INDIANAVISION 2025

A PLAN FOR HOOSIER PROSPERITY

REPORT CARD

June 2017

"Indiana will be a global leader in innovation and economic opportunity where enterprises and citizens prosper."

Indiana Vision 2025: Advancing the Vision

DRIVER 1: OUTSTANDING TALENT	
GOAL	**SIGNIFICANT PROGRESS**
Increase the proficiency of Indiana students in math, science and reading to "Top 5" status nationally.	**Continued strong improvements in NAEP reading and math rankings**
Increase to 90% the proportion of Indiana students who graduate from high school ready for college and/or career training.	**Keeping assessments aligned to new standards; Chamber Foundation partners in Postsecondary Pathways events and serves as school counseling initiative resource to connect education and business; graduation pathways included in new ILEARN assessment**
Eliminate the educational achievement gaps at all levels, from pre-school through college, for disadvantaged populations.	**Significantly expanded funding (2017) for high-quality preschool program for low-income children; establishment of more balanced school funding formula**
Increase to 60% the proportion of Indiana residents with high quality postsecondary credentials.	**Primary entities aligned on goal**
Increase the proportion of Indiana residents with bachelor's degrees or higher to "Top 10" status nationally.	
Increase the proportion of Indiana residents with associate's degrees to "Top 10" status nationally.	
Increase the proportion of Indiana residents with postsecondary credentials in STEM-related fields to "Top 5" status nationally.	**2018 legislation adds computer science offerings to all K-12 schools; focus in place through a large number of public and private sector initiatives**
Develop, implement and fully fund a comprehensive plan for addressing the skills shortages of adult and incumbent workers who lack minimum basic skills.	**2017-2018 legislation provides workforce ready grants, better coordinates career/technical education and begins a more employer-driven system**
Improve Indiana's per-capita income ranking to "Top 25" nationally	**Cost of living adjustment lifts Indiana from 38th to 20th in rankings**

DRIVER 2: ATTRACTIVE BUSINESS CLIMATE	
GOAL	**SIGNIFICANT PROGRESS**
Adopt a right-to-work statute.	**Passed February 2012**
Enact comprehensive government reform at the state and local levels to increase efficiency and effectiveness in delivery of services.	**Repeal of common construction wage law in 2015**
Reform public pension systems to ensure Indiana's are competitive and actuarially sound according to industry standards.	**Moderate cost containment passed in 2014**
Preserve and enhance a "Top 5" ranking among all states for Indiana's legal environment.	**Legal climate generally regarded as fair and effective. Commercial courts pilot program instituted in 2016**
Attain a "Top 5" ranking among all states for Indiana's business regulatory environment.	**Continued strong rankings in these metrics**
Eliminate the business personal property tax.	**2015 legislation eliminates tax for more than 150,000 small businesses**
Eliminate the state inheritance tax.	**Phase-out passed in 2012/tax eliminated in 2013**
Promote the enactment of a federal solution to the internet sales/use tax dilemma.	**2017 legislation shifts focus from physical presence to economic activity; sets stage for Indiana to collect tax when federal or court action taken**
Streamline and make consistent the administration of the state's tax code.	**Several moderate procedural improvements passed in 2015 and 2017**
Establish government funding mechanisms to more closely approximate "user fee" model.	**2017 road funding legislation utilizes user fee approach**
Contain health care costs through patient-directed access and outcomes-based incentives.	**Healthy Indiana Plan (HIP) 2.0 went into effect in 2015**
Reduce smoking levels to less than 15% of the population.	**First statewide smoking ban passed in 2012; smoking rate declined from 25.6% (2011 data) to 20.6% (current); continued efforts required**
Return obesity levels to less than 20% of the population.	**Wellness Council of Indiana and partners working directly with employers and communities on healthy cultures/improving outcomes; Chamber a partner in Alliance for a Healthier Indiana**

DRIVER 3: SUPERIOR INFRASTRUCTURE	
GOAL	**SIGNIFICANT PROGRESS**
State development and implementation of a strategic energy resource plan that helps ensure Indiana is one of the "Top 10" most affordable states for electricity.	**2017 legislation begins to address issues between ratepayers and utilities – a necessary step toward energy policy creation; expands self-generation opportunities; IURC rate reviews now made public**
Diversify Indiana's energy mix with an emphasis on clean coal, natural gas, nuclear power and renewables.	**Integrated Resource Planning process for utilities put into place in 2016**
Identify and implement workable energy conservation strategies.	**2015 legislation requires utilities to submit efficiency plans**
Develop and implement a strategic water resource plan that ensures adequate fresh water for citizens and business.	**Indiana Chamber Foundation water resource study (August 2014); 2015-2017 legislation directs collection of additional resource data; 2018 – task force creation**
Develop and implement new fiscal systems to support the array of transportation infrastructure projects critical to economic growth.	**2017 legislation establishes comprehensive long-term transportation infrastructure funding plan**
Aggressively build out the state's advanced telecommunications networks.	**2017-2018 legislation more rapidly deploys technology via small cell towers and adds rural broadband grant program**
Ensure strong security measures (both physical and cyber) are in place for all of Indiana's critical infrastructure.	**Regular IURC-utility meetings focus on preparedness, mitigation and resiliency in the event of cyberattacks**

DRIVER 4: DYNAMIC & CREATIVE CULTURE	
GOAL	**SIGNIFICANT PROGRESS**
Drive strategic entrepreneurship and innovation formation for new and existing firms.	**2018 legislation exempts software as a service transactions from sales tax; Chamber tech policy committee partners on policy/ program advancements**
Increase intellectual property commercialization from higher education and business and attain "Top 5" ranking per capita among all states.	
Achieve "Top 12" ranking among all states in number of patents per worker.	
Achieve "Top 12" ranking among all states in venture capital invested per capita.	**2017 legislation establishes Next Level Fund for state investments in high-growth companies; 2020 expiration date on VC tax credit removed**
Strategically recruit foreign direct investment (FDI) and achieve "Top 5" ranking among all states in FDI as a percent of gross state product.	
Increase Indiana exports to achieve "Top 5" ranking per capita among all states.	**State consistent in achieving top 10 rankings throughout Report Cards**
Promote a diverse and civil culture that attracts and retains talented individuals.	**Continued expansion of regional economic development cooperation with an emphasis on quality of place initiatives**

Moving Forward, But a Quicker Pace Required

"If you're not keeping score, you're just practicing."

This popular quote, and its various iterations, applies in a number of circumstances far beyond athletic competitions. From school grades to business profits and losses, measurement and evaluation are essential.

The Indiana Chamber works with others on a regular basis to help enhance Indiana's economic outcomes. We established long-range goals through the *Indiana Vision 2025* plan, first introduced in 2012, and measure the state's economic performance via this Report Card on a biannual basis.

So what does the scorecard tell us for 2017? We'll answer that by looking at each of the four drivers of the plan.

OUTSTANDING TALENT

Student achievement is improving at an early age, based on fourth grade NAEP test scores. Those stronger results do not always carry over to the eighth grade level. (Expansion of pre-K efforts for low-income students and families will provide assistance toward the goal of eliminating educational achievement gaps. Indiana, in particular, has widening gaps for low-income eighth graders).

Indiana is seeing progress in the number of degree and credential holders, but its 50-state ranks – 39th in bachelor degrees, 40th in associates and 42nd when adding in high-quality credentials per the latest Lumina Foundation data – remain lacking. Consider this: Indiana ranks third in science and technology degrees produced, but 42nd in the percent of population holding such degrees.

Possibly the biggest challenge, however, might be with the incumbent workforce. Released in conjunction with this Report Card were the results of the Chamber's 10th annual employer workforce survey. Among its key findings:

- The number of respondents that left jobs unfilled due to under-qualified applicants increased to 47% – from 39%, 43% and 45% the last three years
- Those indicating that filling their workforce was their biggest challenge also increased – 29% after previous marks of 20%, 24% and 27%. Add in the "next biggest challenge" scenario and the number soars to 79% (continuing the upward total from 72%, 74% and 76% the last three years)
- When asked about education incentives offered to employees, 76% report offering flex scheduling and 57% help employees develop career plans. Although 48% offer tuition assistance, less than 5% of employees use the assistance with 60% of employers reporting employees are not motivated to participate and 35% reporting employees see no personal benefit in advancing their education

Without upskilling Indiana's incumbent workforce, improving our per capita income rank will be difficult and reaching our three postsecondary attainment goals impossible.

Companies are not able to meet their talent needs, negatively impacting their job and growth prospects. Talent is the number one factor in ultimate individual, business, community and state success. Indiana has much work left to do.

ATTRACTIVE BUSINESS CLIMATE

As we've noted in previous Report Cards (2013 and 2015), this is Indiana's leading area of strength as a result of previous dedicated efforts.

The driver is a diverse one. A few highlights:

- The numbers tell us government spending is generally kept under control. What they don't reveal is the inefficiencies that result from too many local units – townships and school districts being the primary examples.
- Indiana's regulatory and legal climates rate highly – both statistically and in practical application.
- The state's tax climate is highly regarded in most areas, although existence of the business personal property tax remains a black mark. A new metric (business taxes per share of government expenditures benefitting businesses) shows Indiana companies paying $1.20 for every $1.00 received in services.

The biggest concerns are in the health care metrics. The eternal optimist will point to a decrease in Indiana's adult smoking rate – from more than 25% earlier this decade to 20.6% in the latest numbers – and a six-state improvement in obesity rates. But nearly a third of adults still being obese and that state rank of 36th are nothing to celebrate.

The unhealthy lifestyle choices have led to tragic outcomes – high cancer and diabetes rates to name a few – for years. Recently, Hoosiers in growing numbers in both urban and rural locations have succumbed to a deadly opioid epidemic with widespread impacts on families, communities and businesses. Addictive behaviors are a common theme connecting smoking and use of stronger drugs.

The workforce survey results shed some additional light, with employers reporting an increasing difficulty in finding job candidates who can pass a drug screening test. While 61% drug test employees suspected of prescription/opioid misuse/abuse, 45% of employers report supervisors/managers do not know how to detect misuse/abuse.

SUPERIOR INFRASTRUCTURE

The goal of developing new fiscal systems to support transportation infrastructure projects received a major boost with the 2017 Indiana General Assembly's long-term road funding plan. Implementation, of course, must follow but Indiana positioned itself ahead of others by dedicating additional resources and diversifying its funding sources.

A traditional advantage – low electricity prices – is no longer in place. Industrial power costs in support of the state's traditional

manufacturing strengths now rank 29th (with commercial prices 26th). Indiana has been without a strategic state energy plan for far too long. Development and implementation, with a focus on costs and prudent diversification of resources, is required.

Another longer term priority is establishment of a water resources plan. The needs were firmly established in a 2014-led Chamber study. Legislative actions since have focused on additional data-gathering measures. But it is also time to move forward more quickly as regional planning and governance will require great attention and detail. We must avoid the "water wars" plaguing so many other areas of the country.

The final goal in this area is building out the advanced telecommunications network. As with several other goals, it's difficult to tell the entire story through lagging statistical measures. Indiana continues to see strong overall investment, but rural connectivity does not always follow. We explain further on page 19.

DYNAMIC AND CREATIVE CULTURE

The story here is similar to previous Report Cards. The luster of individual anecdotal progress – attraction of companies and jobs, expansion of co-working spaces, etc. – pales when compared to statistical measures. Start-up activity and employment in such firms trail all but a handful of states.

Part of the challenge is not a new one. Economic measures beyond this Report Card demonstrate far stronger economic growth in central Indiana compared to other areas of the state. That's one of the reasons the quality of place focus inherent in the Regional Cities Initiative and other state programs are so important. But those advances are very long term in nature.

The entire state may not be capable of quick movement in entrepreneurial success. Central Indiana, on the other hand, is in a race against time. There is tremendous momentum, but also strong competition. Indianapolis and surrounding areas can indeed become the true tech/innovation/entrepreneurial power of the Midwest and beyond if it can hold off competitor cities and regions.

Indiana fares better than average in university business spinouts, foreign direct investment and exports. Venture capital availability, particularly for scale-up companies, continues to be a challenge.

KEY FEATURES OF THIS REPORT

The opening two pages list the 36 goals in Indiana Vision 2025 and identify some of the progress achieved since the plan was introduced in 2012.

The two pages inside of the back cover include the goals and the 62 metrics used to help measure progress. Each metric has the current rank from this Report Card and compares it to the rank from the last evaluation in 2015. Overall, Indiana improved in 36 of the 62 metrics and declined in 16. There was no rank change in eight metrics and two do not lend themselves to comparison.

The body of the report features each metric with the top five and bottom five states listed, the Indiana ranking and the U.S. average. Indiana's performance over the most recent statistical periods (four where available) is illustrated.

A 2017 addition are narratives, where warranted, to further analyze progress or explain extenuating circumstances that complement the numbers. These generally appear on top of the blue boxes within the metric.

As always, sources and data years are identified. The years are when the data was collected, not published. (Some sources will issue a 2016 report, for example, that contains data from 2015. The *Indiana Vision 2025* Report Card uses 2015 in that case).

Below are the metrics in which Indiana ranks in the Top 10 (best) or Bottom 10 (worst).

