



Selected Trends Affecting Kentucky

*Presentation to the
Administrative Office of the
Courts,
January 17, 2008*

Purpose

- Help the state cope with *change*
 - anticipate change
 - manage change
- Focus on the future
 - identify critical trends and emerging issues
 - understand long-term implications of policies
- Advise, inform, and educate
 - policymakers and citizens

[History]

- Created in 1992 by the General Assembly
- Intellectual architects
 - decades of experience in executive and legislative branches
- Principal motivation
 - enrich policy process with forecasts and trend analysis
 - avoid problems and capture opportunities

[Organization]

- Attached to the legislative branch
- A 21-member board
 - 4 members from the executive branch
 - 6 legislators
 - 11 at-large members
 - Governor appoints 6
 - Senate President and House Speaker appoint 5
- Nonpartisan
- Staff of 6

[Selected Topics]

- Population
 - Older and more sub(urban)
- Immigration
 - Increasing diversity, but still relatively homogeneous
- Wealth
 - More concentrated at the top and in metro areas

[Selected Topics, continued]

- Education
 - Increasing achievement & attainment
- Health
 - Poor health is costly
- Technology
 - Near ubiquity

[Selected Topics, continued]

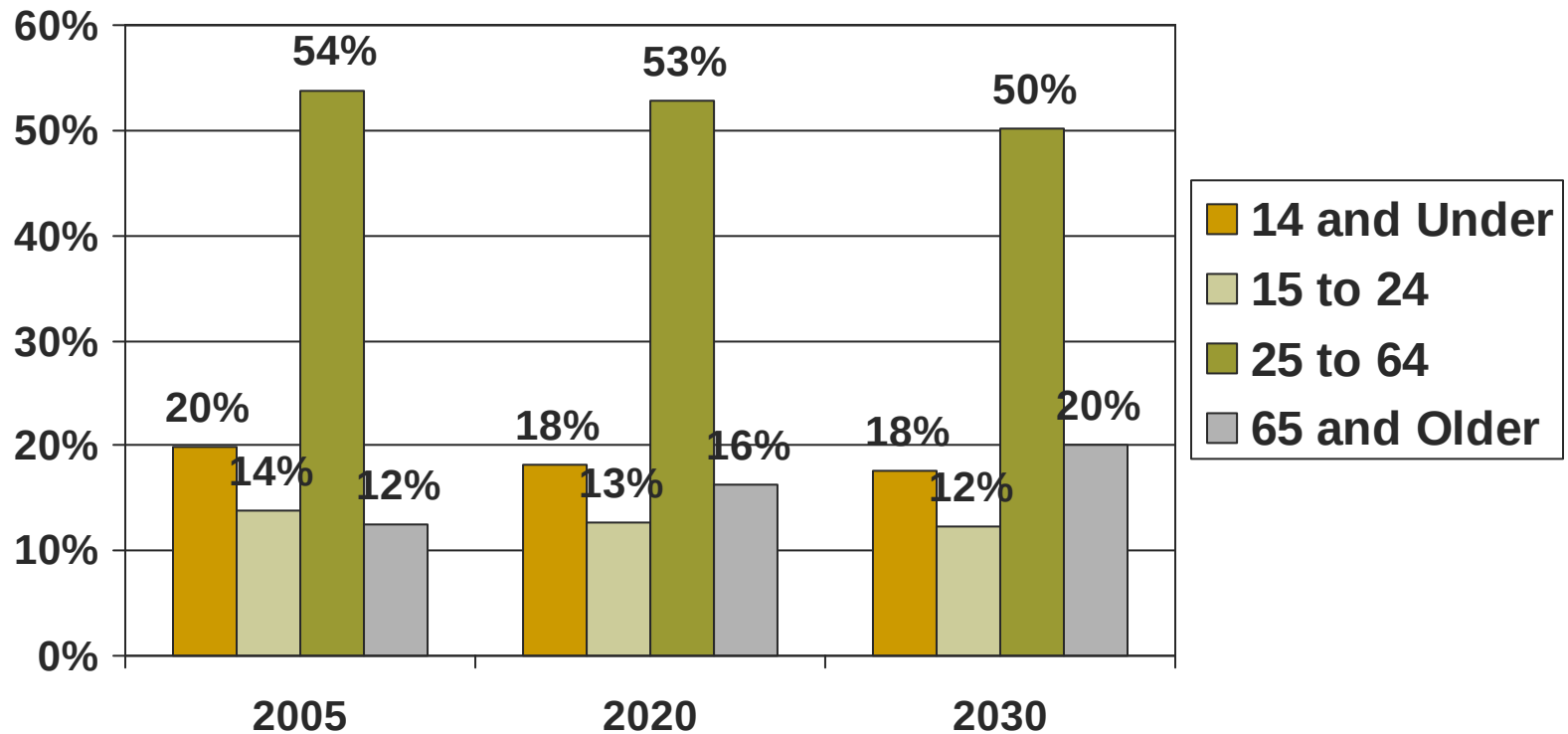
- Community
 - Strong social capital
- Finances
 - More heavy lifting ahead for state and local governments



Population

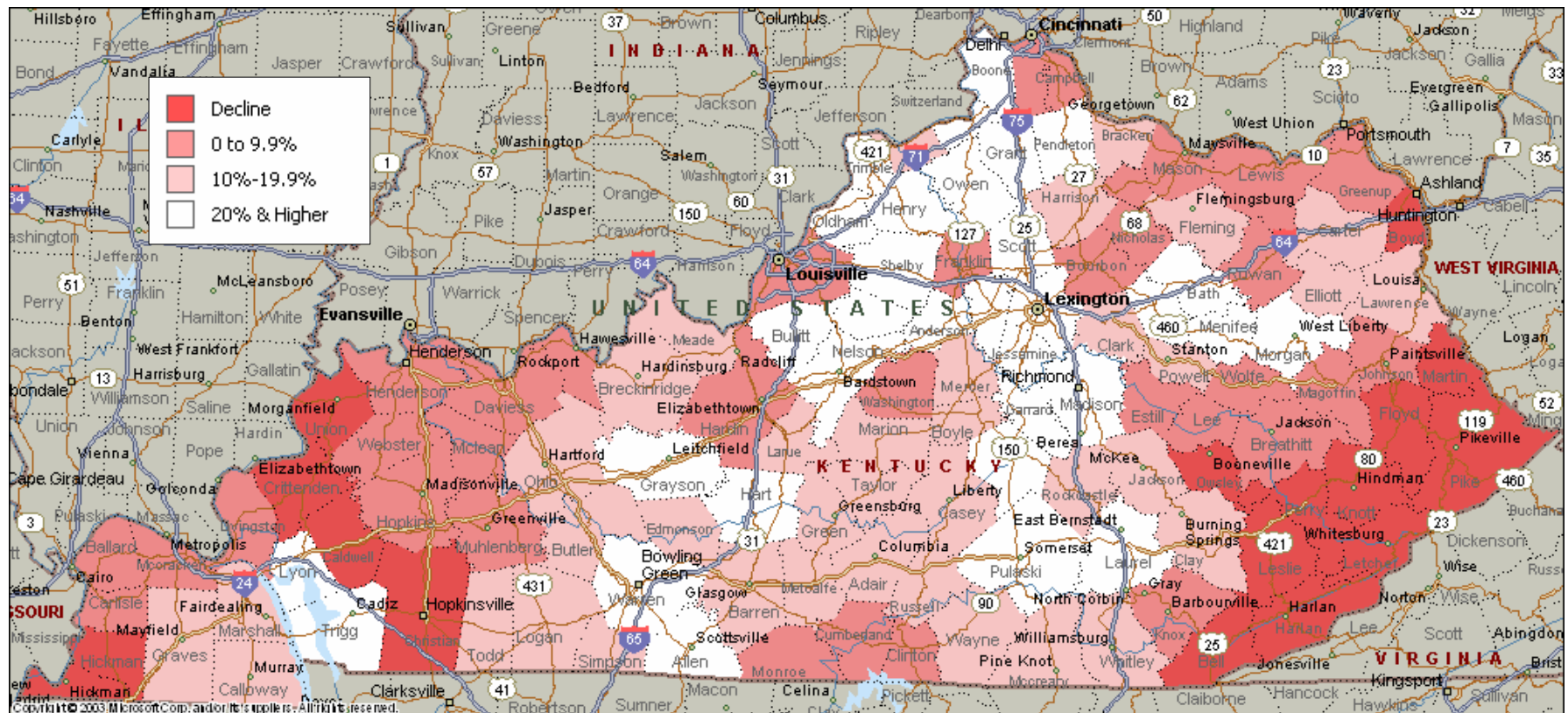
Older and more sub(urban)

Kentucky's Declining Youth Cohorts, Aging Population

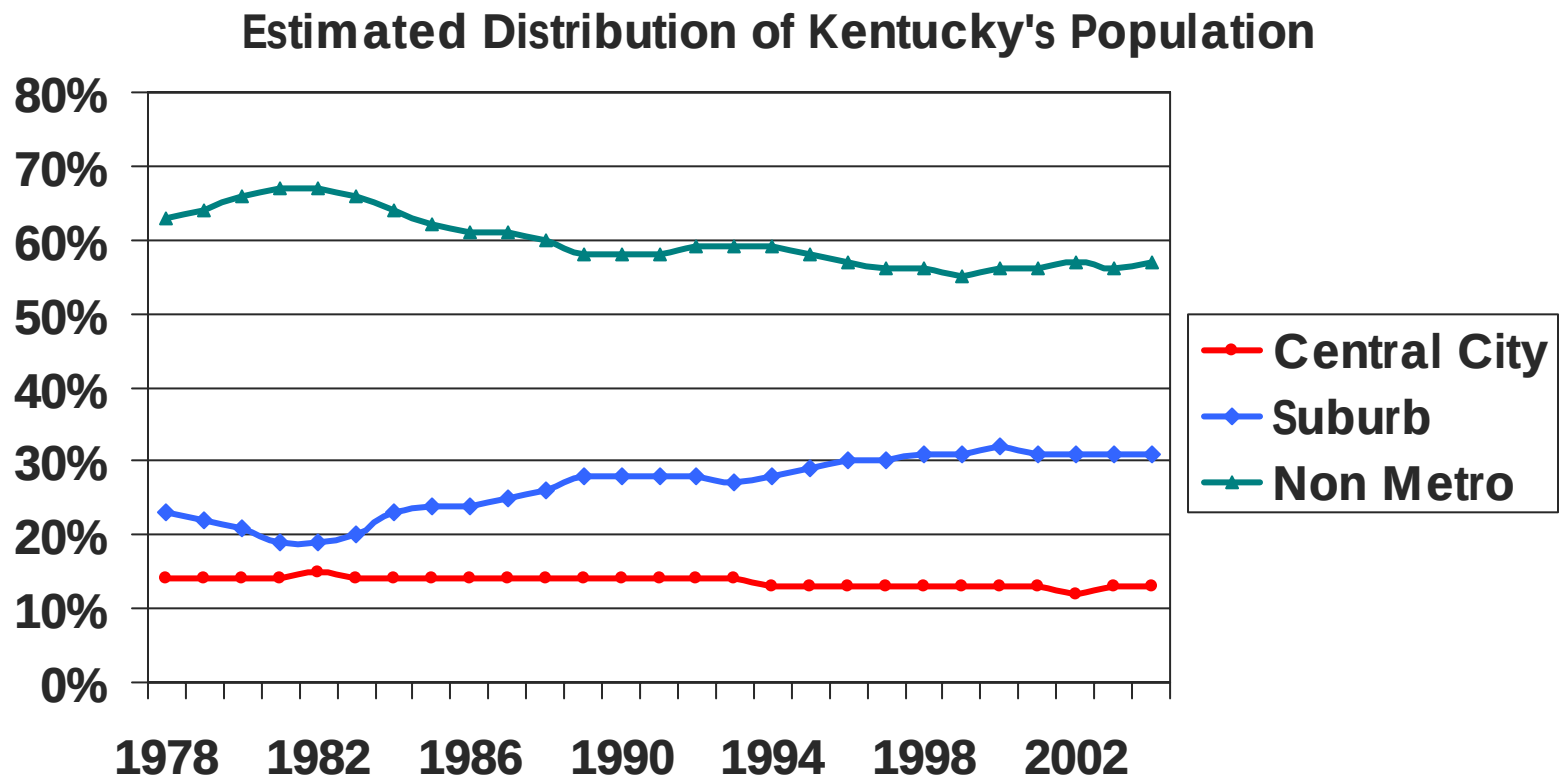


Source: Kentucky State Data Center, University of Louisville

Population Changes, 1990-2006



[More (Sub)urban]

