

**The Economic Impact
of Travel on
South Carolina Counties
2017**

A Study Prepared for the
South Carolina Department of Parks, Recreation & Tourism
by the
U.S. Travel Association
Washington, D.C.
September 2018

PREFACE

This study was conducted by the Research Department of the U.S. Travel Association for the **South Carolina Department of Parks, Recreation & Tourism**. The study provides preliminary 2017 estimates of domestic traveler expenditures in South Carolina, as well as the employment, payroll income, and state and local tax revenue directly generated by these expenditures.

Additionally, this study provides estimates of domestic travel expenditures and employment, payroll income, and state and local tax revenue directly generated by domestic travel expenditures for each of 46 counties in South Carolina. For the purpose of comparison, related 2016 impact estimates are also included in this report.

U.S. Travel Association
Washington, D.C.
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INTRODUCTION

This report presents preliminary 2017 estimates of the impact of U.S. resident traveler spending in South Carolina, as well as the employment, payroll income and tax revenue directly generated by this spending. For the purpose of comparison, 2016 impact data are also included in this report.

All estimates of the economic impact of travel contained in this volume are the product of U.S. Travel Association's Travel Economic Impact Model (TEIM), a proprietary economic model developed expressly to indicate the expenditures, employment, payroll, and tax revenue generated by travel away from home in the United States.

The Travel Economic Impact Model (TEIM) was initially developed for the U.S. Department of the Interior to indicate the economic value of travel and tourism to states and counties. The original TEIM has been revised substantially based upon more accurate and targeted input data available from governments and the private sector. A summary of the methodology is provided in Appendix A.

U.S. residents traveling in South Carolina includes both state residents and out-of-state visitors traveling away from home overnight in paid accommodations, or on day or overnight trips to places 50 miles or more away from home. Travel commuting to and from work; travel by those operating an airplane, bus, truck, train or other form of common carrier transportation; military travel on active duty; and travel by students away at school are all excluded from the model. In addition, the payroll and employment estimates represent impact generated in the private sector and exclude public-supported payroll and employment.

Since additional data relating to travel and its economic impact in 2017 will become available subsequent to this study, U.S. Travel Association reserves the right to revise these estimates in the future.

EXECUTIVE SUMMARY

- Domestic travelers directly spent more than \$13.7 billion in South Carolina during 2017, up 5.3 percent from 2016, not adjusted for inflation.
- Domestic travel-supported employees in South Carolina earned nearly \$2.6 billion in payroll income during 2017. This represented a 4.6 percent increase from 2016.
- Domestic traveler expenditures directly supported 127,000 jobs within South Carolina in 2017, a 2.3 percent increase from 2016. These jobs supported by domestic traveler spending in South Carolina composed 6.1 percent of the total state non-agricultural employment in 2017.
- In 2017, every \$108,063 spent by domestic travelers in South Carolina supported one job.
- Domestic traveler spending in South Carolina directly generated over \$2.0 billion in tax revenue for federal, state and local governments in 2017, up 4.1 percent from 2016.
- Horry County received \$4.3 billion in domestic travel expenditures to lead all of South Carolina's 46 counties. Charleston County ranked second with close to \$2.5 billion, followed by Beaufort County with \$1.4 billion.
- Sixteen of South Carolina's 46 counties received over \$100 million in domestic travel expenditures in 2017.
- Fifteen counties in South Carolina indicated one thousand or more jobs were directly supported by domestic travelers during 2017.

TRAVEL IMPACT ON THE U.S. ECONOMY IN 2017

National Summary

After edging up at a seasonally-adjusted annual rate of 1.2 percent during the first quarter of the year, U.S. economic growth accelerated to 3.0 percent growth during the latter three quarters of 2017. As a result, U.S. real GDP increased by 2.2 percent in 2017, which was faster than 2016's 1.6 percent growth.

The improvement in 2017 was largely thanks to upticks in business investment and exports. Business investment increased by 4.7 percent in 2017 (compared to a 0.6 percent decrease in 2016) and exports increased 3.4 percent in 2017 (compared to a 0.3 percent decrease in 2016). Consumer spending remained strong throughout the years, and increased by 2.8 percent, slightly faster than the 2.7 percent increase in 2016. On the other hand, resident investment slowed down to 1.8 percent growth in 2017 (compared to 5.5 percent in 2016) and government spending increased by a meager 0.1 percent (compared to 0.8 percent in 2016).

