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Executive Summary

In the game of economic development, perception is reality. Undoubtedly, this has been a challenge for the State of West Virginia. To some people who have an outdated concept of its people, economy, or goals, West Virginia is not perceived favorably. However, as this report will show, this tide is changing.

This report represents a catalogue of *Rankings and Ratings*, reported and developed by various foundations, news outlets, think tanks, and economic development groups. *Market Street* has included a variety of rankings because it is important to provide a broad view of the rankings that residents, business owners, and investors may come across in their day-to-day lives. Undoubtedly, some of these rankings are one-sided or weigh too heavily on a single factor. However, they contribute to how many people perceive the State of West Virginia.

What is clear is that West Virginia is making progress in areas that are priming the state for future success, including public policy and funding. However, many challenges linger related to education and the economy. Many indicators, such as educational attainment, take years to show improvements. However, continued poor rankings in some areas that have troubled the state for many years should not invite a sense of defeat. Economic development is a process, not a snapshot in time. Goals should be pursued with the understanding that it could take a decade –or longer – to produce results. What is important is to maintain a commitment to get there.

The key findings from each ranking included in this report are summarized in the following pages. They are organized along the four primary goal areas of *A Vision Shared*.¹

- New Economy: New Challenges and New Solutions
- Results-Based Government: Planning for the Future
- Intellectual Infrastructure in the 21st Century
- Building Bridges and Empowering Citizens

¹ *A Vision Shared* has officially adopted the name *Vision Shared, Inc.* References to West Virginia: A Vision Shared refer to the 2000 strategic process.

Economy:

New Economy, New Challenges and New Solutions



West Virginia is improving in certain areas, but still finds itself near the bottom of many economic rankings. West Virginia performs more favorably on those that include indicators related to business costs, government policy and infrastructure, than on those with input indicators related to per capita income, educational attainment, or the regulatory environment.

The state has made great strides to increase the competitiveness of its tax structure and continues to make improvements in the educational attainment of its labor force. However, West Virginia is not the only state hard at work on these and other related economic issues. Leaders must continue to press for programs and policies that will further West Virginia's progress in the New Economy.

- *Cost of Doing Business, 2007 (Milken Institute): Rank- 37.* Scored favorably in four of the five sub-indices: wage, electricity, industrial, and office cost sub-indices. West Virginia scored fourth highest in the nation in the tax burden sub-index, which measures annual state tax revenues as a share of personal income. Its rank has held steady at 37th since 2004.
- *State New Economy Index, 2007 (Kauffman Foundation): Rank -50.* West Virginia slipped in the ranks since 2002, moving from 48th to 50th in 2007. The state scored favorably in a handful of indicators used to develop this index including its proportion of professional and technical jobs, job churning, technology in schools, and its export focus in manufacturing and services. However, many of the other input indicators are associated with research and development, educational attainment, and wages. Because of West Virginia's roots in manufacturing and mining, its transition into the New Economy will be slower than more economically diversified states.
- *Small Business Survival Index, 2007 (Small Business and Enterprise Council): Rank- 40.* Because this is a proprietary index, specific details to its methodologies could not be obtained. West Virginia's rank is based on its regulatory environment affecting small businesses. West Virginia ranked higher than many economically strong states including Massachusetts, New Jersey, and California.
- *State Competitiveness Report, 2007 (Beacon Hill Institute): Rank- 47.* West Virginia held onto its 47th ranking between 2005 and 2007. The ranking consists of eight sub-indices: government and fiscal policy (27th), institutions and security (15th), infrastructure (31st), human resources (42nd), technology (47th), finance (46th), openness (47th) and environmental policy (47th).

- *Index of State Economic Momentum, 2008 (State Policy Reports): Rank- 46.*
 This ranking provides a current snapshot of economic momentum; it does not provide a longer term view of a state's economic performance. Recent performance in population, personal income, and employment growth are used to develop this index. As reported in the *Competitive Assessment* report, West Virginia has made solid gains in personal income. Its job growth has lagged behind growth rates nationally, but jobs are being added to West Virginia's economy. The state's Achilles heel is population growth, which has been virtually nonexistent.
- *Best States for Business, 2007(Forbes): Rank- 50.* *Forbes* develops proprietary rankings for inclusion in its magazine and website. Their research methodologies are proprietary, so it is difficult to gauge the ranking's validity. West Virginia's overall rank is determined by its ranking in six areas: business costs (25th), labor (49th), regulatory environment (50th), economic climate (29th), growth prospects (50th), and quality of life (46th). Again, indicators like educational attainment, income, and venture capital were used - areas where West Virginia ranked poorly.
- *State Technology and Science Index, 2008 (Milken Institute): Rank- 49.*
 Complete methodologies for this index are not disclosed by the Milken Institute. The Index uses 77 indicators related to research and development, technology, and workforce. West Virginia's leaders acknowledge that great improvements need to be made in each of these areas. Since 2002, the state's ranking in this Index has fluctuated between 46 and 49th place nationally.
- *New Company Formation, 2006 (Congressional Quarterly): Rank – 42.*
 This ranking is based solely on the number of new businesses created in the past year, the proportion of new firms to existing firms. Therefore, states with large populations or robust economies will rank more favorably. However, West Virginia's overall new business formation slipped between 2000 and 2006, affecting its ranking.

Government:

Results-Based Government, Planning for the Future



Overall, West Virginia's performance in rankings related to governmental policies and leadership is fairly solid, finishing in the top and middle tiers of many lists. The state's performance on rankings of gubernatorial power and leadership, fiscal policies, and budget management is respectable. Poor performance on some tax rankings will likely be improved once all tax reforms have been phased in over the next several years.

One area of concern is West Virginia's highly publicized last place ranking on the *State Liability Systems Ranking*, based on the perception of state's legal system. While it is important to note that this ranking is based on a relatively small sample of interviews, research presented in the *Competitive Assessment* make a compelling case for examining the effectiveness and efficacy of West Virginia's legal system as it is currently structured.

- *State Tax Business Climate, 2008 (The Tax Foundation): Rank – 37.* West Virginia's composite rank is based on its performance in five areas: corporate tax (28th), individual income tax (40th), sales tax (21st), unemployment insurance tax (35th), and property tax (26th). Individual income tax accounts for about 1/3 of the composite score, so this factor dragged down West Virginia's overall ranking. However, the state's tax climate is more competitive than many states, including neighbors North Carolina and Ohio.
- *Legislative Quotient, 2007 (Expansion Management Magazine): Rank – 40.* The composite rank is determined by each state's performance in five areas. Among these, West Virginia ranks favorably in infrastructure spending (10th) and managing state debt (24th). It performed poorly in government administration spending (42nd), tax "bite" (40th), and 5-year tax improvements (46th).
- *State Fiscal Stress, 2007 (State Policy Reports): Scored 3 out of 4.* The continuum of state fiscal stress is based on state tax collections and budgets. In 2004, West Virginia was on the lowest end of the scale (with a score of zero); in 2007, it scored three out of possible four points. With regards to its fiscal health, West Virginia has improved its position in recent years.
- *Governor's Power Rating, 2007 (Congressional Quarterly): Rank – tied for 2nd.* Researchers at the University of North Carolina at Chapel Hill developed a Governor's Power Rating based on six measures of institutional power: tenure potential, appointment power, number of other statewide elected officials, budget power, veto power, and party control. West Virginia has

always ranked highly on this list. In 2007, it tied for second place alongside Alaska, Maryland, New Jersey, and New York.

- *State Liability Systems Ranking, 2008 (U.S. Chamber of Commerce): Rank- 50.* This ranking is based on interviews conducted with in-house general counsels or senior attorneys at companies with annual average revenues of at least \$100. West Virginia's ranking was based on 119 interviewees' *perceptions* of the state's legal system.
- *Progressivity of Major State and Local Taxes, 2007 (Congressional Quarterly): Rank- 28.* This index examines the tax burdens of households making \$25,000 and \$150,000 annually in terms of individual income, real property, sales and use, and automobile taxes. West Virginia scored fairly well on this ranking, indicating its tax system is not radically more progressive or regressive than most other states.

Education:

Intellectual Infrastructure in the 21st Century



West Virginia scored strongly in each of the educational indices and rankings examined. In terms of graduation rates, higher education costs, and transitioning high school students into college, West Virginia finishes in the middle of the pack.

Results for the state's K-12 schools are mixed. In Education Week's *Quality Counts* and *Technology Counts* reports, the state ranked *sixth and first place*, respectively. However, in each ranking's sub-components related to student performance, West Virginia performance slipped considerably. Favorable sub-component rankings in school finance, assessment standards, professional development standards, and investments in technology prove that state leaders are priming West Virginia's future workforce for success.

Innovative and creative approaches to improving student performance must continue to be a priority. Moving the needle on statewide student performance will take considerable time; however, these rankings indicate West Virginia is on the right course to achieve success.

- *Quality Counts, 2008 (Education Week): Rank – 6.* West Virginia's ranking was determined by an overall score obtained from six component areas: student chance for success, K-12 achievement, standards and accountability, transitions and alignment, teachers, and school finance. The state scored

poorly in student achievement (which examined reading and test scores, graduation rates, and AP test scores) and student chance for success (which included indicators related to poverty, educational attainment of parents, and income). These can be viewed as “lagging” indicators (performance) whereas areas where West Virginia scored very well (those related to policies and investments) can be viewed as “leading” indicators. It will take a while for West Virginia’s student performance to catch up, but the state is taking the right steps to affect positive change.

- *Technology Counts, 2008 (Education Week): Rank – 1.* Investment in technology in its K-12 schools along with its training standards for teachers and administrators earns West Virginia the number one spot in the nation in Education Week’s *Technology Counts* rankings. Such investments are inline not only with this goal area of *Vision Shared*, but also with the organization’s goal of transitioning West Virginia into the New Economy. The state’s future workforce is growing up with access to the technologies they will need to be competitive in the marketplace. This achievement must be highlighted and celebrated.
- *Estimated Public High School Graduation Rates, 2007 (Congressional Quarterly): Rank- 27th highest rate.* Congressional Quarterly’s annual book *State Fact Finder* reports rankings and ratings of the states using reputable data sources. This ranking used the most recent data available through the National Center for Education Statistics. Graduation rates can be difficult to measure across geographies and over time due to varying methodologies. West Virginia finished in the middle of the pack, fairing above most Southern states.
- *Average Student Costs at Public Institutions of Higher Education, 2006 (Congressional Quarterly): Rank – 35th highest.* West Virginia’s public higher education costs are considerably lower than most states - \$9,992 in 2006 compared to \$12,108 for the nation. Often times, cost and financial aid are barriers keeping students from continuing their education past high school.
- *Enrollment Rates at Institutions of Higher Education, 2005 (Congressional Quarterly): Rank – 21.* Although West Virginia’s overall educational attainment levels are still not on par with national statistics, it has been successful in transitioning students from high school to college. In 2005, it ranked 21st in the nation for the number of students enrolling in institutions of higher education as a proportion of its 18-24 year old population. Again, this can be seen as a “leading” indicator whereas educational attainment is a “lagging” indicator that will take many years to show improvement.

Quality of Life:

Building Bridges and Empowering Citizens



Aside from favorable rankings in state funding for the arts, West Virginia has not performed well in many rankings related to various aspects of quality of life. This may be surprising to many who have live in or have visited the state. In recent years, its affordability and natural amenities have put West Virginia on the map as a destination for retirees and adventure seekers.

On rankings that delve deeper into issues associated with public health, the environment, and personal wealth, West Virginia finishes in within the lowest tier. To some degree, the state's performance on some rankings may be influenced by its economic roots in manufacturing and mining, and its larger proportion of older residents.

- *America's Health Rankings, 2007 (United Health Foundation): Rank – 44.* This ranking is organized around health determinants (including personal behaviors, community environment, public policies, and clinical care) and outcomes (including infant mortality, death rates, and sick days taken from work). The state performed well in public policies and clinical care, but poorly in personal behaviors and most of the health outcomes.
- *Assets and Opportunities Scorecard, 2007 (Corporation for Enterprise Development): Rank- 49.* This scorecard attempts to measure the status of each state's citizens in building, protecting, and insuring financial assets. The methodologies used are proprietary, so specific indicators and methods used to devise the rankings could not be obtained. Among the five components of the scorecard, West Virginia ranked 1st in the nation for home ownership and 33rd in the nation for health care, both up from 2005.
- *America's Greenest States, 2007 (Forbes): Rank – 50.* As with many popular quality of life rankings, the Greenest States lists' methodologies are not disclosed. It is included in this report because Forbes is a popular publication, which many people refer to for rankings. In this particular ranking, West Virginia ranks poorly due to its water quality and environmental policies.
- *Uninsured Population, 2004-2006 (State Policy Reports): Rank – 19th highest uninsured population.* In 2004-06 (three year average), approximately 15.3 percent of the nation's population lacked private or government health insurance coverage. West Virginia's higher ranking is slightly deceptive, as its uninsured population is on par with that of the nation, at 15.5 percent.

- *Camelot Index, 2008 (State Policy Reports): Rank – 38.* The Camelot Index includes 27 variables along six sub-indices: economic vitality, health, education, crime, society, and government. Overall, West Virginia ranked 38th nationally, up from 42nd in 2003. It scored particularly well in the areas of crime and society.
- *State Arts Agencies' Legislative Appropriations (Congressional Quarterly): Rank – 12th highest.* In terms of investment in state arts agencies that support arts and cultural events, displays, and educational experiences, West Virginia ranks 12th in the nation. Such investments help to build pride in the state's culture and promote creativity, an important component of competitiveness in the New Economy.