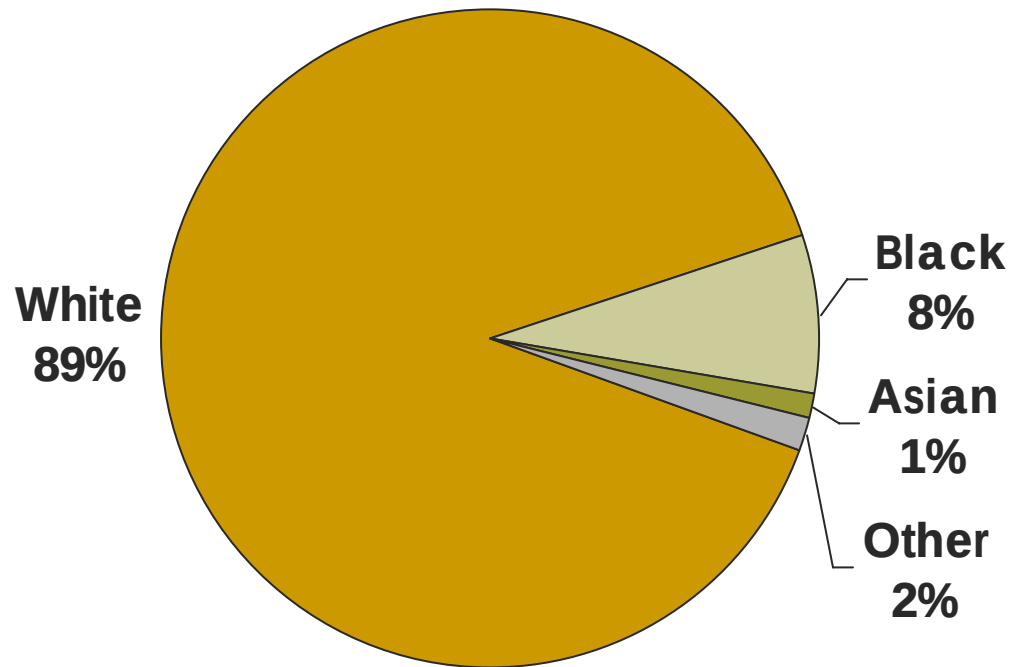




Immigration

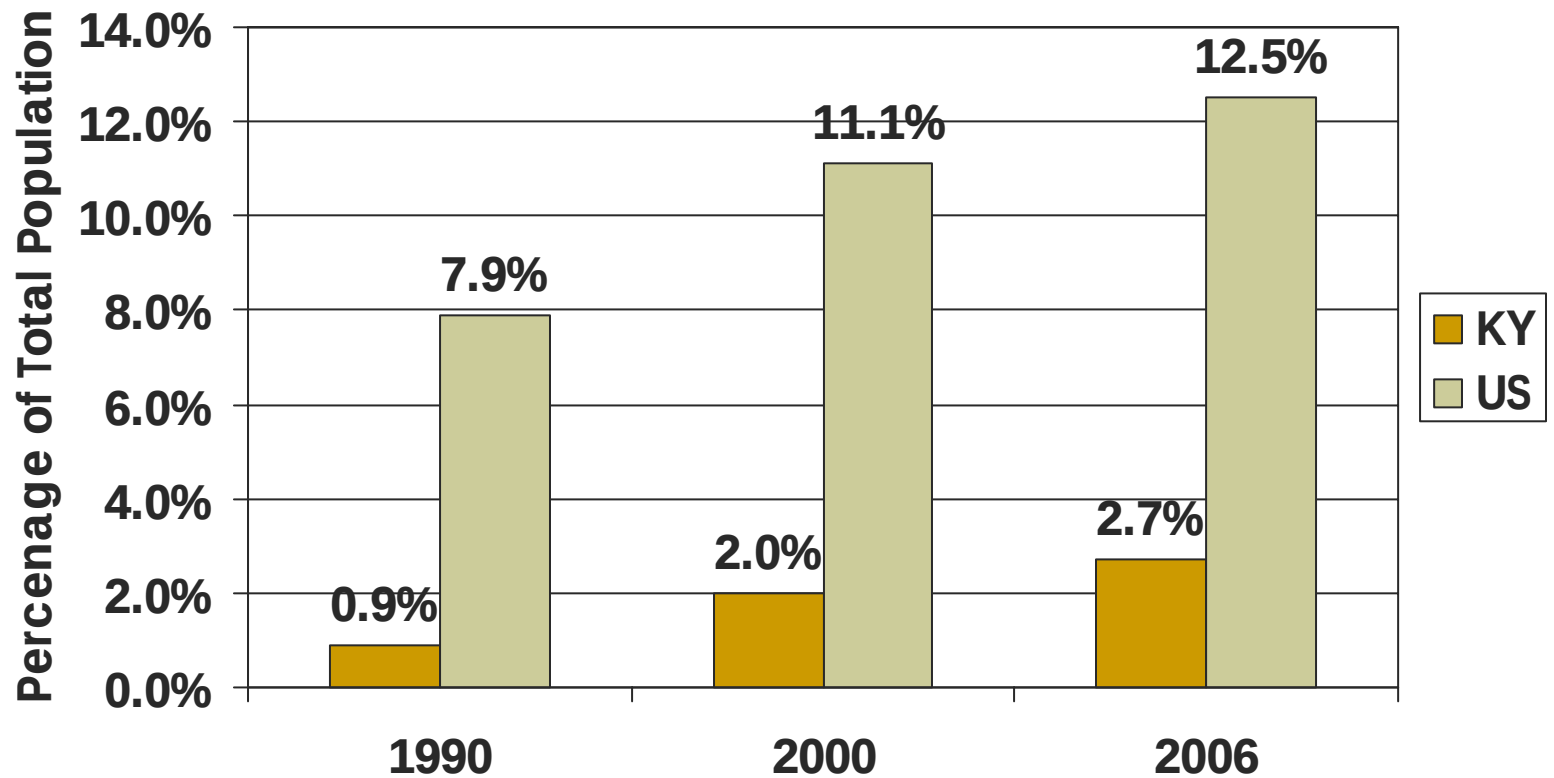
Increasing diversity, but still
relatively homogeneous

Kentucky's Racial Homogeneity



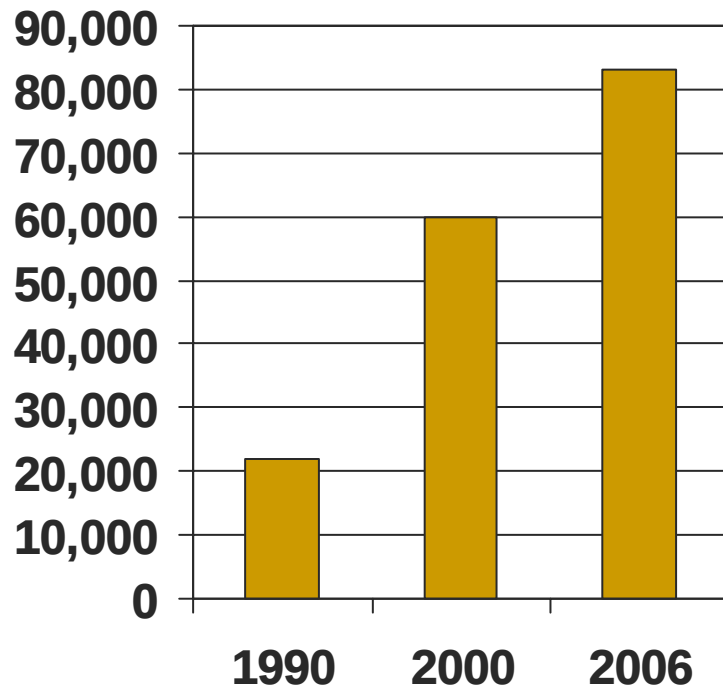
Source: American Community Survey, 2006

[Foreign-Born Population]

