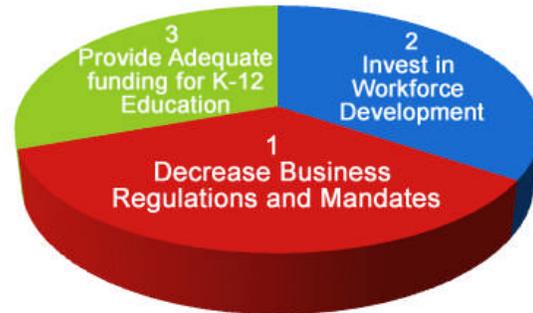




# WIBA Legislative Survey Results

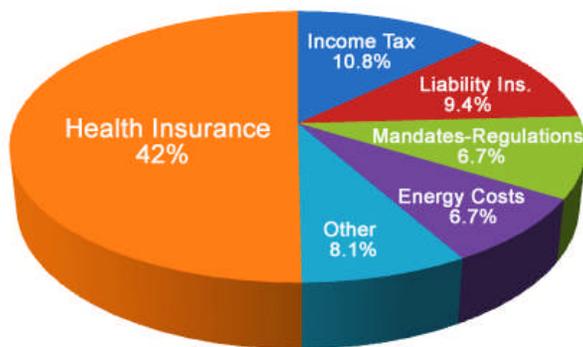
Your answers to our recent legislative survey do provide direction for WIBA as we approach the 2015 Kansas Legislative Session. The first and third most important issues to you did not change from last year:

- 1 Decrease business regulations/mandates
- 3 Provide adequate funding for K-12 education funding



Moving up to second was “Invest in workforce development and technical training.” With over 47 percent of you expressing that Kansas does not have an adequately trained workforce to meet your needs it should not be a surprise that technical training and education are on the minds of independent

businesses. One of the real successes coming from Topeka has been the results from S.B. 155, which provided funds for high school students to attend and get credit at area technical and community colleges.



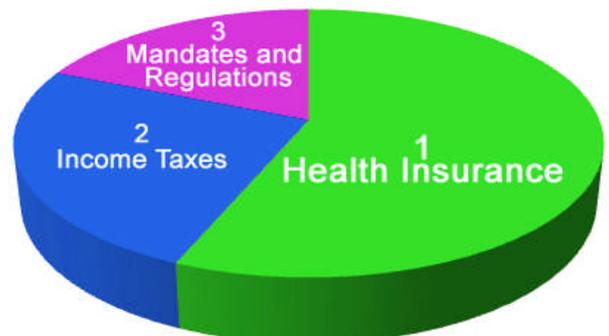
When we asked, “**Which of the following business expenses is the greatest for your company,**” health insurance at almost 42 percent was the largest response by far. One would need to add the responses for the following to equal health insurance at 42 percent:

|                          |       |
|--------------------------|-------|
| Income tax               | 10.8% |
| Liability insurance      | 9.4%  |
| Other                    | 8.1%  |
| Energy costs             | 6.7%  |
| Mandates and regulations | 6.7%  |

This does not mean that the costs of the five factors listed above equal the cost of health insurance. It is simply that health insurance is named as a company’s top expense as often as the next five answers put together.

In response to the question, “**If WIBA were to lobby to reduce your cost of business in Kansas, what is the top area that, if reduced, would most impact your business’ bottom line,**” health insurance received the most votes as it has for years with 36.4 percent. The next two most common responses were:

- |                          |       |     |
|--------------------------|-------|-----|
| Income tax               | 16.2% | and |
| Mandates and regulations | 12.1% |     |



We believe that the income tax response relates more to federal income tax rather than Kansas.

We had several questions to see how independent businesses were doing.

**When comparing your company's 2013 and 2014 operations,**

|                             |       |
|-----------------------------|-------|
| Revenue has remained steady | 52.7% |
| Revenue has increased       | 27.0% |
| Revenue has decreased       | 16.2% |

**When comparing your company's 2013 and 2014 operations,**

|   |       |
|---|-------|
| Number of employees has remained steady | 67.5% |
| Number of employees has increased       | 17.5% |
| Number of employees has decreased       | 9.4%  |

The costs of employee benefits have remained steady for 47.2% of members responding with 41.8% experiencing increases.



**In the next six months is your company anticipating**

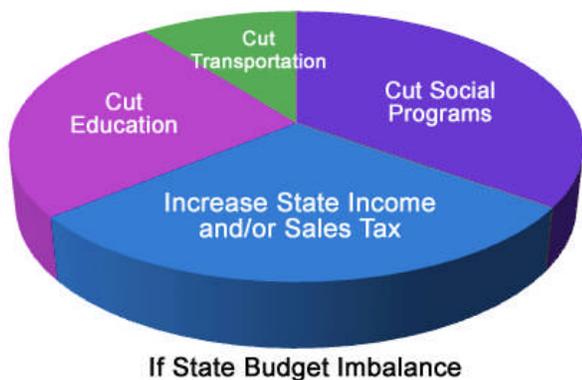
|                              |       |
|------------------------------|-------|
| Increasing business revenue  | 56.0% |
| Hiring additional employees  | 30.3% |
| Increasing employee benefits | 10.6% |
| Decreasing business revenue  | 9.0%  |

**We asked if members were satisfied with state changes to the personal income tax and elimination of the tax on certain business income.**

|   |       |
|---|-------|
| Yes, they positively impacted my business       | 47.2% |
| Neutral, they have had no effect on my business | 31.0% |
| No they negatively impacted my business         | 18.9% |

**Tax changes and budget changes at the state over the past three years have had the following impact on my business:**

|  |       |
|--|-------|
| Income tax burden has been reduced           | 44.9% |
| No significant effect                        | 31.8% |
| Local property tax burden has been increased | 17.3% |
| Sales tax burden has been increased          | 15.9% |



The next question produced at least a mild surprise.

**"If there is a budget imbalance during the 2015 legislative session, how should the legislature fill the budget hole?"**

|  |       |
|--|-------|
| Increase state income and/or sales tax | 43.4% |
| Cut social programs                    | 36.2% |
| Cut education                          | 31.8% |
| Cut transportation                     | 13.0% |

**On immigration WIBA members split nearly evenly into three positions:**

|   |       |
|---|-------|
| Provide an avenue for additional skilled workers to come and work in Kansas | 35.1% |
| Enact legislation similar to surrounding states                             | 33.7% |
| Do nothing at the state level; this is a federal issue                      | 28.3% |