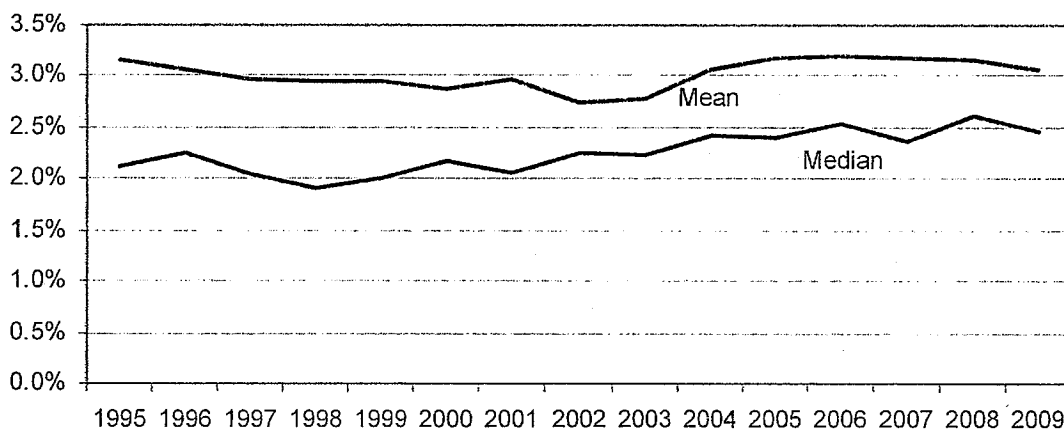
2009 State Debt Medians

billion pension obligation bond issuance mentioned earlier. States where the net-tax-supported debt as a percent of personal income decreased by half a percentage point or more include Hawaii, Illinois, Louisiana, and Massachusetts. In general, the decline is attributable to less borrowing in 2008 while continuing to amortize debt previously issued. However, in Massachusetts the decline is due to both the amortization of debt as well as a 4% increase in 2007 personal income growth for the commonwealth.

Mean net tax-supported debt, as a percent of personal income, at approximately 3.1% was relatively stable compared to the prior year. Average mean net tax-supported debt, as a percent of personal income, from 1995 to 2008 remains unchanged at 3.0% (see Figure 3).

Figure 3

Net Tax-Supported Debt as Percent of Personal Income



2009 State Debt Outlook: Debt Issuance Expected to Increase

State debt issuance in 2009 is expected to be particularly robust as pent up demand for municipal securities increases. States are also in the midst of a national recession which is causing significant negative pressure on state finances. As state-source revenues decline, the need to use long-term debt to fund capital needs will increase. Additionally, the passage of the federal American Reinvestment and Recovery Act (federal stimulus) has created opportunities in the municipal bond market for additional debt issuance. The Build America Bond (BAB) program allows the issuance of taxable debt with either an interest subsidy for the benefit of the issuer or a tax credit to benefit the investor. States such as California, Indiana and North Carolina have already utilized the BABs debt structure. California issued over \$5 billion of general obligation BABs, Indiana issued \$193 million for economic development and the North Carolina Turnpike Authority issued \$115 million of BABs to benefit transportation.

In many states, the economic slowdown and the low interest rate environment may provide the impetus to accelerate debt sales this calendar year to spur economic activity and bolster employment. For example, the State of Iowa plans to issue debt as a way to increase economic activity in the state. Other states will restructure debt or opt to finance capital projects instead of paying for construction from operations to provide budgetary relief as the recession continues to put downward pressure on state-source revenues.