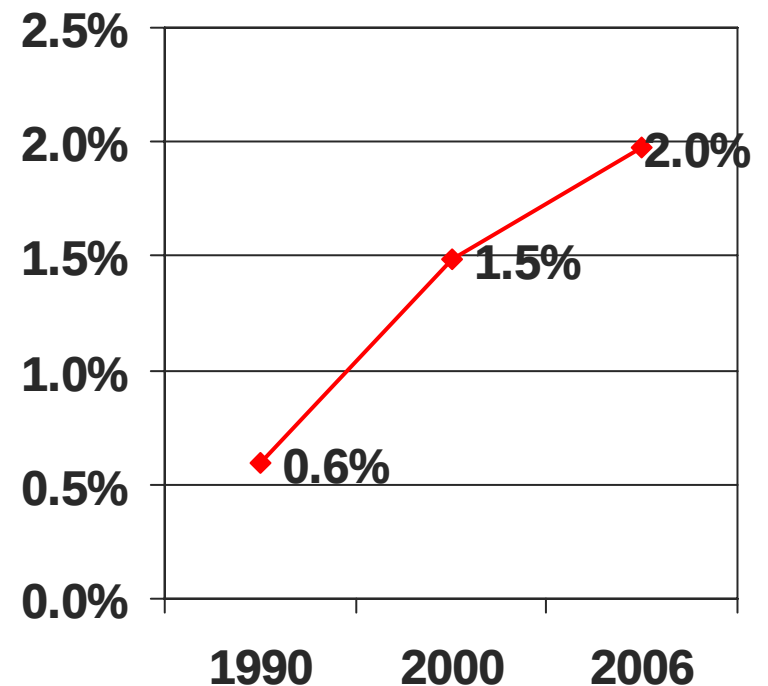


Kentucky's Hispanic Population

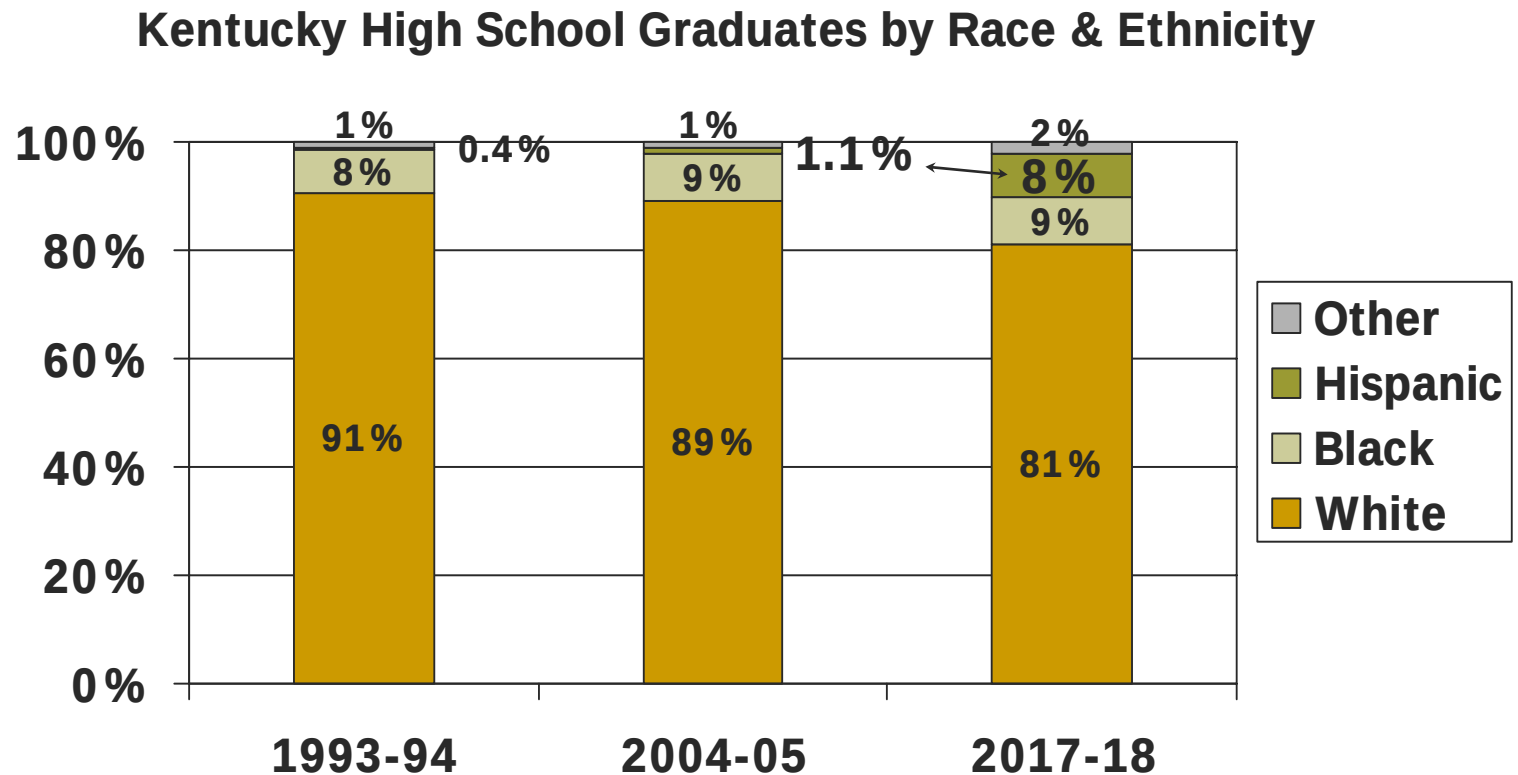
Number of Hispanics



% of Total Population



Kentucky's Changing Student Body

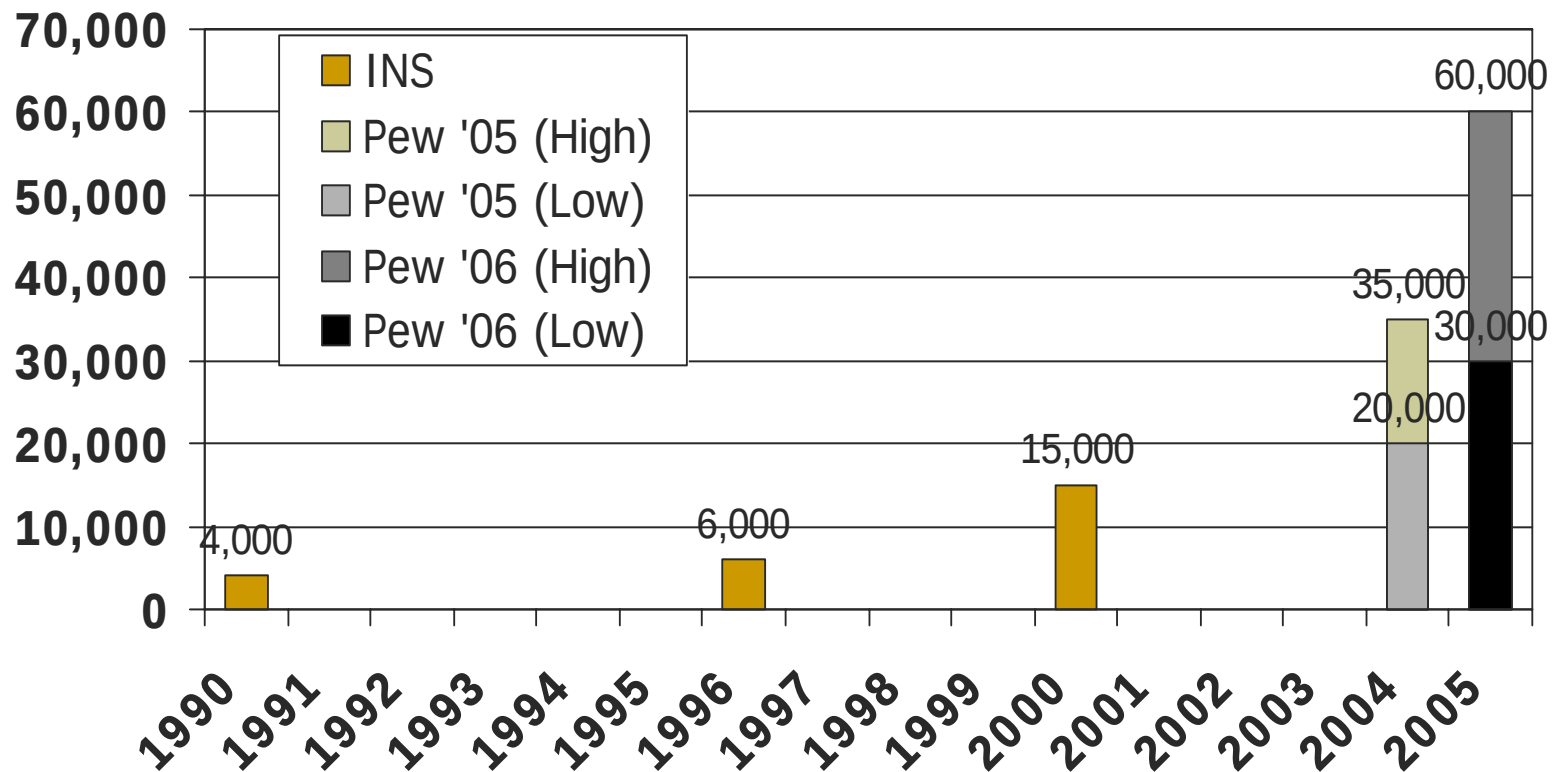




Hispanic Students in Kentucky's Public Schools, by District

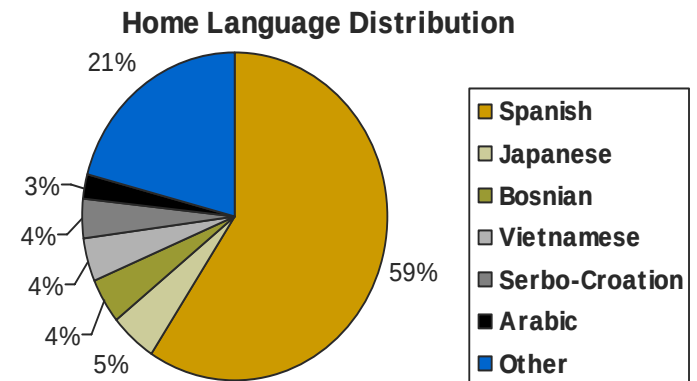
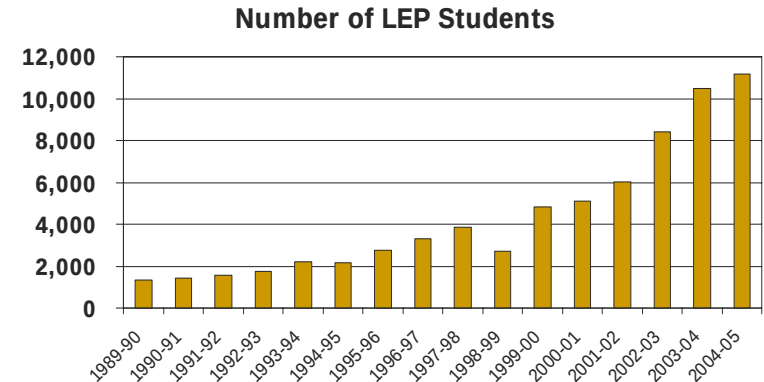
1996-1997		2004-2005	
District	Percent	District	Percent
Jefferson	23	Jefferson	26
Fayette	10	Fayette	17
Hardin	9	Shelby	5
Christian	4	Boone	4
Warren	3	Hardin	3
Bowling Green Independent	3	Warren	3
Boone	3	Bowling Green Independent	2
McCracken	2	Mayfield	2
Shelby	2	Oldham	2
Oldham	1	Christian	2
Other 166 Districts	41	Other 166 Districts	35
Hints for reading this table: Of the 2,948 Hispanic students in Kentucky's public schools in 1996-97, 23 percent were in Jefferson County. Note: Percentages might not sum to 100 due to rounding. Source: Superintendent's Annual Attendance Report (SAAR) Ethnic (Membership) Report, Kentucky Department of Education			

Estimates of Kentucky's Undocumented Population

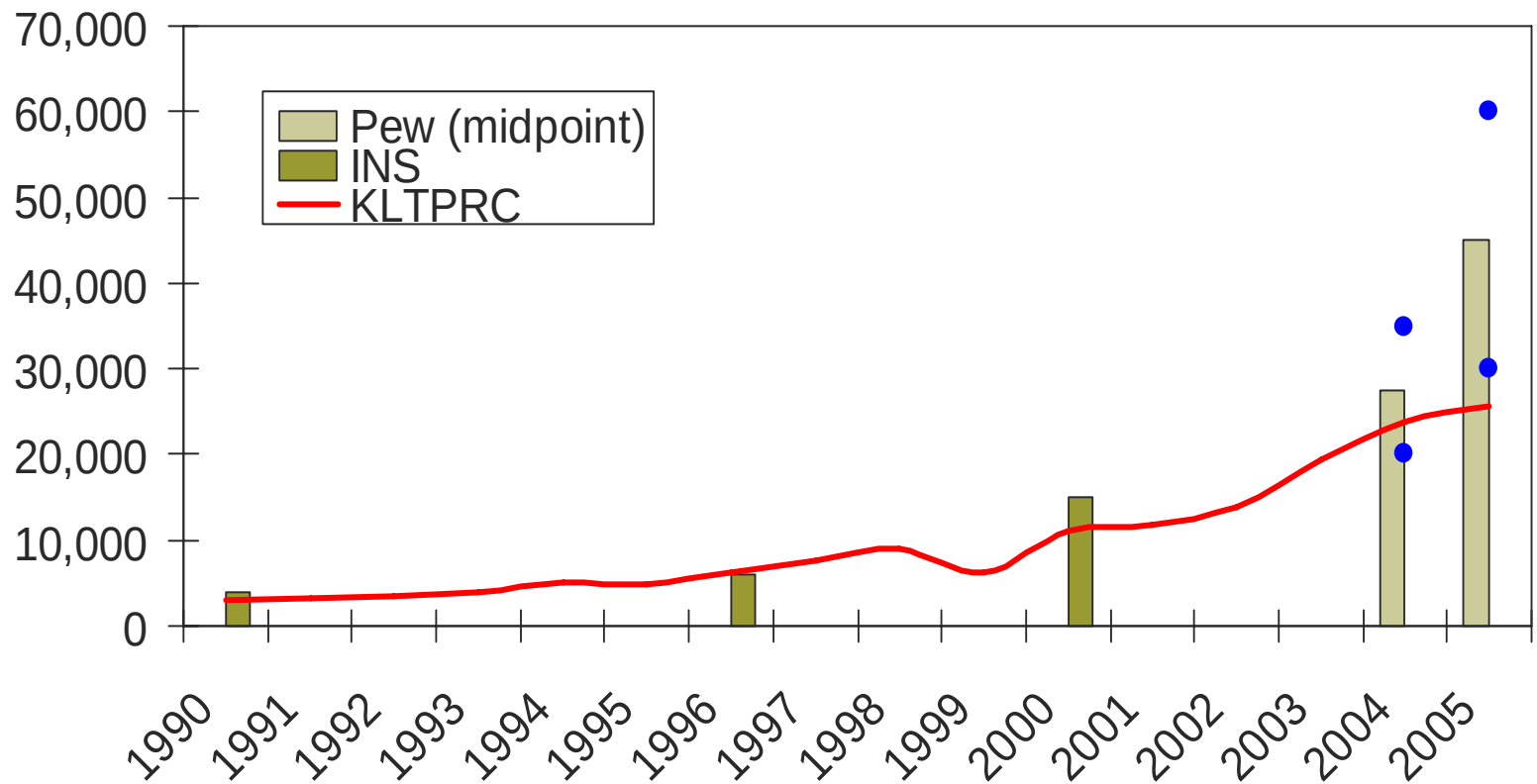


Kentucky's Limited English Proficient Students

- Nearly 11,200 LEP students in 2005
 - LEP increased 732% from 1990 to 2005
 - Total enrollment essentially flat for the same period
- Nearly 100 languages, Akan to Urdu
 - Majority language is Spanish