The economy's strong performance in 2017 was supported by a healthy and fully recovered labor market. Overall nonfarm employment (not seasonally adjusted) grew by 2.3 million in 2017, to 146.6 million. This is less than the 2.5 million jobs added in 2016. Part of 2017's deceleration in job growth was due to the hurricanes that impacted the Southeast in September. In 2017, the economy generated 189,300 jobs per month, on average, which was less than the monthly average of 209,100 in 2016.

The U.S. unemployment rate fell to just 4.4 percent in 2017, the lowest point since it reached 4.0 percent in 2000. Another encouraging sign is that 78.6 percent of Americans in their prime working years (25-54 years) were employed in 2017, the highest share since 2008. A tightening labor market put upward pressure on wages. Average hourly earnings in the private sector increased by 2.7 percent in 2017, the fastest annual pace since 2009.

The Conference Board's consumer confidence ended 2017 at 122.1, a number slightly below the 17-year high reached in November. Optimism in the labor market remained strong and helped boost consumer confidence at the end of 2017. For the year, consumer confidence averaged 120.4 in 2017, up 21 percent from the 2016 average of 99.6.

The Consumer Price Index (CPI), one measure of price levels, increased by 2.1 percent in 2017, up from 1.2 percent in 2016. Excluding food and volatile energy prices, core CPI increased by 1.9 percent.

The cost of travel in 2017, as measured by the U.S. Travel Association's Travel Price Index (TPI), increased by 2.3 percent in 2017, after it remained nearly flat (+0.3%) in 2016. A 12.9 percent increase in motor fuel was tempered by milder price increases in other travel-related components such as lodging as well as recreational and food/beverage services, and a 2.4 percent decline in airline fares.

Table 1: Overall U.S. Economic Indicators, 2015-2017

Sector	2015	2016	2017
Nominal gross domestic product (\$Billions)	18,219.3	18,707.2	19,485.4
Real gross domestic product (\$Billions) *	17,386.7	17,659.2	18,050.7
Real disposable personal income (\$Billions) *	13,366.5	13,595.2	13,949.2
Real personal consumption expenditures (\$Billions) *	11,921.9	12,248.2	12,558.7
Consumer price index**	237.1	240.0	245.1
Travel Price Index**	272.4	273.1	279.4
Nonfarm payroll employment (Millions)	141.8	144.4	146.6
Unemployment rate (%)	5.3	4.9	4.4
Percentage change from previous year			
Nominal gross domestic product	4.0%	2.7%	4.2%
Real gross domestic product	2.9%	1.6%	2.2%
Real disposable personal income	4.1%	1.7%	2.6%
Real personal consumption expenditures	3.7%	2.7%	2.5%
Consumer price index	0.1%	1.2%	2.1%
Travel Price Index	-2.6%	0.3%	2.3%
Non-farm payroll employment	2.1%	1.8%	1.6%

Source: BEA, BLS, U.S. Travel Association

* In chained 2012 dollars

** 1982-84=100

U.S. Travel Volume in 2017

U.S. domestic travel, including leisure and business travel, increased by 1.9 percent to a total of 2.3 billion person-trips in 2017. A person-trip is defined as one person on a trip away from home overnight in paid accommodations, or on a day or overnight trip to places 50 miles or more, one-way, away from home.

Domestic leisure travel, which includes visits to friends and relatives as well as trips taken for outdoor recreation and entertainment purposes, increased 2.1 percent in 2017 to nearly 1.8 billion person-trips and is forecasted to increase 1.9 percent in 2018. Leisure travel accounted for 80 percent of all U.S. domestic travel in 2017. Domestic business travel increased by 1.3 percent in 2017 to 462 million person-trips and is expected to increase 2.1 percent in 2018.

International inbound travelers, including overnight visitors from Canada, Mexico and overseas, made 76.5 million visits to the United States in 2017. Overseas visitor arrivals to the U.S. (from all countries except Canada and Mexico) reached 38.5 million in 2017 and accounted for half of total international arrivals to the United States, according to U.S. Travel Association estimates. Canadian overnight arrivals to the U.S. increased from 19.3 million in 2016 to 20.2 million in 2017

(+4.8%), while Mexican overnight arrivals decreased from 19.0 million in 2016 to 17.8 million in 2017 (-6.1%).