2009 State Debt Medians

**Table 1: Net Tax-Supported Debt
Per Capita**

		(\$)	Rating
1	Connecticut	\$4,490	Aa3
2	Massachusetts	\$4,323	Aa2
3	Hawaii	\$3,675	Aa2
4	New Jersey	\$3,621	Aa3
5	New York	\$2,921	Aa3
6	Delaware	\$2,128	Aaa
7	Washington	\$2,087	Aa1
8	Illinois	\$1,877	A1
9	Rhode Island	\$1,812	Aa3
10	California	\$1,805	Baa1
11	Oregon	\$1,606	Aa2
12	Maryland	\$1,507	Aaa
13	Mississippi	\$1,478	Aa3
14	Kentucky	\$1,477	Aa2*
15	Wisconsin	\$1,429	Aa3
16	New Mexico	\$1,394	Aa1
17	Kansas	\$1,164	Aa1*
18	Louisiana	\$1,164	A1
19	Florida	\$1,115	Aa1
20	West Virginia	\$1,050	Aa3
21	Georgia	\$984	Aaa
22	Ohio	\$962	Aa2
23	Pennsylvania	\$950	Aa2
24	South Carolina	\$899	Aa1
25	Minnesota	\$866	Aa1
26	Nevada	\$865	Aa2
27	Alaska	\$861	Aa2
28	North Carolina	\$832	Aa1
29	Arizona	\$807	Aa3
30	Alabama	\$796	Aa2
31	Virginia	\$782	Aaa
32	Michigan	\$766	Aa3
33	Maine	\$743	Aa3
34	Vermont	\$692	Aaa
35	Missouri	\$670	Aaa
36	New Hampshire	\$525	Aa2
37	Texas	\$520	Aa1
38	Idaho	\$513	Aa2*
39	Oklahoma	\$511	Aa3
40	Indiana	\$482	Aa1*
41	Utah	\$447	Aaa
42	Montana	\$391	Aa2
43	Arkansas	\$375	Aa2
44	North Dakota	\$356	Aa2*
45	Colorado	\$340	NGO**
46	South Dakota	\$274	NGO**
47	Tennessee	\$233	Aa1
48	Wyoming	\$84	NGO**
49	Iowa	\$79	Aa1*
50	Nebraska	\$17	NGO**
	MEAN:	\$1,195	
	MEDIAN:	\$865	
	Puerto Rico	\$33,489***	Baa3

* Issuer Rating (No G.O. Debt)

** No General Obligation Debt

*** This figure is not included in any totals, averages, or median calculations but is provided for comparison purposes only.

**Table 2: Net Tax-Supported Debt
as a % of 2007 Personal Income**

1	Hawaii	9.4%
2	Massachusetts	8.9%
3	Connecticut	8.2%
4	New Jersey	7.3%
5	New York	6.3%
6	Delaware	5.4%
7	Mississippi	5.2%
8	Washington	5.1%
9	Kentucky	4.8%
10	Oregon	4.6%
11	Illinois	4.6%
12	Rhode Island	4.5%
13	New Mexico	4.6%
14	California	4.4%
15	Wisconsin	4.0%
16	Louisiana	3.3%
17	West Virginia	3.6%
18	Maryland	3.3%
19	Kansas	3.2%
20	Georgia	3.0%
21	South Carolina	2.9%
22	Florida	2.9%
23	Ohio	2.8%
24	North Carolina	2.5%
25	Arizona	2.5%
26	Alabama	2.5%
27	Pennsylvania	2.5%
28	Maine	2.2%
29	Michigan	2.2%
30	Nevada	2.2%
31	Alaska	2.2%
32	Minnesota	2.1%
33	Missouri	2.0%
34	Virginia	1.9%
35	Vermont	1.8%
36	Idaho	1.6%
37	Oklahoma	1.5%
38	Utah	1.5%
39	Indiana	1.5%
40	Texas	1.4%
41	New Hampshire	1.3%
42	Arkansas	1.3%
43	Montana	1.2%
44	North Dakota	1.0%
45	Colorado	0.8%
46	South Dakota	0.8%
47	Tennessee	0.7%
48	Iowa	0.2%
49	Wyoming	0.2%
50	Nebraska	0.0%
	MEAN:	3.1%
	MEDIAN:	2.5%
	Puerto Rico	66.3% ***

** This figure is based on 2006 Personal Income. It is not included in any totals, averages, or median calculations but is provided for comparison purposes only.