Estimates of KY's Undocumented Immigrant Population

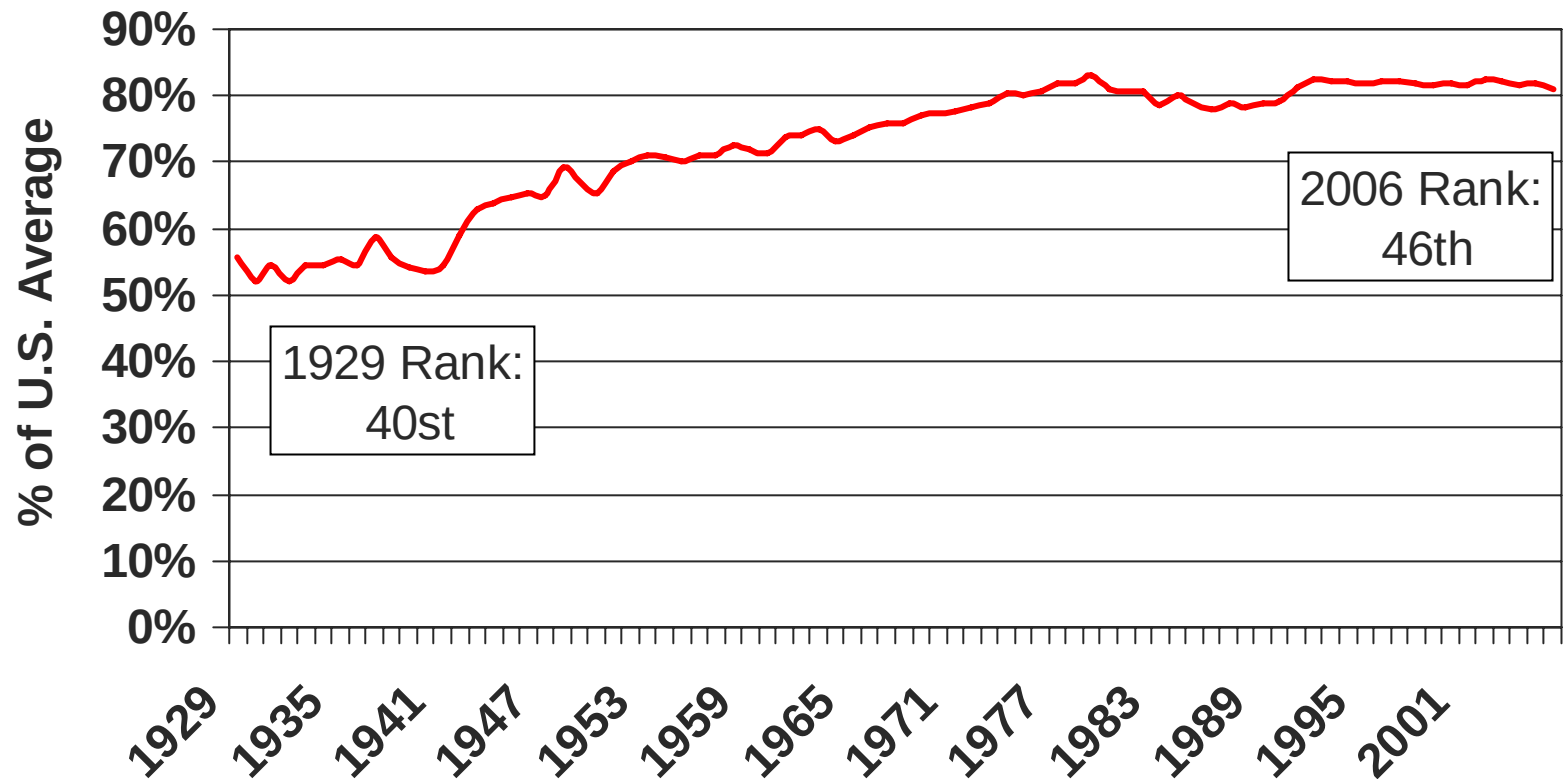




Wealth

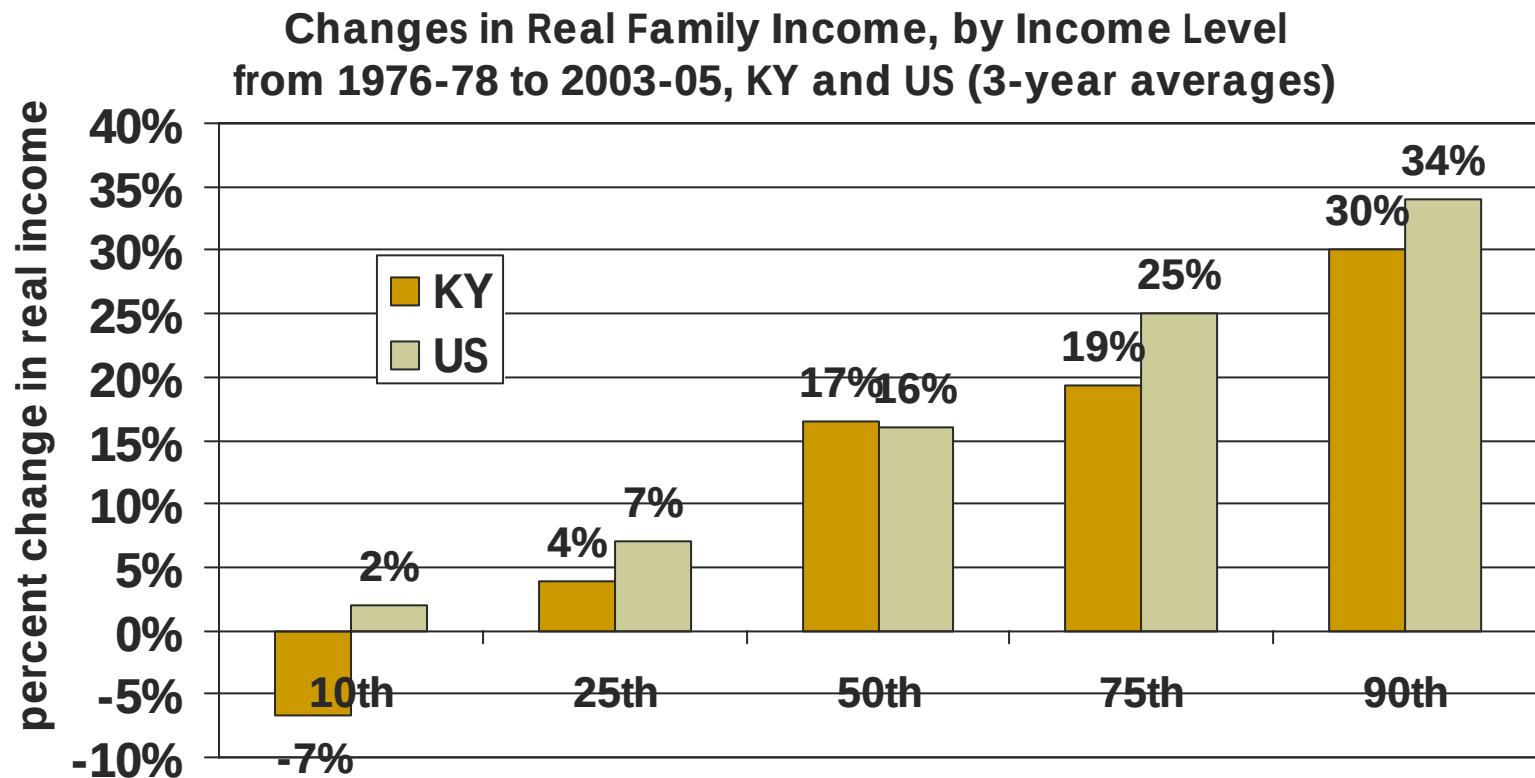
Concentration at the top and
in metro areas

Kentucky Per Capita Income, 1929-2006



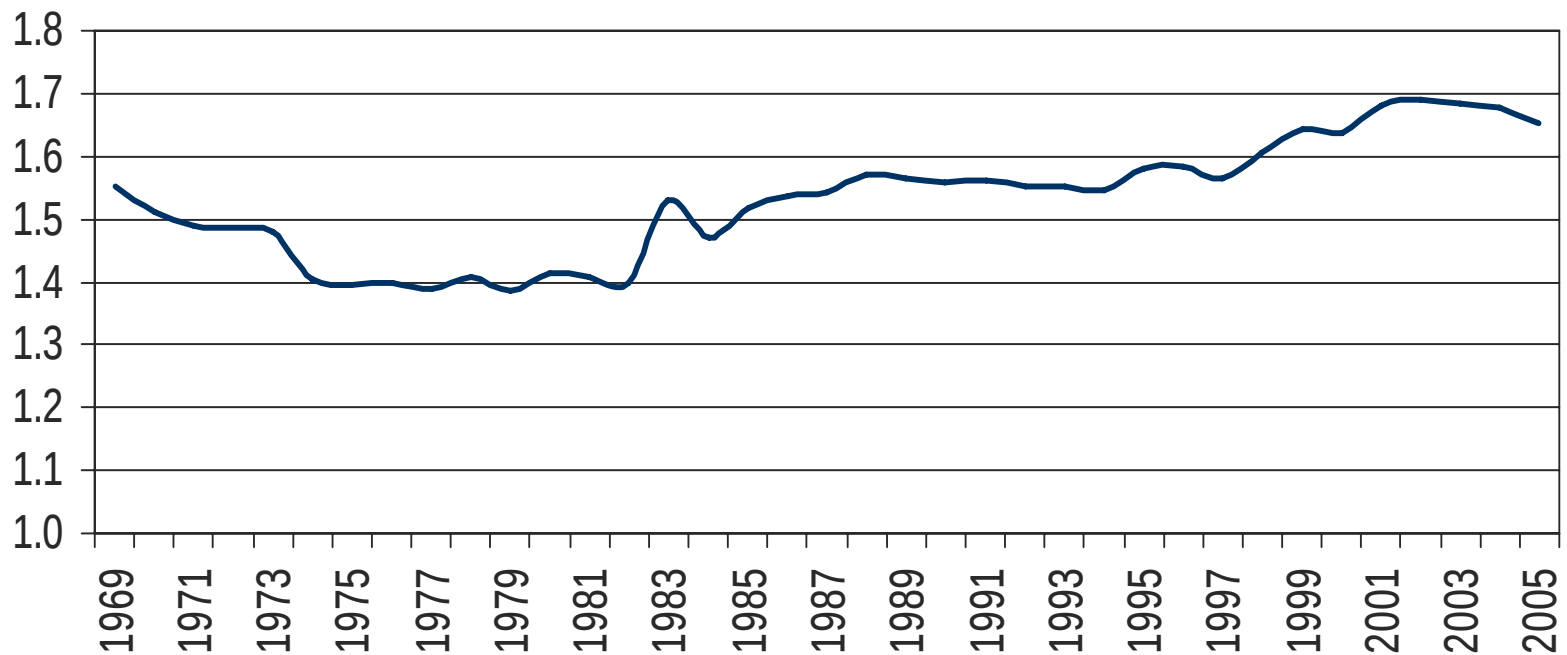
Source: BEA

Stagnant Incomes at the Lower Levels



Kentucky's Economic Opportunity Gap

Kentucky's Per Capita Net Earnings, 1969-2005,
Ratio of Metro Counties to Nonmetro Counties





Education

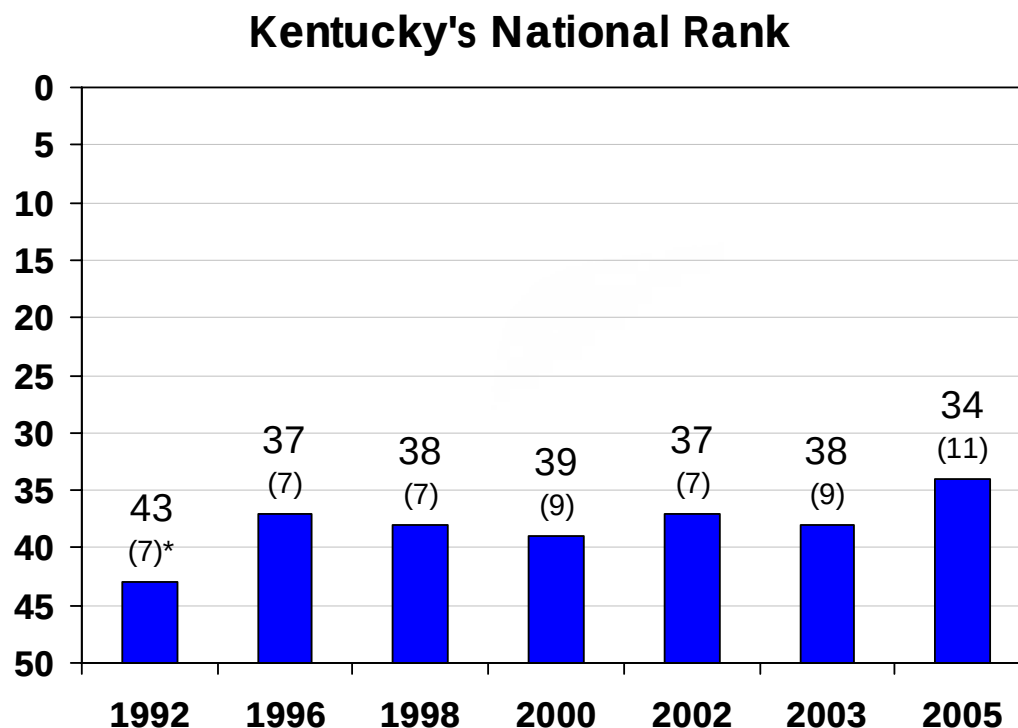
Increasing achievement &
attainment

Have we progressed?

Grade & Subject	More Students Scoring Proficient and Above?	Gaining Ground on the Nation? (percentile rank)
4 th Reading ('92-'07)	Yes (23-33%)	Yes (25th-47th)
8 th Reading ('98-'07)	No (30-28%)	No (58th-47th)
4 th Math ('92-'07)	Yes (13-31%)	No (20th-16th)
8 th Math ('90-'07)	Yes (since '90)* (10-27%)	Yes (since '90)* (17th-26th)
4 th Science ('00-'05)	Yes (28-36%)	Yes (55th-81st)
8 th Science ('96-'05)	Yes (23-31%)	Yes (36th-51st)
ACT ('90-'07)	Yes (19.9-20.7)	Yes (10th-24th)
*Qualified yes due to a downward trend since 2000		



Index of Educational Progress



**number in parentheses denotes the number of indicators used to calculate the index for that year.*



Health

Poor health is costly

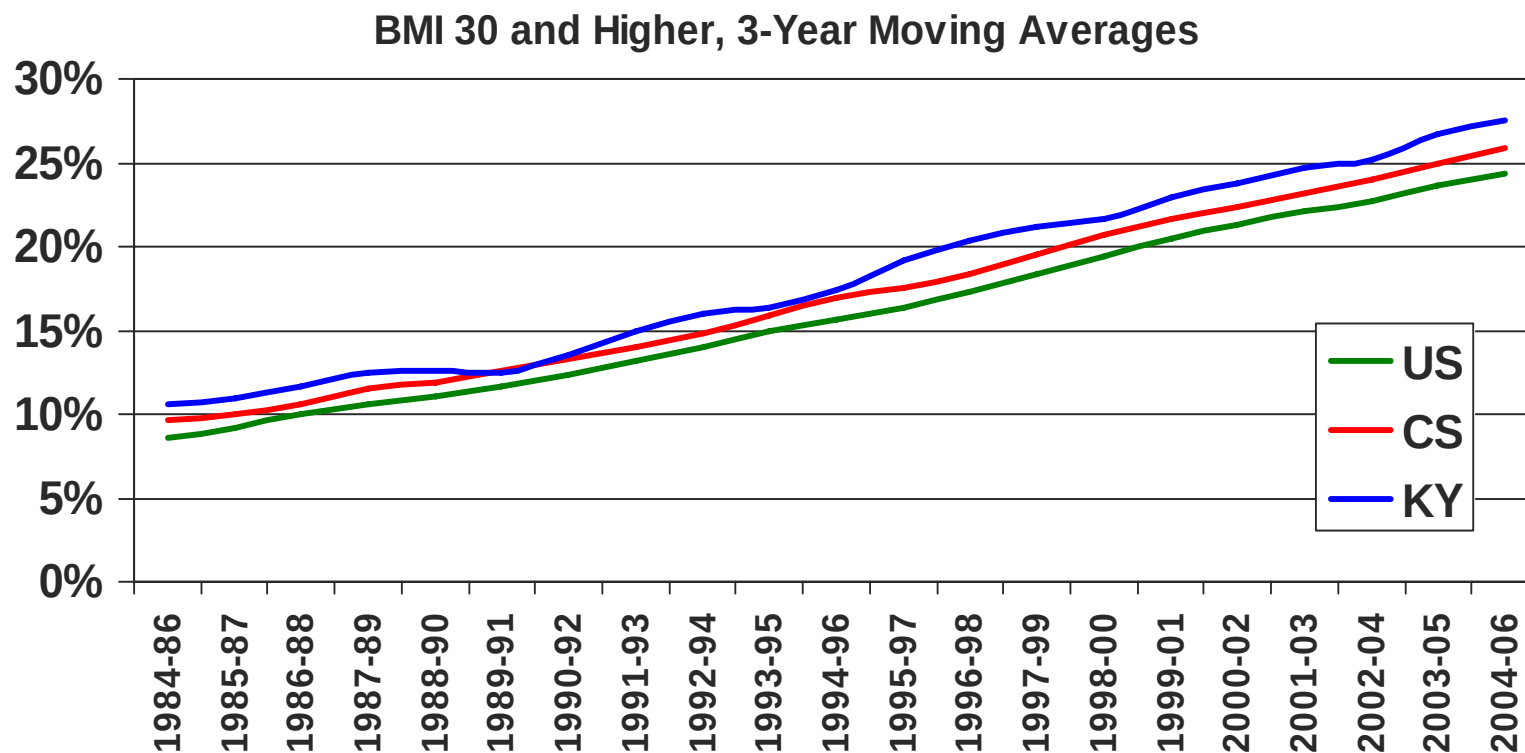
[*We're not very healthy*]

