

The State of Utah's Travel and Tourism Industry 2022



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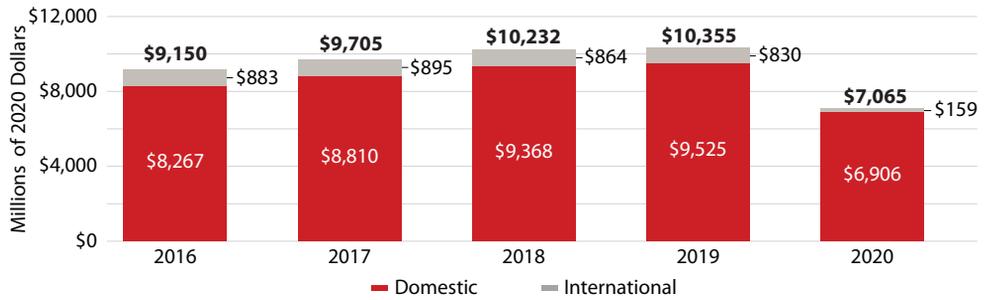
Visitors and Spending

In 2020, travelers spent \$7.07 billion in Utah, a 29.8% decline from the 2019 record spending of \$10.13 billion. As a result, Utah travel and tourism spending supported 18,800 fewer jobs and generated \$255 million less in total tax revenue. Despite the pandemic's disruptive impact on travel, visitors continued to flock to Utah's parks and ski resorts as outdoor recreation proved to be one of the safest forms of leisure activity. Overall, Utah performed better than the western region and the nation as a whole during 2020.

Utah's travel and tourism economy began to recover in 2021. COVID-19 vaccine access and fewer travel restrictions led to increased airline bookings and overall travel. While Utah visitor spending and visitation trends returned to—if not surpassed—2019 baseline trends, tourism-related employment continued to lag during a phenomenon that has been termed the "Great Resignation."

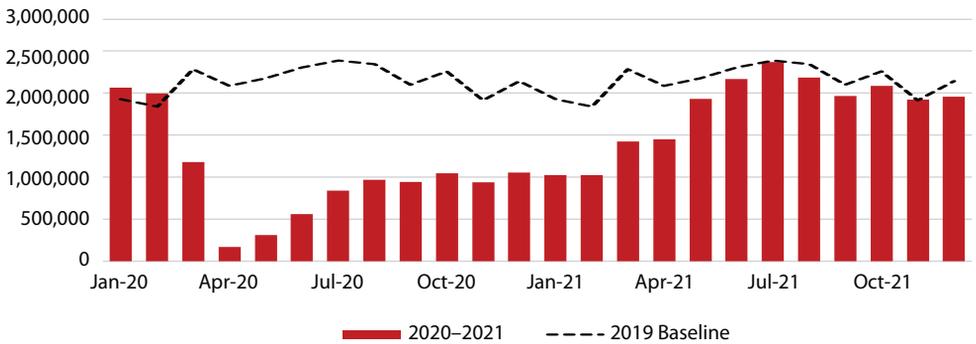
Direct Visitor Spending, 2016–2020

(millions of 2020 dollars)



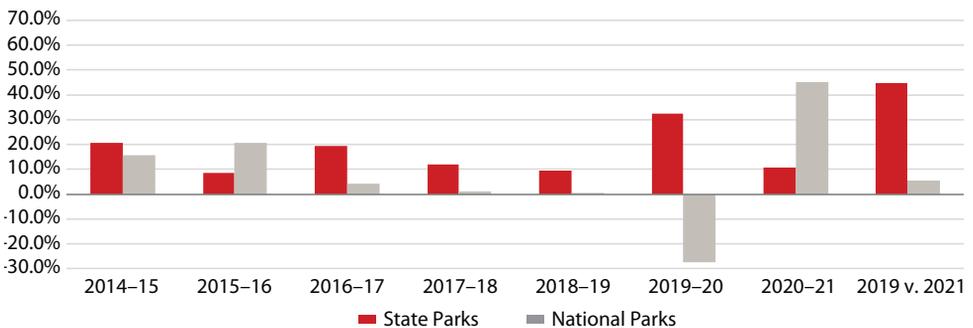
Note: Includes resident, domestic nonresident, and international visitor spending
Source: U.S. Travel Association

SLC International Airport, Total Passengers, 2020–2021 vs. 2019 Baseline



Source: Kem C. Gardner Policy Institute analysis of Salt Lake City International Airport data

Year-Over Change in State and National Park Visitation



Note: 2021 national and state park visitation includes January through November visitor counts.
Source: Kem C. Gardner Policy Institute analysis of Utah State Parks and National Park Service data.