The rankings, ratings, and scorecards are presented in the following pages. Each measure is presented along with a brief description of its purpose, methodologies, and data sources. Where possible, the most current rankings available have been benchmarked against previous years. However, only the most current rankings are reported in instances where data sources or methodologies have differed from years past.

When considered in tandem with the *Competitive Assessment*, it is clear that West Virginia is making serious progress in many of *Vision Shared's* goal areas. However, continued work is needed in many areas - including education and the economy - in order for West Virginia to continue on its path toward greater prosperity.

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Goal Area:

New Economy
New Challenges and New Solutions



COST OF DOING BUSINESS INDEX, 2004 AND 2007

Milken Institute

2007 Rank	2004 Rank	State	Wage Cost Index	Tax Burden Index	Electricity Cost Index	Industrial Cost Index	Office Rent Cost Index	Cost of Doing Business Index
1	1	Hawaii	91.9	162.1	260.7	269.5	140.4	151.5
2	2	New York	128.5	102.5	141.5	154.4	189.4	130.9
3	7	Alaska	100.3	153	150.3	232.7	84.5	130.8
4	4	Massachusetts	122.1	101	187.8	129	165.2	130.6
5	5	Connecticut	128.9	106.8	163.8	113.5	116.1	127.5
6	3	California	114.8	120.6	134.7	141.4	141.4	122.9
7	6	New Jersey	121.2	94.5	129.7	161	117.3	120.9
8	11	Vermont	83.9	173.1	134	91.9	87.3	110.2
9	8	Delaware	110.5	132.1	87.8	96.3	112.3	110.1
10	17	Rhode Island	94.6	105.6	174.9	74	118.7	108
11	19	Maryland	108.9	90.4	124.1	94.7	115.4	106.4
12	15	New Hampshire	98.5	61.9	187.2	120.4	71.1	105.3
13	10	Minnesota	98.8	133.2	77.7	121.3	89	104.3
14	14	Nevada	96.4	102.2	115.9	114.2	134.5	104.2
15	12	Washington	104.3	105.4	74	116	136.2	102.7
16	31	Wyoming	86.1	155.8	68	133.6	77.4	101.6
17	16	Maine	80.4	129.1	143.1	86.8	81.7	100.3
18	13	Illinois	107.5	88.2	80.3	100.8	128	99.9
19	26	Florida	91.4	88.3	117.3	125	116.5	99.3
20	9	Michigan	99.5	106.7	95.9	87.9	92.7	98.9
21	18	Pennsylvania	96.6	97.9	102.2	86.9	105.8	97.2
22	23	New Mexico	82.5	135.5	92.4	102.1	83.5	96.6
23	20	Wisconsin	86.2	110	93.9	120.6	102.7	96.4
24	28	Texas	100.1	69.9	118.1	95.7	91	95.9
25	21	Virginia	104.6	88.3	72.1	97	102.6	95.6
26	38	Louisiana	85.7	111.8	114.5	74	82.7	93.9
27	29	Colorado	102.7	70.4	94.9	81.8	98.7	92.8
28	22	Arizona	94.2	92.8	83.8	75.6	115.3	91.6
29	25	Oregon	89.1	93.7	77.5	111.1	106.7	91.4
30	24	Ohio	90.8	99	93.4	71.2	92.8	91
31	27	North Carolina	88.4	111	81.5	77.2	90.3	90.8
32	30	Georgia	95.5	87.7	87.3	72.6	100.5	90.7
33	35	Utah	83.9	113.1	66.1	104.7	101.7	90.1
34	43	Mississippi	73.5	119.2	107.2	79.4	77	88.4
35	34	Kentucky	82.8	124	64.8	71.4	84.2	87.3
36	32	Indiana	86.4	102	79.6	74.1	86.4	87.3
37	37	West Virginia	77.0	138.2	61.9	71.4	90.4	87.1
38	33	Kansas	83.6	100.5	77	86.9	93.7	86.8
39	41	Alabama	84.7	91.1	80.8	88.2	86.7	85.8
40	45	Oklahoma	80.7	103.8	89.2	68.9	81.6	85.4
41	40	Arkansas	75.9	136.3	74.1	56.1	69.2	85.4
42	39	Tennessee	87.7	83.9	85.6	72.3	89.9	85.2
43	36	Missouri	87.5	81.9	63.2	103.5	92.7	84.6
44	48	Montana	73.3	112.8	85	81.7	78.4	84.1
45	44	South Carolina	81	93.6	80.1	71.3	92.1	82.9
46	46	Idaho	76.2	110	60.7	97.5	77.7	82.8
47	42	Nebraska	80.5	100.1	68.5	68.9	96.5	82.3
48	49	North Dakota	73.7	120.5	68.9	61.2	76.9	81.3
49	47	Iowa	80.4	94.9	80.2	51	68	79.7
50	50	South Dakota	71.8	68.5	73.7	61.2	69	70.2

Note: 1=Most Expensive, 50=Least Expensive

About the Index

The Cost of Doing Business Index indicates each state's comparative advantages or disadvantages in attracting and retaining businesses. Each state is measured on five individual categories:

- **Wage Cost Index:** measures the average annual wage per employee in all industries;
- **Tax Burden Index:** measures the annual state tax revenue as a share of personal income;
- **Electricity Cost Index:** measures the cost of commercial and industrial electricity cost in cents per kilowatt-hour;
- **Industrial Rent Index:** measures the cost of renting industrial (warehouse) space on a per square foot basis; and
- **Office Rent Index:** Measures the cost of renting office space on a per square foot basis.

Weighted scores from each category are compiled to make the overall index. An index score of 100 means that the state is equal to the U.S. average.

Data Sources

Several private data sources including Global Insight, Economy.com, CB Richard Ellis, NAI Global, and Global Real Analytics were utilized along with public sources including the U.S. Census Bureau. Additionally, proprietary data collect and analyzed by the Milken Institute were used in the development of the Cost of Doing Business Index.

STATE NEW ECONOMY INDEX, 2002 AND 2007
Ewing Marion Kauffman Foundation
**2007 New Economy Index:
West Virginia Ranking and Scores by Component**

		2007	
		Rank	Score
Overall (a weighted measure of all index indicators)		50	35.6
Knowledge Jobs ranked 49	IT Jobs (% of total jobs)	44	0.68%
	Managerial, Professional, Technical Jobs (% of total jobs)	31	19.80%
	Workforce Education (a weighted measure of educational attainment)	50	26.1
	Immigration of Knowledge Workers (a weighted measure of immigrant educational attainment)	47	12.6
	Manufacturing Value-Added (% of mfg workforce employed in sectors w/ high productivity)	46	14.00%
	High Wage Traded Services (% jobs in trade service sectors w/ above average wages)	48	8.00%
Globalization ranked 41	Export Focus of Manufacturing and Services (value of exports per worker)	28	\$18,817
	Foreign Direct Investment (% of each state's workforce employed by foreign companies)	36	2.10%
	Package Exports (number of UPS packaged exported per worker)	45	0.04
Economic Dynamism ranked 50	"Gazelle Jobs" (jobs in gazelle companies as % of total jobs) * these are firms with annual sales revenue that have grown 20%+ for four straight years	50	3.10%
	Job Churning (number of new start-ups and failures, combined, as a share of the total firms)	22	25.30%
	Fastest Growing Firms (number of Deloitte Fast 500 and Inc. 500 firms as a share of total firms)	46	0.00%
	IPOs (weighted measure of the number and value of initial public stock offerings of companies)	44	3.28
	Entrepreneurial Activity (entrepreneurs as a percentage of the total adult population)	49	0.17%
	Inventor Patents (number of independent inventor patents per 1000 people)	50	0.031
Digital Economy ranked 47	Online Population (internet users as a share of the total population)	47	51.50%
	Internet Domain Names (number of Internet domain names [.com, .net, and .org] per firm)	47	1.3
	Technology in School (weighted measure of factors related to computer and Internet use)	5	6.09
	E-Gov't (weighted measure of the utilization of digital technologies in state governments)	48	3.57
	Online Agriculture (% of farmers with Internet access and using computers for business)	27	5
	Broadband Telecommunications (weighted measure of the deployment of broadband lines)	50	2.94
Innovation Capacity ranked 45	High-Tech Jobs (as a % of total jobs) * includes electronics mfg, software and computer services, telecom, and biomedical industries	45	1.90%
	Scientists and Engineers (scientists and engineers as a percentage of the workforce)	34	0.29%
	Patents (number of patents issued to companies or individuals per 1,000 workers)	46	0.24
	Industry Investment in R&D (industry-performed R&D as a % of total worker earnings)	42	0.96%
	Venture Capital (VC invested as a share of worker earnings)	37	0.03%

New Economy Index: Overall Scores and Rankings

State	2007		2002		2002-07 Rank Change
	Rank	Score	Rank	Score	
Massachusetts	1	96.1	1	94.5	0
New Jersey	2	86.4	6	81.8	4
Maryland	3	85	5	83.0	2
Washington	4	84.6	4	86.1	0
California	5	82.9	2	90.1	-3
Connecticut	6	81.8	7	78.8	1
Delaware	7	79.6	9	76.4	2
Virginia	8	79.5	8	77.5	0
Colorado	9	78.3	3	86.2	-6
New York	10	77.4	11	75.1	1
Minnesota	11	75.3	14	72.7	3
Utah	12	73.2	16	72.1	4
New Hampshire	13	71.1	12	73.9	-1
Texas	14	68.6	10	75.3	-4
Rhode Island	15	68.6	23	65.8	8
Illinois	16	68.4	19	68.5	3
Oregon	17	66.8	13	73.8	-4
Georgia	18	64.8	18	69.3	0
Michigan	19	64.7	22	66.3	3
Vermont	20	64.5	26	63.1	6
Pennsylvania	21	63.6	21	66.9	0
Arizona	22	63.2	15	72.2	-7
Florida	23	63.2	17	70.3	-6
Idaho	24	62.8	20	67.5	-4
Alaska	25	62.4	39	55.6	14
North Carolina	26	60.2	24	63.9	-2
Nevada	27	59.2	31	59.2	4
Nebraska	28	59	36	56.7	8
Ohio	29	57.8	27	61.7	-2
Wisconsin	30	55.9	37	56.5	7
Indiana	31	55.8	32	58.0	1
Maine	32	55.6	29	61.2	-3
New Mexico	33	53.7	25	63.2	-8
Kansas	34	53.6	30	59.4	-4
Missouri	35	53.5	28	61.3	-7
Tennessee	36	53.3	34	56.9	-2
North Dakota	37	51.9	47	47.8	10
Iowa	38	51.8	40	54.1	2
South Carolina	39	51.5	35	56.9	-4
Oklahoma	40	51.4	33	57.0	-7
Hawaii	41	50.9	38	56.3	-3
Montana	42	49.5	41	52.9	-1
Wyoming	43	47.9	43	52.0	0
Louisiana	44	45.9	44	51.7	0
Kentucky	45	45.3	42	52.3	-3
Alabama	46	45.1	45	50.2	-1
Arkansas	47	44.7	49	43.5	2
South Dakota	48	43.8	46	49.9	-2
Mississippi	49	36.5	50	43.0	1
West Virginia	50	35.6	48	44.2	-2

About the Index

The State New Economy Index attempts to measure states' transitions into the so-called New Economy. Globalization, entrepreneurship, knowledge, technology, and innovation classify the New Economy. The Index includes 26 separate indicators grouped into five broad categories.

- **Knowledge jobs:** Indicators measure employment of IT professionals outside the IT industry; jobs held by managers, professionals, and technicians; the educational attainment of the entire workforce; immigration of knowledge workers; employment in high value-added manufacturing sectors; and employment in high-wage traded services.
- **Globalization:** Indicators measure the export orientation of manufacturing and services; foreign direct investment; and package exports.
- **Economic dynamism:** Indicators measure the number of fast growing “gazelle” companies; the degree of job churning (which is a product of new business start-ups and existing business failures); the number of Deloitte Technology Fast 500 and Inc. 500 firms, the value of initial public stock offerings (IPOs) by companies; the number of entrepreneurs starting new businesses; and the number of individual inventor patents issued.
- **Transformation to a digital economy:** Indicators measure the percentage of population online; the number of Internet domain name registrations; technology in schools; the degree to which state and local governments use information technologies to deliver services; Internet and computer use by farmers; and residential and business access to broadband telecommunications.
- **Technological innovation capacity:** Indicators measure the number of jobs in technology-producing industries; the number of scientists and engineers in the workforce; the number of patents issued; industry investment in research and development; and venture capital activity.

The 2002 and 2007 Indices use different indicators and methodologies in some instances, so the total scores are not necessarily compatible. However, the 2002 overall scores have been revised since their original publication to reduce methodological differences with the 2007 data. Still, it is important to note that a state's movement up or down on the overall rank between years does not necessarily reflect changes in its economy.

Data Sources

Data sources used to develop this index include U.S. Bureau of Labor Statistics, U.S. Census Bureau, U.S. Department of Commerce, National Policy Research Council, U.S. Small Business Administration, Renaissance Capital's IPO Home, U.S. Patent and Trademark Office, Education Week, Center for Digital Government, National Science Foundation, and PriceWaterhouseCoopers.

