**Secretary's Minute:** In the Secretary of State’s office, we handle corporate filings, uniform commercial code filings, elections, and issuance of concealed carry weapon permits, among 325 other types of transactions. This past year our corporate filings and trademark registration numbers remained steady. We noticed a decline in the Uniform Commercial Code filings. Over the past five years, we have averaged 55,000 UCC filings per year, which peaked at 66,000 in 2014. In calendar year 2015, we experienced a decline in filings to 46,000, mostly due to the Ag economy. The requests for concealed carry weapons permits saw a dramatic increase at the end of 2015. We issued over 3,000 permits in the month of December which were more than double an average month. In the month of January, permits continue to increase as well. There are over 85,000 active permit holders in the state of South Dakota.

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**Fourth Quarter 2015 Economic Highlights**

- Fictitious Business Name and Trademark filings increased in Q4.
- New business filings increased in Q4.
- Most national economic indicators improved in Q4.
- Total Sales and taxable sales grew in the Q4.
- Personal Income increased by 2.3% in Q4.
- Employment growth has continued in Q4.
- SD unemployment rate is ranked the 3rd lowest in the U.S. at 3.0%.

### South Dakota Taxable Sales

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales, in millions</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>10,000</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>12,000</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>14,000</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>16,000</td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>18,000</td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>20,000</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>22,000</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>24,000</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>26,000</td>
<td></td>
</tr>
</tbody>
</table>

Source: South Dakota Department of Revenue

### Employment and New Business Filings

<table>
<thead>
<tr>
<th>Year</th>
<th>Employment, thousands</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>1,200</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>1,300</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>1,400</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>1,500</td>
<td></td>
</tr>
</tbody>
</table>

**Note:** Red line displays actual seasonally adjusted employment numbers. Source: Seasonally adjusted South Dakota total nonfarm employees from the Bureau of Labor Statistics and the Labor Market Information Center, SD Department of Labor.

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**Fourth Quarter 2015 Economic Highlights**

- Personal Income increased by 2.3% in Q4.
- Employment growth has continued in Q4.
- SD unemployment rate is ranked the 3rd lowest in the U.S. at 3.0%.

### Fourth Quarter 2015 Economic Highlights

- **Wealth**
  - Personal Income (millions of dollars): 39,301 (Current Period), 38,414 (3 Months Prior), 2.3% (Percent Change over Prior Period), 1.4% (Annual Percent Change), 3.4% (5 Year CAGR*).
  - Total Sales, 12 mo. trailing (millions of dollars): 68,314 (Current Period), 68,178 (3 Months Prior), 0.2% (Percent Change over Prior Period), -0.9% (Annual Percent Change), 3.7% (5 Year CAGR*).
  - Taxable Sales, 12 mo. trailing (millions of dollars): 21,020 (Current Period), 20,891 (3 Months Prior), 0.6% (Percent Change over Prior Period), 3.5% (Annual Percent Change), 4.2% (5 Year CAGR*).

- **Business Outlays**
  - Annual Wages per Employee: 9,620 (Current Period), 9,919 (3 Months Prior), -3.0% (Percent Change over Prior Period), 3.9% (Annual Percent Change), 3.2% (5 Year CAGR*).
  - Retail Gasoline Price (dollars per gallon): 1.96 (Current Period), 2.38 (3 Months Prior), -17.6% (Percent Change over Prior Period), -8.8% (Annual Percent Change), -8.7% (5 Year CAGR*).

- **Economic Overview**
  - Employment: 434,900 (Current Period), 430,400 (3 Months Prior), 1.0% (Percent Change over Prior Period), 2.6% (Annual Percent Change), 1.4% (5 Year CAGR*).
  - Unemployment Rate: 3.0% (Current Period), 3.5% (3 Months Prior), -14.3% (Percent Change over Prior Period), -9.1% (Annual Percent Change), -9.3% (5 Year CAGR*).
  - Initial Jobless Claims: 415 (Current Period), 174 (3 Months Prior), 138.5% (Percent Change over Prior Period), 12.8% (Annual Percent Change), -10.2% (5 Year CAGR*).
  - Continuing Jobless Claims: 2,893 (Current Period), 1,021 (3 Months Prior), 183.3% (Percent Change over Prior Period), -0.9% (Annual Percent Change), -10.1% (5 Year CAGR*).
  - Building Permits, Number of Units, 12 mo. trailing: 4,501 (Current Period), 4,510 (3 Months Prior), -0.2% (Percent Change over Prior Period), -3.7% (Annual Percent Change), 7.3% (5 Year CAGR*).
  - Valuation (thousands of dollars), 12 mo. trailing: 673,333 (Current Period), 667,678 (3 Months Prior), 0.8% (Percent Change over Prior Period), -3.6% (Annual Percent Change), 8.7% (5 Year CAGR*).
  - FHFA Purchase-Only Home Price Index: 258 (Current Period), 256 (3 Months Prior), 0.8% (Percent Change over Prior Period), 4.9% (Annual Percent Change), 3.3% (5 Year CAGR*).
  - Total Business Bankruptcy Filings: 13 (Current Period), 10 (3 Months Prior), 30.0% (Percent Change over Prior Period), 62.5% (Annual Percent Change), 16.0% (5 Year CAGR*).
  - Chapter 7: 3 (Current Period), 7 (3 Months Prior), -57.1% (Percent Change over Prior Period), -57.1% (Annual Percent Change), -32.9% (5 Year CAGR*).
  - Chapter 11: 5 (Current Period), - (3 Months Prior), - (Percent Change over Prior Period), - (Annual Percent Change), - (5 Year CAGR*).
  - Chapter 13: 3 (Current Period), 2 (3 Months Prior), 50.0% (Percent Change over Prior Period), 200.0% (Annual Percent Change), 0.0% (5 Year CAGR*).

Sources: Bureau of Economic Analysis, Quarterly Personal Income (SA) (Q3/15); South Dakota Department of Revenue (NSA) (2/15); South Dakota Department of Labor and Regulation (SA) (Q2/15); US Energy Information Administration, Weekly Retail Gasoline and Diesel Prices, Midwest (2/28/15); Bureau of Labor Statistics, CES (SA) (11/15); US Department of Labor, Employment and Training Administration (NSA) (12/26/15); Census Bureau, New Privately Owned Housing Units Authorized (NSA) (11/15); FHFA Purchase-Only Home Price Index (SA) (Q3/15); Administrative Office of the US Courts (Q3/15). *Compound Annual Growth Rate.