Travel and Tourism-Related Employment

Visitor spending directly and indirectly generates and supports Utah jobs. In 2020, the \$7.07 billion in direct visitor spending generated 82,100 direct jobs and supported around 37,500 additional indirect and induced jobs, summing to 119,600 total jobs statewide (down 13.5% from 2019). When considered as its own employment sector, however, travel and tourism still ranked seventh in Utah in 2020 based on the number of direct jobs by major industry group. The top three tourism-related sectors that suffered the greatest job losses in 2020 were the accommodations sector, the arts, entertainment, and recreation sector, and the performing arts sector. The food service, travel arrangements and reservation services, and air travel employment sectors were also heavily impacted.

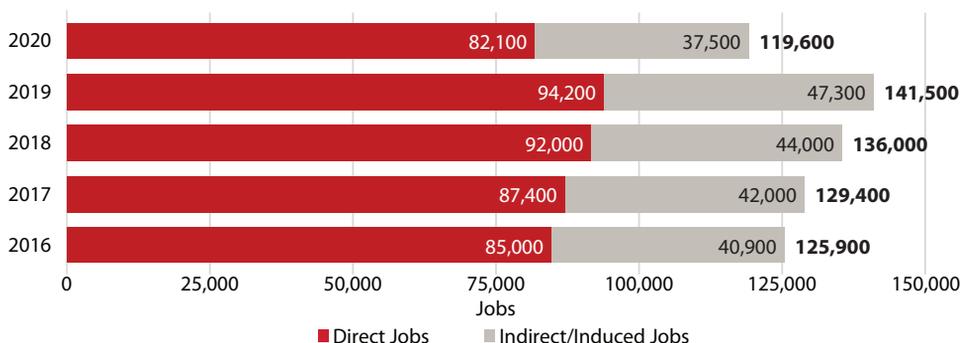
In 2021, leisure and hospitality employment continued to lag below 2019 baseline levels, even though visitor spending began to climb above baseline.

Change in Employment by Industry, November 2021 (Two-Year Change)



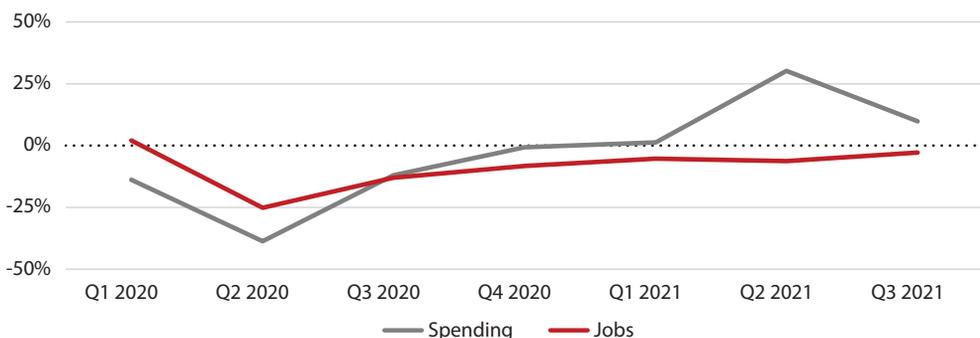
Source: Kem C. Gardner Policy Institute analysis of U.S. Bureau of Labor Statistics

Travel and Tourism Supported Jobs, 2016–2020



Source: Kem C. Gardner Policy Institute analysis of U.S. Bureau of Labor Statistics