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Table 3: Total Net Tax Supported Debt (000's)

			Rating
1	California	\$66,363,000	Baa1
2	New York	\$56,931,275	Aa3
3	New Jersey	\$31,438,000	Aa3
4	Massachusetts	\$28,093,304	Aa2
5	Illinois	\$24,212,758	A1
6	Florida	\$20,444,760	Aa1
7	Connecticut	\$15,720,999	Aa3
8	Washington	\$13,666,660	Aa1
9	Texas	\$12,646,297	Aa1
10	Pennsylvania	\$11,828,000	Aa2
11	Ohio	\$11,048,935	Aa2
12	Georgia	\$9,531,999	Aaa
13	Maryland	\$8,488,700	Aaa
14	Wisconsin	\$8,042,593	Aa3
15	North Carolina	\$7,670,275	Aaa
16	Michigan	\$7,663,085	Aa3
17	Kentucky	\$6,307,670	Aa2*
18	Oregon	\$6,086,283	Aa2
19	Virginia	\$6,073,123	Aaa
20	Arizona	\$5,244,025	Aa3
21	Louisiana	\$5,134,681	A1
22	Hawaii	\$4,734,558	Aa2
23	Minnesota	\$4,520,242	Aa1
24	Mississippi	\$4,343,504	Aa3
25	South Carolina	\$4,029,181	Aaa
26	Missouri	\$3,962,015	Aaa
27	Alabama	\$3,708,729	Aa2
28	Kansas	\$3,262,201	Aa1*
29	Indiana	\$3,071,435	Aa1*
30	New Mexico	\$2,766,631	Aa1
31	Nevada	\$2,248,486	Aa2
32	West Virginia	\$1,904,674	Aa3
33	Rhode Island	\$1,903,690	Aa3
34	Oklahoma	\$1,862,786	Aa3
35	Delaware	\$1,858,100	Aaa
36	Colorado	\$1,679,747	NGO**
37	Tennessee	\$1,448,350	Aa1
38	Utah	\$1,222,504	Aaa
39	Arkansas	\$1,069,787	Aa2
40	Maine	\$978,008	Aa3
41	Idaho	\$781,837	Aa2*
42	New Hampshire	\$691,062	Aa2
43	Alaska	\$591,200	Aa2
44	Vermont	\$429,743	Aaa
45	Montana	\$377,986	Aa2
46	Iowa	\$236,403	Aa1*
47	North Dakota	\$228,306	Aa2*
48	South Dakota	\$220,699	NGO**
49	Wyoming	\$44,977	NGO**
50	Nebraska	\$30,344	NGO**
Totals		\$416,843,607	
Puerto Rico		\$35,190,260***	Baa3

Table 4: Gross Tax Supported Debt (000's)

			Gross to Net Ratio
1	California	\$75,204,000	1.13
2	New York	\$56,975,993	1.00
3	New Jersey	\$36,507,000	1.16
4	Florida	\$31,261,960	1.53
5	Massachusetts	\$29,554,754	1.05
6	Illinois	\$24,473,034	1.01
7	Connecticut	\$23,403,919	1.49
8	Michigan	\$22,802,662	2.98
9	Washington	\$21,434,260	1.57
10	Texas	\$16,810,159	1.33
11	Pennsylvania	\$16,415,000	1.39
12	Minnesota	\$15,297,887	3.38
13	Oregon	\$13,764,801	2.26
14	Ohio	\$11,103,470	1.00
15	Wisconsin	\$11,074,698	1.38
16	Virginia	\$10,008,612	1.65
17	Georgia	\$9,531,999	1.00
18	Colorado	\$9,199,547	5.48
19	Kentucky	\$8,777,125	1.39
20	Maryland	\$8,488,700	1.00
21	Alabama	\$8,152,027	2.20
22	North Carolina	\$7,670,275	1.00
23	Louisiana	\$6,348,454	1.24
24	Hawaii	\$6,276,116	1.33
25	Utah	\$6,253,704	5.12
26	Arizona	\$5,429,245	1.04
27	Maine	\$5,134,428	5.25
28	Indiana	\$4,718,872	1.54
29	South Carolina	\$4,651,263	1.15
30	Tennessee	\$4,603,271	3.18
31	Arkansas	\$4,397,120	4.11
32	Mississippi	\$4,343,504	1.00
33	Missouri	\$4,027,070	1.02
34	West Virginia	\$3,911,470	2.05
35	New Mexico	\$3,814,629	1.38
36	Alaska	\$3,606,500	6.10
37	Kansas	\$3,508,943	1.08
38	Delaware	\$3,393,400	1.83
39	Rhode Island	\$3,114,278	1.64
40	Iowa	\$3,019,815	12.77
41	Nevada	\$2,925,206	1.30
42	New Hampshire	\$1,936,728	2.80
43	Oklahoma	\$1,890,284	1.01
44	Idaho	\$1,433,602	1.83
45	Vermont	\$1,126,237	2.62
46	North Dakota	\$892,540	3.91
47	South Dakota	\$457,677	2.07
48	Montana	\$377,986	1.00
49	Nebraska	\$45,129	1.49
50	Wyoming	\$44,977	1.00
Totals		\$559,594,329	1.34
Puerto Rico		\$39,413,260***	1.12