Selected Health Indicators, 2006, Kentucky, Competitive States, and the U.S., (percent of adult population, 18 and older)

	Kentucky	Competitive States	U.S.
Obese (BMI 30 or higher)	28.0	26.9	25.1
Clinically Severe Obese (BMI 40 or higher)	4.0	3.6	3.0
Current Smoker	28.5	21.9	19.7
Diabetic or Pre-Diabetic	11.1	9.8	9.1
Did Not Exercise in Past Month	30.4	24.9	24.0
Activity Limitation Due to Health Problem***	22.6	18.7	18.2

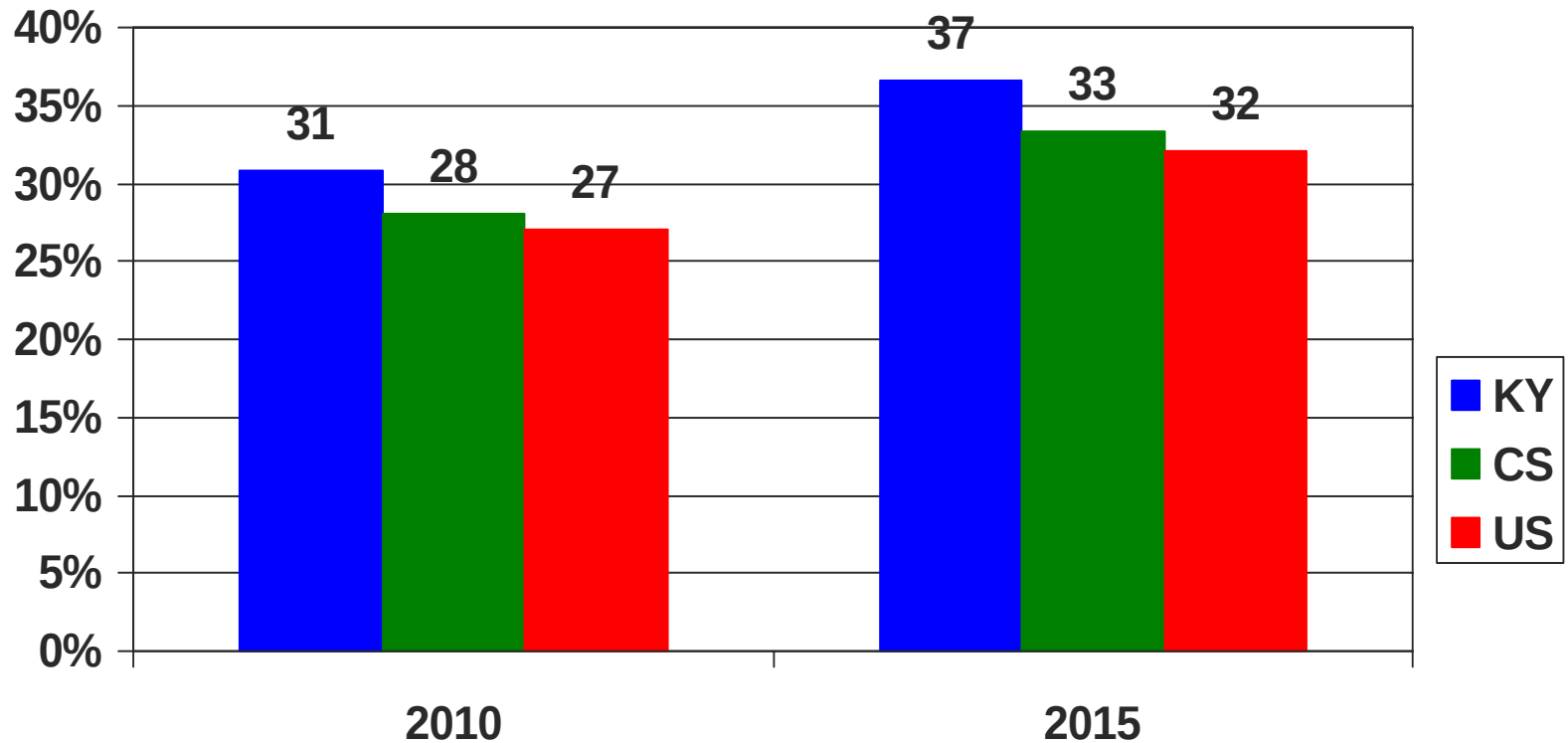
Source: Kentucky Long-Term Policy Research Center analysis of data from the Centers for Disease Control and Prevention (CDC). *Behavioral Risk Factor Surveillance System Survey Data*. Atlanta, Georgia: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, 2005, 2006.

Obesity Rates



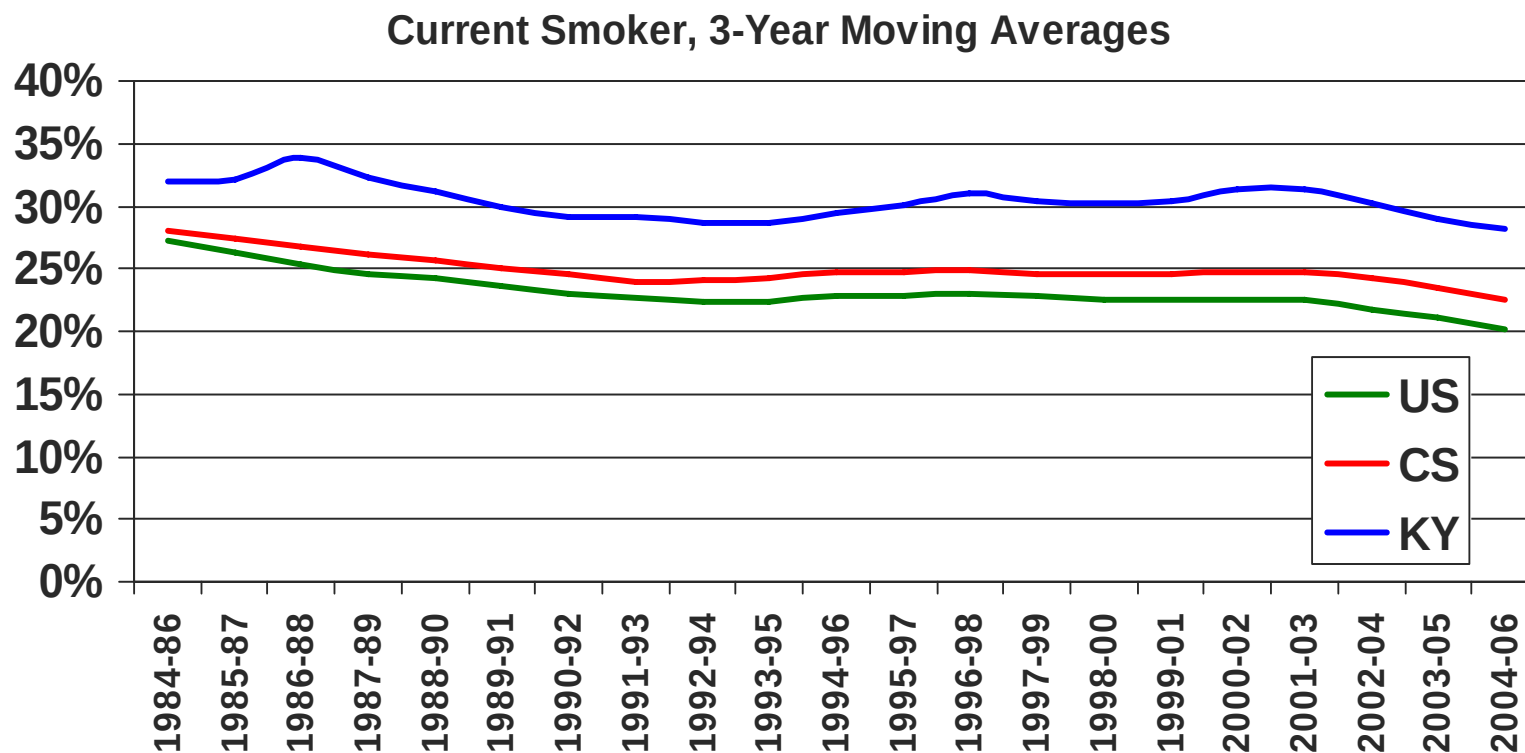
Source: KLTPRC analysis of BRFSS data.

Estimating Future Obesity Rates



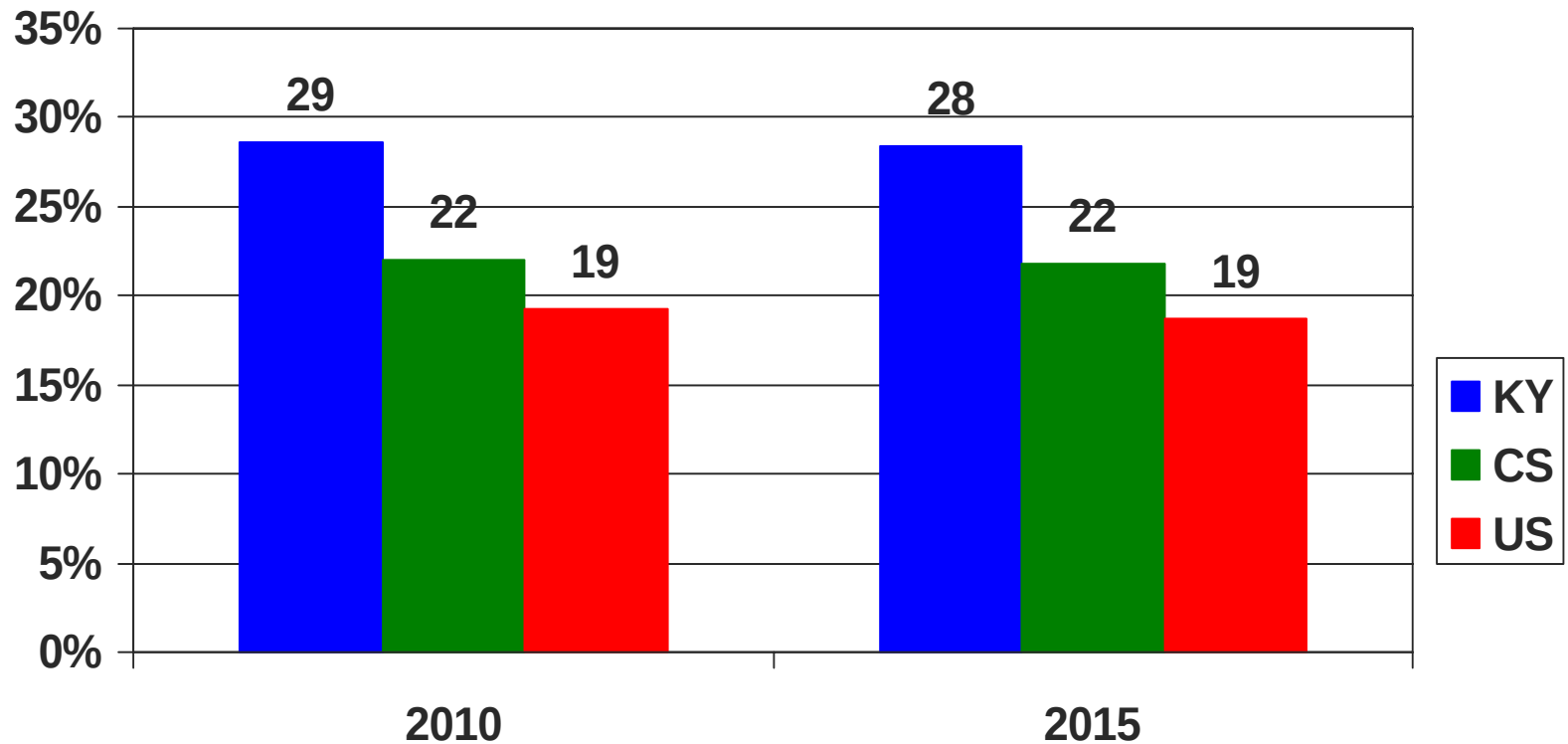
Source: KLTPRC analysis of BRFSS data.

Smoking Rates



Source: Author's analysis of BRFSS data.

Estimating Future Smoking Rates



Source: KLTPRC analysis of BRFSS data.