Travel Expenditures in 2017

Total domestic and international travelers spending in the U.S. increased 4.4 percent, growing from \$992 billion in 2016 to \$1,036 billion in 2017, not adjusted for inflation (excluding international airfare payments to the U.S. airlines). The U.S. Travel Association expects total domestic and international traveler expenditures to pick up to 5.0 percent growth in 2018.

Domestic travel expenditures grew 5.2 percent in 2017 to \$880 billion. International traveler spending in the U.S. remained flat (+0.1%) and totaled \$156 billion in 2017. It should be noted here that this traveler spending excludes international airfare payments to U.S. airlines, as well as international visitors' expenses on education, health care and expenditures by cross-border day-trip visitors and seasonal workers. International traveler spending is expected to increase by 4.7 percent in 2018.

International airfare receipts are total passenger fares paid by international residents on U.S. flag air carriers. In 2017, international airfare receipts totaled \$40.6 billion, up 3.4 percent from 2016.

Leisure traveler spending (domestic and international) totaled \$717 billion in 2017, up 4.7 percent from 2016 (not adjusted for inflation). Leisure travelers accounted for 69 percent of all traveler expenditures. Business traveler spending increased 3.7 percent to \$319 billion in 2017.

Table 2: Travel Expenditures - U.S. Nationwide

Category	2016 Spending (\$ Billions)			2017 Spending (\$ Billions)		
	Domestic	Intl.*	Total	Domestic	Intl.*	Total
Public Transportation	\$167.3	\$16.4	\$183.6	\$175.6	\$16.4	\$192.0
Auto Transportation	139.4	1.9	141.4	149.4	1.9	151.4
Lodging	163.8	47.6	211.4	172.3	48.9	221.1
Foodservice	215.9	33.0	248.9	224.8	32.8	257.5
Entertainment & Recreation	88.1	13.5	101.6	93.3	13.5	106.8
General Retail Trade	62.2	43.2	105.4	64.6	42.3	106.9
Total	\$836.6	\$155.6	\$992.3	\$879.9	\$155.8	\$1,035.7

Source: U.S. Travel Association

* Excludes international passenger fare payments.

Travel Employment in 2017

After making a full recovery from the 2007-2009 recession in February 2015, the economy built on its past gains, and a new high of 146.4 million nonfarm jobs was reached in 2017 (based on data from the Labor Department). After peaking at 9.6 percent in 2010, the unemployment rate fell to an average monthly rate of 4.4 percent in 2017, starting at 4.8 percent in January and ending at 4.1 percent in December. The unemployment rate remained at 4.1 percent through March 2018, and then dipped to 3.9 and 3.8 percent in April and May, respectively. It reversed a bit and settled at 4.0 in June 2018, but still remains significantly below the 4.4 percent pre-recession low.

American service industries, of which the travel industry is a part, played a major role in the post-recession jobs recovery, accounting for 86.3 percent of the jobs recovered from 2010 to 2017. The travel industry joined healthcare; administrative services; accommodation and foodservices; and retail trade as one of the leading growth industries in terms of overall jobs created from 2010 to 2017. Travel accounted for 9.0 percent of nonfarm jobs created from 2010 to 2017, despite holding a 6 percent share of all nonfarm jobs in 2017.

In 2017, traveler spending directly supported nearly 8.8 million U.S. jobs, including both full-time and seasonal/part-time positions, up 2.1 percent from 2016. This increase translated into over 182,000 jobs added to the U.S. economy, accounting for 10 percent of total non-farm job growth since 2016.

These 8.8 million travel-generated jobs are a vital part of the U.S. economy. Without these jobs, the 2017 national unemployment rate of 4.4 percent would more than double to 10.0 percent of the civilian labor force.

Table 3: Travel Generated Employment - U.S. Nationwide

Category	2016 Employment (Thousands)			2017 Employment (Thousands)		
	Domestic	Intl.*	Total	Domestic	Intl.*	Total
Public Transportation	966.6	76.7	1,043.3	992.2	76.2	1,068.5
Auto Transportation	294.7	2.4	297.1	299.8	2.4	302.2
Lodging	1,309.3	271.5	1,580.8	1,341.1	276.0	1,617.1
Foodservice	3,048.9	444.9	3,493.7	3,134.5	445.2	3,579.7
Entertainment & Recreation	1,216.7	242.1	1,458.8	1,252.0	239.2	1,491.2
General Retail Trade	371.6	170.2	541.9	373.4	165.0	538.4
Travel Planning	182.2	0.0	182.2	182.6	0.0	182.6
Total	7,390.0	1,207.8	8,597.8	7,575.6	1,204.0	8,779.7

Source: U.S. Travel Association

* Excludes jobs supported by international passenger fare payments.