SMALL BUSINESS SURVIVAL INDEX, 2004 AND 2007
Small Business & Entrepreneurship Council

State	2007		2004	
	Rank	Index Value	Rank	Index Value
South Dakota	1	25.9	1	24.5
Nevada	2	31.5	2	26.8
Wyoming	3	37.9	3	31.5
Washington	4	42.3	4	33.9
Florida	5	45.4	5	34.3
Michigan	6	46.0	6	36.9
Texas	7	47.9	11	40.0
South Carolina	8	49.5	13	40.9
Virginia	9	49.9	15	41.5
Alabama	10	50.0	8	39.4
Colorado	11	51.9	9	39.8
Georgia	12	52.7	22	44.3
Tennessee	13	53.1	16	41.7
Indiana	14	53.2	10	39.8
Arizona	15	53.2	17	42.8
Mississippi	16	53.8	7	37.8
Alaska	17	54.3	20	43.8
Utah	18	54.4	28	46.9
Missouri	19	54.6	18	43.1
North Dakota	20	54.7	26	46.7
Oklahoma	21	56.2	30	47.8
Kentucky	22	56.4	29	47.5
New Hampshire	23	56.5	14	41.4
Pennsylvania	24	57.3	12	40.5
New Mexico	25	57.9	36	50.5
Illinois	26	58.3	19	43.6

State	2007		2004	
	Rank	Index Value	Rank	Index Value
Arkansas	27	59.1	24	44.9
Maryland	28	59.3	21	43.9
Ohio	29	59.4	40	53.1
Kansas	30	59.8	31	48.6
Louisiana	31	60.0	32	49.8
Delaware	32	60.1	22	44.5
Wisconsin	33	60.2	27	46.7
Oregon	34	60.8	39	52.7
Montana	35	61.5	38	52.1
Idaho	36	61.8	25	45.6
Nebraska	37	63.1	35	50.1
Connecticut	38	64.9	34	50.0
North Carolina	39	65.6	37	51.1
West Virginia	40	66.5	33	50.0
Iowa	41	69.1	43	55.1
Hawaii	42	70.4	49	59.6
Vermont	43	71.3	42	54.6
Massachusetts	44	72.0	41	53.2
Minnesota	45	72.1	47	58.7
New York	46	73.2	45	57.5
Maine	47	74.2	46	57.3
Rhode Island	48	75.6	48	59.0
California	49	77.9	50	59.9
New Jersey	50	79.2	44	56.6
District of Columbia	51	81.9	51	73.5

Note: 1=Most friendly environment for entrepreneurship

About the Index

The Small Business Survival Index combines over thirty indicators related to government-imposed or government-related costs that impact small businesses and entrepreneurs. The Index ranks the states according to their public policy climates for entrepreneurship. Some of the indicators included in the index are listed below.

- Top personal income tax rate
- Top capital gains tax rate on individuals
- Top corporate income tax rate
- Top capital gains tax rate on corporations
- State and local property taxes
- State and local sales, gross receipts, and excise taxes
- Death taxes
- Unemployment tax rate
- Electricity cost index
- Healthcare mandates imposed
- Workers' compensation benefits per \$100 of covered wages
- Right-to-work status
- Internet access tax
- State minimum wage minus the federal minimum wage
- State legal liability costs
- Regulatory flexibility legislation status
- Eminent domain reform legislation
- Growth rate in per capita state and local government expenditures

Data Sources

The Small Business and Entrepreneurship Council uses reliable public and private data sources to develop the Index including the Federation of Tax Administrators, U.S. Census Bureau, U.S. Bureau of Labor Statistics, U.S. Energy Information Administration, and other reputable sources.

INDEX OF STATE ECONOMIC MOMENTUM, 2006 AND 2008

State Policy Reports

State	March 2008		March 2006	State	March 2008		March 2006
	Rank	Index	Rank		Rank	Index	Rank
Louisiana	1	2.21	50	New York	26	0	43
Utah	2	1.68	3	Connecticut	27	-0.02	35
Texas	3	1.55	6	Alabama	28	-0.04	17
Wyoming	4	1.38	7	Kansas	29	-0.05	23
Washington	5	1.07	49	Missouri	30	-0.11	30
Colorado	6	0.92	13	Virginia	31	-0.14	11
South Dakota	7	0.87	20	Kentucky	32	-0.16	24
Oklahoma	8	0.78	14	Alaska	33	-0.21	29
North Carolina	9	0.76	19	Florida	34	-0.33	5
Montana	10	0.6	15	California	35	-0.34	18
Nevada	11	0.57	1	Massachusetts	36	-0.37	45
South Carolina	12	0.56	21	Illinois	37	-0.4	40
Georgia	13	0.55	12	Maryland	38	-0.46	26
Nebraska	14	0.55	21	Maine	39	-0.54	46
Mississippi	15	0.55	32	Pennsylvania	40	-0.57	41
Idaho	16	0.47	4	Indiana	41	-0.57	39
Delaware	17	0.46	26	Vermont	42	-0.59	36
North Dakota	18	0.39	16	Tennessee	43	-0.67	26
New Mexico	19	0.31	9	Wisconsin	44	-0.71	37
Arizona	20	0.29	2	New Jersey	45	-0.82	38
Minnesota	21	0.29	42	West Virginia	46	-0.91	31
Oregon	22	0.24	8	Ohio	47	-0.99	47
Iowa	23	0.17	33	New Hampshire	48	-1	34
Arkansas	24	0.17	24	Michigan	49	-1.71	48
Hawaii	25	0	10	Rhode Island	50	-1.77	44

About the Ranking

State Policy Reports publishes the Index of State Economic Momentum on a quarterly basis. Recent performance in population growth, personal income growth, and employment growth determine each state ranking in the Index. The national average is set at zero. Measures of the three components are averaged, and each state's score is expressed as a percentage above or below the national average.

Hurricanes Katrina and Rita and their effects on the economies of Louisiana, Mississippi, and Florida help explain the great fluctuations in their rankings. It is important to note that this Index provides a current snapshot of economic momentum and does not attempt to gauge longer term trends.

Data Sources

The Index is developed using publicly available data from the U.S. Census Bureau, the Bureau of Economic Analysis, and the Bureau of Labor Statistics.

BEST STATES FOR BUSINESS, 2007
Forbes

2007 Overall rank	2006 rank	State	Business Costs Rank	Labor Rank	Regulatory Environment Rank	Economic Climate Rank	Growth Prospects Rank	Quality of Life Rank
1	1	Virginia	17	5	1	11	8	6
2	4	Utah	12	11	17	9	16	12
3	3	North Carolina	6	22	2	27	5	30
4	2	Texas	21	26	7	10	2	28
5	12	Washington	33	4	5	16	4	32
6	6	Idaho	11	10	30	3	23	27
7	9	Florida	31	15	12	1	3	35
8	5	Colorado	35	2	15	33	1	23
9	13	North Dakota	5	37	16	11	42	14
10	14	Minnesota	32	13	19	23	26	1
11	8	Delaware	7	14	32	39	14	15
12	11	Maryland	41	3	24	8	15	21
13	20	Tennessee	3	39	13	15	21	37
14	18	New Hampshire	39	1	42	14	13	5
15	10	Georgia	23	25	4	34	17	29
16	22	Missouri	14	20	8	44	37	17
17	7	Nebraska	15	36	11	30	38	13
18	15	Arizona	30	6	37	6	11	40
19	16	New Jersey	46	9	33	25	7	3
20	21	Kansas	29	18	8	49	22	18
21	24	Arkansas	9	40	22	17	9	45
22	26	Nevada	19	24	31	6	10	48
23	27	South Carolina	20	28	6	36	17	43
24	25	Iowa	8	43	26	22	44	11
25	17	South Dakota	1	31	45	17	35	24
26	29	New Mexico	10	34	43	5	6	50
27	32	Indiana	4	46	18	40	39	20
28	31	Oregon	26	7	34	32	19	38
29	23	Wyoming	2	35	48	4	36	39
30	19	Oklahoma	18	47	14	20	30	36
31	28	Connecticut	44	8	40	37	24	4
32	30	Vermont	45	12	35	26	40	10
33	35	New York	48	33	20	21	26	19
34	36	California	50	17	39	17	12	26
35	40	Alabama	27	45	23	23	20	41
36	37	Massachusetts	49	19	29	47	29	2
37	42	Hawaii	47	16	38	2	40	33
38	34	Ohio	36	42	8	45	49	9
39	41	Pennsylvania	38	31	27	35	46	7
40	44	Illinois	37	30	20	46	31	22
41	33	Kentucky	16	41	28	48	25	34
42	38	Montana	24	21	47	13	48	42
43	48	Mississippi	13	48	25	40	34	47
44	39	Wisconsin	34	38	44	38	33	8
45	43	Rhode Island	42	23	49	28	28	25
46	45	Michigan	40	44	3	50	47	31
47	47	Alaska	28	29	36	42	32	44
48	46	Maine	43	27	46	30	42	16
49	50	Louisiana	22	50	41	43	45	49
50	49	West Virginia	25	49	50	29	50	46

About the Ranking

Forbes Best Place for Business list uses 32 criteria to rank states according to their overall business climate. These criteria are grouped into six sub-groups, each of which contributes to the state's overall rankings.

- **Business Costs:** based on cost of labor, energy and taxes.
- **Labor Rank:** measures educational attainment, net migration and projected population growth.
- **Regulatory Environment Rank:** measures regulatory and tort climate, incentives, transportation and bond ratings.
- **Economic Climate Rank:** measures job, income and gross state product growth as well as unemployment and presence of big companies.
- **Growth Prospects Rank:** reflects projected job, income and gross state product growth as well as business openings/closings and venture capital investments.
- **Quality of Life Rank:** index of schools, health, crime, cost of living and poverty rates.

Data Sources

Sources used to develop this Ranking include Moody's Economy.com, Pollina Corporate Real Estate, Pacific Research Institute, Tax Foundation, CFED, and Sperling's Best Places. Because *Forbes'* ranking is proprietary, more information about specific details related to its methodologies could not be obtained.

STATE TECHNOLOGY AND SCIENCE INDEX, 2002 AND 2008

Milken Institute

Overall Scores and Rankings by State, 2002 and 2008

State	Average Score	2008 Rank	2002 Rank
Massachusetts	82.61	1	1
Maryland	80.04	2	4
Colorado	78.32	3	2
California	74.62	4	3
Washington	72.09	5	6
Virginia	70.33	6	5
Connecticut	70.18	7	8
Utah	69.21	8	9
New Hampshire	67.9	9	13
Rhode Island	66.69	10	21
Minnesota	64.06	11	10
New Jersey	63.44	12	7
Pennsylvania	63.23	13	16
Delaware	62.3	14	11
New York	62.22	15	12
New Mexico	61.86	16	20
Arizona	61.34	17	18
North Carolina	59.63	18	17
Vermont	58.78	19	31
Texas	57.78	20	14
Illinois	57.19	21	19
Wisconsin	57.12	22	25
Oregon	56.17	23	23
Kansas	54.18	24	22
Georgia	53.3	25	15

State	Average Score	2008 Rank	2002 Rank
Michigan	52.27	26	24
Idaho	51.37	27	26
Hawaii	51.23	28	43
Alabama	49.99	29	33
Missouri	49.62	30	28
North Dakota	48.92	31	45
Montana	48.15	32	34
Indiana	47.75	33	30
Nebraska	47.52	34	32
Iowa	45.9	35	35
Ohio	45.25	36	27
Florida	43.76	37	29
Oklahoma	41.85	38	37
Maine	41.82	39	36
Tennessee	40.32	40	40
South Dakota	39.64	41	47
South Carolina	39.12	42	41
Wyoming	38.38	43	38
Alaska	37.68	44	39
Nevada	37.02	45	42
Louisiana	35.58	46	44
Kentucky	34.67	47	46
Arkansas	32.96	48	50
West Virginia	30.49	49	48
Mississippi	29.81	50	49

West Virginia's Index Components: Scores and Rankings

Year	Overall Ranking		Human Capital Investment Composite Index		Research and Development Inputs Composite Index	
	Rank	Average Score	Rank	Average Score	Rank	Average Score
2008	49	30.49	43	35.52	45	27.23
2004	46	33.67	50	22.11	48	22.77
2002	48	30.17	43	33.3	46	28.26

Year	Entrepreneurial Infrastructure Composite Index		Technology and Science Work Force Composite Index		Technology Concentration and Dynamism Composite Index	
	Rank	Average Score	Rank	Average Score	Rank	Average Score
2008	48	32.18	49	25.5	45	32
2004	30	49.78	44	36	38	37.6
2002	48	18	43	37.89	42	33.4

About the Index

The Milken Institute's State Technology and Science Index includes 77 separate indicators, categorized into five major areas:

- Human Capital Investment;
- Research and Development Inputs;
- Risk Capital and Entrepreneurial Infrastructure;
- Technology and Science Work Force; and
- Technology Concentration and Dynamism.

To achieve a perfect score of 100 on any of the sub-indices, a state would have to rank first in every indicator area. Individual category scores are averaged to derive each state's score on a given composite index. Each state's overall score is calculated by averaging together its scores on the sub-indices. In order to adjust for the size of each state's economy, indicators are normalized against a relevant measure, such as population or number of businesses.

Data Sources

The State Technology and Science Index is a proprietary measure. Specific information related to its data sources could not be obtained.