Obesity and Smoking: A Short List of Consequences

■ Health

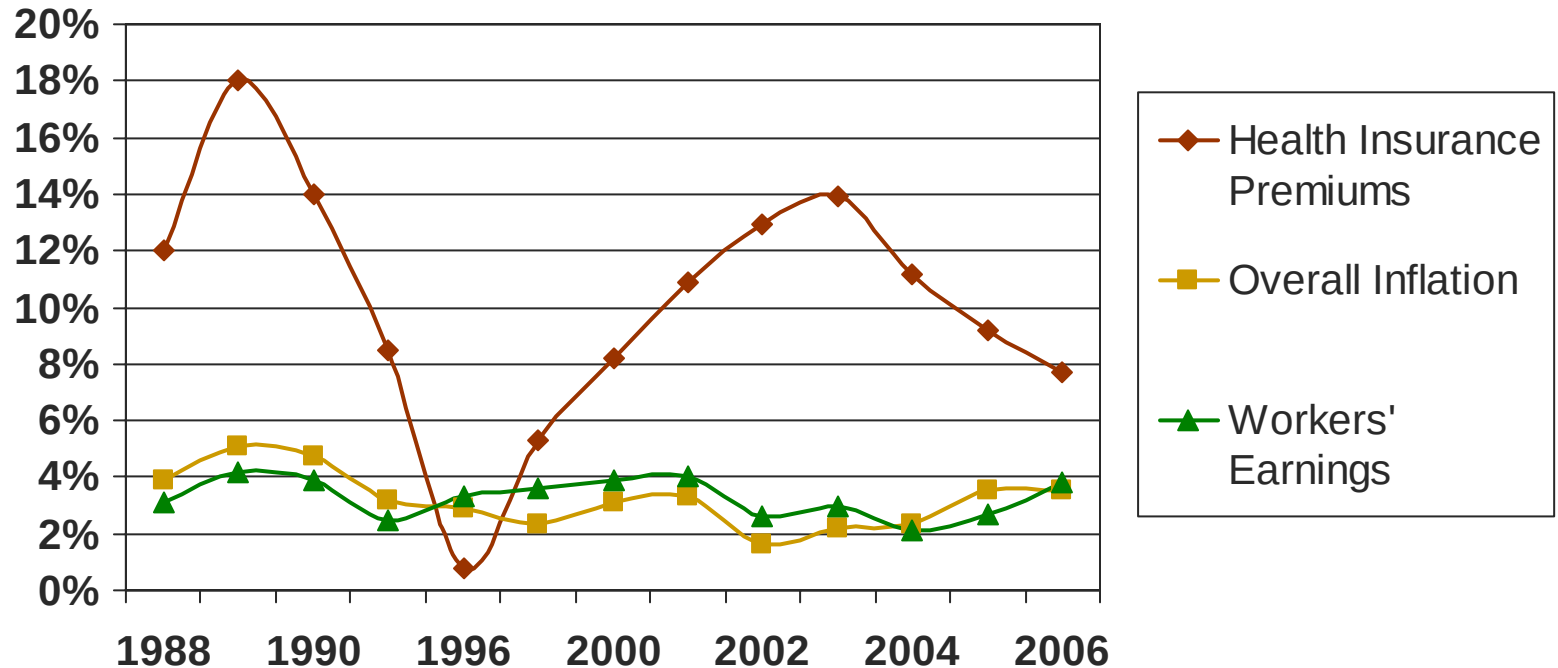
- Heart disease
- Cancer
- Stroke
- Diabetes
- Disability

■ Cost

- Obesity
 - \$1.1 billion annually
 - 6.2% of adult medical spending
 - 11.4% of Medicaid
- Smoking
 - \$1.1 billion annually
 - 6% to 9% of total medical spending

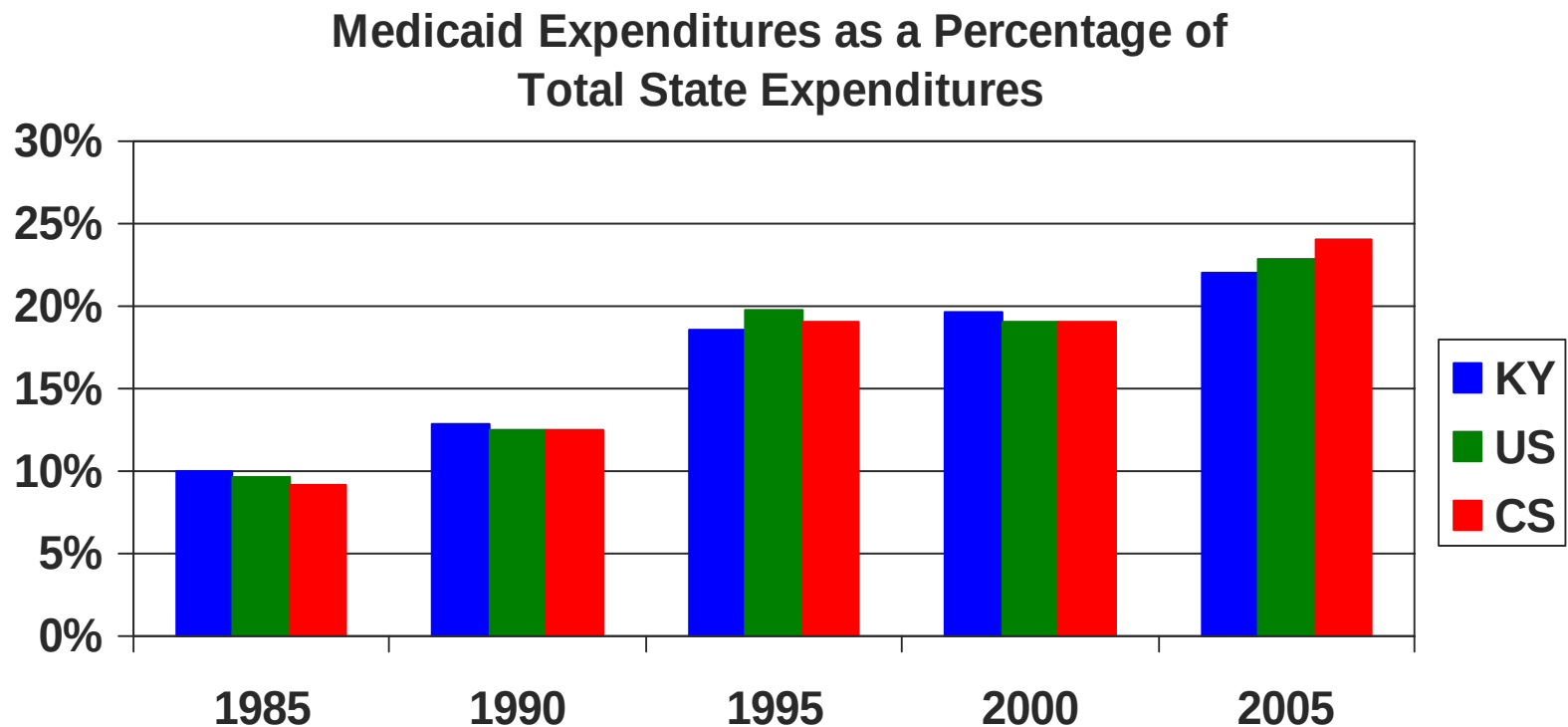
Health Insurance Cost Rise Steadily

Percentage Increase in Health Insurance Premiums, Inflation, and Earnings, 1988-2006



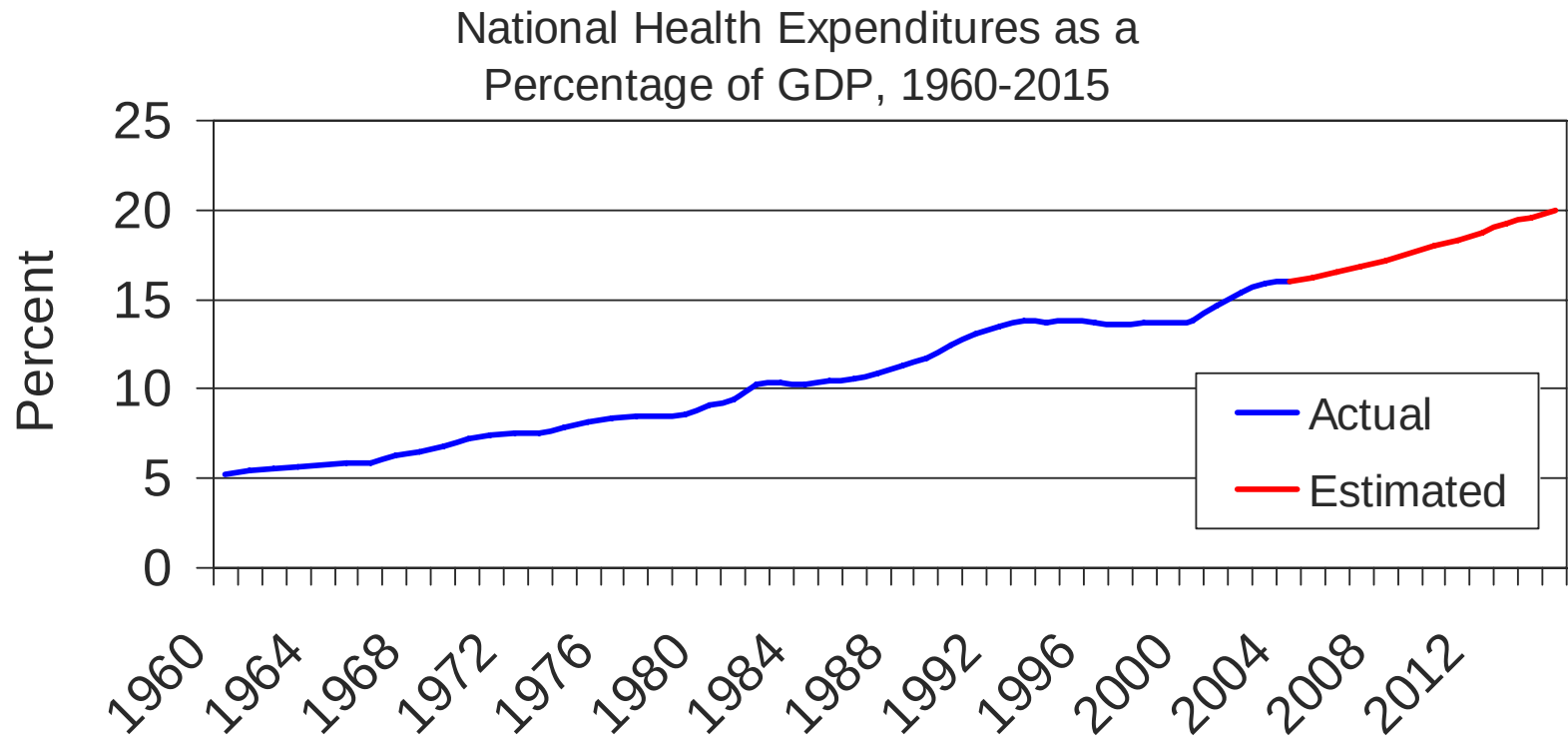
Source: The Kaiser Family Foundation and Health Research and Educational Trust

Rising Medicaid Spending



Source: KLTPRC analysis of NASBO data.

