



Press Release

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Kentucky Ranks 9th in Online Disclosure of Economic Development Deals

Jeffersontown, KY – A new report analyzing how states disclose economic development deals ranks Kentucky 9th in the country, but awarded the Commonwealth an average score of 45 out of a possible 100. While more and more states are turning to online disclosure of this information, a wide variety of quality of reporting still exists. Many taxpayers are still being left in the dark about where their money is going, according to the report, [*Show Us the Subsidies*](#), published Wednesday by Good Jobs First, a non-profit, non-partisan research center based in Washington, DC.

“The good news is that at a time when more people across the nation and in Kentucky are concerned about how their tax dollars are being used, our comparative ranking is encouraging for Kentuckians,” said Terry Brooks, executive director of Kentucky Youth Advocates. “Yet, there is definitely room for improvement. There is a lack of information on key subsidy programs such as tax exemptions for certain coal and machinery purchases.”

Kentucky’s tax expenditure reporting system also needs improvement. “While the tax expenditure report now published by the State Budget Director is easily accessible and broad in scope, it includes little information about specific recipients of the tax breaks, and little information about whether the tax cuts are meeting their economic goals,” said Brooks. “A more specific report that analyzes whether or not tax cuts are really helping Kentucky’s economy would help ensure that we are getting the most bang for our buck.”

Good Jobs First also released state-specific online tools related to state government economic development practices including Accountable USA, a set of webpages on each of the 50 states summarizing the state’s track record on subsidies. See <http://www.goodjobsfirst.org/states/kentucky>. The Accountable USA webpage opens with a quote from Good Jobs First director Greg LeRoy calling Kentucky “‘the black hole of economic development’ for its unabashed appetite for other states’ jobs,” citing huge subsidies to automakers, UPS, and Wal-Mart.

[*Show Us the Subsidies*](#), analyzed reporting practices of 245 economic development subsidy programs around the nation and five in Kentucky. The report rates Kentucky’s reporting

practices of 5 subsidy programs on the inclusion of information such as job-creation, geographic location of subsidized facilities, and availability of online data. The programs were each rated on a scale of 0 to 100 and all five totals were averaged to reach 45 points. Kentucky received the grade of “C-“. Illinois ranked 1st with an average score of 82 points and a “B”.

“The outpouring of job-subsidy data is a breakthrough for state government transparency and accountability,” said Good Jobs First Research Director Philip Mattera, principal author of Show Us the Subsidies and leader of the six-person team that produced the report and websites.

“Enhanced disclosure makes it much easier to monitor the tens of billions of dollars in taxpayer revenues that are being diverted to private parties each year.”

[Click here to download the report with state-specific data.](#)

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[Kentucky Youth Advocates](#) is home to the Kentucky Tax and Budget Initiative. We work to promote an adequate, sustainable and transparent budget upon which we can build strong public structures and the long-term economic vitality of the Commonwealth.