STATE COMPETITIVENESS REPORT, 2005 AND 2007

Beacon Hill Institute

West Virginia's Report Components: Scores and Rankings

SubIndex/Variable	2007		2005	
	Index	Rank	Index	Rank
Overall	3.46	47	3.40	47
Government and Fiscal Policy Subindex	5.13	27	4.79	30
Taxes as a % of current GSP	4.85	30	4.53	38
Worker's Compensation Collections Per Employee	5.45	20	4.99	28
Bond Rating: S&P's/Moody's Composite	3.87	44	4.01	39
Budget Surplus as a % of GSP	4.88	25	5.02	14
Average Benefit per First Payment For Unemployed	5.86	11	5.61	16
Full-Time State/Local Government Employees / 100 Residents	5.37	18	5.30	21
Institutions and Security Subindex	5.63	15	5.01	27
Crime Index, per 100,000 inhabitants	5.86	15	6.06	7
Crime Index Change 2005-2006, %	4.36	41	2.53	49
Murder index, per 100,000 inhabitants	5.26	22	5.39	21
The BGA Integrity Index	6.04	8	6.04	8
Infrastructure Subindex	4.66	31	4.77	31
% of Households With Installed Phones	4.48	35	4.56	34
High-Speed Lines by State per 1000	3.79	44	3.90	44
Air passengers per capita	4.09	49	4.11	49
Travel Time to Work	4.26	41	4.23	40
Electricity Prices per million BTU	6.18	2	6.15	4
Average rent of 2 bedroom apartment	6.47	2	6.56	1
Human Resources Subindex	3.93	42	49.0	48
% of Population without Health Insurance	5.27	23	37.0	33
% of Population that Graduated from High School	3.77	42	42.0	47
Unemployment Rate	4.54	33	41.0	24
% of Pop. Enrolled in Degree-Granting Institutions	4.57	32	36.0	43
% of Adults in Labor Force	2.79	50	50.0	50
Infant Mortality rate, deaths per 1000 live births	4.24	39	47.0	45
Rate of Nonfederal Physicians per 100,000 inhabitants	4.77	27	27.0	27
Students at/above Proficient in Math, Grade 4 public schools, %	4.23	38	45.0	41

West Virginia's Report Components: Scores and Rankings (Continued)

SubIndex/Variable	2007		2005	
	Index	Rank	Index	Rank
Technology Subindex	3.76	47	3.83	46
Academic R&D per \$1,000 GSP	4.25	39	3.7	47
NIH support to institutions by state/population	4.14	46	4.04	46
Patents, per 100,000 inhabitants	3.97	49	4.06	48
Number of S&E graduate students per 100,000 inhabitants	4.79	29	4.66	31
S&E degrees awarded per 100,000 inhabitants	4.36	37	4.63	32
Scientists/engineers as % of Labor Force	3.83	47	4.11	40
High-technology share of all business establishments	3.42	50	3.94	44
Finance Subindex	3.78	46	3.95	43
Total deposits per capita	4.6	44	4.59	42
Venture capital investment dollars per worker	4.44	41	4.57	33
Employer firm births per 100,000 inhabitants	3.72	50	3.97	44
IPO Per 1000 Companies, in \$	4.43	38	4.20	34
Percent of Labor Force that is represented by unions	4.44	36	4.42	35
Minimum wage	4.87	31	5.62	1
Openness Subindex	3.9	47	4.92	24
Exports per capita, dollars	4.38	36	4.6	31
Incoming FDI per capita, dollars	4.81	22	6.44	5
Percent of population born abroad	3.83	50	3.82	50
Environmental Policy Subindex	3.9	47	3.96	42
Toxic Release, Pounds per Capita	3.45	47	3.56	46
Greenhouse Gas Emissions (MTCE/1000 Sq. Miles)	4.36	41	4.66	39

About the Index

The State Competitiveness Report uses a series of indices to measure the long-term competitiveness of states. Beacon Hill considers a state to be maximally competitive if it has in place the policies and conditions that ensure and sustain a high level of per capita income and continued growth. To achieve this, the state must support growth of incumbent businesses, invest in the incubation of new businesses, and provide an environment attractive enough to attract new firms.

The overall index represents the average of the eight sub-indexes. These results were then normalized around a mean of five with a standard deviation of one.

Data Sources

The State Competitiveness Index is a proprietary measure. Specific information related to its data sources could not be obtained.

NEW COMPANY FORMATION, 2000 AND 2006

Congressional Quarterly's State Fact Finder

State	2006		2000		State	2006		2000	
	Rank	New Firms	Rank	New Firms		Rank	New Firms	Rank	New Firms
California	1	115,684	4	167,047	Louisiana	26	11,034	33	10,468
Florida	2	79,870	11	59,921	Nevada	27	10,743	8	8,587
New York	3	61,718	19	61,507	Alabama	28	10,096	40	10,067
Texas	4	58,943	32	54,330	Oklahoma	29	9,962	31	8,979
New Jersey	5	36,258	2	55,769	Arkansas	30	9,551	49	4,680
Pennsylvania	6	34,928	25	35,104	Connecticut	31	9,516	30	9,910
Washington	7	32,726	1	40,357	Idaho	32	9,159	6	4,829
Georgia	8	31,677	20	28,925	Kentucky	33	8,973	45	8,637
Illinois	9	30,230	44	28,875	Kansas	34	6,973	41	6,483
North Carolina	10	26,729	26	23,310	Mississippi	35	6,862	37	6,439
Virginia	11	23,686	24	22,219	Iowa	36	5,877	50	5,668
Michigan	12	23,508	42	23,760	New Mexico	37	5,536	18	5,836
Colorado	13	22,708	3	25,462	Nebraska	38	4,820	38	4,441
Ohio	14	22,213	48	22,290	Montana	39	4,727	12	3,605
Arizona	15	21,555	22	15,175	New Hampshire	40	4,703	21	4,677
Maryland	16	21,535	16	20,539	Maine	41	4,497	15	5,135
Massachusetts	17	17,800	27	18,640	West Virginia	42	3,823	35	4,177
Tennessee	18	17,207	28	15,793	Hawaii	43	3,813	23	3,745
Missouri	19	15,805	39	13,996	Rhode Island	44	3,739	17	3,675
Oregon	20	15,085	10	14,729	Delaware	45	3,153	5	3,682
Indiana	21	14,653	43	14,112	Wyoming	46	2,570	9	2,314
Minnesota	22	13,739	36	13,906	South Dakota	47	2,003	34	2,138
Utah	23	13,379	7	9,875	Vermont	48	1,957	13	2,511
Wisconsin	24	13,371	47	12,436	Alaska	49	1,904	14	2,333
South Carolina	25	12,373	29	11,114	North Dakota	50	1,821	46	1,493
total						649,700	944,691		

About the Rankings

This ranking is published yearly in the Congressional Quarterly's *State Fact Finder* and reflects the number of new companies that applied for new account numbers from state employment services. It uses the raw number only, not the proportion of new firms to existing firms. Therefore, states with large populations and robust economies will rank more favorably.

Data Sources

The 2000 data were made available to *State Fact Finder* by the Department of Labor Unemployment Insurance. *State Fact Finder* then connected these numbers to the total number of workers in each state, which were provided by the Bureau of Labor Statistics. The 2006 rankings were made available by the Office of Advocacy of the United States Small Business Administration in their 2006 publication "The Small Business Economy." This document summarizes 2006's economic and small business financial climate.

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Goal Area:

Results-Based Government:
Planning for the Future



STATE BUSINESS TAX CLIMATE INDEX RANKINGS, 2008
The Tax Foundation

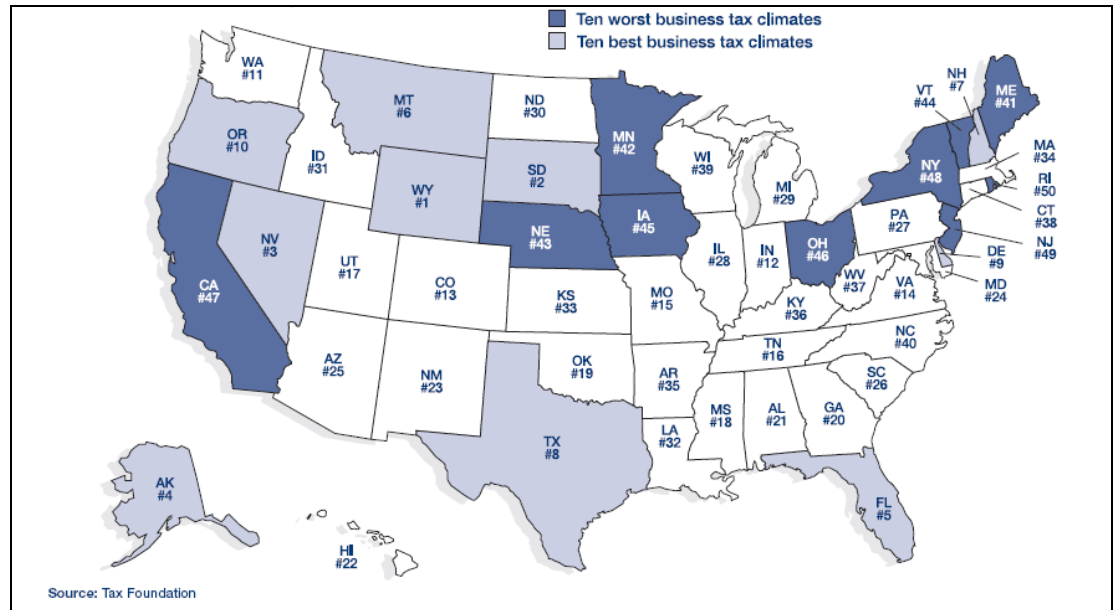
State	Overall	Corporate Tax Index	Individual Income Tax Index	Sales Tax Index	Unemployment Insurance Tax Index	Property Tax Index
Wyoming	1	1	1	9	34	30
South Dakota	2	1	1	38	33	11
Nevada	3	1	1	43	41	13
Alaska	4	26	1	5	47	22
Florida	5	14	1	19	2	18
Montana	6	16	20	3	21	8
New Hampshire	7	50	9	1	38	36
Texas	8	47	7	28	14	27
Delaware	9	48	32	2	7	7
Oregon	10	20	35	4	32	14
Washington	11	31	1	50	36	28
Indiana	12	22	10	12	10	17
Colorado	13	15	13	11	20	15
Virginia	14	4	21	6	29	23
Missouri	15	10	23	22	4	9
Tennessee	16	12	8	48	31	35
Utah	17	5	30	27	28	3
Mississippi	18	8	16	35	5	32
Oklahoma	19	13	22	31	1	24
Georgia	20	6	24	16	22	33
Alabama	21	21	19	25	12	12
Hawaii	22	9	43	17	23	4
New Mexico	23	36	17	41	13	1
Maryland	24	7	37	7	30	39
Arizona	25	24	26	45	3	10

State	Overall	Corporate Tax Index	Individual Income Tax Index	Sales Tax Index	Unemployment Insurance Tax Index	Property Tax Index
South Carolina	26	11	27	18	43	29
Pennsylvania	27	42	11	26	25	47
Illinois	28	29	12	32	42	40
Michigan	29	49	14	14	45	25
North Dakota	30	27	36	29	26	6
Idaho	31	19	34	34	44	2
Louisiana	32	18	28	47	8	21
Kansas	33	38	25	24	9	38
Massachusetts	34	46	15	8	49	45
Arkansas	35	35	29	37	18	16
Kentucky	36	39	31	10	48	20
West Virginia	37	28	40	21	35	26
Connecticut	38	17	18	30	19	50
Wisconsin	39	30	42	23	27	37
North Carolina	40	25	44	39	6	34
Maine	41	43	38	13	40	41
Minnesota	42	44	39	40	39	19
Nebraska	43	33	33	46	17	42
Vermont	44	32	46	15	16	46
Iowa	45	45	45	20	37	31
Ohio	46	37	48	36	11	44
California	47	40	50	42	15	5
New York	48	23	41	49	46	43
New Jersey	49	41	49	44	24	49
Rhode Island	50	34	47	33	50	48

West Virginia's Rankings: 2003 and 2008

	Overall	Corporate Tax Index	Individual Income Tax Index	Sales Tax Index	Unemployment Insurance Tax Index	Property Tax Index
2003	36	30	39	19	32	29
2008	37	28	40	21	35	26

State Business Tax Climate Index Rankings, 2008



About the Index Rankings

The Tax Foundation developed the State Business Tax Climate Index as a tool for policy makers to gauge the competitiveness of state tax systems. The Tax Foundation recognizes that several issues affect a state’s overall business climate including transportation infrastructure, legal structures, quality of life, and its workforce. This index does not take any of these other issues into account. It looks strictly at each state’s taxing structure and ranks competitiveness in this regard alone.

The tax climate index has five components, which are not weighted equally. Heavier weighting is given to components that have greater variability among them.

- **Corporate tax:** Index includes top rate, graduated taxing structure, tax credits, net operating losses, gross receipts tax deductions, and other factors. Component weighted at 20.31% for the overall index.
- **Individual income tax:** Index includes the top marginal tax rate, graduated rate structure, marriage penalties, double taxation of capital income, and other factors. Component weighted at 29.53% for the overall index.

- **Sales tax:** Index includes the state sales tax rate, local sales tax options, rates, excise taxes, taxes on consumer goods, and other factors. Component weighted at 22.23% for the overall index.
- **Unemployment insurance tax:** Index includes minimum and maximum tax rate schedules, solvency taxes, temporary disability insurance, reserve taxes, and other factors. Component weighted at 13.11% for the overall index.
- **Property tax:** Index includes effective property tax rates, property tax collections per capita, capital stock tax rate, intangible property tax, and other factors. Component weighted at 14.82% for the overall index.

Data Sources

The Tax Foundation uses a variety of data sources to develop its Index, including the Commerce Clearing House, U.S. Department of Labor, and the U.S. Census Bureau. Additionally, the Tax Foundation collects and develops its own data sets which are also used as Index inputs.