National Medical Expenditures



Source: US Dept. of Health and Human Services, Centers for Medicare & Medicaid

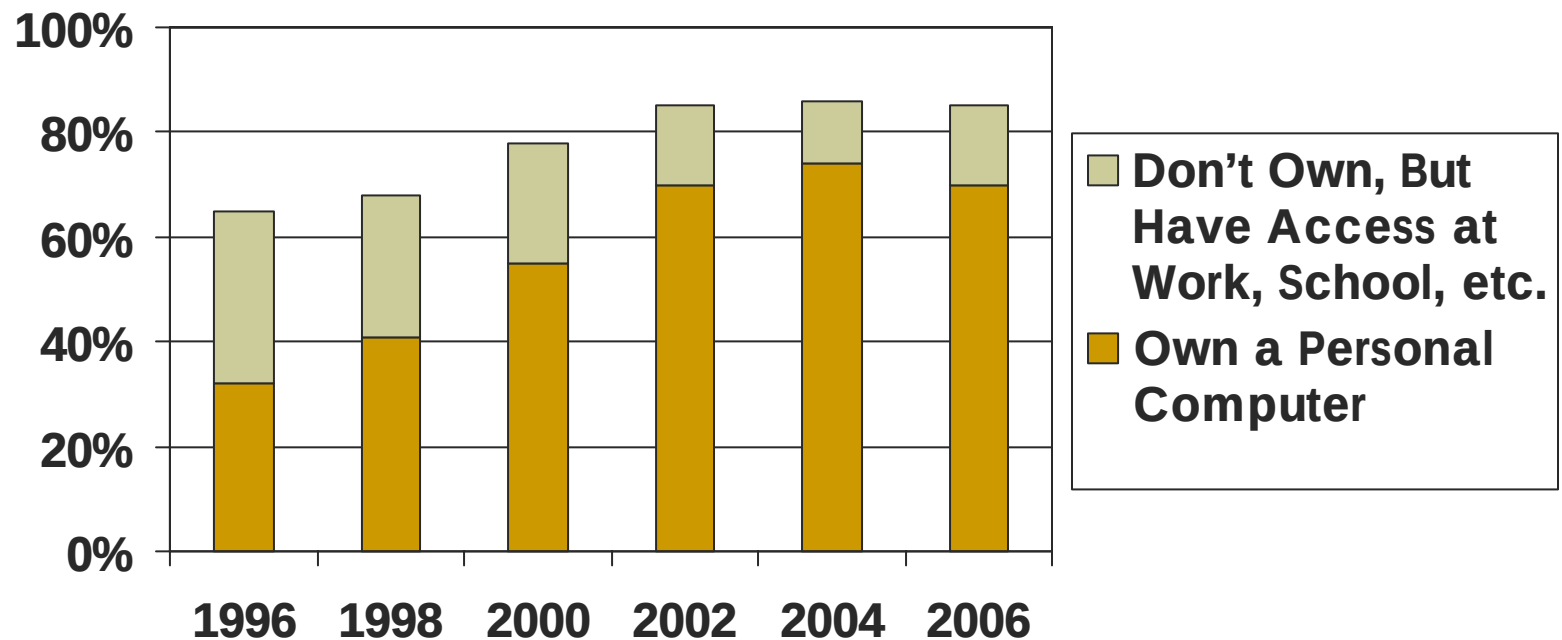


Technology

Near Ubiquity

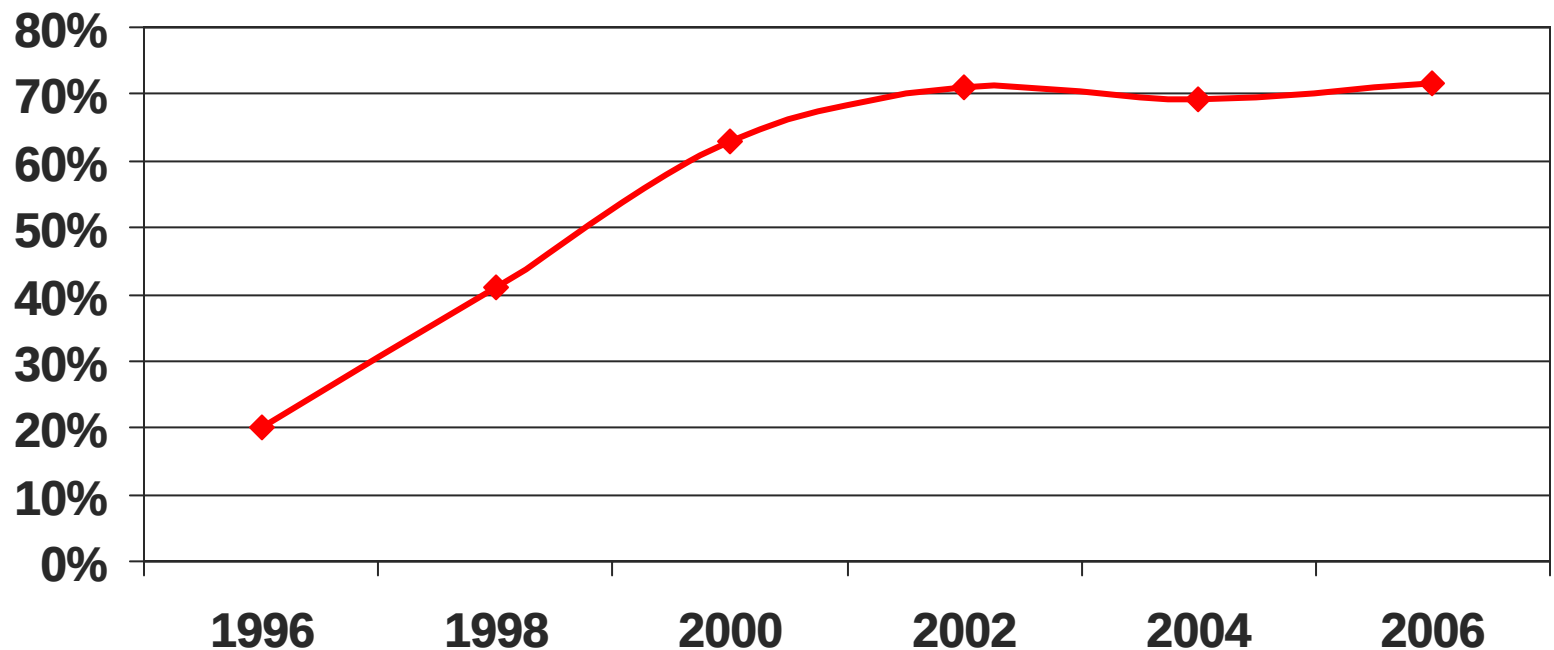
Computer Access

**Percent of Adults with Access to a Personal Computer
in Kentucky**



[Internet Access]

