Urban Markets are Kentucky's Projected Growth Areas

BASED on 2000 U.S. Census data and projections provided by the State Data Center at the University of Louisville, most of Kentucky's future population growth will be achieved in urban markets.

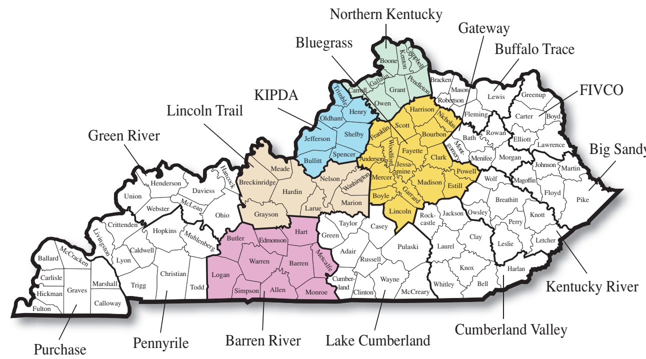
Kentucky's population is projected to increase from 3.93 million to 4.54 million during the two-decade period between 2000 to 2020.

Five of the 15 Area Development Districts in Kentucky will account for 80.9 percent of the state's projected population growth over the 20-year period (2000 to 2020).

A variety of factors are impacting population trends in Kentucky. More employment opportunities are being created in business, the professions, technology and research. These types of jobs are generally created in urban settings. Jobs in agribusiness, farming, mining and manufacturing have been declining because of automation and offshoring. People are moving from rural to urban areas for employment opportunities.

Planners, political leaders and state legislators must set policy and invest the state's economic resources in a manner that recognizes how these long-term population trends will influence education, housing, infrastructure, job creation and tax revenues in the rural and urban regions of Kentucky

Kentucky Area Development Districts



**High-growth areas listed in color*
***Low-growth areas listed in white*

AREA DEVELOPMENT DISTRICTS (MAJOR CITIES)	POPULATION GROWTH 2000 TO 2010
Barren River (Bowling Green)	+48,164
Bluegrass (Lexington)	+156,324
Kentuckiana (Louisville)	+126,010
Lincoln Trail (Elizabethtown/Radcliff)	+53,153
Northern Kentucky (Covington)	+118,648
	500,299

Source: U of L State Data Center

General Assembly Should Support UK and UofL's Research Missions

THE long-term trends in population shifts and regional growth patterns are well documented and substantiate the ongoing urbanization of Kentucky.

Kentucky's major research universities need adequate financial support from the General Assembly to ensure that their important statewide economic mission to develop new technology, stimulate commercialization and create new jobs can be accomplished.

A significant number of Kentucky's research initiatives has the potential to impact economic development in rural areas. Researchers are investigating biofuels, gasification of coal, natural products development, botanical health and medical products, and agribusiness opportunities.

Based on an estimated $8 billion plus general fund budget, full funding of Kentucky's research universities' requests seems to be economically justified and manageable within the state's projected revenue stream.

Tax dollars wisely invested in research, now not later, will be the catalysts to bring future prosperity to both the rural and urban areas of Kentucky.

If less-than-adequate financial support is provided by the General Assembly, the effectiveness of the state's investments in research will be substantially denigrated.

Too Many Kentucky Schools Shooting Blanks

BY JIM WATERS

BY looking at issues from different angles, intellectually honest people often reach a variety of legitimate conclusions. However, there are times when truth emerges – no matter the perspective. Such is the case when it comes to the impact of money on the performance of the commonwealth's schools.

From every angle, the oft-repeated assertion that funding causes improvement in the classroom – especially among poor and disadvantaged students – simply isn't true.

A new Bluegrass Institute analysis – "Bang for the Buck: How Cost-Effective are Kentucky's Public Schools?" – offers the first-ever evaluation of how efficiently our state's schools are performing, based on per-pupil spending versus performance on the Commonwealth Accountability Testing System (CATS) and ACT college-entrance exams.

Based on a Score-Spending Index (SSI), this new report concludes that Kentucky taxpayers often get little – or no – "bang" for their education "bucks." Consider some of the following surprising, but statistically unassailable, conclusions offered by this report:

Many schools achieve solid academic results with surprisingly low amounts of funding. By repeating their "more money, better education" mantra, the state's education establishment reinforces the popular, yet mythical, assertion: Schools that don't spend lavishly cannot possibly provide an adequate education for their students.

We need look no further than Carlisle County to rebuff such false notions. During the 2003-04 school year, Carlisle County Elementary School spent only $3,080 per pupil, significantly less than the $5,935 spent by the average elementary school in Kentucky. Carlisle must not be providing a very good education for its students, right?