LEGISLATIVE QUOTIENT, 2005 AND 2007
Expansion Management Magazine

West Virginia's Legislative Quotient Rankings: Overall and Components

	Overall Rank	General Tax Bite Rank	5-Year Tax Improvement Rank	Infrastructure Spending Rank	Managing the Debt Rank	Spending on Itself Rank	Right to Work
2005	31	32	26	15	29	42	No
2007	40	40	46	10	24	42	No

Note: 1=Best, 50=Worst

About the Ranking

To determine general business climate, *Expansion Management's* Legislative Quotient reviews policies formed by the 50 state legislatures. A review of key indicators related to state tax revenues, infrastructure spending, government management, and government efficiency helps to gauge the competitiveness of the business climate as well as where state governments have made improvements in recent years.

- **General tax bite:** Who pays and how much? How dependent is the state government on these various revenue streams?
- **Five-Year Tax Improvement:** What are the recent trends in regards to the state's reliance on corporate and individual income taxes, tax bite per capita, government debt management, and government administration spending?
- **Infrastructure spending:** How much does the state spend on transportation infrastructure and education?
- **Managing debt:** What percentage of the state budget is used to service debt? What is the per capita amount needed to pay off debt service?
- **Spending on itself:** How much does the state spend on government administration?
- **Right to work:** Does the state have right to work legislation?

Data Sources

The Legislative Quotient is a proprietary measure. Specific information related to its methodologies data sources could not be obtained.

STATE FISCAL STRESS, 2004 AND 2007

State Policy Reports

Continuum of State Fiscal Stress

4		3		2		1		0	
All Systems Go		Holding Up		Could be Better, Could be Worse		It's a Long, Hard Road		Recovery? What Recovery?	
2007	2004	2007	2004	2007	2004	2007	2004	2007	2004
Alaska	4	Alabama	2	Arkansas	3	California	0	Rhode Island	0
Connecticut	2	Arizona	2	Colorado	3	Michigan	1		
Iowa	2	Georgia	1	Delaware	3	Wyoming	3		
Kentucky	0	Hawaii	1	Florida	4				
Louisiana	3	Idaho	3	Indiana	1				
Minnesota	3	Illinois	2	Maine	1				
Mississippi	3	Kansas	4	Maryland	3				
Montana	3	Massachusetts	3	Ohio	1				
New Jersey	2	Missouri	0	Pennsylvania	2				
New York	3	Nebraska	1	Wisconsin	2				
North Dakota	4	Nevada	4						
Oregon	2	New Hampshire	1						
Texas	3	New Mexico	4						
Washington	4	North Carolina	2						
		Oklahoma	4						
		South Carolina	2						
		South Dakota	4						
		Tennessee	4						
		Utah	3						
		Vermont	3						
		Virginia	3						
		West Virginia	0						

Source: State Policy Reports, June 2007

About the Continuum

State Policy Reports develops a continuum of state fiscal stress based on each state's performance along four guiding principals.

- √ Have the states cut their enacted budgets?
- √ Are state tax collections meeting or exceeding expectations?
- √ Are total balances as a percent of spending trending up or down?
- √ Do states expect to end the year with balances that equal or exceed 5% of the general fund expenditures?

States are assigned one point for each component on which it achieves the desired outcome. The Continuum is designed to provide a broad view of the fiscal health and vulnerability of state governments.

Data Sources

State Policy Reports utilized state budget information gathered and published by the *National Association of Budget Officers* in its "Fiscal Survey of the States."

GOVERNOR'S POWER RATINGS, 2001 AND 2007
Congressional Quarterly's State Fact Finder

State	Power Rating		State	Power Rating	
	2007	2001		2007	2001
Massachusetts	4.3	3.6	Montana	3.5	3.7
Alaska	4.1	3.8	Oregon	3.5	3.2
Maryland	4.1	4.3	Wisconsin	3.5	3.7
New Jersey	4.1	3.9	Arizona	3.4	3.6
New York	4.1	4.1	Hawaii	3.4	3.9
West Virginia	4.1	4.3	Louisiana	3.4	3.1
Utah	4	4	Idaho	3.3	3.5
Colorado	3.9	3.8	Kansas	3.3	3.7
North Dakota	3.9	3.9	Kentucky	3.3	3.7
Illinois	3.8	3.7	California	3.2	3.5
Iowa	3.8	3.8	Georgia	3.2	3.2
Nebraska	3.8	3.8	New Hampshire	3.2	2.8
Pennsylvania	3.8	4	Texas	3.2	3
Tennessee	3.8	3.6	Virginia	3.2	3.3
New Mexico	3.7	3.3	Wyoming	3.1	3.6
Arkansas	3.6	3.1	Nevada	3	3
Connecticut	3.6	3.6	South Carolina	3	2.8
Florida	3.6	3.6	South Dakota	3	3.8
Maine	3.6	3.1	Indiana	2.9	2.9
Michigan	3.6	3.9	Mississippi	2.9	3.3
Minnesota	3.6	3.4	North Carolina	2.9	2.9
Missouri	3.6	3.4	Alabama	2.8	3.2
Ohio	3.6	3.9	Oklahoma	2.8	2.7
Washington	3.6	3.6	Rhode Island	2.6	2.6
Delaware	3.5	3.5	Vermont	2.5	2.7

About the Ratings

The frameworks in which governors perform their jobs often directly influence the size of their impact on state politics. This table presents the results of an ongoing study by Dr. Thad Beyle of the University of North Carolina at Chapel Hill, which is included in *Politics in the American States: A Comparative Analysis* (published by the Congressional Quarterly Press). Beyle's study on gubernatorial power measures how different states' governorships are structured by creating institutional power ratings for the 50 governors of the United States.

This ranking bases its results on six measures of institutional power:

- Tenure potential: number of years the governor serves and term-limit status;
- Appointment power: the governor's power of appointment;
- The number of other statewide elected officials;
- Budget power: the governor's power over the state budget;
- Veto power: specifications of the governor's veto power; and
- Party control: the degree to which the governor's party controls the legislature.

In addition, the index takes into account each state's separately elected officials (the number of other state officials that are elected with Governor's as part of their tickets). Further detailed information regarding the nature and methodology of the ranking can be found at the University of North Carolina's website at: www.unc.edu/~beyle.

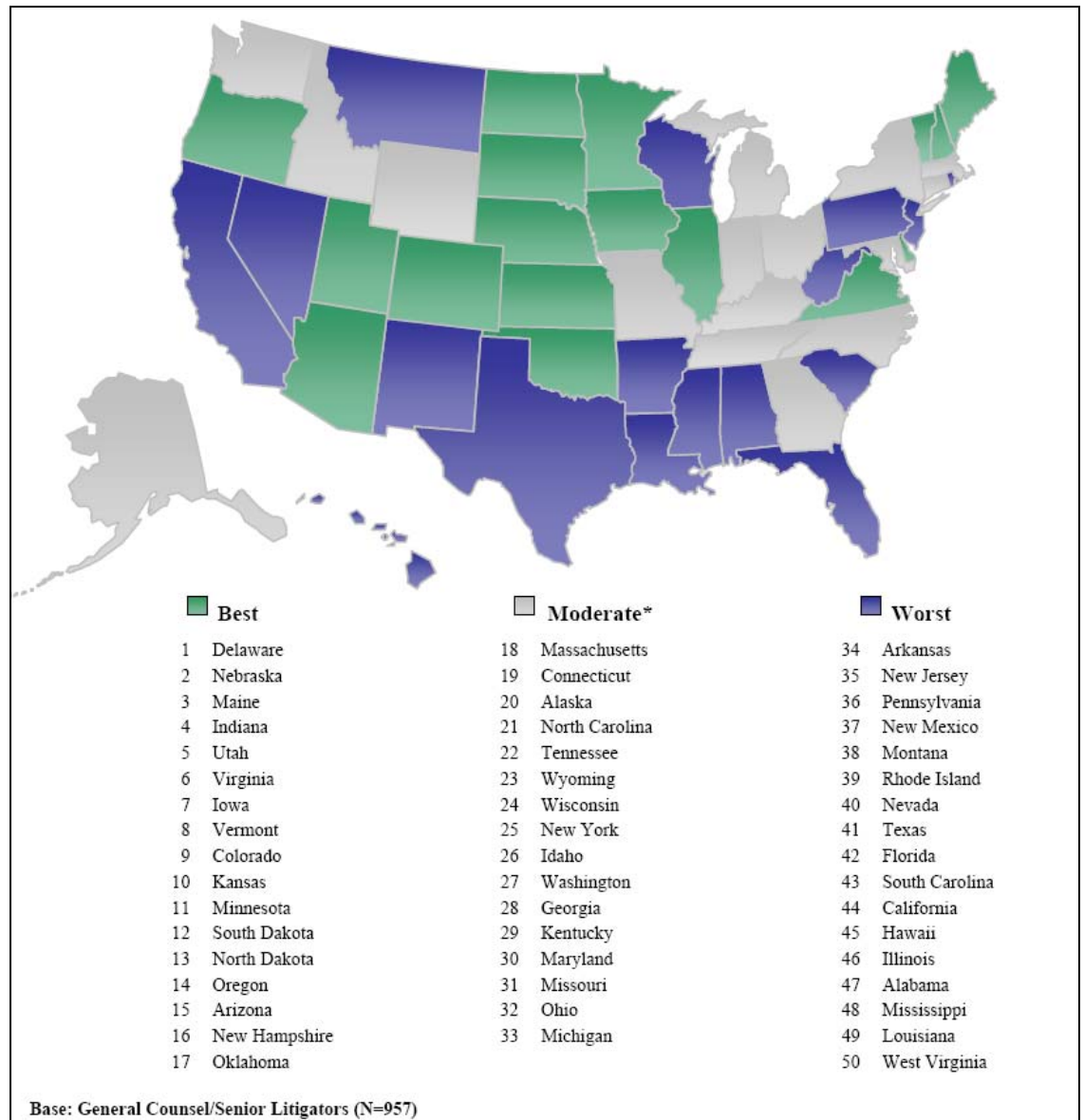
Data Sources

Beyle uses a variety of data sources to develop the index including tables from *The Book of the States*, published by the Council of State Governments in 2001 and 2007.

STATE LIABILITY SYSTEMS RANKING, 2008

U.S. Chamber of Commerce

Overall Ranking of State Liability Systems



About the Ranking

The 2008 *State Liability Systems Ranking Study* was conducted for the U.S. Chamber Institute for Legal Reform among a national sample of in-house general counsels or other senior corporate litigators at public and private corporations. The Ranking attempts to gauge the perceptions of fairness, reason, and balance of the tort liability system held by U.S. businesses.

States were given a grade (“A”, “B”, “C”, “D”, “F”) by respondents for each of the key elements of their liability systems. The following table shows West Virginia’s ratings by these grades, the percentage of respondents giving each grade, and the mean grade for each element. The mean grade was calculated by converting the letter grade using a 5.0 scale where “A” = 5.0, “B” = 4.0, “C” = 3.0, “D” = 2.0, “F” = 1.0. These grades were used to calculate states’ overall rankings, which are shown in the map on the previous page.

Ratings on Key Elements of State Liability Systems: West Virginia, 2008

	Percentage for Respondents (N=119)					Mean Grade	Ranking within Element
	A	B	C	D	F		
Having and Enforcing Meaningful Venue Requirements	3	19	35	11	15	2.8	50
Overall Treatment of Tort and Contract Litigation	3	15	29	28	18	2.5	50
Treatment of Class Action Suits and Mass Consolidation Suits	2	13	22	19	17	2.5	50
Punitive Damages	2	13	23	25	21	2.4	45
Timeliness of Summary Judgment or Dismissal	3	18	26	20	16	2.7	49
Discovery	3	25	36	13	10	3	48
Scientific and Technical Evidence	3	14	33	16	12	2.7	49
Non-economic Damages	1	13	26	25	18	2.4	50
Judges' Impartiality	3	16	32	22	18	2.6	50
Judges' Competence	6	20	35	21	10	2.9	48
Juries' Predictability	4	16	33	21	8	2.8	48
Juries' Fairness	3	18	31	19	13	2.7	48
OVERALL STATE GRADE	3	13	39	25	15	2.6	-

Note from the report: Percentages may not always add up to 100% because of computer rounding or the acceptance of multiple answers from respondents answering that question.

Data Sources

All interviews were conducted by telephone among a nationally representative sample of in-house general counsels, senior litigators and other senior attorneys who are knowledgeable about litigation matters at companies with annual revenues of at least \$100 million. Interviews averaging 23 minutes in length were conducted with a total of 957 respondents and took place between December 18, 2007 and March 19, 2008.

The study notes that in some cases, results are based on small sample sizes. In general, caution should be used in drawing any conclusion from results based on small samples. For West Virginia's results are based on input gathered from 119 respondents.