Change in Hotel & Restaurant Spending and Jobs Compared with 2019 Baseline



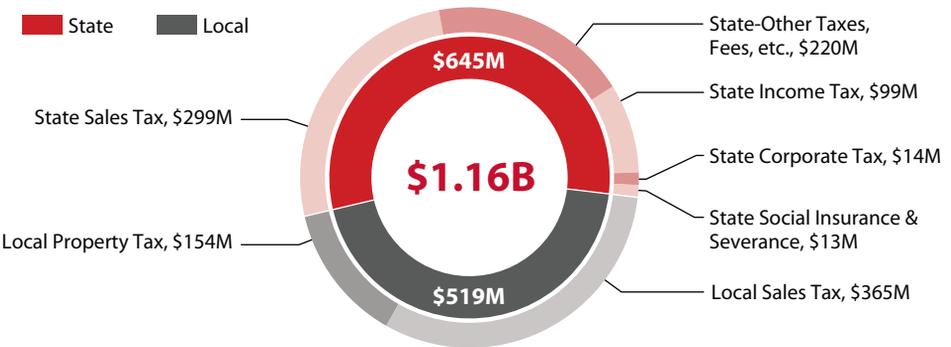
Source: Kem C. Gardner Policy Institute Analysis of Utah State Tax Commission and U.S. Bureau of Labor Statistics data

Tax Revenue

In 2020, the \$7.07 billion in direct visitor spending, which led to \$12.28 billion in total visitor-related spending through indirect and induced spending effects, generated an estimated \$1.16 billion in state and local tax revenues. Year-over tax revenue decreases (-17.9%) were not as significant as year-over visitor spending decreases (-29.8%) due to transportation sales not being taxed and the addition of new and/or higher state and local sales tax rates enacted over time.

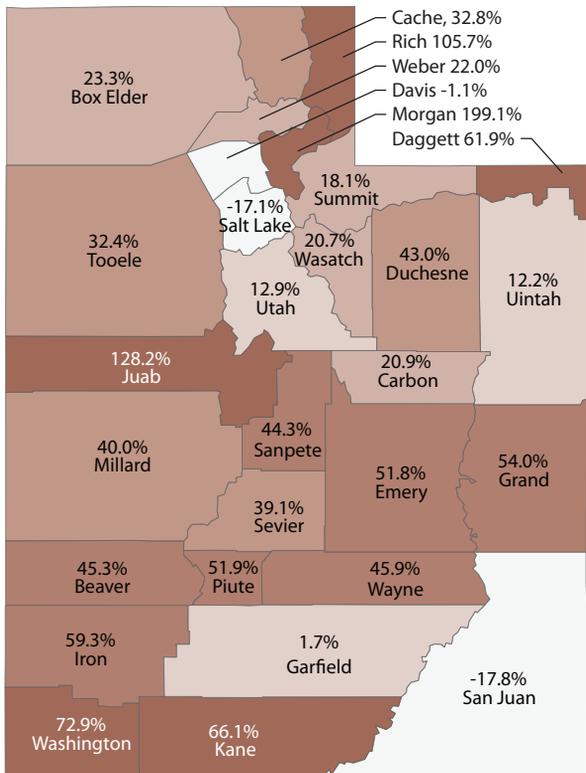
As of January 2022, the tourism-related tax revenue forecast for 2021 looks positive. When comparing 2021 county transient room tax revenue to 2019 totals, every county except for Salt Lake, Davis, and San Juan had positive revenue above 2019 baseline amounts. In fact, in 2021, Washington County collected an additional \$6.1 million, Grand County \$3.0 million, and Kane County \$2.0 million above 2019 collections.

Total Tourism Tax Revenue and Total Tourism Tax Revenue by Type, 2020



Note: Includes economic multiplier effects.
 Source: Kem C. Gardner Policy Institute analysis of U.S. Travel Association and Utah Tax Commission data

Year-Over Change in County Transient Room Tax Revenue by County, 2019 vs. 2021



YOY County Transient Room Tax Revenue Gains, Top 10 Counties, 2019 vs. 2021

Washington	... \$6,144,242
Grand	... \$2,966,334
Kane County	... \$1,985,490
Summit	... \$1,769,941
Iron	... \$794,526
Utah	... \$513,392
Wasatch	... \$436,517
Rich	... \$419,907
Weber	... \$381,422
Cache	... \$285,150
Wayne	... \$255,857

