Testimony for Senate Commerce Committee January 31st 2013 8:30 am Room 548-S Capitol building

Senator Lynn Members of the Committee

My name is Mickey Fornaro-Dean; I am the Director for the Harvey Co. Economic Development Council and a board member of the Kansas Economic Development Alliance.

I have been asked today to give you some information as to the pulse of the economy in South Central Kansas. We in South Central Kansas say we are comprised of 14 counties, Rice, McPherson, Marion, Reno, Kingman, Greenwood, Harper, Cowley, Elk and Chautauqua and the 4 counties in the Wichita MSA...Sedgwick, Butler, Sumner and Harvey.

I would first like to let you know the latest unemployment rates in our region...currently the US rate is 7.8 percent and the state rate is 5.3 percent while the average in south central Kansas is 4.9 percent. With the highest being Sedgwick County with 6.1 and the lowest being Harper Co. with 3.3.

As many of you are aware this region has tremendous differences across it from the very urban to the very rural. This can create many challenges but also open doors for strong collaboration as well. Many of our major employers in our region will have zip code reports from a wide area. For example AGCO Corp. located in Hesston, Ks. is the 6th largest manufacturer in the region. They have a workforce that comes from 11 different zip codes.

I mention this because currently in several of our counties we have employers looking to hire and grow their business which is good for the state and the region but we are often running into the problem finding the right talent needed for the jobs or enough people to fill the positions.

I would imagine this isn't just a problem in our region but others as well. Kansas and ultimately the U.S. has an opportunity for increased growth in the manufacturing and logistics, supply chain sectors but to capitalize on these we need to be very aware of the needs for these businesses to recruit talent.

Overall in our region the feeling of 2013 is I would say guardedly optimistic. We are seeing major investments in infrastructure for industrial, logistics and distribution sites to expand current operations or recruit new. In visiting with companies they are seeing in some cases significant growth or additional opportunities for new contracts and therefore growth. A concern though is the ability to sustain this through talent, and a business and tax climate that fosters this growth.

I encourage the committee to continue the dialog with those of us in economic development in our regions across the state as to the needs of business in all our sectors and how we work together for their growth and ultimately our prosperity.

I am willing to answer any questions. My contact information is ... Mickey Fornaro-Dean Harvey County EDC 1-800-648-7759, <u>mickey@harveycoedc.org</u>