TOP OVERALL RANKS

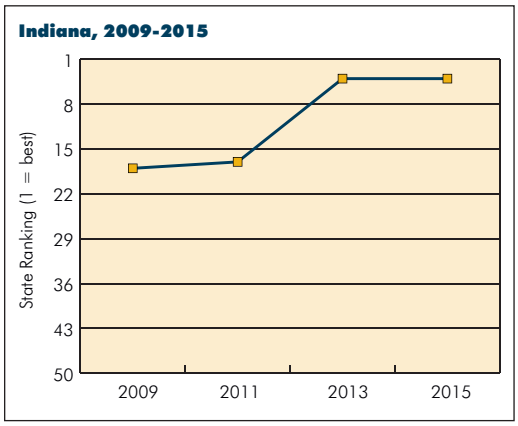
- 2: Regulatory Freedom Index (page 15)
- 3: State Public Pension Spending (page 13)
- 3: Science & Tech Degrees as % of all Degrees (page 10)
- 4: Math: 4th Grade NAEP (page 4)
- 4: State and Local Government Spending (page 13)
- 5: University Business Spinouts (page 22)
- 7: Reading Gap: 4th Grade (page 7)
- 8: Math Gap: 4th Grade (page 7)
- 9: Reading: 4th Grade NAEP (page 4)
- 9: Small Business Policy Index (page 14)
- 10: Math: 8th Grade NAEP (page 4)
- 10: Exports as Percent of GSP (page 24)
- 10: Exports Per Capita (page 25)

BOTTOM OVERALL RANKS

- 47: Net Generation of Clean Energy Per Capita (page 17)
- 45: Net Generation of Clean Energy as a Percent of Total Generation (page 18)
- 44 (tie): Kauffman Entrepreneurial Index (page 21)
- 44: Urban Industrial Property Tax Rates (page 15)
- 44: Net Job Creation: Firms 0 to 5 Years Old (page 21)
- 42: Population with Associate Degree or Credential (page 9)
- 42: Percent of Population with Science and Engineering Bachelor Degrees (page 10)
- 42: Share of Total Employment: Firms 0 to 5 Years Old (page 21)

Increase the proficiency of Indiana students in math, science and reading to "Top 5" status nationally

Mathematics: 4th Grade NAEP*



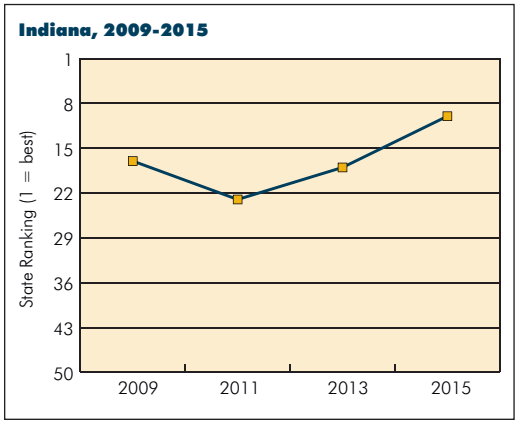
*NAEP: National Assessment of Educational Progress; tests taken by sample of students, not entire student population

National Center for Education Statistics State Comparisons

Indiana maintained its Top 5 ranking in fourth grade math scores between 2013 and 2015 as performance leveled off. Prior to 2013, Indiana had seen consistent growth in its test scores, increasing its performance in five of the last six testing cycles. Since 2000, Indiana students have outperformed the nation by an average of six points on this exam; in the last two testing cycles, Indiana students outperformed the national average by eight points.

State	Average Score	State	Average Score
1. Massachusetts	250.57	46. Mississippi	234.24
2. Minnesota	249.58	47. Nevada	233.83
3. New Hampshire	249.15	48. California	231.55
4. Indiana	**247.65**	49. New Mexico	231.17
5. Wyoming	246.76	50. Alabama	230.98
		U.S. Average	239.85

Mathematics: 8th Grade NAEP*

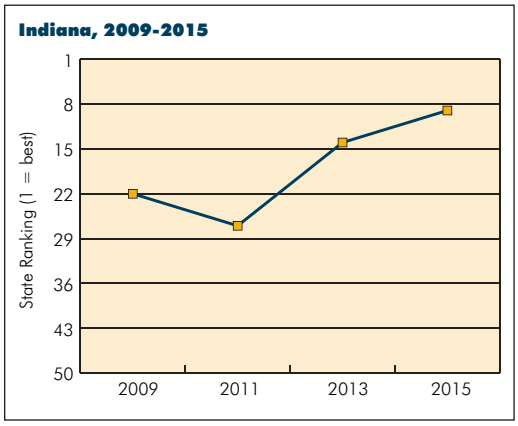


*NAEP: National Assessment of Educational Progress; tests taken by sample of students, not entire student population

Indiana increased its ranking to 10th from 18th between 2013 and 2015; however, this increase in ranking represents a drop in the national average more than an increase in Indiana's performance. Indiana's performance on this exam has been relatively stable since 2007 (the last five tests), maintaining a score between 285 and 288. At the same time, Indiana has outperformed the nation by an average of four points over this time period.

State	Average Score	State	Average Score
1. Massachusetts	296.91	46. West Virginia	271.45
2. New Hampshire	294.41	47. New Mexico	270.90
3. Minnesota	294.15	48. Mississippi	270.58
4. New Jersey	293.37	49. Louisiana	268.43
5. Vermont	290.36	50. Alabama	266.56
10. Indiana	**287.18**	U.S. Average	281.28

Reading: 4th Grade NAEP*

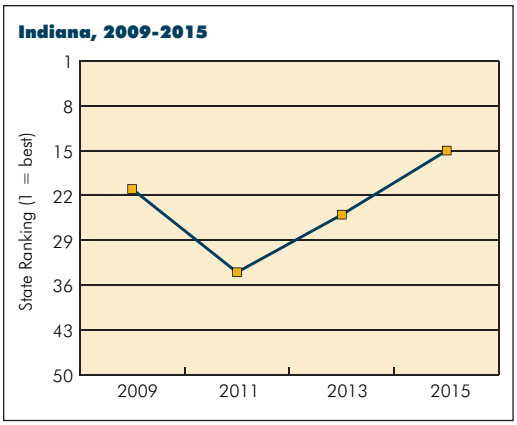


*NAEP: National Assessment of Educational Progress; tests taken by sample of students, not entire student population

Indiana has increased its test scores since 2009, when its raw score was 222.66. The 2011 cohort served as something of an outlier as its performance on the test fell far below the upward trend experienced across the years examined. Indiana's rate of increase during the time period examined exceeds that of the nation's (which also has an upward trajectory, albeit not as great), which contributes to Indiana's continued improved ranking on this measure.

State	Average Score	State	Average Score
1. Massachusetts	235.28	46. Nevada	214.43
2. New Hampshire	231.95	47. Mississippi	214.11
3. Vermont	230.10	48. Alaska	212.79
4. New Jersey	229.49	49. California	212.68
5. Virginia	228.97	50. New Mexico	207.24
9. Indiana	**227.28**	U.S. Average	221.36

Reading: 8th Grade NAEP*



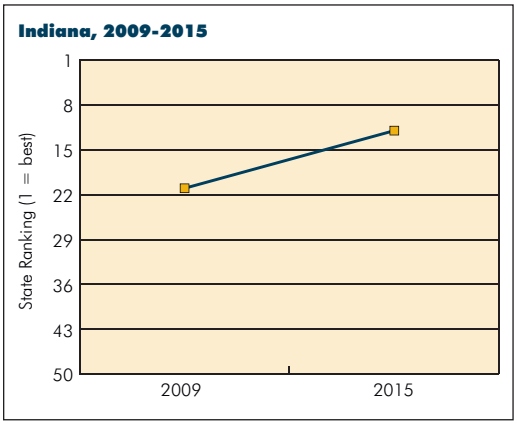
Indiana has increased its test scores since 2009, when its raw score was 265.69. The 2011 cohort saw a small decrease in its performance on the test, but otherwise the Indiana trend has been a modest upward trajectory across the years examined. The nation saw a substantial decrease in 2015, while Indiana's performance marginally improved; the combination of these two factors contributed to a jump of 10 places in the rankings, from 25th to 15th.

State	Average Score	State	Average Score
1. New Hampshire	274.81	46. Alabama	258.75
2. Massachusetts	274.50	47. Hawaii	257.35
3. Vermont	273.96	48. Louisiana	255.47
4. Connecticut	273.05	49. New Mexico	253.23
5. New Jersey	270.85	50. Mississippi	251.98
15. Indiana	**268.25**	U.S. Average	263.99

*NAEP: National Assessment of Educational Progress; tests taken by sample of students, not entire student population

National Center for Education Statistics State Comparisons

Science: 4th Grade NAEP*



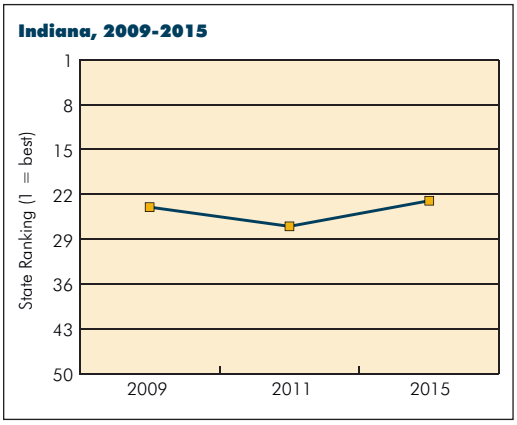
The increase in Indiana's test scores outpaced the nation's test scores across the two years examined. While the nation saw an increase in its test scores of 2.7%, Indiana's test scores increased 3.7% over the same period. As a result, Indiana's ranking jumped from 21st to 12th.

State	Average Score	State	Average Score
1. New Hampshire	165.40	42. Alabama	145.11
2. Virginia	164.92	43. New Mexico	142.69
3. Vermont	163.13	44. Nevada	141.51
4. Nebraska	161.82	45. Mississippi	140.46
5. Massachusetts	161.47	46. California	140.46
12. Indiana	**158.64**	U.S. Average	152.76

*NAEP: National Assessment of Educational Progress; tests taken by sample of students, not entire student population

2015 data not available from Alaska, Colorado, Louisiana or Pennsylvania. In 2009, a new framework was introduced that replaced previous science assessments. As a result, test results from 2009 and later cannot be compared with previous results. 2009 and 2015 are the only years for which fourth grade science results are available.

Science: 8th Grade NAEP*



Across the time period examined, Indiana's improved test scores have largely tracked with the nation's, both increasing their raw scores by about six points. Between the last two testing periods, Indiana realized a greater portion of this six-point gain and the nation realized a smaller portion of its six-point gain.

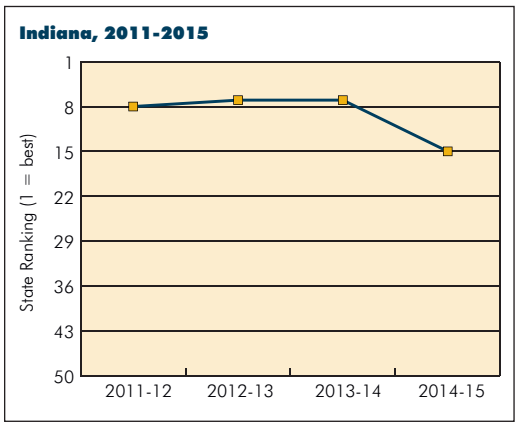
State	Average Score	State	Average Score
1. Utah	166.36	42. Hawaii	144.06
2. New Hampshire	164.92	43. New Mexico	143.16
3. Vermont	163.22	44. California	142.78
4. Minnesota	161.67	45. Alabama	141.18
5. Massachusetts	161.64	46. Mississippi	139.80
23. Indiana	**156.12**	U.S. Average	152.89

*NAEP: National Assessment of Educational Progress; tests taken by sample of students, not entire student population

2015 data not available from Alaska, Colorado, Louisiana or Pennsylvania. In 2009, a new framework was introduced that replaced previous science assessments. As a result, test results from 2009 and later cannot be compared with previous results. 2009, 2011 and 2015 are the only years for which eighth grade science results are available.

Increase to 90% the proportion of Indiana students who graduate from high school ready for college and/or career training

High School Graduation Rates



National Center for Education Statistics

State	Graduation Rate	State	Graduation Rate
1. Iowa	90.8%	46. Alaska	75.6%
2. New Jersey	89.7%	47. Mississippi	75.4%
3. Alabama	89.3%	48. Oregon	73.8%
4. Texas	89.0%	49. Nevada	71.3%
5. Nebraska	88.9%	50. New Mexico	68.6%
15. Indiana	**87.1%**	U.S. Average	83.2%

The four-year adjusted cohort graduation rate (ACGR) replaced the freshmen graduation rate in 2010-2011. The ACGR is the number of students who graduate in four years with a regular high school diploma divided by the number of students who form the adjusted cohort for the graduating class. Adjustments add any students who transfer into the cohort and subtract students who transfer out or otherwise leave the original ninth-grade entry class.

College Students Enrolled in Remediation Courses *(entering freshmen)*

	Percent Remedial Enrollment	Percent of remediation students completing gateway courses within two years
Two-year students		
National Median	60.9%	20.4%
Indiana	74.9%	19.8%
Four-year non-flagship		
National Median	29.4%	33.9%
Indiana	23.8%	30.0%
Four-year flagship/very high research		
National Median	7.0%	53.1%
Indiana	3.8%	53.0%

Complete College America (CCA) collects the most comprehensive state-level data in the area of remediation, currently working with 27 states. Individual states differ in methods of submitting remedial data; thus the best comparison is to the national median (median of reporting states). The source reports that the data (last collected in 2013) are expected to be updated in the near future.

Examining College Readiness Reports prepared by the Indiana Commission on Higher Education (ICHE) for the graduating high school classes of 2011, 2013 and 2015, Indiana is making progress in preparing its students who pursue higher education to do so without need for remediation. In 2015, 86% of Indiana graduates attending Indiana public colleges and universities did not need any remediation; this number is up from 77% in 2013 and 69% in 2011. These relative increases were experienced across all diploma types – Honors, Core 40, and General – with the largest percentage change seen among earners of general diplomas.

Additionally, the number of students, of any diploma type, needing remediation in both mathematics and language arts, as opposed to only one subject, also declined; in 2015, only 2% of students needed remediation in both subjects whereas in 2013 that figure was 6% and in 2011 it was 11%. This is an important measure as students that require remediation in both subjects are less likely to complete those remediation credits relative to those students only needing remediation in a single subject.