Source: Kem C. Gardner Policy Institute analysis of Utah State Tax Commission data

Note: county transient room tax revenue includes January through November data.
 Source: Kem C. Gardner Policy Institute analysis of Utah State Tax Commission data

Accommodations

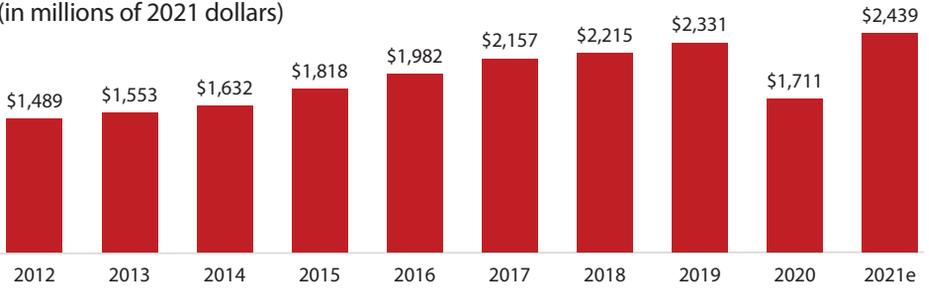
Taxable accommodation sales include room charges as well as other lodging-related purchases that were un-taxed at point of sale (e.g., a hotel purchasing tax-free furniture). In 2020, Utah accommodation sales were \$1.7 billion, a 26.2% year-over-year decrease when adjusted for inflation.

The average annual statewide hotel occupancy rate in 2020 (46.7%) was down 26.3% from 2019 (63.4%). Statewide occupancy dropped to its lowest point in April 2020, down 67% from 2019, but had returned to baseline a year later and had once again surpassed 2019 occupancy by the summer of 2021. Average daily hotel room rates (ADRs) and revenue per available room also took a hit during 2020 and were down 15.9% and 35.7%, respectively.

Despite COVID-related impacts to the travel and tourism industry in 2020, 2021 hotel average daily room rates (ADRs) were up in every county except for Salt Lake and Tooele. In fact, Washington, Kane, and Grand County experienced the greatest percent increases in ADR from 2019 to 2021. Statewide hotel occupancy rates returned to 2019 levels beginning in April 2021 and surpassed baseline rates during the following months of June, July, November, and December.

Taxable Accommodations Sales, 2012–2021

(in millions of 2021 dollars)



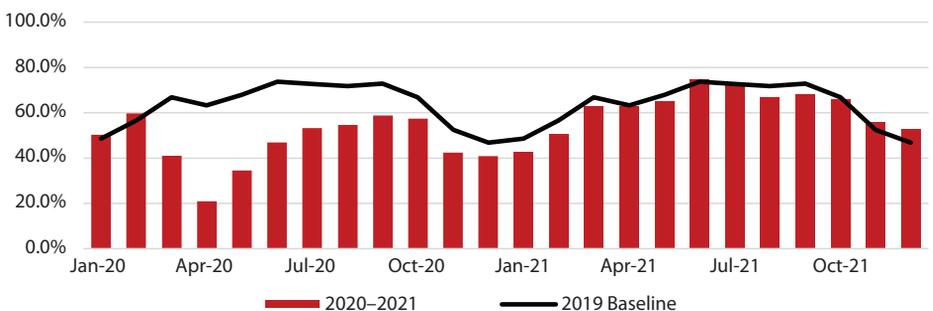
Note: e=estimate
Source: Kern C. Gardner Policy Institute analysis of Utah State Tax Commission data

Year-Over Change in Average Daily Hotel Room Rates by Select Counties, 2019–2021

County	2019	2021	2019–2021
Garfield–San Juan–Wayne	\$124.72	\$135.51	8.7%
Grand	\$146.42	\$173.76	18.7%
Kane	\$193.74	\$232.40	20.0%
Salt Lake	\$114.85	\$101.51	-11.6%
Summit	\$269.73	\$304.12	12.7%
Washington	\$102.96	\$132.25	28.4%

Source: STR, Inc. Republication or other re-use of this data without the express written permission of STR is strictly prohibited.