* Issuer Rating (No G.O. Debt)

** No General Obligation Debt

*** This figure is not included in any totals, averages, or median calculations but is provided for comparison purposes only.

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Table 5: Net Tax-Supported Debt as a Percentage of Personal Income

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Alabama	1.7	1.5	2.3	2.2	2.2	2.2	2.0	2.0	2.2	2.0	2.8	2.5
Alaska	0.5	0.0	1.0	0.4	0.4	0.3	3.0	2.8	2.6	2.7	2.4	2.2
Arizona	1.9	1.9	1.6	1.6	1.9	2.1	2.3	2.6	2.2	2.0	2.0	2.5
Arkansas	0.8	0.6	0.9	1.2	1.2	1.4	1.8	1.6	1.6	1.4	1.7	1.3
California	2.6	2.6	2.4	2.5	2.5	2.5	3.2	4.7	4.6	4.4	4.3	4.4
Colorado	0.1	0.0	0.03	0.4	0.7	0.9	0.9	1.0	0.9	0.9	0.8	0.8
Connecticut	8.7	8.7	8.1	8.0	8.0	8.2	8.4	8.5	8.0	7.8	7.3	8.2
Delaware	5.9	5.7	5.2	5.5	5.3	5.0	5.6	5.5	5.3	5.5	5.2	5.4
Florida	3.4	3.5	3.4	3.3	3.4	3.5	3.5	3.4	3.2	3.1	2.8	2.9
Georgia	2.9	2.9	2.8	2.6	2.9	2.9	2.9	2.8	2.7	3.0	3.0	3.0
Hawaii	10.7	11.2	11.6	11.0	10.4	10.9	10.4	11.1	12.1	10.6	9.9	9.4
Idaho	0.2	0.4	0.4	0.3	0.4	0.3	0.5	0.6	0.6	0.6	1.2	1.6
Illinois	2.7	2.6	2.6	2.7	2.8	3.2	5.8	6.2	5.9	5.5	5.2	4.6
Indiana	0.8	0.9	0.9	1.1	1.1	1.1	1.3	1.4	1.6	2.1	1.5	1.5
Iowa	0.5	0.5	0.4	0.4	0.6	0.6	0.5	0.5	0.4	0.3	0.3	0.2
Kansas	1.7	2.0	2.4	3.1	3.0	3.0	3.3	4.0	3.8	3.7	3.5	3.2
Kentucky	3.9	3.7	3.5	4.4	4.3	4.4	4.4	4.0	4.5	4.3	4.7	4.8
Louisiana	2.6	2.6	2.4	2.5	2.4	2.7	2.6	2.4	3.1	4.9	4.3	3.3
Maine	1.9	1.9	2.1	2.0	1.9	1.8	1.8	2.2	2.0	1.9	1.9	2.2
Maryland	3.1	3.3	3.0	2.6	2.6	2.8	3.0	2.9	3.0	2.8	3.0	3.3
Massachusetts	7.8	7.8	8.0	8.5	8.5	8.5	8.5	8.5	9.8	9.4	9.8	8.9
Michigan	1.6	1.7	1.5	1.6	1.5	1.8	2.2	2.2	2.1	2.2	2.2	2.2
Minnesota	1.9	2.0	1.9	1.8	1.8	1.9	2.0	2.0	2.1	2.2	2.3	2.1