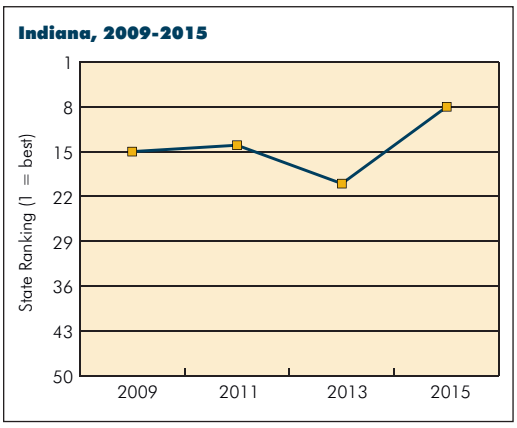
While the data is generally positive with respect to improving college readiness among Indiana graduating high school students, it should be noted that GPA and freshmen credits earned have remained relatively flat between 2011 and 2015 (with some erosion of GPA among Core 40 and general diploma holders). In other words, while fewer students require remediation, we have not realized an increase in collegiate academic success among those populations.

Generally, the data with respect to reducing the need for college remediation is positive, but it is important to continue to track measures of enrollment and postsecondary academic achievement to ensure that the benefits of reducing the need for remediation are ultimately being translated into positive outcomes.

Note: Higher education remediation data from ICHE is only available for those Indiana-graduating high school students attending Indiana public colleges.

Eliminate the educational achievement gaps at all levels, from pre-school through college, for disadvantaged populations

Mathematics Gap: 4th Grade*



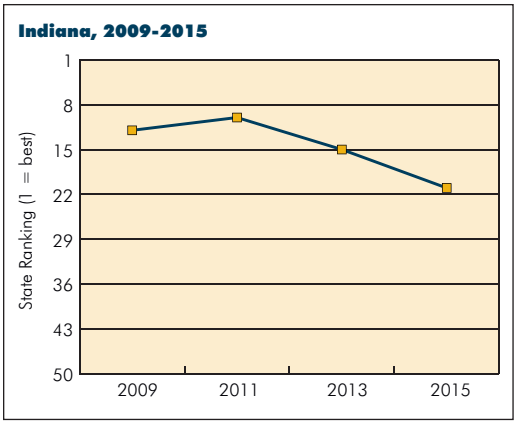
*Gap is the raw difference between NAEP scores for students eligible and not eligible for the national free and reduced lunch program.

National Center for Education Statistics State Comparisons

From 2009 to 2015, Indiana's gap between students on free and reduced lunch and other students has remained relatively constant at a difference of around 18.5 points; 2013 saw a larger gap than other years and that is reflected in its rank in that year. Over the same time period, the national gap between these student groups has modestly, yet persistently, grown wider, contributing to Indiana's improved state ranking in 2015.

State	Gap	State	Gap
1. Arkansas	15.72	46. Illinois	27.18
2. Wyoming	15.82	47. Washington	27.43
3. Delaware	15.87	48. Connecticut	27.63
4. West Virginia	18.15	49. California	27.69
5. Maine	18.34	50. Maryland	27.93
8. Indiana	**18.50**	U.S. Average	23.89

Mathematics Gap: 8th Grade

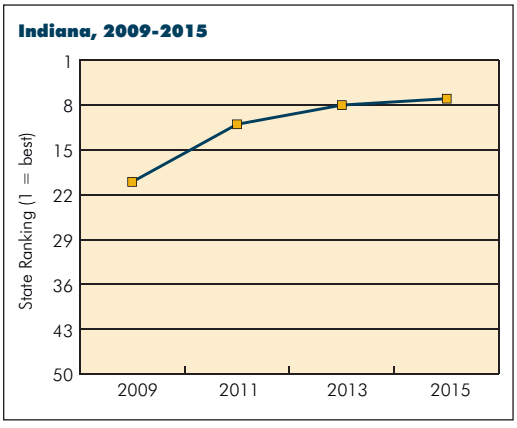


National Center for Education Statistics State Comparisons

Between 2009 and 2015, the gap between students receiving free and reduced lunch and other students has grown in Indiana and across the nation. Indiana is seeing a greater rate of increase in this gap than the nation, however (a raw increase of 2.4 points versus a national increase of 0.8), which is contributing to Indiana's declining rank in this measure across the last six years.

State	Gap	State	Gap
1. West Virginia	17.88	46. Pennsylvania	31.80
2. Montana	19.96	47. Georgia	32.12
3. Wyoming	20.39	48. Massachusetts	32.17
4. Hawaii	20.50	49. New Jersey	34.59
5. Vermont	20.88	50. Connecticut	34.96
21. Indiana	**23.95**	U.S. Average	27.78

Reading Gap: 4th Grade

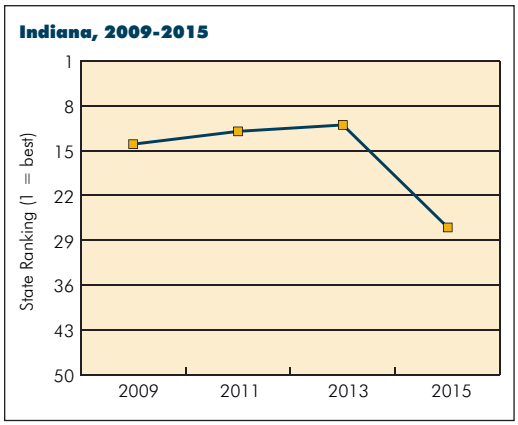


National Center for Education Statistics State Comparisons

The gap in test scores between Indiana students receiving free and reduced lunch and other students has steadily declined between 2009 and 2015 (from 22.0 to 20.5); meanwhile, the nation's gap has increased by more than one point (and 2.2 points between 2009 and 2013, before reducing the gap between 2013 and 2015).

State	Gap	State	Gap
1. Wyoming	17.71	46. Washington	31.42
2. Florida	18.61	47. Virginia	31.59
3. West Virginia	19.46	48. Alaska	31.79
4. North Dakota	19.49	49. California	32.42
5. Oklahoma	19.82	50. Arizona	32.82
7. Indiana	**20.50**	U.S. Average	27.50

Reading Gap: 8th Grade*



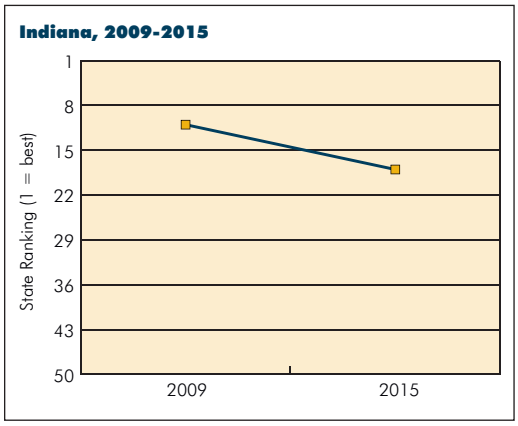
*Gap is the raw difference between NAEP scores for students eligible and not eligible for the national free and reduced lunch program.

National Center for Education Statistics State Comparisons

In 2015, Indiana saw a substantial widening of the gap in test scores of students on free and reduced lunch relative to other students; Indiana's 2015 gap was four points above the average of the three previous testing cycles, an increase of nearly 22%. This widening of the gap resulted in the significant fall in rankings experienced by Indiana between 2013 and 2015; the national gap remained relatively constant over the same period.

State	Gap	State	Gap
1. West Virginia	12.67	46. Rhode Island	27.40
2. Maine	15.68	47. New Jersey	28.09
3. Delaware	16.51	48. North Carolina	28.31
4. Idaho	16.73	49. Alaska	29.10
5. Oklahoma	17.08	50. Pennsylvania	29.45
27. Indiana	**22.71**	U.S. Average	23.81

Science Gap: 4th Grade

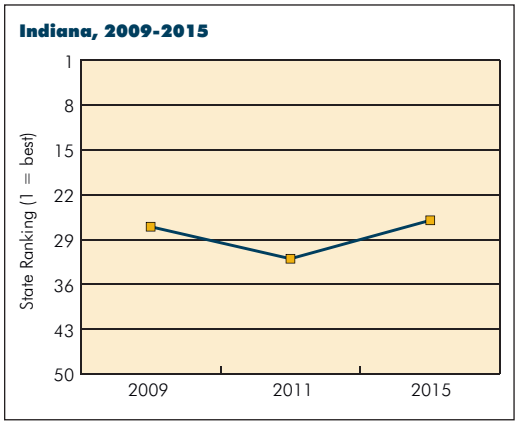


Indiana significantly outperforms the nation with respect to the gap in test scores for those with free and reduced lunch and other students for fourth grade science; however, in the two years for which data are available, the gap among Indiana students widened (21.3 to 23.1) while the gap narrowed nationally.

State	Gap	State	Gap
1. West Virginia	14.77	42. New Jersey	30.75
2. Maine	16.50	43. Illinois	30.92
3. Wyoming	17.30	44. Maryland	31.86
4. North Dakota	18.15	45. Connecticut	32.85
5. Oklahoma	18.39	46. California	34.81
18. Indiana	**23.07**	U.S. Average	28.33

2015 data not available from Alaska, Colorado, Louisiana or Pennsylvania. In 2009, a new framework was introduced that replaced previous science assessments. As a result, test results from 2009 and later cannot be compared with previous results. 2009 and 2015 are the only years for which fourth grade science results are available.

Science Gap: 8th Grade



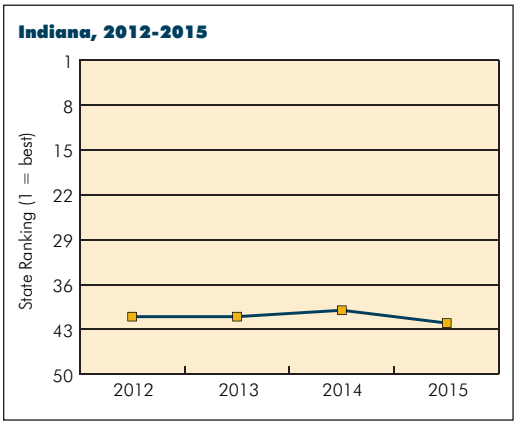
The gap in test scores among Indiana students receiving free and reduced lunch and other students has steadily narrowed between 2009 and 2015 (from 25.6 to 24.3). Over that same period of time, the nation saw a slight improvement as well, although its gap widened between 2011 and 2015.

State	Gap	State	Gap
1. Maine	14.71	42. Maryland	29.90
2. Wyoming	15.03	43. Massachusetts	29.91
3. Idaho	15.51	44. Mississippi	30.29
4. West Virginia	16.14	45. Minnesota	30.75
5. Oklahoma	17.14	46. California	33.79
26. Indiana	**24.34**	U.S. Average	27.23

2015 data not available from Alaska, Colorado, Louisiana or Pennsylvania. In 2009, a new framework was introduced that replaced previous science assessments. As a result, test results from 2009 and later cannot be compared with previous results. 2009, 2011 and 2015 are the only years for which eighth grade science results are available.

Increase to 60% the proportion of Indiana residents with high quality postsecondary credentials

Population With at Least an Associate Degree or High Quality Credential (Population 25 to 64)



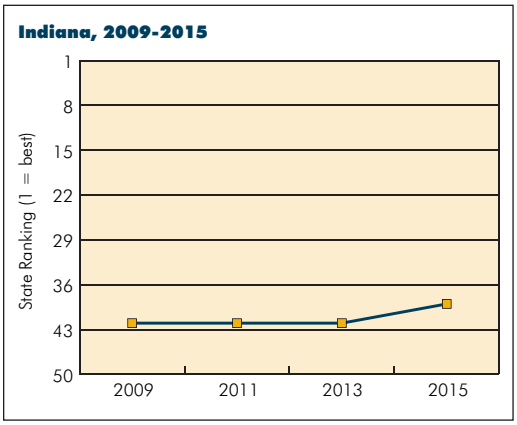
State	Percent	State	Percent
1. Massachusetts	55.2%	46. Idaho	38.7%
2. Colorado	54.7%	47. Alabama	37.1%
3. Connecticut	53.5%	48. Mississippi	36.6%
4. Minnesota	53.5%	49. Nevada	35.6%
5. Washington	52.1%	50. West Virginia	32.9%
42. Indiana	**41.1%**	U.S. Average	45.8%

Data prior to 2014 do not include high quality credentials (only degree attainment); caution should be used in making comparisons across years before and after 2014.