Year-Over Change in Statewide Hotel Occupancy Rates by Month, 2020–2021 vs. 2019 Baseline



Source: STR, Inc. Republication or other re-use of this data without the express written permission of STR is strictly prohibited.

1. Accommodations include hotels, motels, bed and breakfasts, campgrounds, and similar businesses. Does not include short term rentals (e.g. Airbnb, HomeAway/VRBO, etc.).

Statewide Indicators	2019	2020	Change 2019–2020
Utah Population	3,220,262	3,284,823	2.0%
Employment, All Industries ¹ (Private Sector)	1,306,053	1,290,438	-1.2%
Wages, All Industries ² (Private Sector)	\$65,435	\$70,330	7.5%

Spending, Employment, and Wages (Dollar Amounts Are Millions of Dollars)

Estimated Traveler Spending	\$10,064	\$7,065	-29.8%
Total Tourism-Related Employment ³	141,500	119,600	-15.5%
Total Tourism-Related Wages ⁴	\$5,067	\$4,446	-12.3%
Direct Leisure & Hospitality Employment (Private Sector)	153,443	133,472	-13.0%
Direct Leisure & Hospitality Wages (Private Sector)	\$3,215	\$2,880	-10.4%
Leisure & Hospitality Share of Total Employment (Private Sector)	11.7%	10.3%	-12.0%
Total Leisure & Hospitality Taxable Sales	\$8,646	\$7,369	-14.8%

Utah Accommodations Industry

Hotel/Motel Occupancy Rates ⁵	63.4%	46.7%	-26.3%
Hotel/Motel Average Daily Rate ⁶	\$124.12	\$104.41	-15.9%
Hotel/Motel Revenue Per Available Room ⁷	\$78.32	\$50.33	-35.7%
Accommodations Industry Employment (Private)	21,896	16,987	-22.4%
Accommodations Industry Wages (Private, Millions)	\$613	\$471	-23.2%
Accommodations Taxable Sales (Millions)	\$2,183	\$1,627	-25.5%

Tourism-Related Tax Revenues (Dollar Amounts Are Millions of Dollars)

Total TRCC Tax Revenue	\$78.9	\$76.8	-2.7%
Total TRT Tax Revenue (County & Municipality)	\$83.0	\$77.0	-7.2%
Total Statewide Motor Vehicle Rental Tax	\$7.0	\$6.1	-12.9%
Total Resort Communities Sales Tax	\$28.2	\$28.0	-0.7%

Statewide Visitation Counts

Utah Skier Visits	4,390,831	5,301,766	20.7%
Total National Park Recreation Visits	10,682,894	7,768,944	-27.3%
Arches National Park	1,659,703	1,238,083	-25.4%
Bryce Canyon National Park	2,591,550	1,464,655	-43.5%
Canyonlands National Park	733,996	493,914	-32.7%
Capitol Reef National Park	1,209,376	981,038	-18.9%
Zion National Park	4,488,269	3,591,254	-20.0%
Total National Place Recreation Visits ⁸	6,777,754	4,844,196	-28.5%
Total Utah State Park Recreation Visits (FY)	7,995,632	10,597,513	32.5%
Salt Lake International Airport – Total Passengers	26,818,014	12,559,026	-53.2%

1. Employment includes annual average employee full- and part-time private jobs (does not include sole proprietors).

2. Wages includes annual average full- and part-time employee wages (does not include sole proprietors).

3, 4. *Preliminary data.* Consists of direct, indirect, and induced jobs and wages.

5, 6, 7. Kem C. Gardner Policy Institute analysis of STR, Inc., data; REPUBLICATION OR OTHER RE-USE OF THIS DATA WITHOUT THE EXPRESS WRITTEN PERMISSION OF STR IS STRICTLY PROHIBITED.

8. Visitation data for Flaming Gorge NRA and Bears Ears NM are not included.

Sources: Kem C. Gardner Policy Institute, U.S. Travel Association, Utah Department of Workforce Services, STR, Inc., Bureau of Land Management, Utah State Tax Commission, Utah State Parks, Ski Utah, National Park Service, Utah Office of Tourism, S.L.C. International Airport, and Tourism Economics.