Percent of Kentuckians Who Accessed the Internet in the Previous Year

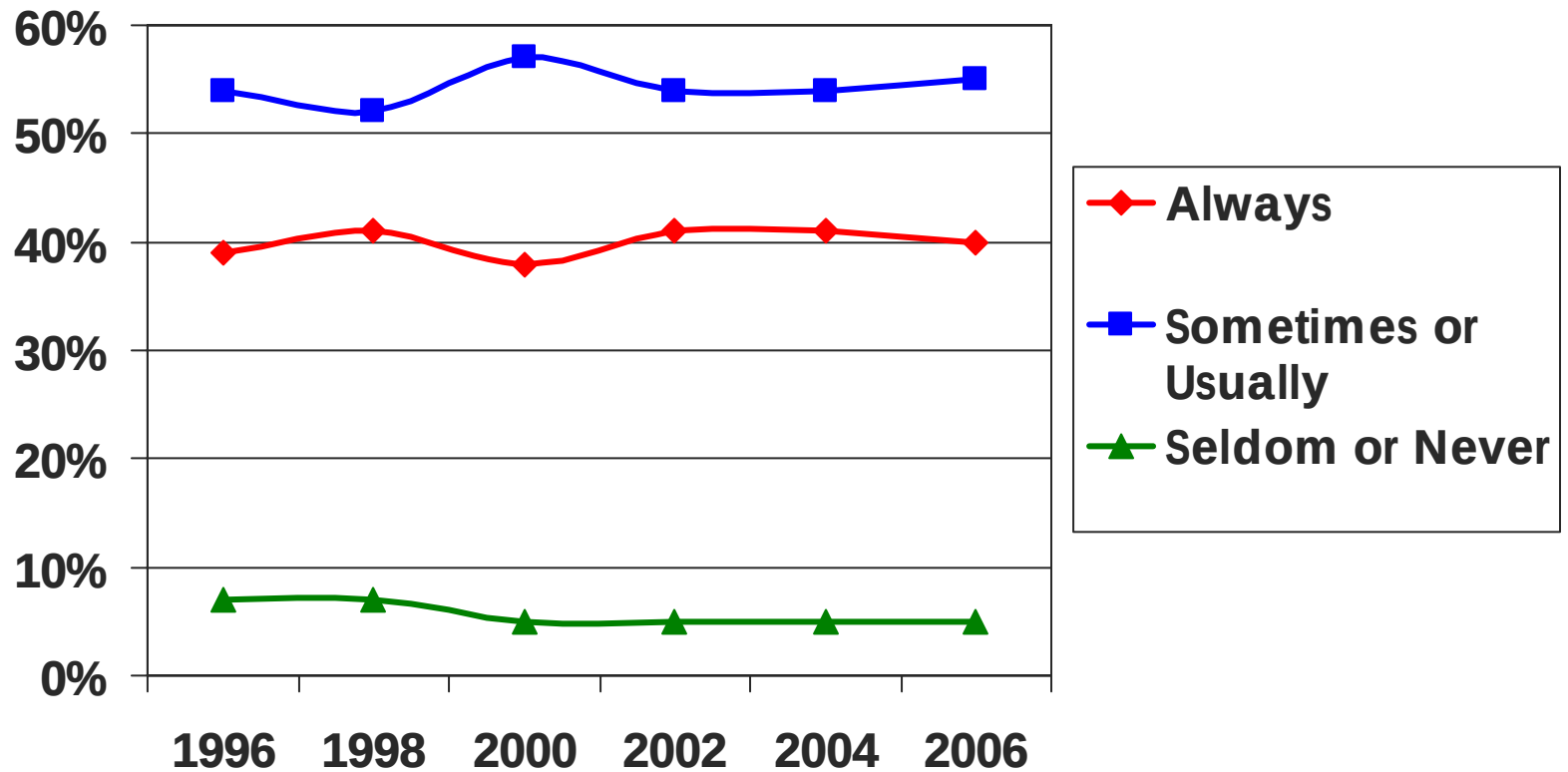




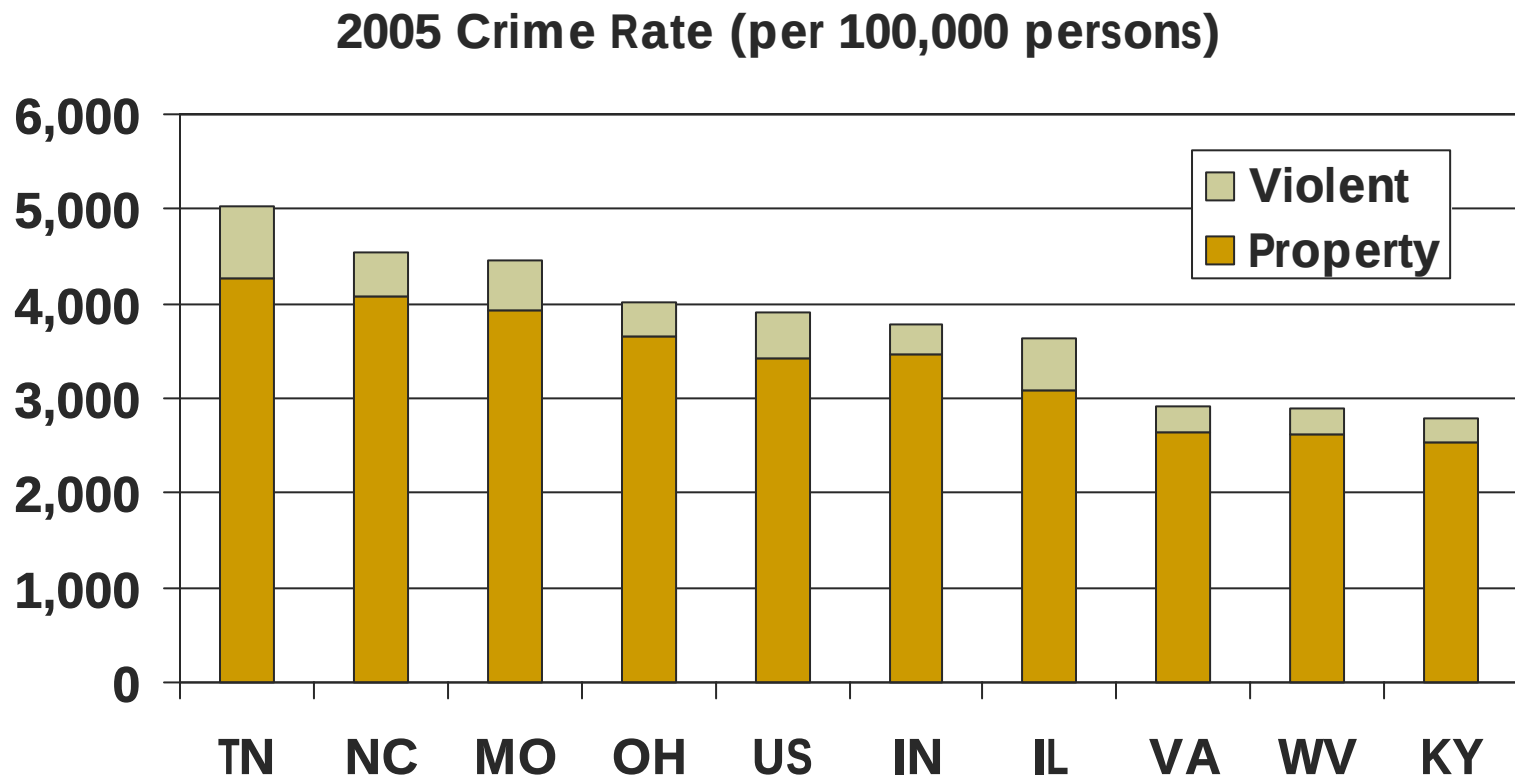
Community

Strong social capital

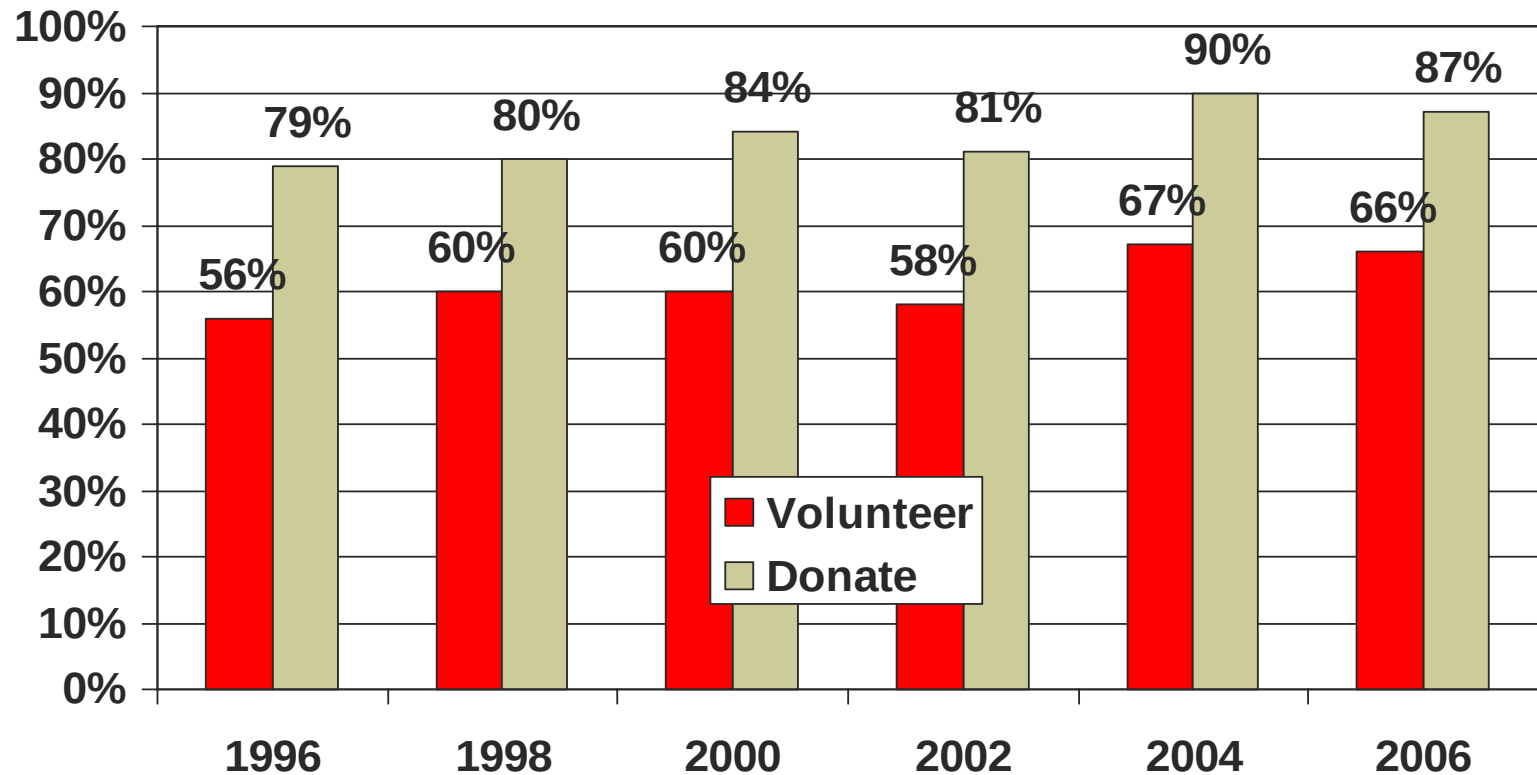
Do you feel safe in your community?



Kentucky's Relatively Low Crime Rate



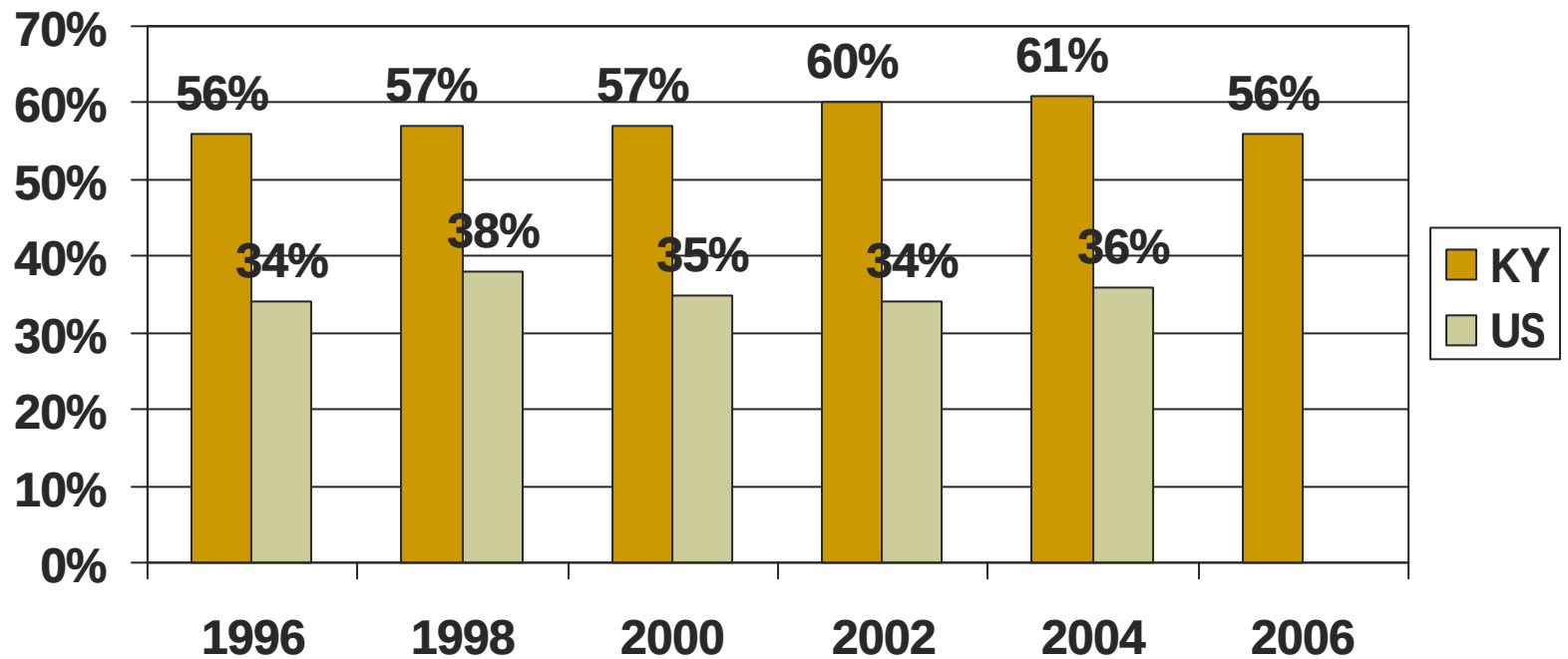
Kentuckians Who Volunteer for Community Activities and Who Make Charitable Donations



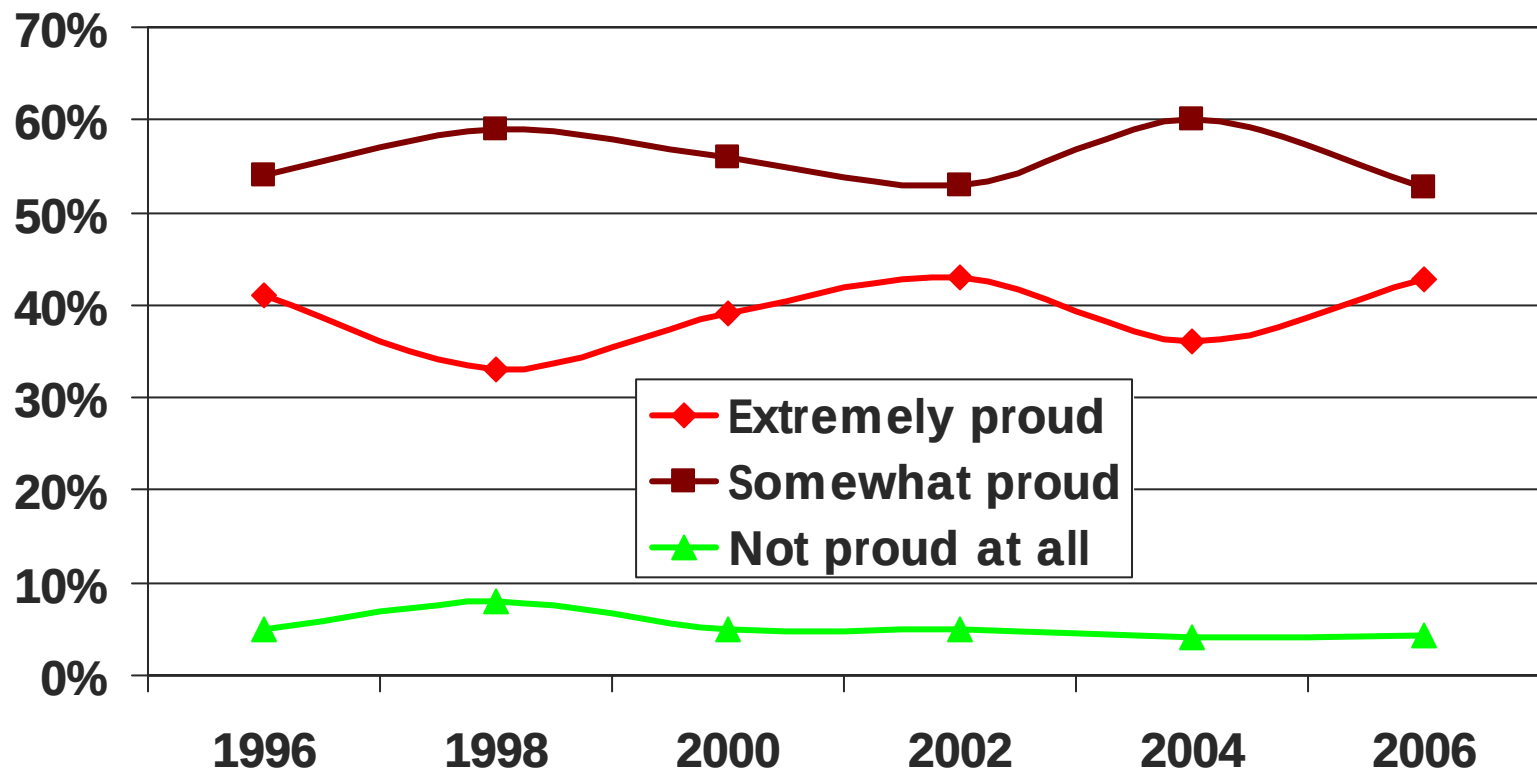
Source: Kentucky Long-Term Policy Research Center and UK Survey Research Center

[Trust]

Percent Who Say They Can Usually Trust Others



Civic Pride in Kentucky





Finances

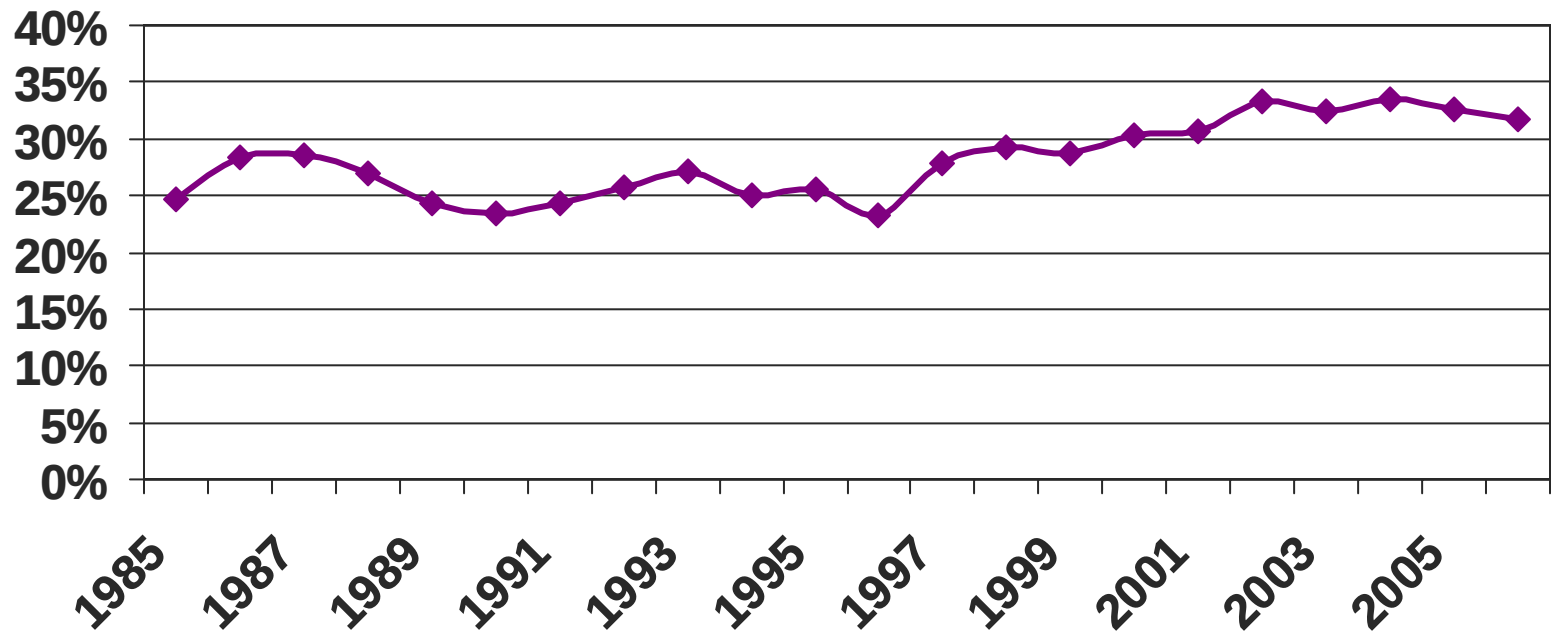
More heavy lifting ahead for
state and local governments

Growing Obligations for Governments

- GAO: “*The ‘status quo’ is not an option*”
 - Large and growing structural deficit
 - Aging population and rising health care costs
 - Resource demands due to the War on Terror
 - Balancing the budget in 2040 could require
 - Cutting total federal spending by 60 percent
 - Raising federal taxes to 2 times today’s level
- How does this affect Kentucky?
 - In 2006, federal funds comprised 31.8% of state spending (NASBO, 2006)

Federal Funds Comprise One-Third of State Spending

Federal Funds as a Percentage of KY State Govt Expenditures, 1985-2006



Source: NASBO

[Want more information?]

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