Lumina Foundation

Increase the proportion of Indiana residents with bachelor's degrees or higher to "Top 10" status nationally

Population With at Least a Bachelor Degree (Population 25 to 64)

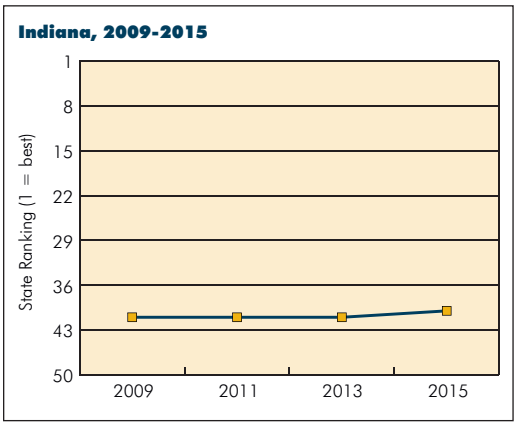


State	Percent	State	Percent
1. Massachusetts	44.1%	46. Louisiana	24.0%
2. Maryland	40.4%	47. Nevada	23.2%
3. Connecticut	40.4%	48. Arkansas	22.8%
4. New Jersey	40.2%	49. Mississippi	21.2%
5. Colorado	40.0%	50. West Virginia	20.9%
39. Indiana	**26.7%**	U.S. Average	32.0%

U.S. Census; American Community Survey (one-year estimates)

Increase the proportion of Indiana residents with at least an associate degree or higher to "Top 10" status nationally

Population With at Least an Associate Degree (Population 25 to 64)

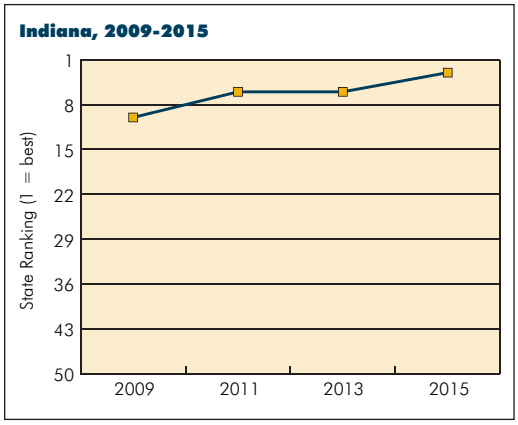


State	Percent	State	Percent
1. Massachusetts	52.2%	46. Mississippi	31.6%
2. Minnesota	49.5%	47. Nevada	31.6%
3. Colorado	48.7%	48. Louisiana	30.9%
4. Connecticut	48.5%	49. Arkansas	30.5%
5. New Hampshire	47.5%	50. West Virginia	28.9%
40. Indiana	**36.1%**	U.S. Average	40.9%

U.S. Census; American Community Survey (one-year estimates)

Increase the proportion of Indiana residents with postsecondary credentials in STEM-related fields to "Top 5" status nationally

Science & Technology Degrees Conferred (As a percent of all degrees conferred)

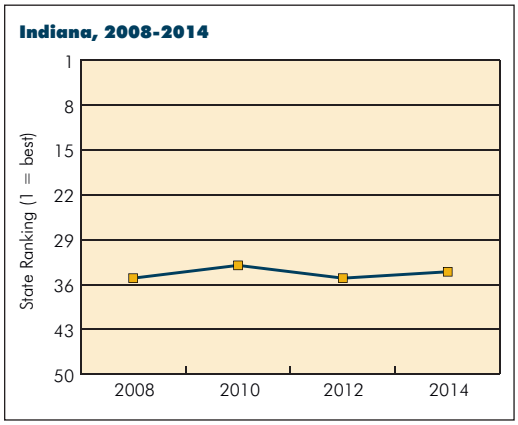


State	Percent	State	Percent
1. South Dakota	41.19%	46. California	27.61%
2. North Dakota	38.65%	47. West Virginia	27.60%
3. Indiana	**38.62%**	48. New Mexico	27.02%
4. Maine	38.24%	49. Oregon	25.83%
5. Montana	38.16%	50. Hawaii	23.31%
		U.S. Average	31.55%

Data includes associates, bachelors, masters and doctorate degrees in the fields of aerospace engineering, chemical engineering, civil engineering, electrical engineering, mechanical engineering, materials engineering, industrial engineering, other engineering, astronomy, chemistry, physics, other physical sciences, earth sciences, oceanography, mathematics and statistics, computer science, agricultural sciences, biological sciences, medical sciences, science technologies, engineering technologies, health technologies, other S & E technologies, science education, math education, other science/technical education.

National Science Foundation

Individuals in Science & Engineering Occupations (As a percentage of all occupations)

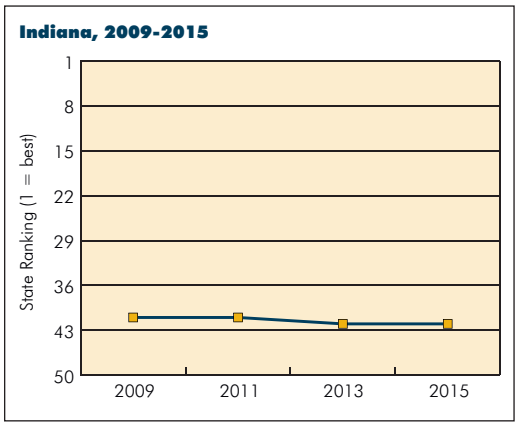


State	Percent	State	Percent
1. Virginia	7.47%	46. West Virginia	2.84%
2. Maryland	7.43%	47. Arkansas	2.77%
3. Washington	7.20%	48. Louisiana	2.56%
4. Massachusetts	6.94%	49. Mississippi	2.27%
5. Colorado	6.79%	50. Nevada	2.26%
34. Indiana	**3.58%**	U.S. Average	4.68%

National Science Board: Science & Engineering Indicators 2016

Percent of Population with Science & Engineering (and Related) Bachelor's Degrees

(As a percent of population 25 and older)

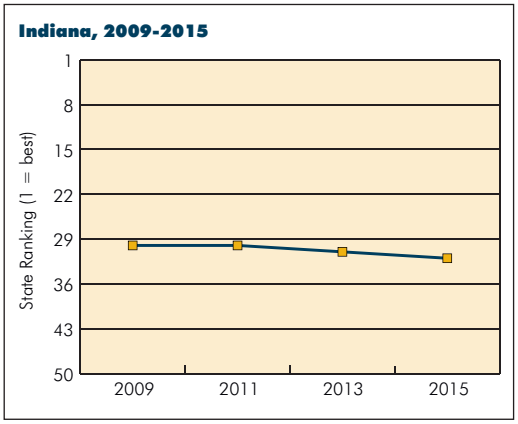


State	Percent	State	Percent
1. Massachusetts	19.95%	46. Kentucky	9.45%
2. Maryland	19.10%	47. Louisiana	9.33%
3. Colorado	18.37%	48. Arkansas	8.50%
4. Virginia	17.99%	49. West Virginia	8.22%
5. Connecticut	17.11%	50. Mississippi	7.96%
42. Indiana	**10.07%**	U.S. Average	13.49%

U.S. Census; American Community Survey (one-year estimates)

Develop, implement, and fully fund a comprehensive plan for addressing the skills shortages of adult and incumbent workers who lack minimum basic skills

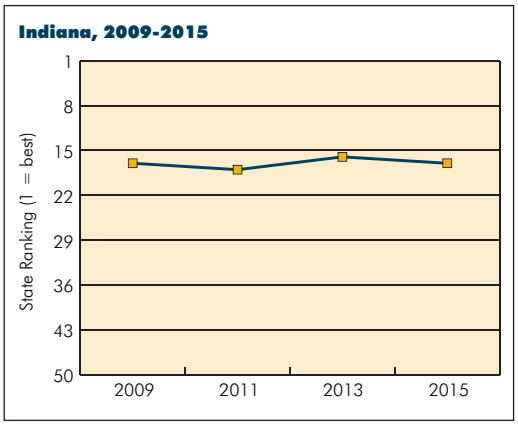
Percent of Population With Less Than a High School Diploma (Population 25 to 64)



State	Percent	State	Percent
1. North Dakota	4.92%	46. Nevada	14.49%
2. Montana	5.62%	47. Mississippi	14.56%
3. New Hampshire	5.82%	48. New Mexico	14.58%
4. Minnesota	6.22%	49. Texas	16.49%
5. Alaska	6.52%	50. California	17.12%
32. Indiana	**10.43%**	U.S. Average	11.61%

U.S. Census; American Community Survey (one-year estimates)

Percent of Population Speaking English Less Than 'Very Well' (Population 18 to 64)

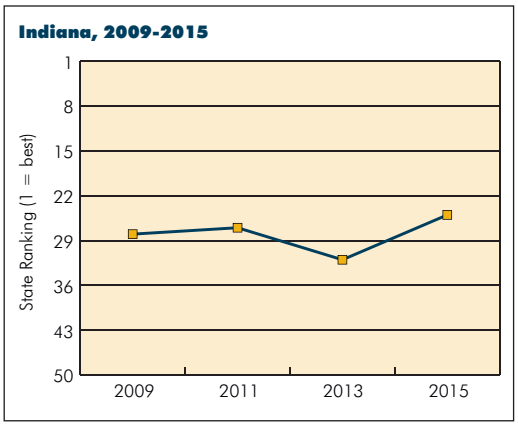


State	Percent	State	Percent
1. West Virginia	0.84%	44. New Jersey	13.48%
2. Montana	1.01%	45. New York	14.37%
3. Maine	1.54%	46. Nevada	14.68%
4. Mississippi	2.09%	47. Texas	15.78%
5. North Dakota	2.22%	48. California	20.36%
17. Indiana	**3.86%**	U.S. Average	9.68%

2015 data are not available for Vermont and Wyoming

U.S. Census; American Community Survey (one-year estimates)

Percent of Population in Poverty (Population 25 to 64)



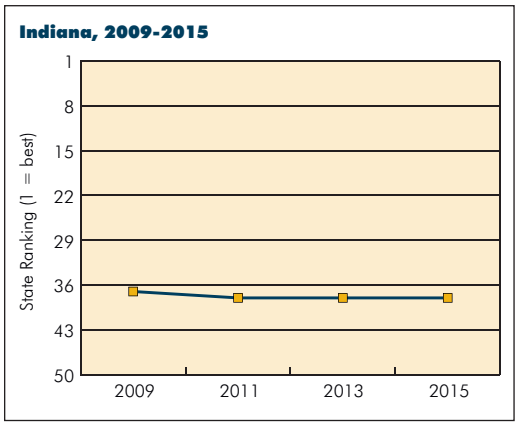
State	Percent	State	Percent
1. New Hampshire	6.9%	46. Louisiana	16.1%
2. Maryland	8.0%	47. Arkansas	16.2%
3. Minnesota	8.1%	48. West Virginia	16.5%
4. North Dakota	8.2%	49. New Mexico	18.0%
5. Alaska	8.3%	50. Mississippi	18.8%
25. Indiana	**11.8%**	U.S. Average	12.2%

U.S. Census; American Community Survey (one-year estimates)

Improve Indiana's per-capita income ranking to "Top 25" nationally

Making significant improvement in a state's per-capita income is among the most difficult things to do. It can be argued that it takes generations – starting with strong early childhood education that leads to enhanced workforce earnings decades later – to make a difference. Former Gov. Mitch Daniels made this a primary goal upon his election in 2004, but Indiana's ranking has remained stagnant. When adjusted for cost of living (an important barometer), in which Indiana rates second, the state's per-capita rank improves to 20th.

Per Capita Income

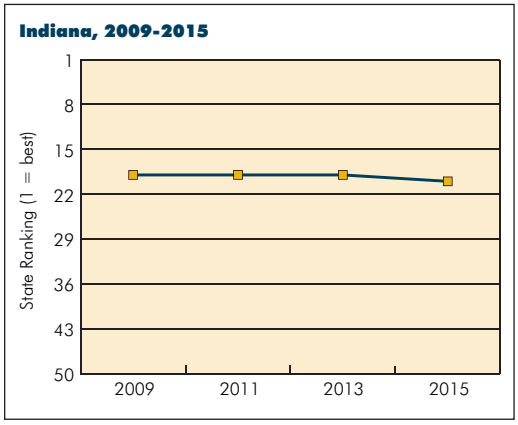


State	$	State	$
1. Connecticut	$39,430	46. New Mexico	$24,388
2. Massachusetts	$38,130	47. Idaho	$24,273
3. Maryland	$37,522	48. Arkansas	$23,589
4. New Jersey	$37,245	49. West Virginia	$23,539
5. New Hampshire	$35,925	50. Mississippi	$21,291
38. Indiana	**$26,396**	U.S. Average	$29,979

Reported in 2015 dollars

U.S. Census; American Community Survey (one-year estimates)

Per Capita Income (Adjusted for cost of living)



State per capita incomes are adjusted based on a measure of cost of living per state, derived from city level cost of living indicators.

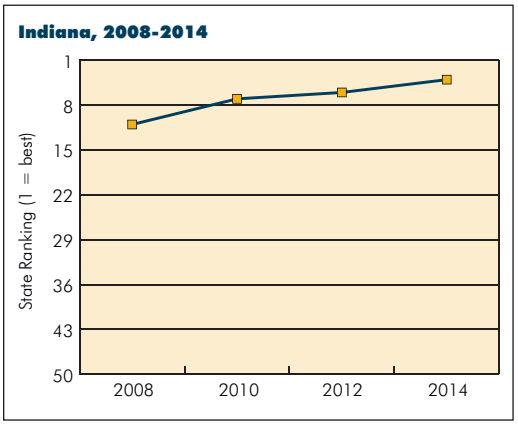
State	$	State	$
1. Virginia	$34,711	46. Oregon	$25,231
2. North Dakota	$34,442	47. Mississippi	$24,757
3. Wyoming	$34,224	48. West Virginia	$24,597
4. Illinois	$33,369	49. California	$23,432
5. Minnesota	$33,061	50. Hawaii	$18,550
20. Indiana	**$30,030**	U.S. Average	$29,979

Reported in 2015 dollars

U.S. Census; American Community Survey (one-year estimates); Missouri Economic Research and Information Center

Enact comprehensive government reform at the state and local levels to increase efficiency and effectiveness in delivery of services

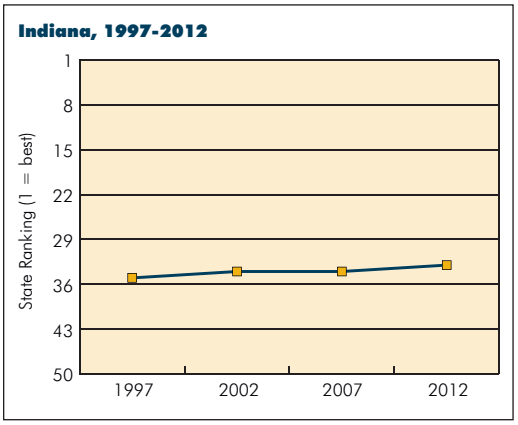
State and Local Spending (Expenditures per $1M GDP)



State	Per $1M GDP	State	Per $1M GDP
1. Texas	$157.90	46. South Carolina	$274.01
2. North Dakota	$168.91	47. New Mexico	$295.12
3. South Dakota	$179.90	48. Vermont	$299.15
4. Indiana	**$181.50**	49. Mississippi	$325.10
5. New Hampshire	$183.19	50. Alaska	$350.34
		U.S. Average	$215.77

U.S. Census: State and Local Government Finance; U.S. Bureau of Economic Analysis

Population per Unit of Local Government



State	Population	State	Population
1. Hawaii	63,287	46. Kansas	754
2. Maryland	16,910	47. Nebraska	719
3. Virginia	15,772	48. Wyoming	715
4. Nevada	14,369	49. South Dakota	420
5. Florida	11,701	50. North Dakota	260
33. Indiana	**2,412**	U.S. Average	3,484

Units of local government included in the census include the following and their equivalents: county, municipal, township, special districts and independent school corporations.