PROGRESSIVITY OF STATE AND LOCAL TAXES, 2000 AND 2007

Congressional Quarterly's State Fact Finder

State	Rank in order by percentage		Progressivity Index	
	2007	2000	2007	2000
Connecticut	1	19	77.1	96.0
Maryland	2	44	88.3	64.1
Maine	3	38	94.2	74.1
Vermont	4	40	94.3	71.2
Iowa	5	31	96.7	81.1
New York	6	47	97.7	58.6
Wisconsin	7	35	98	78.2
Rhode Island	8	28	99.7	85.0
Idaho	9	50	101.6	54.4
Montana	10	49	105.5	55.9
Nebraska	11	41	109.3	70.8
California	12	37	109.4	75.0
Kansas	13	46	119.3	63.6
Mississippi	14	30	120.8	82.1
Oregon	15	36	121.8	77.7
South Carolina	16	45	123.5	63.9
Ohio	17	26	124.9	85.8
New Jersey	18	12	125.5	106.1
Indiana	19	11	127.6	107.3
North Carolina	20	33	130.5	79.7
Kentucky	21	16	130.9	98.2
North Dakota	22	13	131.6	104.1
Minnesota	23	48	131.9	57.0
Delaware	24	43	132.1	67.2
Missouri	25	22	132.1	94.8

State	Rank in order by percentage		Progressivity Index	
	2007	2000	2007	2000
New Mexico	26	32	133.3	80.4
Georgia	27	42	135.6	70.4
West Virginia	28	25	138.3	88.4
Arkansas	29	23	139.4	91.3
Michigan	30	20	140.5	95.1
New Hampshire	31	9	141.4	118.3
Massachusetts	32	29	142.9	82.6
Louisiana	33	39	145.2	73.7
Oklahoma	34	15	146.5	98.9
Pennsylvania	35	18	148.9	96.3
Utah	36	17	151.4	96.5
Virginia	37	21	152.9	94.9
Colorado	38	34	166.6	79.5
Illinois	39	14	168.8	102.3
Hawaii	40	24	174	88.6
Arizona	41	27	174	85.1
Alabama	42	8	174.5	126.7
South Dakota	43	2	195.1	156.4
Texas	44	6	205.2	140.2
Washington	45	5	220.6	145.5
Nevada	46	3	248	153.1
Tennessee	47	1	250.2	157.8
Florida	48	10	255.1	107.4
Wyoming	49	4	281.4	147.9
Alaska	50	7	312.5	127.1

About the Ranking

These data compare tax burdens (including individual income, real property, sales and use, and automobile taxes) as a percentage of income using households of two income levels (\$25,000 and \$150,000) in an effort to measure a state's tax progressivity. Low numbers indicate that the percentage paid by the higher income households is significantly higher than the percentage paid by low income households. This signifies that the state and local tax structure is progressive.

States with no personal income tax, such as Nevada, have "regressive" tax systems. These states have progressivity percentages over one hundred, indicating that poorer households pay a larger percentage of their income on state and local taxes than do higher income households.

Data Sources

This data was calculated by the District of Columbia's Department of Finance and Revenue in *Tax Rates and Tax Burdens in the District of Columbia: A Nationwide Comparison*, which was published in 2001 and 2006. The calculations for the largest city in each state are not necessarily representative of statewide averages.

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Goal Area:

Intellectual Infrastructure in the
21st Century



QUALITY COUNTS, 2008

Education Week

	Overall			Chance for Success	K-12 Achievement	Standards, Assessment, And Accountability	Transitions And Alignment	Teaching Profession	School Finance
	Grade	Rank	Total score						
New York	B	1	84.9	B	C-	A	A	C+	B+
Massachusetts	B	2	84.0	A	B	A-	C	C	B-
Maryland	B	3	83.5	B+	B	B	B+	C-	B
New Jersey	B-	4	82.4	A-	B-	B-	C+	C	A-
Virginia	B-	5	82.3	B	C	A	C+	B-	C+
West Virginia	B-	6	80.8	C-	F	A	B+	C+	A
Ohio	B-	7	80.6	B-	C-	A	C+	C+	B-
Arkansas	B-	8	80.5	C-	D	B+	B	B+	B-
South Carolina	B-	9	80.4	C	D	A	B-	A-	C
Pennsylvania	B-	10	80.3	B	C+	C+	B-	C+	B-
U.S.	C	n/a	75.9	C+	D+	B	C	C	C+

About the Scorecard

This Scorecard varies from years past in several ways. Namely, it introduces the chance-for-success index and the K-12 achievement index. As such, benchmarking these most current figures against years past would be methodologically unsound. The total score is the average of scores across the six individual categories. Each category receives equal weight in the overall grade. Highlights from each component are outlined in the following pages.

Chance for Success

This index strives to identify strengths and weaknesses in the linkages in the typical educational trajectory from childhood through adulthood of states' residents. As shown in the following chart, West Virginia's performance is mixed.

West Virginia: Chance for Success Sub-Component

	State Average	Rank	National Average
Early Foundations			
Family income Children from families with incomes at least 200% of poverty level (2006)	51.70%	44	60.10%
Parent education Children with at least one parent with a postsecondary degree (2006)	34.1	48	43.3
Parental employment Children with at least one parent working full time and year-round (2006)	65.7	47	71.8
Linguistic integration Children whose parents are fluent English speakers (2006)	98.9	2	84.3
The Schooling Years			
Preschool enrollment Three- and 4-year-olds enrolled in preschool (2006)	34.4	47	46.1
Kindergarten enrollment Eligible children enrolled in kindergarten programs (2006)	81.4	2	75.7
Elementary reading Fourth grade public school students proficient on NAEP (2007)	27.8	40	31.7
Middle school mathematics Eighth grade public school students proficient on NAEP (2007)	18.5	47	31
High school graduation Public high school students who graduate with a diploma (class of 2004)	71.7	27	69.9
Postsecondary participation Young adults enrolled in postsecondary or with a degree (2006)	52.4	23	51.8
Adult Outcomes			
Adult educational attainment Adults with a two- or four-year postsecondary degree (2006)	25.4	51	37.2
Annual income Adults with incomes at or above national median (2006)	39.2	48	50.1
Steady employment Adults in labor force working full time and year-round (2006)	68.3	27	68.2
SCORE	70.8	47	78.4
GRADE	C-		C+

K-12 Achievement

The K-12 Achievement Index examines 18 achievement measures related to:

- 4th grade math and reading
- 8th grade math and reading
- Achievement gaps
- High school graduation rates
- High school AP test scores

The index assigns equal weight to current levels of performance and changes over time. It also places an emphasis on equity, by examining both poverty-based achievement gaps and progress in closing those gaps. West Virginia ranked 49th in the country, posting particularly weak scores in 8th grade achievement, AP test scores, and math excellence.

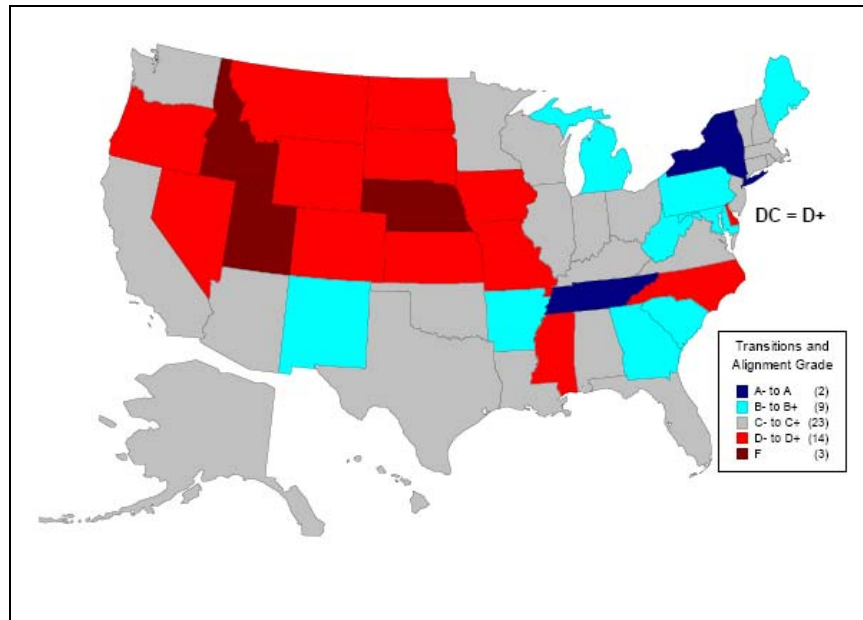
Standards, Assessment, and Accountability

English, Math, Science, and History/Social Studies standards in elementary, middle, and high schools were examined. Compared to other states' accountability standards, West Virginia ranks third in the nation.

Transitions and Alignment

This category examines student transition and school alignment policies across the states in early learning, post secondary education, and the workforce. Of the 14 areas examined, West Virginia has transition and alignment policies for 12 areas. West Virginia does not formally define "school readiness" (in 2007-08, 13 states had such standards) or "college preparation" (in 2007-08, three states had such standards). The following map shows each state's scorecard grade for transitions and alignment.

**State Efforts to connect the K-12 Education:
Early learning, Higher education, and the World of Work**



Teaching Profession

Education Week examined 50 policy areas in the following categories to examine how states are working to improve the quality of their K-12 teachers. Comparatively, West Virginia has fewer policies in teacher education, and salaries and incentives.

- Requirements for initial licensure
- Out of field teacher rules
- Evaluating teacher performance

- Teacher education programs
- Data systems (to monitor quality)
- Salaries and incentives
- Reduction of entry/transfer barriers in teaching
- Support for beginning teachers
- Professional development
- School leadership
- School working conditions

School Finance

This component examines school finance equity and spending. Of the eight indicators examined, West Virginia ranked first place in four.

West Virginia: School Finance Sub-Component

	State Average	Rank	National Average
Equity (2005)			
Wealth Neutrality Score – Relationship between district funding and local property wealth	0.075	20	0.085
McLoone Index – Actual spending as percent of amount needed to bring all students to median level	94.3	13	92.6
Coefficient of Variation – Amount of disparity in spending across districts within a state	0.058	1	0.147
Restricted Range – Difference in per-pupil spending levels at the 95th and 5th percentiles	\$1,626	1	\$4,725
Spending (2005)			
Adjusted per-pupil expenditures (PPE) – Analysis accounts for regional cost differences	\$10,073	10	\$8,973
Students funded at or above national average – Percent of students in districts with PPE at or above U.S. average	100.00%	1	46.10%
Spending Index – Per-pupil spending levels weighted by the degree to which districts meet or approach the national average for expenditures	100	1	92.7
Spending on education – State expenditures on K-12 schooling as a percent of state taxable resources	4.60%	4	3.60%
Grade	A		C

Data Sources

Education Week used many public and private data sources as well as their own original research to develop this Scorecard. Sources include the U.S. Department of Education’s Common Core of Data, U.S Census Bureau, American Federation of Teachers, U.S. Bureau of Economic Analysis, National Center for Education Statistics, and the EPE Research Center Annual Policy Survey (EPE develops the Scorecard for *Education Week*).

TECHNOLOGY COUNTS, 2006 AND 2008

Education Week

		2006	2008	
		West Virginia	West Virginia	U.S.
Overall	Grade	A	A	C
	Score	94	95	77
Access to Technology	Grade	n/a	A-	B-
	Students per instructional computer	3.0	3.2	3.8
	Students per high-speed Internet-connected computer	3.0	3.0	3.7
Use of Technology	Grade	n/a	A	C
	State standards for students include technology	Yes	Yes	48 states
	State tests students on technology	No	No	5 states
	State has established a virtual school	Yes	Yes	25 states
	State offers computer-based assessments	Yes	Yes	27 states
Capacity to Use Technology	Grade	n/a	A	C+
	State standards include technology for: Teachers	Yes	Yes	44 states
	Administrators	Yes	Yes	35 states
	Requirements for an initial license include tech coursework or a test for: Teachers	Yes	Yes	19 states
	Administrators	Yes	Yes	9 states
State requires technology training or a technology test for recertification, or requires participation in technology-related professional development for: Teachers	Yes	Yes	10 states	
Administrators	No	Yes	6 states	

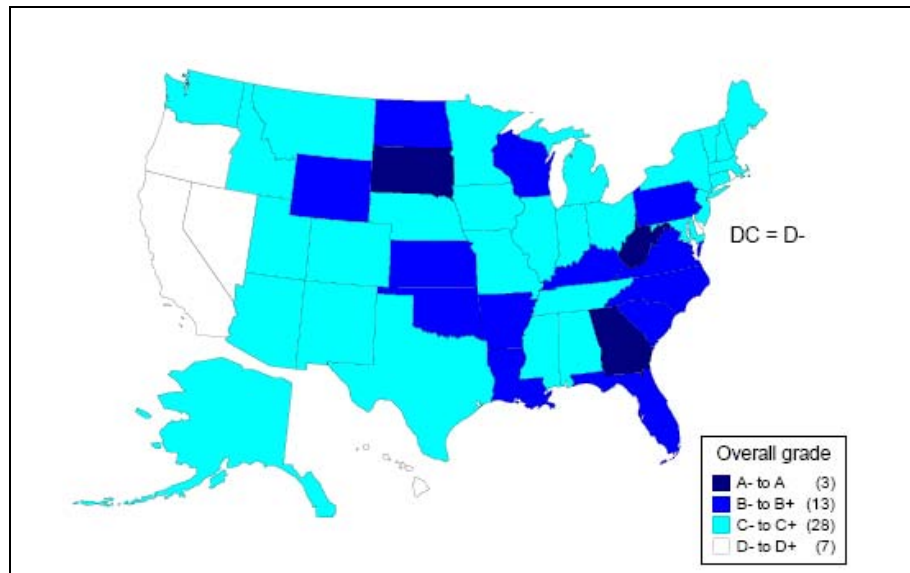
About the Scorecard

The Technology Counts grading system is based on 14 individual indicators within three areas of state policy and practice:

- Access to instructional technology
- Use of technology
- Capacity to effectively use educational technology

Each indicator was assigned a certain number of points, which were awarded only if states had documented, relevant policies or practices in place. Points were then summed along each of the three technology areas, producing scores on a 100-point scale. To generate the overall score, the average of the three category scores was computed and then converted into a letter grade.