U.S. Travel Forecast

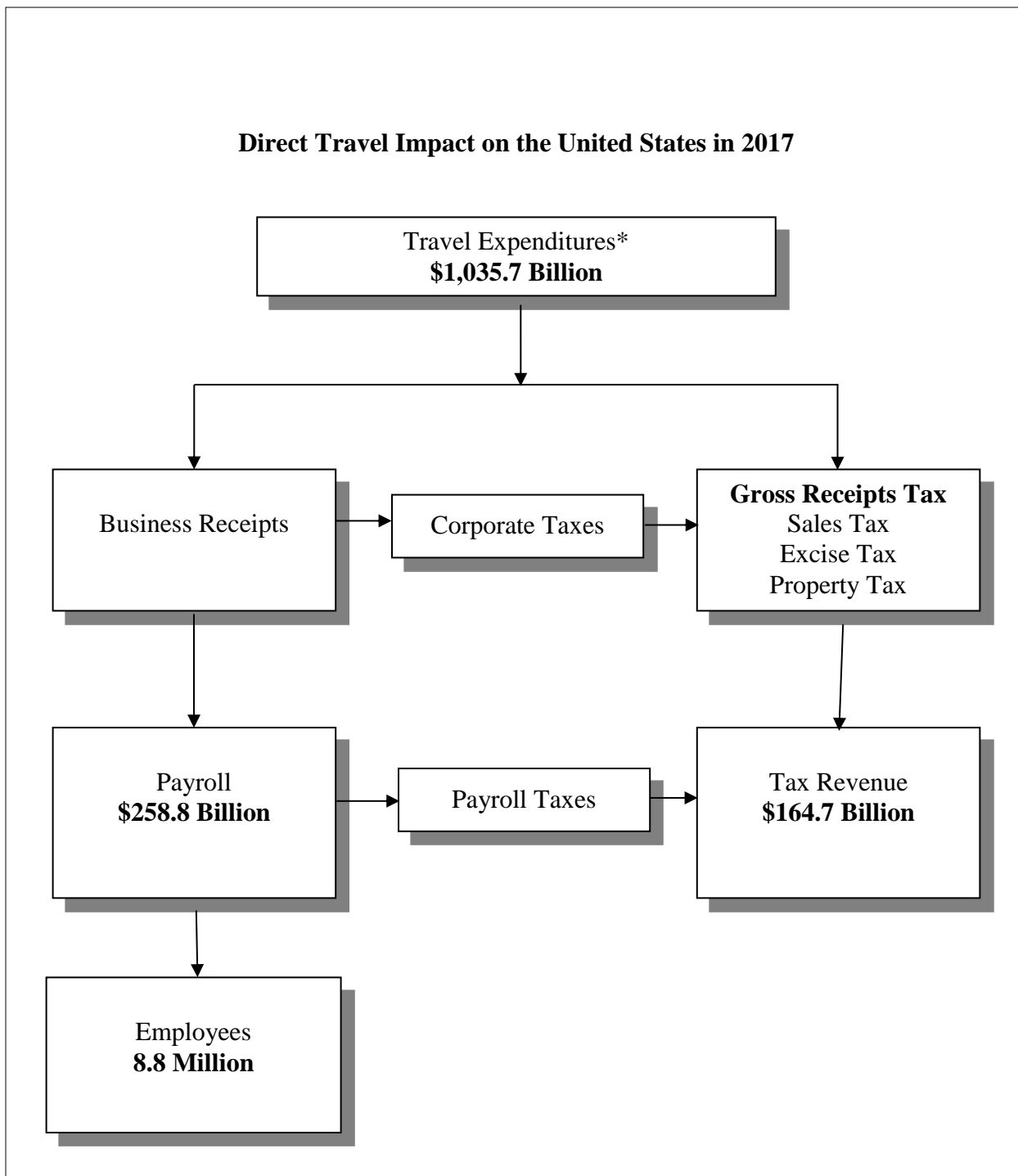
Table 4: U.S. Travel Forecasts

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Nominal GDP (\$ Billions)	18,625	19,391	20,267	20,954	21,626	22,370	23,172
Unemployment Rate (%)	4.9%	4.4%	3.8%	3.6%	3.8%	3.9%	4.0%
Consumer Price Index (CPI)*	240.0	245.1	251.3	256.3	261.3	266.4	271.8
Travel Price Index (TPI)*	273.1	279.4	285.9	289.8	295.3	301.9	307.6
Total Travel Expenditures in U.S. (\$ Billions)	992.3	1,035.7	1,086.8	1,135.1	1,181.2	1,227.9	1,272.2
U.S. Residents	836.6	879.9	924.7	964.5	1,000.7	1,038.1	1,072.9
International Visitors**	155.6	155.8	163.2	171.6	181.6	191.0	200.5
Total International Visitors to the U.S. (Millions)	75.9	76.5	79.2	82.1	85.3	88.6	91.9
Overseas Arrivals to the U.S. (Millions)	37.6	38.5	39.7	41.7	43.7	45.7	47.6
Total Domestic Person-Trips*** (Millions)	2,206.6	2,248.7	2,292.8	2,334.5	2,369.4	2,404.7	2,445.2
Business	456.1	462.0	471.5	479.5	485.6	491.9	499.4
Leisure	1,750.4	1,786.7	1,821.2	1,855.1	1,883.9	1,912.8	1,945.8
Percent Change from Previous Year (%)							
Real GDP	1.5%	2.3%	3.0%	2.3%	1.5%	1.6%	1.8%
Consumer Price Index (CPI)	1.2%	2.1%	2.5%	2.0%	1.9%	2.0%	2.0%
Travel Price Index (TPI)	0.3%	2.3%	2.3%	1.4%	1.9%	2.2%	1.9%