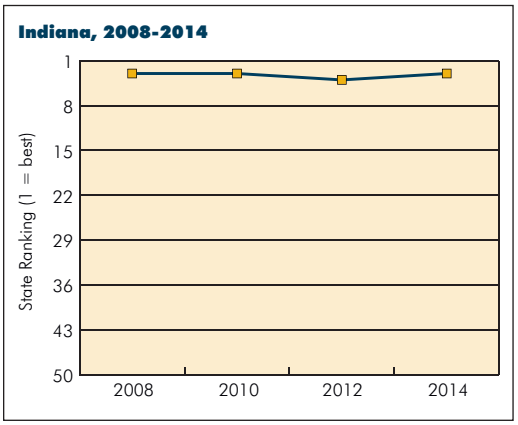
The U.S. Census Bureau updates these data every five years; an update including 2017 data will be available in early 2018.

Population counts from 2012 and 2007 are derived from those years' American Community Survey, one-year estimates; population counts from 2002 and 1997 are from the 2000 decennial census.

U.S. Census: Census of Governments; U.S. Census: American Community Survey (one-year estimates); U.S. Census 2000 Decennial Census

Reform public pension systems to ensure Indiana's are competitive and actuarially sound according to industry standards

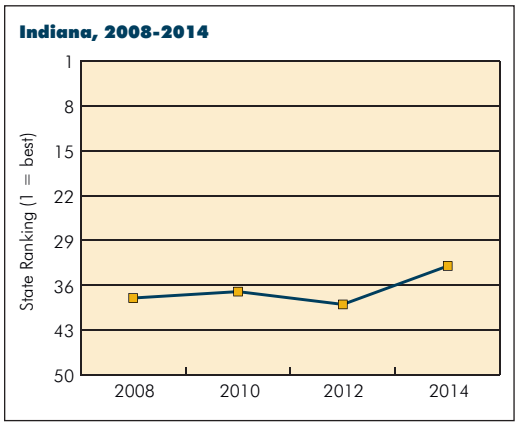
State Public Pension Spending (Percent of total budget spent on pensions)



State	Percent	State	Percent
1. Vermont	4.14%	46. California	9.74%
2. Nebraska	4.21%	47. Connecticut	9.84%
3. Indiana	**4.52%**	48. Oregon	10.12%
4. Tennessee	4.62%	49. Illinois	12.09%
5. New Hampshire	5.63%	50. Ohio	13.36%
		U.S. Average	8.27%

USGovernmentSpending.com

Funded Pension Ratios



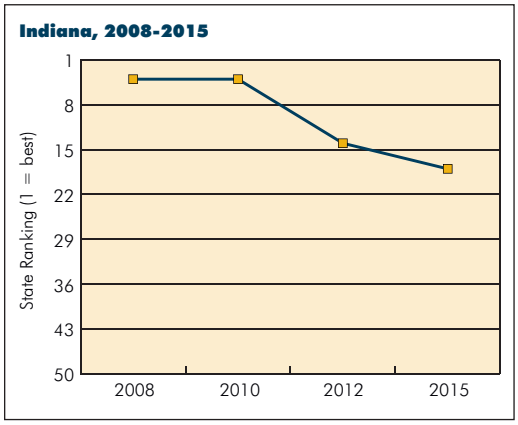
State	Ratio	State	Ratio
1. South Dakota	107.3%	46. Pennsylvania	59.6%
2. Oregon	103.6%	47. Connecticut	50.5%
3. Wisconsin	102.7%	48. New Jersey	42.5%
4. North Carolina	99.3%	49. Illinois	41.3%
5. Tennessee	98.8%	50. Kentucky	41.0%
33. Indiana	**69.2%**	U.S. Average	74.8%

Funded ratio is the level of assets in proportion to accrued pension liability, serving as a measure of fiscal health of the states' pension funds.

Pew Charitable Trusts

Preserve and enhance a "Top 5" ranking among all states for Indiana's legal environment

State Lawsuit Climate Survey



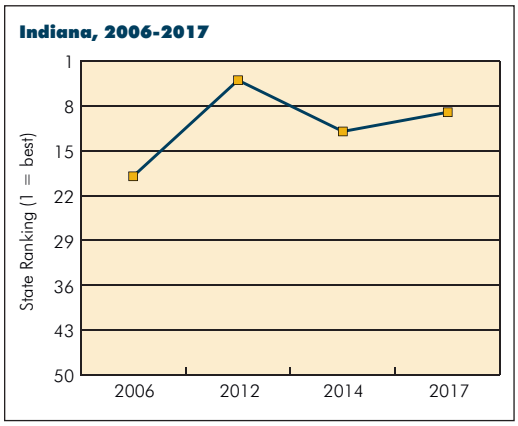
US Chamber: Institute for Legal Reform

Indiana has experienced a slow decline in this measure (limited by the fact that it is a survey of general counsels and senior litigators at major companies). The state, however, does enjoy a strong anecdotal reputation and is in the middle of a commercial court pilot program expected to enhance decision-making in business cases.

State	State
1. Delaware	46. Alabama
2. Vermont	47. California
3. Nebraska	48. Illinois
4. Iowa	49. Louisiana
5. New Hampshire	50. West Virginia
18. Indiana	

Attain a "Top 5" ranking among all states for Indiana's business regulatory environment

Small Business Policy Index (Non-tax regulatory burden)

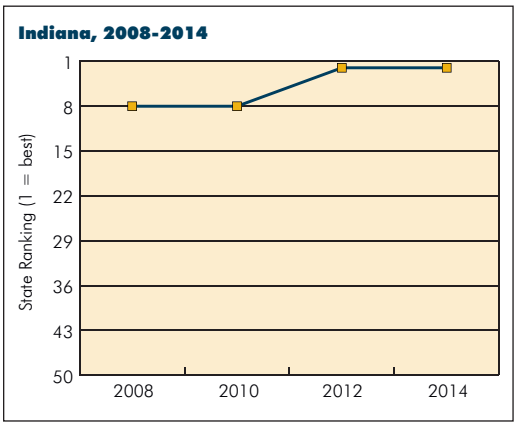


State	Index	State	Index
1. Idaho	15.75	46. Connecticut	23.22
2. Arizona	15.94	47. Vermont	23.29
3. Nevada	16.23	48. North Dakota	23.98
4. Utah	16.67	49. Alaska	24.43
5. Florida	17.04	50. New York	24.61
9. Indiana	**18.20**	U.S. Average	20.10

Sum of those measures included in the non-tax regulatory burden index: energy regulations, workers' compensation costs, number of government employees, government spending, government debt, federal share of state and local revenue, and crime rates.

Small Business & Entrepreneurship Council

Regulatory Freedom Index



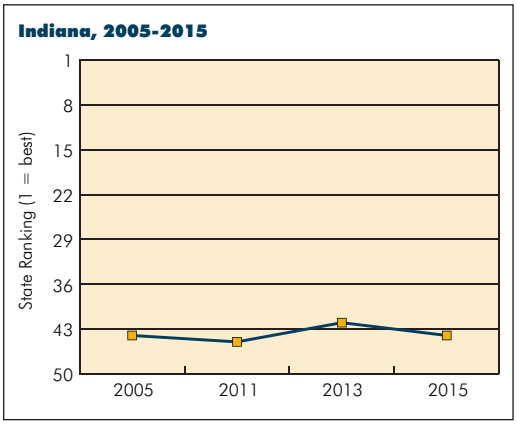
State	Index	State	Index
1. Idaho	0.153	46. Connecticut	-0.236
2. Indiana	**0.097**	47. New Jersey	-0.412
3. Wyoming	0.097	48. California	-0.439
4. Kansas	0.088	49. Maryland	-0.448
5. Iowa	0.078	50. New York	-0.468
		Average of states	-0.077

Previously this measure was published by the Mercatus Center at George Mason University; however, that analysis has not been updated since 2013. The data presented here are the regulatory measures included in the Cato Institute's measures of regulatory freedom, including policy related to land use, health insurance, labor markets, occupations, lawsuits, cable and telecommunications, and miscellaneous areas.

Cato Institute: Freedom in the 50 States

Eliminate the business personal property tax

Urban Industrial Property Tax Rates (Combined weighted effective tax rate)



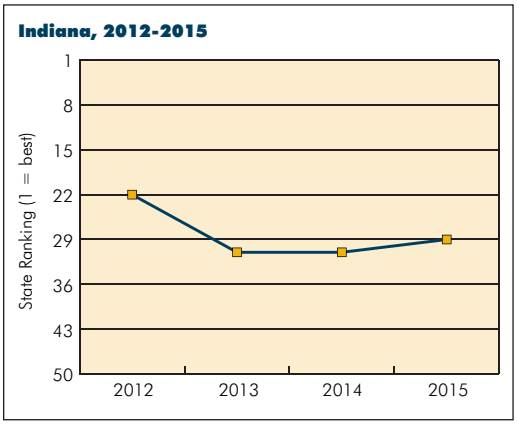
State	Rate	State	Rate
1. Virginia	0.46%	46.Texas	2.53%
2. Hawaii	0.48%	47. Tennessee	2.57%
3. Delaware	0.50%	48. Mississippi	2.67%
4. North Dakota	0.54%	49. Michigan	2.95%
5. Wyoming	0.63%	50. South Carolina	3.93%
44. Indiana	**2.16%**	Average of states	1.44%

Weighted average of small, medium and large sized properties

Lincoln Institute of Land Policy; Minnesota Center for Fiscal Excellence

Establish government funding mechanisms to more closely approximate "user fee" model

Business Taxes per Dollar of State and Local Expenditures Benefiting Businesses



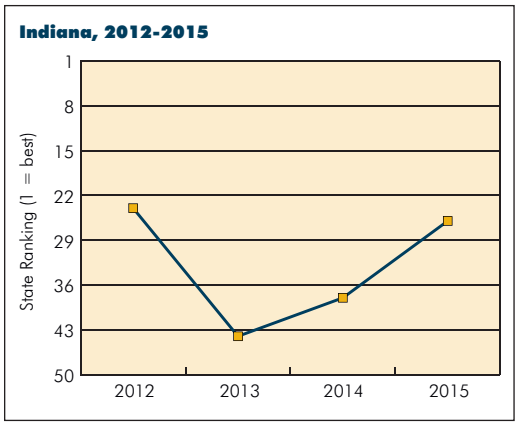
Council on State Taxation

The Council on State Taxation uses a methodology developed by the Federal Reserve Bank of Chicago to apportion benefits resulting from government spending to households and businesses or split them between the two. Government services benefitting businesses include shares of transportation, water and sewer infrastructure, police and fire protection, general government overhead, interest and regulatory spending This measure also assumes that 50% of educational expenses are allocated to business (with business realizing the benefit of increased value added attributable to educational attainment). In practice, the ratio reflects the idea that Indiana businesses receive $1.00 in services for every $1.20 paid. For Indiana, this rate has held relatively constant in the years examined.

State	Ratio	State	Ratio
1. Alaska	0.64	46. Hawaii	1.48
2. Maryland	0.75	47. Delaware	1.50
3. Connecticut	0.78	48. South Dakota	1.73
4. Oregon	0.84	49. North Dakota	2.27
5. Kentucky	0.89	50. Wyoming	2.70
29. Indiana	**1.20**	U.S. Average	1.12

Contain health care costs through patient-directed access and outcomes-based incentives

Health Insurance Premiums (Average premium per enrolled employee for employer-based health insurance)



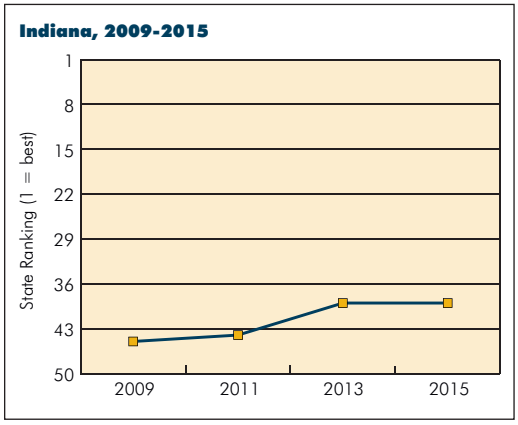
State	Premium Costs	State	Premium Costs
1. Arkansas	$5,119	46. Rhode Island	$6,509
2. Tennessee	$5,329	47. Massachusetts	$6,519
3. Mississippi	$5,420	48. New Hampshire	$6,573
4. Hawaii	$5,522	49. New York	$6,801
5. Kansas	$5,558	50. Alaska	$7,807
26. Indiana	**$5,868**	U.S. Average	$5,963

Due to the dynamic nature of health policy over the past several years, measurements for health data have evolved as well. The current data represents total annual premiums (employee and employer premiums); prior to 2013, the rank is based upon the average monthly premium per person in the individual market.

Kaiser Family Foundation

Reduce smoking levels to less than 15% of the population

Adult Smoking Rate



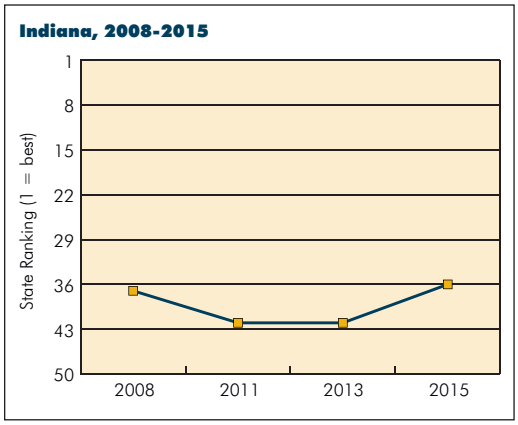
The most recent national survey places the average smoking rate at 15.1%.