Overall Grade on State Technology Leadership, 2008



Data Sources

Information on technology use and capacity was obtained from a 2007 nationwide survey of state technology officials conducted by the EPE Research Center. Indicators related to educational technology access were derived from a 2005-06 public school survey conducted by Market Data Retrieval, a research company that tracks the use of educational technology, and from background questionnaires administered as part of the 2007 National Assessment of Educational Progress.

ESTIMATED PUBLIC HIGH SCHOOL GRADUATION RATES, 2007
Congressional Quarterly's State Fact Finder

Rank	State	Percent
1	Minnesota	90.8
2	Vermont	90.7
3	Maine	84.2
4	Iowa	83.8
5	New Jersey	82.8
6	Wisconsin	82.7
7	Nebraska	81.5
8	New Hampshire	80.5
9	Pennsylvania	80.1
10	South Dakota	79.9
11	Montana	79.6
12	North Dakota	78.3
13	Missouri	78.2
14	Arizona	77.8
15	Arkansas	77.7
16	Utah	77.6
17	Kansas	77.0
18	Idaho	76.6
19	Massachusetts	76.3
20	Wyoming	75.2
21	Colorado	74.8
22	Connecticut	74.5
23	Oregon	74.2
24	Maryland	73.9
25	Oklahoma	73.8

Rank	State	Percent
26	Virginia	73.4
27	West Virginia	73.3
28	Ohio	73.1
29	Illinois	73.0
30	Tennessee	71.5
31	Kentucky	70.8
32	California	68.3
33	Michigan	67.5
34	Delaware	67.1
35	Alaska	66.8
36	Indiana	65.7
37	Washington	65.4
38	Hawaii	65.0
39	Rhode Island	64.8
40	North Carolina	64.7
41	Texas	63.8
42	Georgia	63.6
42	New York	63.6
44	Alabama	60.3
45	Mississippi	60.2
46	New Mexico	58.6
47	Nevada	58.3
48	Louisiana	56.6
49	South Carolina	56.3
50	Florida	53.0

National Rate = 69.3%

Source: CQ Press using data from National Education Association, Washington, D.C.
 "Rankings & Estimates" and National Center for Education Statistics

About the Rates

These rates were calculated by comparing the estimated number of 2006 to 2007 high school graduates with ninth grade enrollment in 2003 to 2004. The data excludes non-graded students, have not been adjusted for interstate migration, and do not account for students who may have switched to or from private schools.

Data Sources

Congressional Quarterly used data from the National Education Association and the National Center for Education Statistics. This data were collected using research methods including surveys of a universe (for example all colleges), or of a sample, complications of records, and statistical projections.

AVERAGE STUDENT COSTS AT PUBLIC INSTITUTIONS OF HIGHER EDUCATION, 2006

Congressional Quarterly's State Fact Finder

Ranking	State	Average Costs Per Student	Ranking	State	Average Costs Per Student
1	New Jersey	\$17,708	26	Nebraska	11,286
2	Vermont	16,571	27	Texas	10,973
3	Ohio	16,032	28	Nevada	10,865
4	New Hampshire	15,479	29	Kentucky	10,663
5	Pennsylvania	15,464	30	Alaska	10,620
6	Maryland	14,793	31	Montana	10,613
7	Connecticut	14,658	32	Wisconsin	10,560
8	Massachusetts	14,651	33	Florida	10,141
9	Delaware	14,326	34	Georgia	10,062
10	Rhode Island	14,315	35	West Virginia	9,992
11	Illinois	13,976	36	Kansas	9,980
12	Michigan	13,693	37	Tennessee	9,956
13	California	13,685	38	North Dakota	9,829
14	New York	13,275	39	North Carolina	9,675
15	South Carolina	13,145	40	Alabama	9,625
16	Minnesota	12,777	41	New Mexico	9,579
17	Oregon	12,720	42	South Dakota	9,493
18	Maine	12,568	43	Mississippi	9,461
19	Indiana	12,388	44	Oklahoma	9,404
20	Washington	12,384	45	Arkansas	9,192
21	Iowa	12,329	46	Hawaii	9,042
22	Virginia	12,279	47	Idaho	8,982
23	Missouri	11,861	48	Wyoming	8,946
24	Colorado	11,569	49	Utah	8,745
25	Arizona	11,480	50	Louisiana	8,506

National Average = \$12,108

Source: U.S. Department of Education, National Center for Education Statistics
"Digest of Education Statistics 2006" (NCES 2007-017, July 2007)

About the Rates

These data are for the 2005-2006 school year and are based on average in-state tuition, room and board, and fees for full time students in public four-year institutions for a full academic year.

Data Sources

State Fact Finder received this data from the United States Department of Education and the National Center for Education Statistics (NCES). The data was originally published in the "Digest of Education Statistics 2006," by NCES in July 2007.

ENROLLMENT RATE IN INSTITUTIONS OF HIGHER EDUCATION, 2005
Congressional Quarterly's State Fact Finder

Rank	State	Rate
1	Arizona	931
2	Rhode Island	756
3	Massachusetts	750
4	Iowa	734
5	Minnesota	678
6	California	669
7	Illinois	665
8	North Dakota	660
9	Colorado	653
10	Kansas	645
11	Nebraska	636
12	Missouri	635
13	Michigan	633
13	New York	633
15	New Mexico	628
15	Utah	628
17	Vermont	627
18	Delaware	621
19	Wyoming	620
20	Kentucky	601
21	West Virginia	592
22	Maryland	590
23	Pennsylvania	587
24	Wisconsin	586
25	North Carolina	584

Rank	State	Rate
26	Indiana	581
26	Virginia	581
28	Alabama	567
28	New Hampshire	567
28	Oregon	567
31	South Dakota	566
32	Connecticut	553
33	Ohio	551
34	Florida	549
35	Oklahoma	544
36	Washington	540
37	Hawaii	524
38	Maine	521
39	Arkansas	513
39	Texas	513
41	Nevada	505
42	New Jersey	502
43	South Carolina	494
44	Tennessee	491
45	Idaho	487
46	Montana	479
47	Mississippi	477
48	Georgia	464
49	Louisiana	397
50	Alaska	392

National Rate = 597 Students per 1,000 Population 18 to 24 Years Old*

Source: Congressional Quarterly Press using data from U.S. Department of Education, National Center for Education Statistics "Digest of Education Statistics 2006" (NCES 2007-017, July 2007)

About the Rankings

These rates are based on fall 2005 enrollment. The national rate includes United States service schools and students at both four-year and two-year public and private degree-granting institutions. Enrollment is based on the location of each institution while population is based on residence.

Data Sources

These rates were developed by the Congressional Quarterly Press using data from the U.S. Department of Education, National Center for Education Statistics' document "Digest of Education Statistics 2006," which was published in July 2007.

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Goal Area:

Building Bridges and
Empowering Citizens



AMERICA'S HEALTH RANKINGS, 2000 AND 2007

United Health Foundation

West Virginia	2000		2007	
	Value	Rank	Value	Rank
OVERALL	-11.7	44	-11.8	44
Determinants	-6.7	43	-5.6	38
<i>Personal Behaviors</i>				
+Prevalence of Smoking (Percent of population)	27.1	44	25.7	49
+Binge Drinking (Percent of population)	8.5*	3*	11.1	6
+Prevalence of Obesity (Percent of population)	24.6	50	31	49
++High School Graduation (Percent of incoming ninth graders)	75.3*	17*	76.9	25
<i>Community Environment</i>				
+Violent Crime (Offenses per 100,000 population)	249	9	280	12
+Occupational Fatalities (Deaths per 100,000 workers)	8.8	44	11.2	47
+Infectious Disease (Cases per 100,000 population)	10.8	6	10.5	16
+Children in Poverty (Percent of persons under age 18)	22.6	47	21.2	44
<i>Public & Health Policies</i>				
+Lack of Health Insurance (Percent without health insurance)	15.1	36	13.5	23
++Per Capita Public Health Spending (Dollars per person)	---	---	\$95	39
++Immunization Coverage (Percent of children ages 19 to 35 months)	77.8	19	77.8	39
<i>Clinical Care</i>				
++Adequate Prenatal Care (Percent of pregnant women receiving)	76.4*	24*	81.1	10
++Primary Care Physicians (Number per 100,000 population)	---	---	104.9	34
+Preventable Hospitalizations (Number per 1,000 Medicare enrollees)**	---	---	114.4	49
Health Outcomes	-5	43	-6.2	47
+Poor Mental Health Days (Days in previous 30 days)***	2.9	21	4.4	47
+Poor Physical Health Days (Days in previous 30 days)****	4	48	5.2	49
+Infant Mortality (Deaths per 1,000 live births)	8.8	44	7.9	38
+Cardiovascular Deaths (Deaths per 100,000 population)	411.2	48	374.8	46
+Cancer Deaths (Deaths per 100,000 population)	228	47	225.9	49
+Premature Death (Years lost per 100,000 population)	8,248	40	9,326	44

+ 1= lowest percentage of the measured population; smallest dollar amount, or lowest number per capita
 ++ 1= highest percentage of the measured population; highest dollar amount; or highest number per capita

*Data may not be comparable.

** Preventable Hospitalizations is a measure of the discharge rate from hospitals for ambulatory care-sensitive conditions (such as adult asthma, bacterial pneumonia, diabetes urinary tract infection and other conditions).

***Poor Mental/Physical Health Days are the average number of days in the previous 30 days that a person could not perform work or household tasks due to mental/physical illness.

About the Rankings

The Rankings components are grouped into two categories, (1) determinants and (2) outcomes. *Determinates* are “inputs” including behaviors, community environment, health policies, and clinical care, that can improve health *outcomes* over time.

The individual components of the Ranks are assigned different weights as they contribute to the overall and component values and ranks. The following bullets outline the methodology utilized by the Foundation.

- The data is the raw data as obtained from the stated sources and adjusted for age, race and/or population as appropriate
- The score for each state is based on the following formula. The score is stated as a percentage.

$$\text{SCORE} = \frac{\text{ABSOLUTE VALUE}}{\text{NATIONAL MEAN}} - 1.0 \times 100$$

- This calculation results in a score of 0.0 for a state with the same value as the national average. States that have a higher value than the national average have a positive score while those with lower values have a negative score.
- To prevent an extreme value from excessively influencing a final score, the maximum score any state could receive for a component is limited to the national norm plus or minus two standard deviations.
- The overall score was calculated by adding the scores of each component multiplied by its weight or the percent of total overall ranking.
- The ranking is the ordering of each state according to score. Ties in scores are assigned equal rankings.

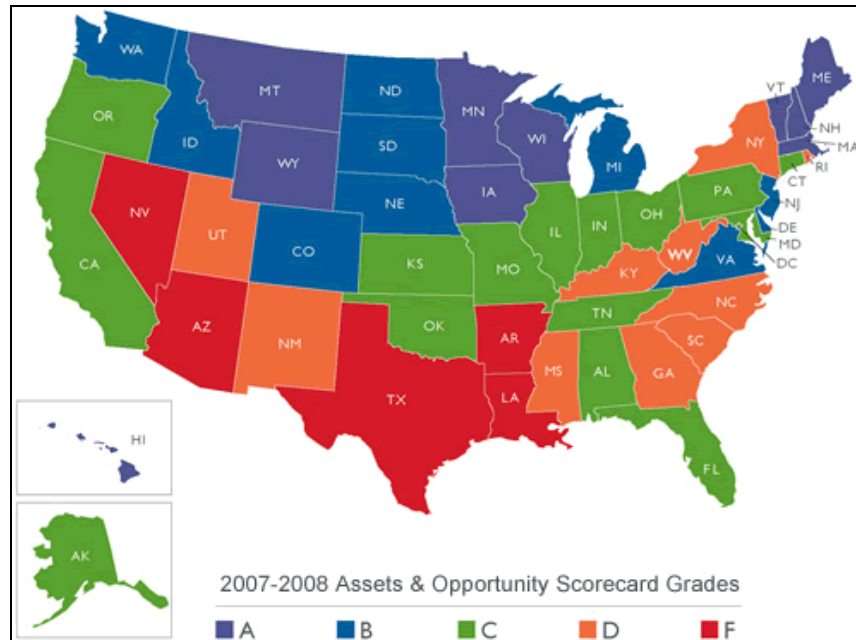
Data Sources

Data sources for *America’s Health Rankings* include the Centers for Disease Control and Prevention, U.S. Census Bureau, U.S. Federal Bureau of Investigation, National Center for Education Statistics, National Safety Council, and other reputable sources.

ASSETS AND OPPORTUNITIES SCORECARD, 2005 AND 2007
Corporation for Enterprise Development

West Virginia's Scorecard

		2005	2007
Overall			
+	Rank	49	45
	Grade	F	D
Homeownership			
+	Rank	19	1
	Grade	B	A
Education			
no change	Rank	46	46
	Grade	D	D
Health Care			
+	Rank	41	33
	Grade	D	C
Business Development			
+	Rank	48	45
	Grade	F	D
Financial Security			
-	Rank	41	44
	Grade	D	D



About the Scorecard

The Corporation for Enterprise Development is a not-for-profit organization that works to expand economic opportunities for Americans through entrepreneurship, educational, and homeownership assistance. Its *Assets and Opportunities Scorecard* provides a snapshot on how the states are performing in the following areas.

- Financial security
- Business development
- Homeownership
- Health care
- Education
- Tax policy and accountability

The Scorecard is meant to assess the status of each state's citizens in building, protecting, and insuring financial assets. A total of 46 outcome measures along these areas (excluding tax policy, which is assessed in a different manner) were ranked, with #1 being the most desirable spot. Ranks for each measure were added, so that each measure contributes equally to each area grade. These area rankings are used to develop the aggregate overall grade.

