



Pat George, Secretary

Department of Commerce

Sam Brownback, Governor

TO: The Honorable Governor Brownback
Senate Commerce Committee
House Taxation & Assessment Committee
House Taxation, Economic Development and Tourism Committee
Joint Economic Development Committee

FROM: Pat George, Secretary of Commerce

DATE: September 20, 2013

RE: Fiscal Year 2012 PEAK Annual Report

The following information is provided to satisfy the annual reporting requirements of K.S.A. 74-50,216 in the Promoting Employment Across Kansas (PEAK) Act.

In 2009, Senate Bill 97 was passed and signed into law creating the PEAK program effective July 1, 2009. Companies that were relocating jobs to Kansas from out of state could retain 95 percent of the withholding taxes generated by the new employees that were paid wages at or above the county wage standard. Legislative changes in 2010 and 2011 broadened the program to also allow companies to qualify that were locating a new business operation or function in Kansas. Additionally, commencing in calendar year 2012, existing Kansas companies were permitted to participate.

Of the 58 companies that signed agreements during FY 2012, 48 had effective dates to commence PEAK benefits and were required to report during that period. Those 48 active participants projected the hiring of 6,552 total jobs and upon creation of the jobs, estimated an additional direct annual payroll of \$374,420,346. Companies estimated capital investment expenditures for these projects at over \$800 million.

In FY 2012, the 48 companies reported the following results:

- 4,005 jobs were added with an overall average wage of \$32.81 hourly.
- Total payroll was \$222,917,320 generating an additional \$9,644,006 in Kansas withholding.
- Of that additional withholding, \$8,892,752 or 92.2%, was retained by the companies for PEAK-eligible employees that were paid at or above the county wage standard.
- \$751,254 or 7.8% of withholding, was remitted to Kansas as the required five percent for PEAK-eligible employees and for PEAK employees whose individual wages did not meet the county wage standard.
- Using industry standard multipliers from the U.S. Department of Commerce, Bureau of Economic Analysis, 5,250 indirect jobs were created and \$194,648,382 of indirect income with \$7,785,935 of additional withholding are estimated to have resulted from the 4,005 jobs and wages reported during FY12.

A listing of all 58 companies is below. The 10 companies that were not required to report during FY12 are denoted by highlighting.

If you have any questions about this report, please don't hesitate to contact my office at 785.296.2741.

Company	County	NAICS Industry
Allen Press, Inc.	Douglas	Commercial Lithographic Printing
Amsted Rail Company, Inc	Wyandotte	Iron and Steel Mills
Associated Wholesale Grocers, Inc.	Wyandotte	General Line Grocery Merchant Wholesalers
AxelaCare Health Solutions, LLC	Johnson	Pharmacies and Drug Stores
Babcock & Wilcox Company	Johnson	Industrial Machinery and Equipment Merchant Wholesalers
BLNA/Best Harvest Bakeries	Wyandotte	Commercial Bakeries
Bottaro, Morefield, Kubin & Yocum, L.C.	Johnson	Offices of Lawyers
Brancato Enterprises	Wyandotte	Corporate, Subsidiary, and Regional Managing Offices
Caterpillar Inc	Pottawatomie	Construction Machinery Manufacturing
Cosentino Enterprises, Inc.	Johnson	Supermarkets and Other Grocery (except Convenience) Stores
Cosentino Group, Inc.	Johnson	Supermarkets and Other Grocery (except Convenience) Stores
Cosentino's Service Corporation	Johnson	Supermarkets and Other Grocery (except Convenience) Stores
Dex One Service, Inc.	Johnson	Corporate, Subsidiary, and Regional Managing Offices
Diagnostic Imaging Centers, P.A.	Johnson	Diagnostic Imaging Centers
Dimensional Innovations, Inc.	Johnson	Sign Manufacturing
Employers Mutual Casualty Company	Johnson	Direct Property and Casualty Insurance Carriers
EN Engineering	Johnson	Engineering Services
Exline, Inc.	Saline	Industrial Machinery Manufacturing
Fishnet Security	Johnson	Computer Systems Design and Related Services
FSC MEP Engineers, LLC	Johnson	Engineering Services
FSC, Inc.	Johnson	Engineering Services
General Motors LLC	Wyandotte	Automobile Manufacturing
Global Parts, Inc.	Butler	Other Support Activities for Air Transportation
Harper Industries Inc.	Harper	Farm Machinery and Equipment Manufacturing
Health and Benefit Systems, Inc.	Johnson	Insurance Agencies and Brokerages
Hoefer Wysocki Architects, LLC	Johnson	Architectural, Engineering, and Related Services
IMMI (Indiana Mills and Manufacturing, Inc)	Harvey	Motor Vehicle Seating and Interior Trim Manufacturing
Jack Stack Barbecue / Fiorella's	Johnson	Corporate, Subsidiary, and Regional Managing Offices
KASA Industrial Controls, Inc.	Saline	Switchgear and Switchboard Apparatus Manufacturing
KeyCorp Real Estate Capital Markets, Inc.	Johnson	All Other Nondepository Credit Intermediation
Kiewit Power Constructors Company	Johnson	Other Heavy and Civil Engineering Construction
Kiewit Power Engineers Co.	Johnson	Engineering Services
Learjet, Inc.	Sedgwick	Aerospace Product and Parts Manufacturing
Lansing Trade Group, LLC	Johnson	Grain and Field Bean Merchant Wholesalers
M.E. Group / Design + Green	Johnson	Engineering Services
Mars Chocolate North America, LLC	Shawnee	Chocolate and Confectionery Manufacturing from Cacao Beans
McQueeny Group Inc.	Johnson	Warm Air Heating and Air-Conditioning Equipment and Supplies Merchant Wholesalers
MIQ Logistics, LLC	Johnson	Freight Transportation Arrangement
Mortgage Research Center dba VAMortgageCenter.com	Johnson	Real Estate Credit
Muller Bressler Brown	Johnson	Advertising Agencies
Murphy-Hoffman Company (MHC)	Johnson	Corporate, Subsidiary, and Regional Managing Offices
Netsmart Technologies	Johnson	Custom Computer Programming Services
Old World Spices & Seasonings, Inc.	Johnson	Corporate, Subsidiary, and Regional Managing Offices
OpenMethods, LLC	Johnson	Custom Computer Programming Services
Orthopaedic Specialists of the Four States LLC	Cherokee	Offices of Physicians (except Mental Health Specialists)
PNC Bank, N.A.	Johnson	Commercial Banking
Rubbermaid Incorporated	Cowley	Urethane and Other Foam Product (except Polystyrene) Manufacturing
ScriptPro, LLC	Johnson	Other Commercial and Service Industry Machinery Manufacturing
SelectQuote Auto and Home Insurance Services, LLC	Johnson	Insurance Agencies and Brokerages
Shamrock Trading Corporation	Johnson	Freight Transportation Arrangement
Spring Insurance Solutions, LLC	Johnson	Insurance Agencies and Brokerages
Teva Neuroscience, Inc.	Johnson	Pharmaceutical Preparation Manufacturing
The Epoch Group, LC	Bourbon	Office Administrative Services
The Sloan Agency	Johnson	Insurance Agencies and Brokerages
Valu Merchandisers Company	Johnson	Corporate, Subsidiary, and Regional Managing Offices
Walters McCann Fanska, LLC	Johnson	Offices of Certified Public Accountants
Westrope General Agency	Johnson	Insurance Agencies and Brokerages
Wurth Service Supply Inc.	Sedgwick	Hardware Merchant Wholesalers