State	Percent	State	Percent
1. Utah	9.1%	46. Missouri	22.3%
2. California	11.7%	47. Mississippi	22.5%
3. Connecticut	13.5%	48. Arkansas	24.9%
3. New Jersey	13.5%	49. West Virginia	25.7%
5. Idaho	13.8%	50. Kentucky	25.9%
39. Indiana	**20.6%**	Median of states	17.5%

U.S. Centers for Disease Control

Return obesity levels to less than 15% of the population

Adult Obesity Rates



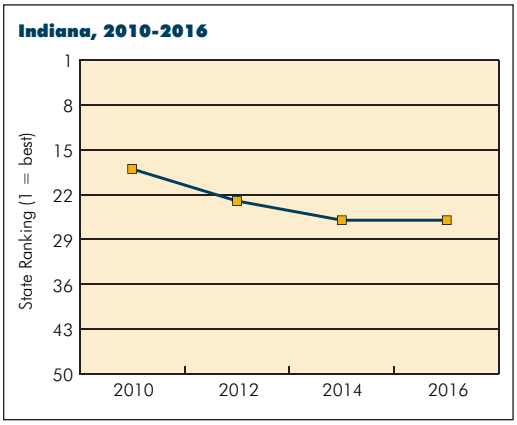
State	Percent	State	Percent
1. Colorado	20.2%	46. Kentucky	34.6%
2. Hawaii	22.7%	47. Alabama	35.6%
3. Montana	23.6%	48. Mississippi	35.6%
4. California	24.2%	48. West Virginia	35.6%
5. Massachusetts	24.3%	50. Louisiana	36.2%
36. Indiana	**31.3%**	Median of states	29.8%

Age 18 and over with body mass index of 30 or greater

U.S. Centers for Disease Control

Encourage, and assist where possible, state development and implementation of a strategic energy resource plan that helps ensure Indiana is one of the "Top 10" most affordable states for electricity

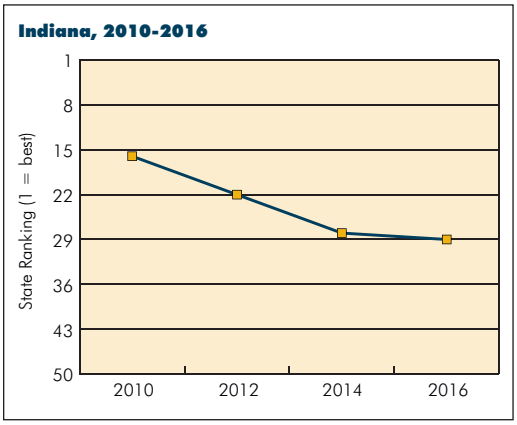
Retail Commercial Electricity Prices (cents per kilowatt hour)



State	Cents per KwH	State	Cents per KwH
1. Oklahoma	7.47	46. California	15.15
2. Texas	7.71	47. Massachusetts	15.48
3. Idaho	7.80	48. Connecticut	15.72
4. Virginia	7.97	49. Alaska	18.19
5. Nevada	8.00	50. Hawaii.	24.64
26. Indiana	**9.75**	U.S. Average	10.37

U.S. Energy Information Administration

Retail Industrial Electricity Prices (cents per kilowatt hour)

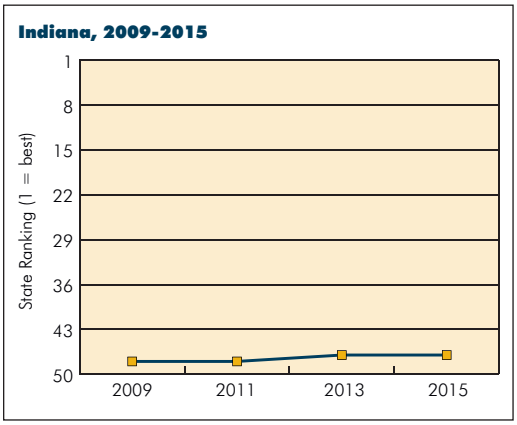


State	Cents per KwH	State	Cents per KwH
1. Washington	4.53	46. Connecticut	13.02
2. Oklahoma	4.85	47. Massachusetts	13.11
3. Montana	4.97	48. Rhode Island	13.54
4. Louisiana	5.03	49. Alaska	15.56
5. Texas	5.22	50. Hawaii.	20.70
29. Indiana	**7.02**	U.S. Average	6.75

U.S. Energy Information Administration

Diversify Indiana's energy mix with an emphasis on clean coal, natural gas, nuclear power and renewables

Net Generation of Clean Energy per Capita (Megawatt hours)

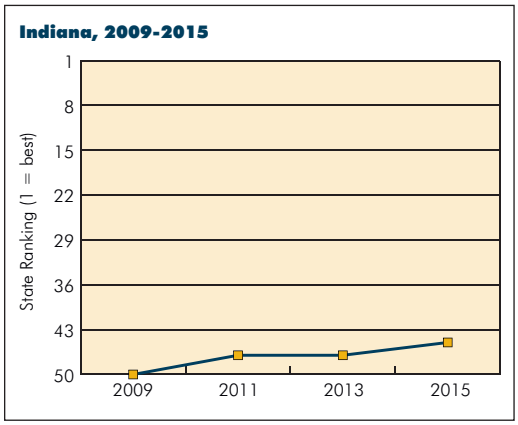


State	Megawatt Hours	State	Megawatt Hours
1. Washington	12.65	46. Kentucky	0.87
2. South Carolina	11.66	**47. Indiana**	**0.83**
3. Montana	11.49	48. Utah.	0.65
4. North Dakota	11.37	49. Rhode Island	0.23
5. Alabama	11.34	50. Delaware	0.14
		U.S. Average	4.16

Includes energy derived from geothermal, hydroelectric, nuclear, solar, wind, wood and wood derived fuels

U.S. Energy Information Administration

Net Generation of Clean Energy as a Percent of Total Generation



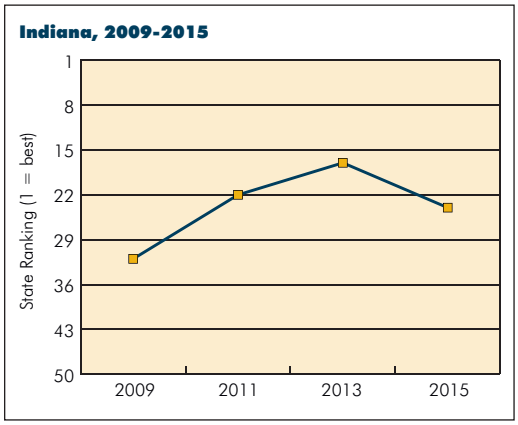
State	Percent	State	Percent
1. Vermont	99.8%	46. Utah	4.6%
2. Washington	83.0%	47. Kentucky	4.6%
3. South Dakota	76.3%	48. West Virginia	3.8%
4. Idaho	74.7%	49. Rhode Island	3.4%
5. Oregon	67.7%	50. Delaware	1.7%
45. Indiana	**5.3%**	U.S. Average	32.8%

Includes energy derived from geothermal, hydroelectric, nuclear, solar, wind, wood and wood derived fuels

U.S. Energy Information Administration

Identify and implement workable energy conservation strategies

Energy Efficiency (Megawatt hours saved as a percent of net generation)

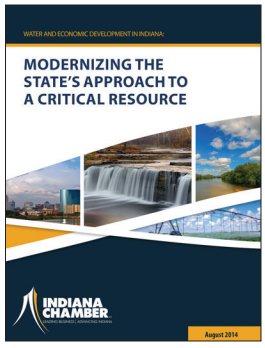


State	Percent	State	Percent
1. Vermont	5.608%	46. Louisiana	0.045%
2. Massachusetts	4.857%	47. Alabama	0.038%
3. Rhode Island	3.608%	48. North Dakota	0.008%
4. Maine	1.911%	49. Alaska	0.006%
5. Maryland	1.755%	50. Kansas	0.001%
24. Indiana	**0.644%**	U.S. Average	0.642%

U.S. Energy Information Administration

Develop and implement a strategic water resource plan that ensure adequate freshwater for citizens and business

There is no suitable metric to measure progress toward this goal compared to other states. We do know that "water wars" are in place elsewhere in the country and the purpose of this goal is to avoid a similar crisis in our state.



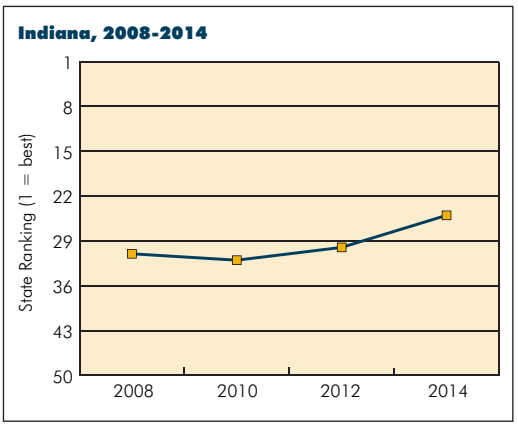
The Indiana Chamber published a highly-acclaimed 2014 study titled *Water and Economic Development in Indiana: Modernizing the State's Approach to a Critical Resource*. Its findings set the stage for next steps toward creating a strategic water resource plan.

The three legislative sessions since then have focused on collecting additional information and taking a data-driven approach. In 2017, a mechanism was put in place for the Indiana Finance Authority to study infrastructure improvements. Funding is required in future sessions.

While these are positive actions, it is time for true development of that critical water resource plan to begin. Regional planning and governance models will not be easy to achieve. Development of a plan will not take place quickly. But work toward that end must begin as water resources are vital for our manufacturing-intensive industries and the quality of life for all Hoosiers.

Develop and implement new fiscal systems to support the array of transportation infrastructure projects critical to economic growth

State and Local Road Spending (Spending per functional lane mile)



We can expect strong improvement in this measure in the years ahead as a result of a long-term funding plan that passed the Legislature. This was the Indiana Chamber's number one policy priority in 2017. By 2024, $1.2 million a year in additional revenues will be dedicated to road needs.

State	Spending	State	Spending
1. Hawaii	$42.74	46. New Mexico	$4.96
2. New Jersey	$42.30	47. Montana	$4.80
3. Alaska	$39.21	48. Kansas	$4.15
4. Delaware	$38.26	49. Nebraska	$3.89
5. Maryland	$31.09	50. South Dakota	$3.67
25. Indiana	**$11.97**	U.S. Average	$13.17

Spending includes investments in maintenance, operation, repair and construction of highways, streets, roads, alleys, sidewalks, bridges, ferries, tunnels, viaducts and related structures

U.S. Census: State and Local Government Finance; Federal Highway Administration: Office of Highway Policy Information

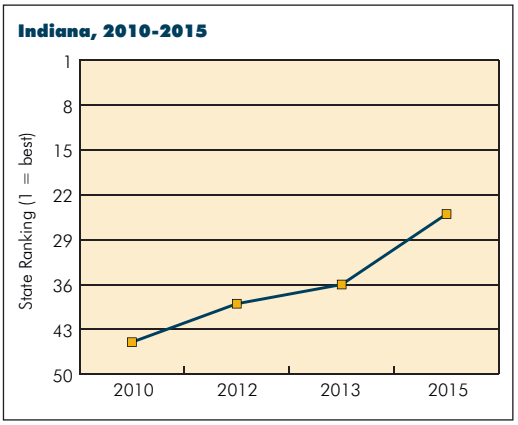
Aggressively build out the state's advanced telecommunications networks

A previous measure of household connections is now supplemented by a metric on median download speeds (page 20). Attempts to add a metric on percentage of population without access to high-speed broadband failed to yield reliable numbers. There is no shortage of Federal Communications Commission or U.S. Census data, but the results are unclear and seemingly contradictory as federal definitions of broadband speed continue to change.

A 2015 report ranks Indiana 20th in this category, but the follow-up a year later drops the state to 37th with unexplained losses in broadband access. Other data is dependent on customer surveys, with residential users indicating whether they have high-speed access – not considered a reliable barometer.

In a rapidly evolving area in which government data does not keep up with technological advances, Indiana is seeing strong private sector investment. It is also clear that more must be done to provide universal access, particularly for small businesses and residents in the more rural areas of the state. The goal of high-speed connections throughout the state continues to grow in importance and attention.

Residential Units with Wired High Speed Connection (Percent of all housing units)

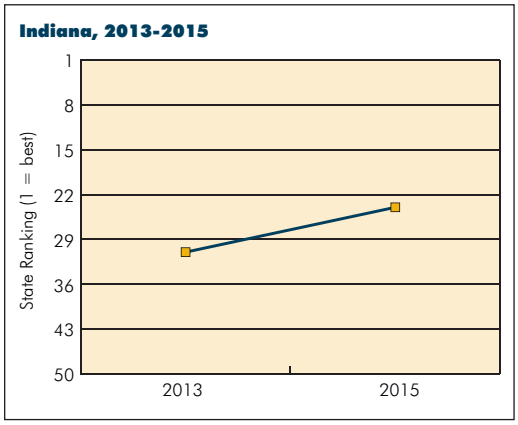


State	Percent	State	Percent
1. Delaware	73.2%	46. Missouri	42.9%
2. Utah	62.8%	47. New Mexico	40.8%
3. Oregon	62.1%	48. Arkansas	39.9%
4. Minnesota	61.3%	49. Alabama	39.8%
5. Maryland	59.8%	50. Mississippi	37.1%
25. Indiana	**51.7%**	U.S. Average	52.0%

Data reported by the NTIA but derived from the U.S. Census Bureau's Current Population Survey. As a household survey, responses indicate the use of cable, DSL or fiber-optic service and may not adhere to federal definitions of high speed. Further, a lack of adoption by a household should not be construed as a lack of availability of such a service.