Mississippi	3.5	4.4	4.7	4.6	4.7	5.6	5.2	4.8	4.8	4.9	4.8	5.2
Missouri	1.0	1.0	1.0	1.1	1.3	1.3	1.6	1.5	1.6	1.9	2.1	2.0
Montana	1.4	1.7	1.7	1.7	1.6	1.4	1.3	1.1	1.4	1.5	1.2	1.2
Nebraska	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0
Nevada	1.6	1.8	1.8	1.8	1.7	1.4	2.0	2.0	2.2	1.7	2.0	2.2
New Hampshire	2.4	2.3	2.0	1.5	1.5	1.4	1.5	1.3	1.4	1.3	1.3	1.3
New Jersey	5.1	5.2	5.3	5.5	5.6	5.5	5.9	7.4	7.9	7.6	7.5	7.3
New Mexico	1.9	2.6	3.1	4.0	4.0	3.7	4.1	5.3	4.7	5.3	4.8	4.6
New York	6.5	6.6	6.4	6.2	5.9	5.9	6.7	7.2	6.7	6.7	6.3	6.3
North Carolina	1.0	1.2	1.4	1.4	1.4	1.6	2.0	2.5	2.8	2.4	2.8	2.5
North Dakota	0.8	0.6	0.7	0.9	0.9	0.9	0.9	0.6	1.2	1.0	1.1	1.0
Ohio	2.5	2.7	2.7	2.6	2.6	2.6	2.7	2.9	2.9	3.0	2.9	2.8
Oklahoma	0.8	1.2	1.3	1.4	1.3	1.2	1.2	1.2	1.4	1.5	1.5	1.5
Oregon	1.2	1.2	1.3	1.6	1.5	1.6	4.5	4.7	4.5	4.6	5.0	4.6
Pennsylvania	2.0	2.3	2.2	2.2	2.3	2.3	2.2	2.3	2.3	2.4	2.4	2.5
Rhode Island	6.6	6.5	6.2	5.3	5.2	5.0	4.4	4.3	4.1	4.6	4.7	4.5
South Carolina	1.6	1.6	1.6	1.8	2.5	2.4	2.4	2.2	2.5	2.3	3.3	2.9
South Dakota	1.5	1.5	1.5	1.2	0.9	0.7	0.9	0.9	0.7	0.8	0.9	0.8
Tennessee	0.9	1.0	1.0	1.2	0.9	0.8	0.8	0.7	0.8	0.7	0.7	0.7
Texas	1.4	1.3	1.2	1.0	0.9	0.9	0.8	1.0	1.0	1.3	1.4	1.4
Utah	3.1	3.6	3.3	2.8	3.0	2.9	3.5	3.2	2.7	2.3	1.9	1.5
Vermont	4.2	4.2	3.8	3.3	3.0	3.0	2.5	2.3	2.2	2.1	2.0	1.8
Virginia	2.1	2.0	2.1	1.9	1.8	1.7	1.7	1.8	1.7	1.8	1.9	1.9
Washington	4.8	4.6	4.6	4.4	4.4	4.8	4.9	4.9	4.9	5.1	5.1	5.1
West Virginia	2.8	3.4	3.3	4.2	4.0	4.1	3.6	4.6	4.4	3.9	3.9	3.6
Wisconsin	2.8	2.8	2.7	3.2	3.0	3.3	4.5	4.7	4.3	4.2	4.1	4.0
Wyoming	0.7	1.0	1.0	1.0	1.4	0.9	0.8	0.7	0.3	0.3	0.2	0.2
Median	1.9	2.0	2.2	2.1	2.3	2.2	2.4	2.4	2.5	2.4	2.6	2.5

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