

Kansas

From 2002 to 2008, Kansas's spending increased the most in the hospitals (833%), parks and recreation (585%), debt service (164%), and salaries and wages (99%) categories. The increases in hospitals and parks and recreation spending were each the greatest in the nation in terms of percentage, and the increases in debt service and salaries and wages spending each ranked among the top three. The spending categories that saw the least growth were highways (+7%), administration (-9%) and health (-50%). The decrease in health spending was the second-greatest in the nation, and the decline in administration spending was the third-highest. On a per-capita basis, spending on hospitals rose from 44th in the nation in 2002 to eighth in 2008, while health spending fell from 15th to 48th during the period. The state's overall general spending increase of 42% put it slightly above the state average, ranking 19th-highest.

Kansas's total overall revenue growth of 40% ranked 34th for the period, while its total tax revenue growth of 49% was 17th. Corporate income taxes were the fastest growing tax revenue category, increasing 333% and ranking the second-highest growth rate in the nation.

Spending (Spending and revenue numbers are in thousands of dollars)	2002	2002 Per Capita Rank	2008	2008 Per Capita Rank	Difference in Rank	2002–2008 Increase/Decrease	2002–2008 Increase/Decrease Rank
Corrections	326,372	29	361,648	34	-5	11%	46
Education	3,987,803	19	5,750,358	15	+4	44%	20
Government Administration	502,328	17	459,166	31	-14	-9%	48
Health	503,625	15	252,179	48	-33	-50%	49
Highways	1,130,728	13	1,213,980	18	-5	7%	36
Hospitals	104,270	44	973,004	8	+36	833%	1
Interest on Debt	126,813	46	334,469	32	+14	164%	3
Natural Resources	179,368	28	205,394	28	0	15%	32
Parks and Recreation	5,416	50	37,074	38	+12	585%	1
Police Protection	63,403	43	110,231	32	+11	74%	4
Public Welfare	1,986,407	42	3,167,907	38	+4	59%	12
Salaries and Wages	1,598,382	34	3,174,710	11	+23	99%	3
Direct Expenditures	6,645,909	34	9,431,027	30	+4	42%	19
General Expenditures	9,617,322	35	13,645,502	29	+6	42%	19
Total Expenditures	10,591,633	35	14,968,811	32	+3	41%	18
Taxes (Spending and revenue numbers are in thousands of dollars)	2002	2002 Per Capita Rank	2008	2008 Per Capita Rank	Difference in Rank	2002–2008 Increase/Decrease	2002–2008 Increase/Decrease Rank
Personal Income Tax ¹	1,854,848	20	2,944,851	15	+5	59%	13
General Sales Tax ²	1,799,485	20	2,264,747	23	-3	26%	30
Corporate Income Tax ³	121,931	40	528,011	12	+28	333%	2
Total Taxes	4,808,361	25	7,159,748	22	+3	49%	17
Total Revenue	9,694,312	35	13,541,510	32	+3	40%	34

¹ Personal income tax per capita rankings are out of 43 since seven states do not collect personal income taxes.

² General sales tax per capita rankings are out of 45 since five states do not collect general sales taxes.

³ Corporate income tax per capita rankings are out of 46 since four states do not collect corporate income taxes.

Comparison to Baseline Growth

One sound rule of thumb is that government expenditures should not increase more than the combined increase in population and inflation growth. This allows the government to maintain service levels and accommodate increased costs due to an expanding population and rises in the cost of living. For the 2002–2008 period, the Consumer Price Index, used to measure inflation, increased approximately 20% and Kansas’s population increased by 3%. This yields a “baseline” growth of 23% for the period. The figure below compares the difference in Kansas’s expenditures and revenue for the period to this baseline for 15 spending and five revenue categories.