National Telecommunications & Information Administration

Median Download Speed (Megabytes per second)



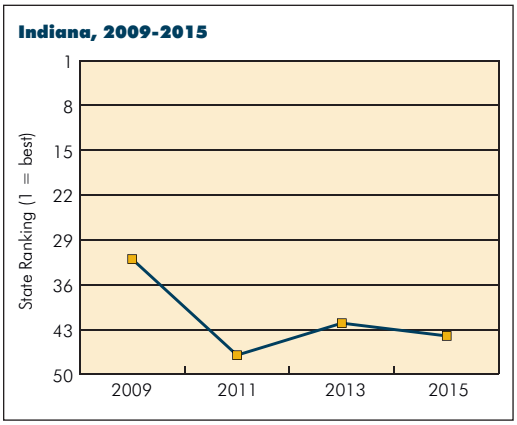
State	Data	State	Data
1. Utah	51.7	33. Kansas	24.7
2. New Jersey	50.3	34. Missouri	22.3
3. Oregon	49.1	35. Ohio	21.9
4. Washington	48.2	36. Kentucky	21.1
5. Colorado	45.9	37. Arkansas	20.3
24. Indiana	**35.3**	Median of States	37.3

Due to small sample sizes in the data collection, the following states do not have a reported download speed: Alaska, Delaware, Hawaii, Idaho, Maine, Mississippi, Montana, North Dakota, Rhode Island, South Dakota, Vermont, West Virginia, and Wyoming.

Federal Communications Commission: Measuring Broadband America (2016)

Drive strategic entrepreneurship and innovation formation for new and existing firms

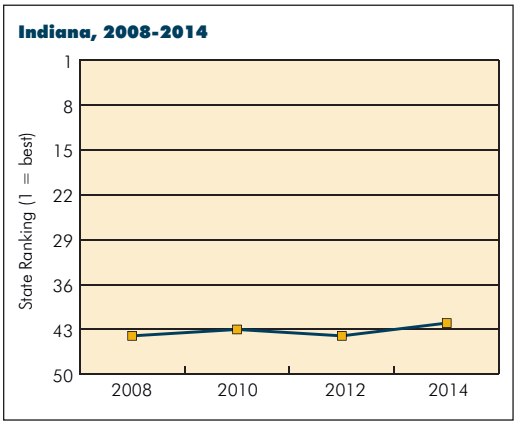
Kauffman Entrepreneurial Index (Percent of adults starting a new business each month)



State	Percent	State	Percent
1. Montana	0.50%	**44. Indiana**	**0.23%**
2. Alaska	0.48%	44. Illinois	0.23%
3. Oklahoma	0.40%	44. Rhode Island	0.23%
4. California	0.39%	47. West Virginia	0.21%
4. Texas	0.39%	48. Wisconsin	0.19%
4. Wyoming	0.39%	49. Iowa	0.18%
		49. Pennsylvania	0.18%
		U.S. Average	0.33%

Kauffman Family Foundation

Share of Total Employment For Firms 0 to 5 years old

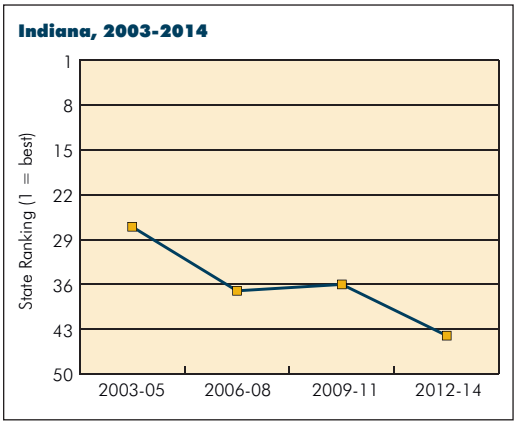


State	Percent	State	Percent
1. Nevada	22.4%	46. Iowa	14.1%
2. North Dakota	21.6%	47. Alaska	14.0%
3. Florida	21.4%	48. Wisconsin	14.0%
4. Utah	20.7%	49. Massachusetts	13.8%
5. Texas	20.4%	50. Vermont	13.8%
42. Indiana	**14.6%**	U.S. Average	16.8%

Data limited to those for which age of firm is identified in data source

U.S. Census Bureau: Business Dynamics Survey

Net Job Creation: Firms 0 to 5 years old (Raw difference between job creation rate and job destruction rate, per 100 jobs)



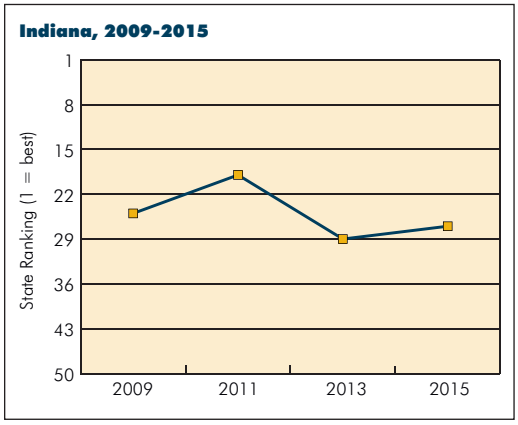
State	3-year average	State	3-year average
1. North Dakota	26.20	46. Hawaii	15.55
2. Utah	22.80	47. Arkansas	14.64
3. Minnesota	22.52	48. West Virginia	14.43
4. Massachusetts	21.26	49. New Hampshire	14.17
5. Delaware	21.21	50. Vermont	10.00
44. Indiana	**16.12**	U.S. Average	18.39

The reported measure is the raw difference between the number of jobs created per 100 existing jobs among firms in their first five years of existence and the number of jobs lost, per 100 existing jobs, among those same firms. Due to the impact of some individual firms, these figures can be relatively volatile, especially among new firms.

U.S. Census: Business Dynamics Survey

Increase intellectual property commercialization from higher education and business and attain "Top 5" ranking per capita among all states

University Licensing Income (Per million $ GDP)

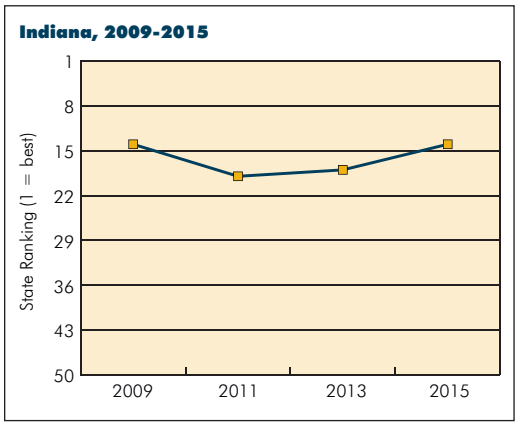


State	Income	State	Income
1. New York	$528.87	45. Hawaii	$3.31
2. Utah	$432.83	46. Deleware	$1.72
3. Massachusetts	$432.48	47. Nevada	$1.18
4. New Jersey	$277.95	48. West Virginia	$0.37
5. Arizona	$196.12	49. Alaska	$0.00
27. Indiana	**$41.10**	U.S. Average	$139.41

Data for Wyoming is not available from 2009 to 2015; 2011 data does not include Rhode Island; 2009 data does not include Delaware or Alaska.

Association of University Technology Managers; U.S. Bureau of Economic Analysis

University Licenses and Options (per 100K establishments)

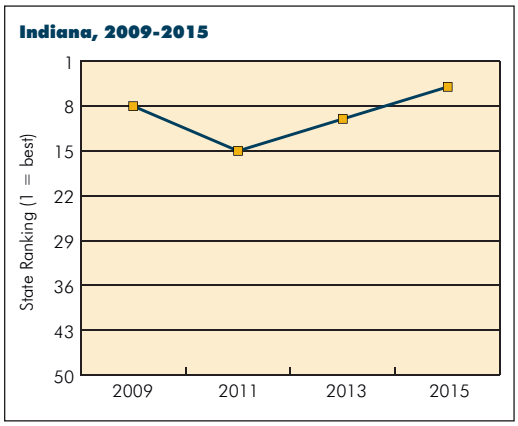


State	Licenses/Options	State	Licenses/Options
1. New Hampshire	.270.43	45. Connecticut	12.97
2. North Dakota	.252.02	46. Delaware	12.95
3. Massachusetts	.230.32	47. Hawaii	7.68
4. Minnesota	.226.63	48. Alaska	4.50
5. Maine	.204.85	49. Nevada	3.80
14. Indiana	**109.23**	U.S. Average	82.50

Data for Wyoming is not available from 2009 to 2015; 2011 data does not include Rhode Island; 2009 data does not include Delaware or Alaska.

Association of University Technology Managers; U.S. Bureau of Economic Analysis

University Business Spinouts (Higher education R&D per university business spinout)



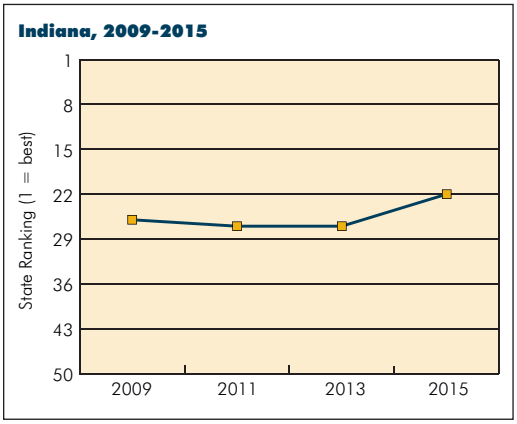
State	R&D $	State	R&D $
1. Utah	$29,336	45. New Hampshire	$358,154
2. Vermont	$29,916	46. Rhode Island	$453,291
3. New Mexico	$30,070	47. Connecticut	$545,691
4. Minnesota	$40,391	48. Idaho	.None
5. Indiana	**$41,370**	49. South Dakota	.None
		U.S. Average	$68,462

Data for Wyoming is not available from 2009 to 2015; 2011 data does not include Rhode Island; 2009 data does not include Delaware or Alaska.

Association of University Technology Managers; National Science Foundation

Achieve a "Top 12" ranking among all patents per worker

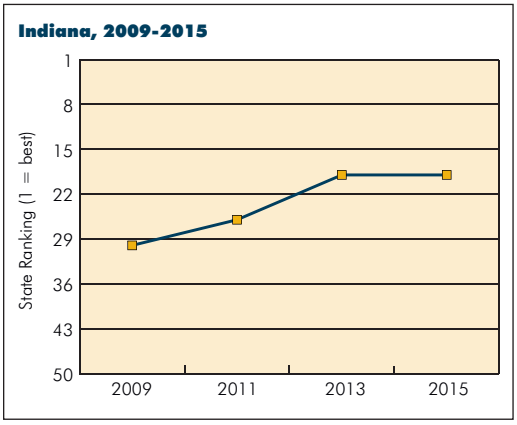
Utility Patents (Patents per 100,000 workers)



State	Per 100,000 Workers	State	Per 100,000 Workers
1. California	246.67	46. Hawaii	19.91
2. Washington	204.24	47. Arkansas	19.78
3. Massachusetts	197.69	48. West Virginia	18.24
4. Minnesota	158.25	49. Mississippi	12.38
5. Vermont	146.88	50. Alaska	12.06
22. Indiana	**69.10**	U.S. Average	101.06

U.S. Trade and Patent Office; U.S. Bureau of Labor Statistics

Design Patents (Patents per 100,000 workers)

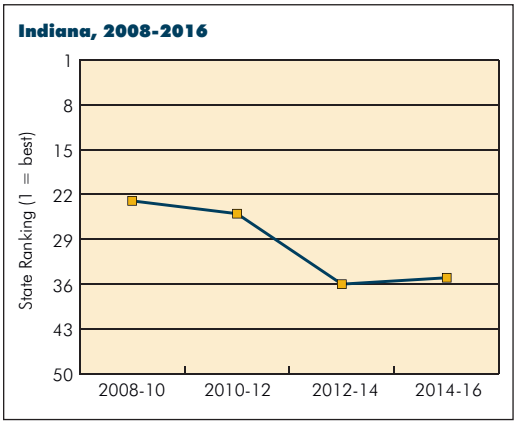


State	Per 100,000 Workers	State	Per 100,000 Workers
1. Oregon	20.59	46. North Dakota	2.06
2. Washington	20.56	47. Louisiana	1.97
3. California	19.82	48. Alaska	1.81
4. Wisconsin	18.61	49. Wyoming	1.42
5. Colorado	16.76	50. West Virginia	1.01
19. Indiana	**8.12**	U.S. Average	10.28

U.S. Trade and Patent Office; U.S. Bureau of Labor Statistics

Achieve "Top 12" ranking among all states in venture capital invested per capita

Venture Capital Invested, Three-Year Rolling Average (Per worker)



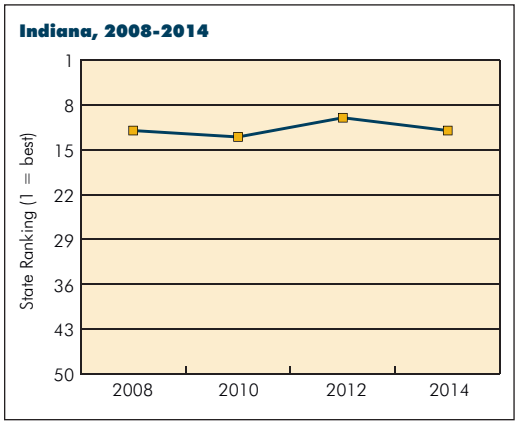
The U.S. median in this measure ($84.64) is informative due to the average being skewed by results from the top two states. Indiana, nevertheless, continues to struggle in this area.

