

KENTUCKY Appendix

Key KENTUCKY Subsidy Programs

Program	Recent Annual Cost	Online Recipient Disclosure	Recipient Disclosure Score*
Bluegrass State Skills Corporation Grant-in-Aid Program - two-part program offering grants and corporate income tax credits to compensate companies for training their new and existing employees	\$4.3 million (CTY2012)	source 1 source 2	48/100
Coal Used in the Manufacture of Electricity - sales and use tax exemption on the purchase of coal used to manufacture electricity	\$75.4 million (FY2013)	none	0/100
Kentucky Business Investment Program - corporate income tax credits and “wage assessments” (subsidies drawn from employee wages) for firms which meet job creation, wage, benefit, and investment requirements	\$296.9 million (CY2012)	source	77/100
Kentucky Enterprise Initiative Act - sales and use tax refund on qualified expenditures for firms which meet investment requirements (higher incentives available if located in EZ)	\$18.1 million (FY 2013)	source	52/100
Machinery for New and Expanded Industry and Certain Industrial Machinery - sales and use tax exemption for machinery used in manufacturing or processing	\$61.6 million (FY2013)	none	0/100
Average of Disclosure Scores for All Programs			35% (177/500)

*See next page for scoring details

Show Us the Subsidized Jobs: Scoring Details for KENTUCKY Programs		<i>Maximum possible score for category</i>	Bluegrass State Skills Corporation Grant-in-Aid Program	Coal Used in the Manufacture of Electricity	Kentucky Business Investment Program	Kentucky Enterprise Initiative Act	Machinery for New and Expanded Industry and Certain Industrial Machinery
<i>Score criteria</i>							
Subsidy Value	BOTH amount approved AND actual amount disbursed/claimed (15) -	15	15	0	15	10	0
	Either amount approved OR actual amount disbursed/claimed (10) -or-						
	Performance-based with actual amount disbursed/claimed (15)						
Status of Award	Indication or whether award is completed, active, terminated (5)	15	10	0	5	5	0
	Disclosure of whether enforcement action taken (5)						
	Disclosure of amount clawed back or recalibrated or rescinded (5)						
Jobs Reporting	Number of jobs or training slots promised/projected ONLY (5) -or-	20	5	0	20	5	0
	Actual number of jobs created/retained or trainings ONLY (15) -or-						
	BOTH promised/projected and actual (20)						
Wages Reporting	Wage rates/payroll promised/projected only (10) -or-	20	10	0	18	10	0
	Actual wage rates/payroll only (15) -or-						
	Both promised and actual (18) -or-						
	Either promised and actual with wage disaggregation (20)						
Project Information	Location with street address (10)	15	0	0	13	13	0
	Indication whether the project is a relocation (3)						
	Project documents OR total subsidy package data (2)						
Company Information	DUNS or FEIN (2)	5	0	0	1	1	0
	NAICS (1)						
	Parent company (2)						
User Features	Ease of access (3)	10	8	0	8	8	0
	Multiple years of data (3)						
	Downloadable (2)						
	Part of or linked to a wider government transparency site (2)						
<i>Total before penalty</i>		100	48	0	80	52	0
<i>Penalty points (see reasoning on following page)</i>			0	0	-3	0	0
TOTAL PROGRAM SCORE			48	0	77	52	0

*See next page for notes on scoring

KENTUCKY Program Scoring Notes

Recipient information for three of the five programs we examined is disclosed through the Kentucky Financial Incentive Projects Database on the Cabinet for Economic Development (CED) website: Kentucky Business Investment Program, Kentucky Enterprise Initiative Act, and Bluegrass State Skills Corporation Grant-in-Aid Program. The database is linked from the Kentucky Open Door website and is easily accessible from the CED homepage through the Quick links section. Depending on the program, the database offers different sets of data. The main table, available for all programs, includes information on approved maximum subsidy amounts, estimated jobs and wages, and status of a project. For more details on KBI and KEIA recipients (NAICS code, street address, and employment at a project facility) click a blue diamond next to a company name (a feature not available for BSSC recipients). Job and wage outcomes are available only for the KBI program by clicking on a red check mark next to the program name (available for Final Approval status only). It is a new feature and some outcome data might be limited.

Bluegrass State Skills Corporation Grant-in-Aid Program

Disclosure Website 1: <http://www.thinkkentucky.com/fireports/fiintro.aspx>

Disclosure Website 2: http://thinkkentucky.com/bssc/BSSC_Docs/bssc_annual_report.pdf

See note above. In addition to the database, BSSC recipients are disclosed in the *BSSC Annual Report* available at the program information [website](#) (under BSSC Board of Directors). The report discloses information about approved grants, number of workers to be trained (for new projects), and on grant amounts disbursed in the most recent fiscal year. The report also includes clawback amounts. Look for numbers in red under Expenditures for Fiscal Year 2011-2012 in the *2012 Report*: http://thinkkentucky.com/bssc/BSSC_Docs/bssc_annual_report.pdf. In the User Feature category, BSSC receives points for ease of access, multiple years of data and for being a part of an open government site.

Coal Used in the Manufacture of Electricity

There is no online recipient disclosure for this program.

Kentucky Business Investment (KBI) Program

Disclosure Website: <http://www.thinkkentucky.com/fireports/fiintro.aspx>

See note above. In the User Feature category, KBI receives points for ease of access, multiple years of data and for being a part of an open government site. Even though there are no KEIA projects marked as

relocation (intra-state), the program still receives points in this category. We were told that subsidies for relocating projects are uncommon and relocations would be indicated.

We penalize KBI three points because of the poor design the database. KBI data is located in three different pop-up windows that are difficult to navigate between and make it very difficult to connect all data points.

Kentucky Enterprise Initiative Act

Disclosure Website: <http://www.thinkkentucky.com/fireports/fiintro.aspx>

See note above. In the User Feature category, KEIA receives points for ease of access, multiple years of data and for being a part of an open government site. Even though there are no KEIA projects marked as relocation (intra-state), the program still receives points in this category. We were told that subsidies for relocating projects are uncommon and relocations would be indicated.

Machinery for New and Expanded Industry and Certain Industrial Machinery

There is no online recipient disclosure for this program.