States that rank from 1st to 10th earn an A; 11th to 20th earn a B; 21st to 36th earn a C; 37th to 46th earn a D; 47th to 51st earn an F.

Unlike the outcome measures which rank states relative to one another, for the policy measures states are assessed against an absolute standard. CFED used the best available research and guidance from policy experts in the field to develop key criteria for a strong policy. Each state was ranked on a sliding scale ranging from no policies in place to strong policies.

Data Sources

CFED uses a variety of public and private data sources to develop the Scorecard including the U.S. Census Bureau, U.S. Department of Commerce, National Council of State Housing Agencies, FamiliesUSA, U.S. Small Business Administration, and other sources.

The Scorecard is proprietary, more information about specific details related to its methodologies and 46 outcome measures could not be obtained.

AMERICA'S GREENEST STATES, 2007

Forbes

Rank		Score
1	Vermont	43.6
2	Oregon	43.6
3	Washington	43.4
4	Hawaii	41.3
5	Maryland	40.4
6	Connecticut	39.8
7	New Jersey	39.5
8	Rhode Island	38.7
9	New York	38.1
10	Arizona	37.9
11	Massachusetts	37.8
12	Idaho	37.2
13	Colorado	37.2
14	California	37.1
15	Minnesota	36.3
16	Wisconsin	35.7
17	Nevada	35.1
18	New Mexico	34.7
19	New Hampshire	33.7
20	Florida	32.9
21	South Dakota	32.6
22	Montana	31.5
23	Virginia	30.5
24	Michigan	30.3
25	Maine	29.9

Rank		Score
26	North Carolina	29.5
27	Illinois	28.6
28	Utah	28.5
29	Georgia	28.2
30	Delaware	28
31	Kansas	27.7
32	Pennsylvania	27.5
33	Nebraska	27.5
34	Texas	26.5
35	Iowa	26.4
36	South Carolina	25.3
37	Wyoming	24.8
38	Oklahoma	24.2
39	Ohio	23.4
40	Alaska	22.7
41	Missouri	22.6
42	North Dakota	22.2
43	Tennessee	22.2
44	Arkansas	20.8
45	Kentucky	20.4
46	Mississippi	17.6
47	Louisiana	17
48	Alabama	15.8
49	Indiana	15.3
50	West Virginia	14.2

Source: Forbes.com "America's Greenest States." October 17, 2007

About the Ranking

This is the first year *Forbes* has released these rankings. At the time of this report's publication, 2008 figures had not been released. The ranking scores each state along six equally weighted categories, listed below.

- Carbon footprint
- Air quality
- Water quality
- Hazardous waste management
- Policy initiatives
- Energy consumption

West Virginia scored 14.2 out of a possible 50 points, posting low scores in every category. The state scored particularly poorly in its carbon footprint, water quality, and environmental policy.

Data Sources

To develop this ranking, data were utilized from a variety of public and private environmental data sources including:

- American Lung Association
- Environmental Protection Agency
- American Council for an Energy-Efficient Economy
- U.S. Green Building Council
- Energy Information Administration
- Department of Transportation
- Natural Resources Defense Council
- Sierra Club

Because *Forbes'* ranking is proprietary, more information about specific details related to its methodologies could not be obtained.

UNINSURED POPULATION, 1999 AND 2004-06

State Policy Reports

Share of Population without Health Insurance

State	3 year average 2004-2006		1999	
	Rank	Percent	Rank	Percent
Texas	1	24.1%	2	23.3%
New Mexico	2	21.0%	1	25.8%
Florida	3	20.3%	7	19.2%
Arizona	4	19.0%	4	21.2%
California	6	18.5%	6	20.3%
Oklahoma	6	18.7%	12	17.5%
Louisiana	7	18.5%	3	22.5%
Nevada	8	18.3%	5	20.7%
Mississippi	9	18.1%	15	16.6%
Georgia	10	17.6%	17	16.1%
Arkansas	11	17.5%	21	14.7%
Montana	12	17.0%	10	18.6%
Alaska	13	16.7%	8	19.1%
Colorado	14	16.6%	14	16.8%
Oregon	14	16.6%	22	14.6%
South Carolina	16	16.0%	11	17.6%
North Carolina	16	16.0%	20	15.4%
Utah	18	15.7%	25	14.2%
West Virginia	19	15.5%	13	17.1%
U.S. Average		15.3%		15.5%
Idaho	20	14.9%	8	19.1%
New Jersey	21	14.6%	27	13.4%
Alabama	22	14.1%	24	14.3%
Wyoming	23	14.0%	17	16.1%
Kentucky	24	13.8%	23	14.5%
Illinois	25	13.6%	27	14.1%

State	3 year average 2004-2006		1999	
	Rank	Percent	Rank	Percent
Maryland	26	13.5%	33	11.8%
Tennessee	27	13.4%	33	11.5%
New York	28	13.2%	16	16.4%
Virginia	28	13.2%	26	14.1%
Indiana	30	13.1%	42	10.8%
Washington	31	12.5%	19	15.8%
Delaware	31	12.5%	36	11.4%
Missouri	33	12.3%	47	8.6%
South Dakota	34	11.6%	33	11.8%
Kansas	35	11.1%	30	12.1%
Nebraska	35	11.1%	40	10.8%
North Dakota	37	11.1%	32	11.8%
Vermont	38	10.8%	29	12.3%
Ohio	39	10.7%	40	11.0%
Michigan	40	10.6%	37	11.2%
New Hampshire	41	10.4%	44	10.2%
Connecticut	41	10.4%	45	9.8%
Massachusetts	43	10.3%	42	10.5%
Pennsylvania	44	10.2%	46	9.4%
Rhode Island	44	10.2%	50	6.9%
Maine	46	9.5%	31	11.9%
Wisconsin	47	9.4%	39	11.0%
Iowa	48	9.3%	48	8.3%
Hawaii	49	8.6%	38	11.1%
Minnesota	50	8.5%	49	8.0%

Source: State Policy Reports, October 2000 and August 2007

About the Ranking

The chart on the previous page compares the share of each state's population without health insurance. Each state is ranked according to this share, with #1 representing the state with the largest proportional uninsured population and #50 representing the state with the smallest. The most current figures reported by State Policy Reports represent a three-year average between 2004 and 2006. Washington DC was not included in this analysis. These figures are presented against a single-year estimate from 1999. Although Washington DC was included in those rankings, it has been removed and the rankings were adjusted accordingly for continuity purposes.

Data Sources

State Policy Reports utilized U.S. Census Bureau data for this ranking. It did not apply indexing or weighting to any data, but merely presented the percentages reported by the Census. The U.S. Census Bureau collects information related to health insurance coverage as part of its *Annual Social and Economic Supplement* survey.

CAMELOT INDEX, 2003 AND 2008

State Policy Reports

State	2008		2003	
	Rank	Average	Rank	Average
New Hampshire	1	6	1	9.5
North Dakota	2	8.2	6	12.5
South Dakota	3	9.8	2	9.7
Iowa	4	11.2	4	11.5
Minnesota	5	12.2	3	9.8
Nebraska	6	12.5	7	12.8
Wyoming	7	13	8	13.7
Utah	8	13.5	20	21.3
Vermont	9	13.8	10	16.7
Idaho	10	14.2	19	21.2
Colorado	11	14.7	13	17.2
Connecticut	12	14.8	9	16.0
Massachusetts	13	16.2	18	20.7
Virginia	14	16.5	11	16.7
New Jersey	15	17.7	14	19.0
Wisconsin	16	18.7	5	12.3
Montana	17	19.3	22	24.3
Maine	18	21.2	12	16.7
Washington	19	21.5	25	25.5
Kansas	20	21.8	15	19.5
Oregon	21	22.8	16	19.5
Maryland	22	23	32	29.7
Alaska	23	25	23	25.0
Missouri	24	25.8	21	24.0
New York	25	25.8	34	30.7

State	2008		2003	
	Rank	Average	Rank	Average
Pennsylvania	26	27	17	20.2
Kentucky	27	27.3	28	26.3
Hawaii	28	27.5	27	26.2
Delaware	29	27.8	29	26.3
Rhode Island	30	29.5	24	25.0
Illinois	31	30.2	35	31.2
Michigan	32	31.8	26	25.5
Arizona	33	32.7	36	31.7
California	34	32.7	33	30.0
Indiana	35	32.8	31	29.0
Florida	36	33.2	37	32.8
Oklahoma	37	33.5	45	36.0
West Virginia	38	34	42	34.3
North Carolina	39	34.2	38	32.8
Georgia	40	34.5	43	35.3
Ohio	41	34.5	30	28.3
Texas	42	35	39	32.8
Arkansas	43	35.7	40	32.8
Nevada	44	36.5	41	33.2
Alabama	45	37	44	35.8
Tennessee	46	37.7	47	38.2
New Mexico	47	38	48	40.0
South Carolina	48	40.8	46	37.0
Mississippi	49	41.7	49	42.0
Louisiana	50	43.7	50	47.3

West Virginia: Camelot Index Components

	2008		2003	
	Rank	Average	Rank	Average
Health Economy	50	44.4	50	44.7
Healthy People	43	39.3	41	36.7
Crime-Free State	11	13.5	6	8.5
Educated Population	32	28.8	26	27.8
Healthy Society	25	24.6	35	29.0
Prudently Managed Government	43	34.8	48	34.3

About the Index

The Camelot Index is based on the premise that most people share a common set of “quality of life” preferences including lower taxes, low crime, good educational opportunities, and so forth. The Index includes 27 data variables along six Index components: economic vitality, health, education, crime, society, and government. These variables and components are outlined in the following table.

<p>Healthy economy components:</p> <ul style="list-style-type: none"> Percentage of people in poverty Employment growth (within the last year) Population growth (within the last year) Per capita income growth (within the last year) Per capita federal tax liability Fiscal capacity of the tax base Average pay in retailing jobs 	<p>Education components:</p> <ul style="list-style-type: none"> Rank on the Armed Forces Qualification test Pupil-teacher ratios High school graduation rate Average in-state college cost Composite ACT Composite SAT scores
<p>Healthy people components:</p> <ul style="list-style-type: none"> Age-adjusted death rates Infant mortality rates, 2005 Percentage of population without health insurance 	<p>Healthy society components:</p> <ul style="list-style-type: none"> Home ownership Percentage of the population voting Births to unwed mothers Single-parent families Percentage of the population receiving welfare payments
<p>Crime components:</p> <ul style="list-style-type: none"> Violent crime rates Property crime rates 	<p>Government components:</p> <ul style="list-style-type: none"> State and local taxes as a percentage of personal income State Solvency Index Structural surpluses and deficits Bond ratings

Note: Developed by State Policy Research, the State Solvency Index is a measure that deducts state and local debt and unfunded pension liabilities from assets.

A state’s score for each category is determined by averaging its rank on each component, giving equal weight to each one. A state’s rankings for the six key measures are then averaged to determine its overall score. A state ranked best in the nation in every factor used in the Index would score one; a state ranked last would score 50.

Data Sources

Camelot Index uses data from *State Rankings*, published by Congressional Quarterly (CQ). Sources utilized by CQ include the U.S. Census Bureau, the Bureau of Labor Statistics, Centers for Disease Control and Prevention, National Center for Education Statistics, Education Week, and other reputable public and private data sources.

STATE ART AGENCIES' LEGISLATIVE APPROPRIATIONS, 2007
Congressional Quarterly's State Fact Finder

Rank	State	Per Capita (\$)	Rank	State	Per Capita (\$)
1	Hawaii	5.32	26	Alaska	0.81
2	New Jersey	3.42	27	North Dakota	0.79
3	Rhode Island	3.04	27	Vermont	0.79
4	New York	2.35	29	Nebraska	0.77
5	Delaware	2.09	29	South Dakota	0.77
6	Connecticut	2.02	31	Nevada	0.68
7	Maryland	2.01	32	Arizona	0.59
8	Minnesota	1.66	33	Idaho	0.58
9	Florida	1.63	33	Maine	0.58
10	Illinois	1.54	35	New Hampshire	0.55
11	Massachusetts	1.51	36	Arkansas	0.54
12	West Virginia	1.33	36	Indiana	0.54
13	Wyoming	1.27	36	Kansas	0.54
14	Oklahoma	1.19	36	Mississippi	0.54
15	Louisiana	1.17	40	Virginia	0.46
15	Pennsylvania	1.17	41	Wisconsin	0.44
17	Tennessee	1.10	42	Montana	0.43
18	Utah	1.06	43	Georgia	0.42
19	Michigan	1.04	44	Iowa	0.40
20	New Mexico	1.00	45	Washington	0.36
21	Kentucky	0.98	46	Missouri	0.20
21	Ohio	0.98	47	Oregon	0.17
23	North Carolina	0.90	47	Texas	0.17
24	Alabama	0.85	49	Colorado	0.15
25	South Carolina	0.83	50	California	0.06

National Per Capita = \$1.01

Source: CQ Press using data from National Assembly of State Arts Agencies
 "State Arts Funding Grows in Fiscal Year 2007" (Press Release, February 7, 2007)

About the Index

Congressional Quarterly Press published this table using data obtained from the National Assembly of State Arts Agencies. The figures represented are preliminary for fiscal year 2007 and includes line item appropriations (legislative appropriations that are not controlled by state art agencies, but instead are passed through their budgets to another entity), and was calculated using U.S. Census population estimates from 2006. The national per capita does not include appropriations or populations in United States Territories.

Data Sources

This data was collected by the Congressional Quarterly Press using data from the National Assembly of State Arts Agencies, obtained through the document “State Arts Funding Grows in Fiscal Year 2007.”