State	VC Dollars	State	VC Dollars
1. California	$2,506.24	46. West Virginia	$8.49
2. Massachusetts	$2,001.65	47. Hawaii	$7.10
3. New York	$887.91	48. Mississippi	$3.83
4. Utah	$739.58	T49. Alaska	$0.00
5. Washington	$571.86	T49. North Dakota	$0.00
35. Indiana	**$39.31**	U.S. Average	$536.26

PriceWaterhouseCoopers; U.S. Bureau of Labor Statistics

Strategically recruit foreign direct investment (FDI) and achieve "Top 5" ranking among all states in FDI as a percent of gross state product

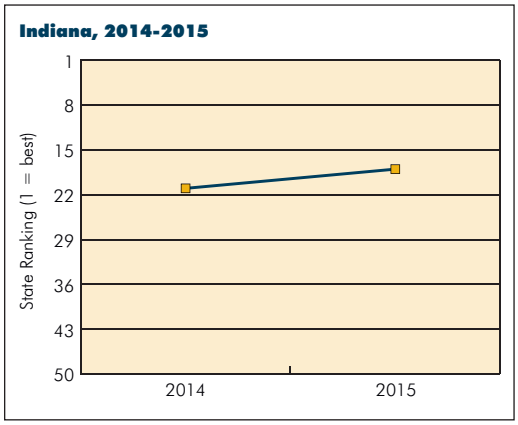
Employment at Majority-Owned U.S. Affiliates of Foreign Companies (As a percent of private workers)



State	Percent	State	Percent
1. South Carolina	8.5%	46. New Mexico	3.6%
2. New Hampshire	7.8%	47. North Dakota	3.6%
3. Delaware	7.8%	48. Utah	3.5%
4. New Jersey	7.5%	49.Idaho	3.0%
5. Massachusetts	7.4%	50. Montana	1.9%
12. Indiana	**6.8%**	U.S. Average	5.5%

U.S. Bureau of Economic Analysis

Foreign Direct Investment, First-Year Investments (As a percent of gross state product)



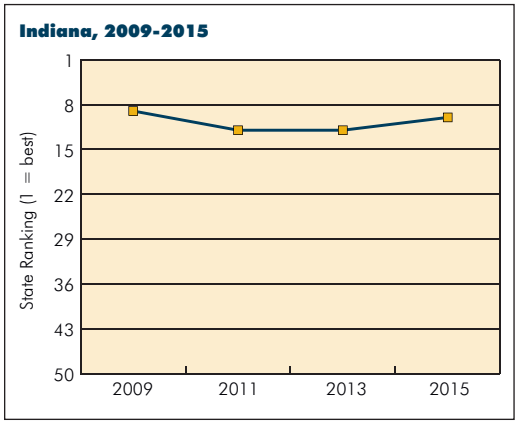
U.S. Bureau of Economic Analysis

State	Percent	State	Percent
1. California	4.80%	30. Mississippi	0.03%
2. North Carolina	4.67%	T31. Idaho	0.00%
3. Alabama	3.78%	T31. Montana	0.00%
4. New Jersey	3.22%	T31. New Mexico	0.00%
5. Illinois	2.92%	T31. Rhode Island	0.00%
18. Indiana	**0.38%**	U.S. Average	2.30%

This is a new measure being reported by the U.S. Bureau of Economic Analysis. Data from several states have been suppressed due to the potential for individual investments to be identified through reporting. For 2015, there is no data from Alaska, Arizona, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, Nevada, New Hampshire, Oklahoma, South Dakota, Vermont, West Virginia and Wyoming. Eleven states had suppressed data in 2014.

Increase Indiana exports to achieve "Top 5" ranking per capita among all states

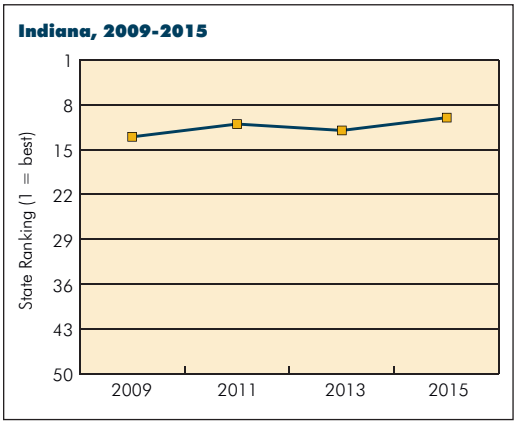
Exports as a Percent of GDP



State	Percent	State	Percent
1. Louisiana	20.3%	46. Wyoming	2.9%
2. Washington	19.4%	47. Oklahoma	2.8%
3. South Carolina	15.4%	48. Maryland	2.8%
4. Texas	15.2%	49. Colorado	2.5%
5. Kentucky	14.3%	50. Hawaii	2.4%
10. Indiana	**10.1%**	U.S. Average	8.0%

U.S. Census: Foreign Trade Statistics; U.S. Bureau of Economic Analysis

Value of Exports per Capita



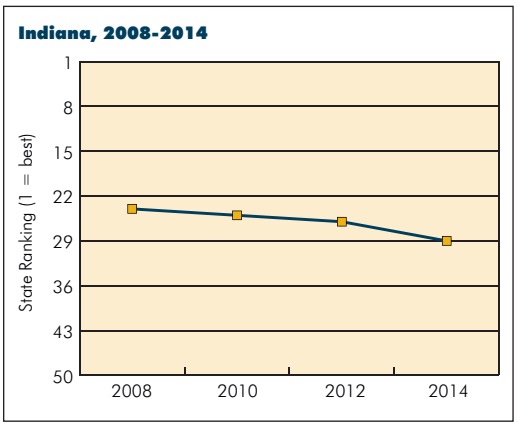
State	Per Capita	State	Per Capita
1. Washington	$12,046	46. South Dakota	$1,627
2. Louisiana	$10,420	47. Colorado	$1,458
3. Texas	$9,035	48. Montana	$1,359
4. South Carolina	$6,319	49. Oklahoma	$1,341
5. Alaska	$6,256	50. Hawaii	$1,325
10. Indiana	**$5,110**	U.S. Average	$4,466

U.S. Census: Foreign Trade Statistics; U.S. Bureau of Economic Analysis

Promote a diverse and civil culture that attracts and retains talented individuals

This final goal, like several others in the plan, does not easily lend itself to statistical measurement. The following three metrics paint a portion of the picture. Indiana is far ahead of 2015, when its national and international reputation was suffering. Additional civil rights protections for the LGBT community would further enhance the state's standing in this area.

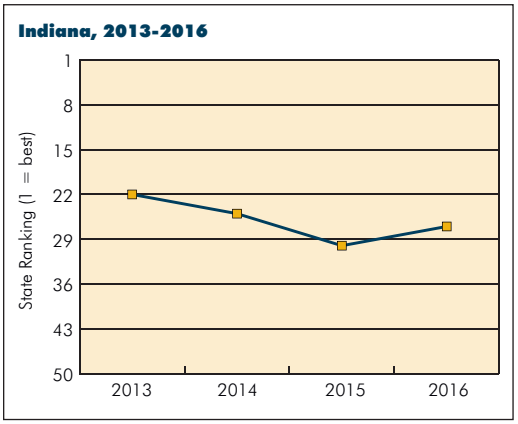
Violent Crime Index (Offenses per 100,000 population)



State	Offenses	State	Offenses
1. Vermont	99.3	46. Florida	540.5
2. Maine	127.8	47. New Mexico	597.4
3. Wyoming	195.5	48. Tennessee	608.4
4. New Hampshire	196.1	49. Nevada	635.6
5. Virginia	196.2	50. Alaska	635.8
29. Indiana	**365.3**	U.S. Average	346.8

Federal Bureau of Investigations: Uniform Crime Report

Net Domestic Migration (Per 100,000 residents)

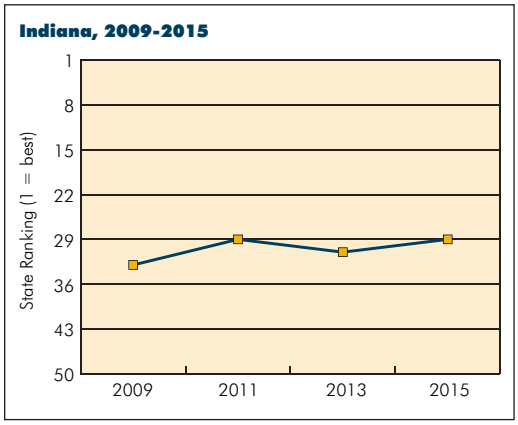


State	Per 100,000 Residents	State	Per 100,000 Residents
1. Oregon	1,222.4	46. New Jersey	-746.7
2. Nevada	1,176.0	47. North Dakota	-825.8
3. Idaho	1,018.5	48. Connecticut	-835.5
4. Florida	1,005.0	49. Illinois	-891.6
5. South Carolina	949.1	50. New York	-969.2
27. Indiana	**-182.9**		

U.S. Census: Population estimates

Promote a diverse and civil culture that attracts and retains talented individuals

H-1B Certified Visas (Per 1M population)



State	Visas	State	Visas
1. New Jersey	4,953	46. West Virginia	267
2. Delaware	3,698	47. Mississippi	228
3. Massachusetts	3,081	48. Alaska	203
4. Washington	2,692	49. Wyoming	201
5. Connecticut	2,623	50. Montana	166
29. Indiana	**823**	U.S. Average	1,264

Measure of H-1B visas reflect the number of applications certified by the U.S. Department of Labor

U.S. Department of Labor: Office of Foreign Labor Certification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Driver/Metric	Current rank	*Prior rank
OUTSTANDING TALENT		
Increase proficiency in math, science and reading to "Top 5" status nationally		
Mathematics: 4th Grade NAEP	4	4
Mathematics: 8th Grade NAEP	10	18
Readings: 4th Grade NAEP	9	14
Reading: 8th Grade NAEP	15	25
Science: 4th Grade NAEP	12	21
Science: 8th Grade NAEP	23	27
Increase to 90% those who graduate college/career ready		
High School Graduation Rates	15	7
Remediation	No overall state ranking or direct comparison available	
Eliminate the educational achievement gaps for disadvantaged populations		
Mathematics Gap: 4th Grade	8	20
Mathematics Gap: 8th Grade	21	15
Reading Gap: 4th Grade	7	8
Reading Gap: 8th Grade	27	11
Science Gap: 4th Grade	18	11
Science Gap: 8th Grade	26	32
Increase to 60% those with high quality postsecondary credentials		
Associate Degree or Credential	42	40
Increase bachelor degrees to "Top 10" status nationally		
Bachelor's Degree or Higher	39	42
Increase associate degrees to "Top 10" status nationally		
Associate Degree or Higher	40	41
Increase STEM credentials/degrees to "Top 5" status nationally		
Science & Technology Degrees Conferred	3	6
Science & Engineering Occupations	34	35
Population With Science & Engineering Degrees	42	42
Address the skills shortages of adult and incumbent workers		
Less Than High School Diploma	32	31
Speaks English Less Than 'Very Well'	17	16
Poverty Rates	25	32
Improve Indiana's per-capita income ranking to "Top 25" nationally		
Per Capita Income	38	38
Per Capita Income (adjusted for cost of living)	20	19

ATTRACTIVE BUSINESS CLIMATE		
Increase efficiency and effectiveness in delivery of government services		
State and Local Government Spending	4	6
Population/Unit of Local Government	33	34
Reform public pension systems		
State Public Pension Spending	3	4
Funded Pension Ratios	33	39
"Top 5" ranking for legal environment		
State Lawsuit Climate Survey	18	14
"Top 5" ranking for business regulatory environment		
Small Business Policy Index	9	12
Regulatory Freedom Index	2	2
Eliminate business personal property tax		
Urban Industrial Property Tax Rates	44	42

*Most recent data year in prior Report Card (2013)

Driver/Metric	Current rank	*Prior rank
Establish funding mechanisms to approximate "user fee" model		
Business Taxes Per Government Expenditures	29	31
Contain health care costs		
Health Insurance Premiums	26	38
Reduce smoking levels to less than 15% of the population		
Adult Smoking Rate	39	39
Return obesity levels to less than 20% of the population		
Adult Obesity Rate	36	42

SUPERIOR INFRASTRUCTURE		
Develop strategic energy resource plan/be "Top 10" most affordable state for electricity		
Commercial Electricity Prices	26	26
Industrial Electricity Prices	29	28
Diversify Indiana's energy mix		
Clean Energy Per Capita	47	47
Clean Energy/Total Generation	45	47
Identify and implement workable energy conservation strategies		
Energy Efficiency	24	17
Develop and implement a strategic water resource plan		
No overall state ranking or direct comparison available		
New fiscal systems to support transportation infrastructure projects		
State and Local Road Spending	25	30
Build out advanced telecommunications networks		
Residences With Wired High Speed Connection	25	36
Median Download Speed	24	31

DYNAMIC AND CREATIVE CULTURE		
Drive strategic entrepreneurship and innovation formation for new and existing firms		
Kauffman Entrepreneurial Index	44	42
Total Employment/Firms 0 to 5 years old	42	44
Net Job Creation/Firms 0 to 5 years old	44	36
Increase intellectual property commercialization and attain "Top 5" ranking		
University Licensing Income	27	29
University Licenses and Options	14	18
University Business Spinouts	5	10
Achieve a "Top 12" ranking among all patents per worker		
Utility Patents	22	27
Design Patents	19	19
Achieve "Top 12" ranking in venture capital invested per capita		
Venture Capital Invested	35	36
Strategically recruit foreign direct investment (FDI) and achieve "Top 5" ranking		
Employment at U.S. Affiliates	12	10
Foreign Direct Investment	18	21
Increase Indiana exports to achieve "Top 5" ranking per capita among all states		
Exports as Percent of GDP	10	12
Exports per Capita	10	12
Promote a diverse and civil culture that attracts and retains talented individuals		
Violent Crime Index	29	26
Net Domestic Migration	27	30
H-1B Certified Visas	29	31

*Most recent data year in prior Report Card (2013)

INDIANAVISION 2025

A PLAN FOR HOOSIER PROSPERITY

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Since 1981, the Indiana Chamber Foundation has provided leadership through practical policy research to improve Indiana's economic climate. The Foundation is coordinating the funding of *Indiana Vision 2025*.

Contact Christy Huston at (317) 264-6893 or chuston@indianachamber.com