Wrong, actually. Not only did the school produce above-average CATS scores, it did so in spite of the fact that nearly 60 percent of its students live in households officially designated as "low income" – also above the state average.

The report also finds that some schools spending a lot more than Carlisle County Elementary – and with a lower percentage

UK College of Pharmacy and Norton Healthcare Form Long-Term Partnership

KENTUCKY requires about 400 pharmacists to meet the current needs of health care providers and retail pharmacies. To help meet the shortfall of pharmacists in Louisville, Norton Healthcare has entered into a five-year, $1.15 million program to provide a clinical educational center utilizing 20 to 25 fourth-year UK College of Pharmacy students.

Under the leadership of Dean Ken Roberts, UK College of Pharmacy plans to open more clinical centers throughout Kentucky. One of the college's top missions is to train enough pharmacists to adequately serve all regions in Kentucky. This program is an excellent example of how Kentucky's universities can improve the state's economy and quality of life.

of poor students – still produce CATS scores below the state average. For example, Portland Elementary School in Jefferson County spent $10,340 per pupil in 2004 – nearly twice the state average – and yet recorded a CATS score of only 62.4, more than 16 points below the average of Kentucky elementary schools. For too long, the defenders of Kentucky's flailing public-education system blame students' poverty as causing dismal academic performances. But as the SSI results show, such arguments are the equivalent of firing blanks.

Poverty certainly contributes to the challenges that many Kentucky children must conquer in order to excel. But our education system must not continue to hide behind the same old excuses. In fact, the greater the problems with poverty, the better and more efficiently our schools must perform if children caught in the snares of such disadvantages are to rise above the fray.

Solving the serious education problems facing our commonwealth requires that Kentucky's education officials view the situation as it really is, not as they want it to be.

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Jim Waters is director of policy and communications for the Bluegrass Institute in Bowling Green.

Health Care Wars

Pending Medicaid legislation doesn't just affect Wal-Mart; retail and foodservice may be next

Excerpts from a column by Rick Berman published in Nation's Restaurant News

MARYLAND legislators recently lined up to pass a law forcing Wal-Mart to spend more on its employees' health care – an act that violates the spirit of the U.S. Constitution's prohibition of laws targeting single companies.

The legislators' actions supposedly were driven by the fact that many Wal-Mart employees have kids enrolled in the state's Medicaid program. This, they argued, amounted to a "taxpayer subsidy" of Wal-Mart.

I realize that in our 24/7 world it's hard to remember what happened last week, never mind several years ago. The fact is that however many Wal-Mart employees are using Medicaid – and the actual number is in line with many other companies in the retail sector – that is exactly what lawmakers in Maryland and around the country intended.

In 1996, Congress created a special program to ensure that virtually all children had access to health care. States were handed $40 billion over 10 years to expand Medicaid programs – or create new ones – to cover millions of children who would not otherwise qualify.

Maryland lawmakers tackled this with particular gusto. Their program allowed a parent who earned $50,000 a year and had one child to enroll his or her kid in the public-health system.

The business community was enlisted to educate their employees about the program. Chambers of commerce mailed thousands of brochures to their members, urging them to enroll their employees. In a bit of irony, the state of Louisiana partnered with Wal-Mart to promote the program to employees.

In the go-go years of the dot-com bubble, states were flush with cash and used it to greatly expand Medicaid. For more and more people, it made economic sense to enroll in the public programs. Why buy into employer-provided coverage, which requires co-pays and deductibles, when you can get it for "free"? Tens of thousands of families who were not poor were given a massive carrot to get their health care at taxpayer expense.

But state legislators now have figured out that, if left unchecked, Medicaid will consume all state revenue in just a few decades. So these lawmakers are scurrying to pass the buck to businesses. It may be Wal-Mart this year, but every business – even a mom-and-pop shop – is threatened. In Massachusetts, lawmakers are considering requiring every business with more than 10 employees to spend 8 percent of payroll on health care.

Of course, labor unions stand behind every piece of legislation forcing employers to provide health insurance. The AFL-CIO announced that it would bring Wal-Mart-style bills to 30 states this legislative cycle.

And it's not just health-care legislation consuming the union agenda. The new Change to Win coalition, a group of dissident unions - most of which left the AFL-CIO - has pledged $750 million for organizing in 2006 alone.

Wade Rathke, a key labor organizer and head of an increasingly influential group called ACORN, specifically describes Home Depot, Lowe's, Target and K-Mart/Sears as the next prey after Wal-Mart. Cintas, FedEx, IBM as well as many other brands are constantly being harassed, with more to come.

And don't console yourself with the idea that your employees will vote "no" in a union-called election. Labor leaders have agreed on strategies that demand their right to represent your employees without a government-supervised secret ballot.

If you're in the retail or food service industries, consider this your final wake-up call.

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