

State Technology and Science Index

EXHIBIT 2
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leveraged to promote economic development. The State Technology and Science Index is composed of five equally-weighted major composites—Research & Development Inputs, Risk Capital and Infrastructure, Human Capital Investment, Technology and Science Workforce, and Technology Concentration and Dynamism.

There are 75 individual indicators that comprise the five major composites and are listed in the appendix. To achieve a score of 100 on any of the major composites, a state would have to rank 1st in each of the indicator components. Second place was assigned a score of 98; a 3rd-place ranking gave a state a score of 96 and so forth until the 50th-place ranking was assigned a score of 2. The individual category scores were averaged for the composites to which they were assigned and the five composite were then averaged for the overall score. Each indicator was benchmarked to a relevant measure such as population, Gross State Product or number of establishments. This adjusts for the absolute size of a state's economy.

State Technology and Science Index and Findings

National State Technology & Science Index
Overall Index, 2004

State	Rank (2004)	Rank (2002)	Rank Change	Score (2004)	State	Rank (2004)	Rank (2002)	Rank Change	Score (2004)
Massachusetts MA	1	0		87.55	Kansas KS	26	22	-4	53.92
California CA	2	1		78.80	Wisconsin WI	27	25	-2	51.76
Colorado CO	3	-1		78.77	Nebraska NE	28	32	4	50.91
Maryland MD	4	0		78.19	Indiana IN	29	30	1	50.70
Virginia VA	5	0		73.27	Idaho ID	30	26	-4	49.03
Washington WA	6	0		69.87	Missouri MO	31	28	-3	48.11
New Jersey NJ	7	0		69.00	Florida FL	32	29	-3	44.47
Minnesota MN	8	2		67.49	Maine ME	33	36	3	44.17
Utah UT	9	0		66.49	Tennessee TN	34	40	6	42.77
Connecticut CT	10	-2		66.26	Oklahoma OK	35	37	2	42.05
Rhode Island RI	11	10		64.01	Alabama AL	36	33	-3	43.36
New Hampshire NH	12	1		63.43	Iowa IA	37	35	-2	41.00
Delaware DE	13	-2		62.51	Montana MT	38	34	-4	40.63
New Mexico NM	14	6		61.25	Hawaii HI	39	43	4	40.38
New York NY	15	-3		60.66	Alaska AK	40	39	-1	39.21
Pennsylvania PA	16	0		60.35	Wyoming WY	41	38	-3	38.72
Arizona AZ	17	1		58.47	Louisiana LA	42	44	2	38.88
Georgia GA	18	-3		58.10	Nevada NV	43	42	-1	38.05
Oregon OR	19	4		57.76	South Carolina SC	44	41	-3	37.94
North Carolina NC	20	-3		57.28	North Dakota ND	45	45	0	37.78
Illinois IL	21	-2		56.59	West Virginia WV	46	48	2	35.69
Vermont VT	22	9		56.00	South Dakota SD	47	47	0	35.09
Texas TX	23	-9		54.54	Kentucky KY	48	46	-2	33.61
Ohio OH	24	3		54.18	Arkansas AR	49	50	1	29.53
Michigan MI	25	-1		54.01	Mississippi MS	50	49	-1	27.48
					State Average	52.64			

The State Technology and Science Index encapsulates a state's comprehensive inventory of technology and science assets that can be leveraged to promote economic development. Its research and development capabilities can be commercialized for future regional and state technology growth. A state's entrepreneurial capacity and risk capital