Total Travel Expenditures in U.S.	1.9%	4.4%	5.0%	4.4%	4.1%	4.0%	3.6%
U.S. Residents	2.9%	5.2%	5.1%	4.3%	3.8%	3.7%	3.4%
International Visitors	-2.7%	0.1%	4.7%	5.2%	5.8%	5.2%	5.0%
Total International Visitors to the U.S.	-2.1%	0.8%	3.5%	3.7%	3.9%	3.8%	3.7%
Overseas Arrivals to the U.S.	-2.1%	2.3%	3.2%	5.1%	4.8%	4.5%	4.1%
Total Domestic Person-Trips	1.3%	1.9%	2.0%	1.8%	1.5%	1.5%	1.7%
Business	-0.8%	1.3%	2.1%	1.7%	1.3%	1.3%	1.5%
Leisure	1.8%	2.1%	1.9%	1.9%	1.6%	1.5%	1.7%

Sources: U.S. Travel Association

*1982-84=100.

** International traveler spending does not include international passenger fares.



Source: U.S. Travel Association, BEA

*Does not include international passenger fare payments and other economic impact generated by these payments.

**DOMESTIC TRAVEL IMPACT
ON SOUTH CAROLINA**

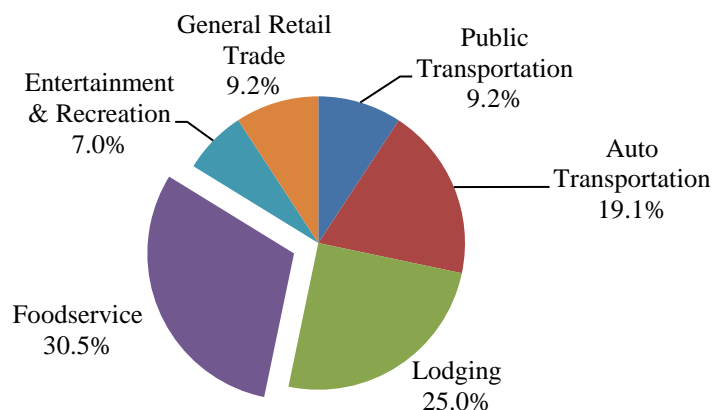
DOMESTIC TRAVEL IMPACT ON SOUTH CAROLINA - 2017

Travel Expenditures

During 2017, domestic travelers to South Carolina spent more than \$13.7 billion on transportation, lodging, food, entertainment and recreation and incidentals, up 5.3 percent from 2016 before any inflation adjustment.

- The foodservice industry received the largest amount of traveler expenditure, registering \$4.2 billion in 2017, up 3.7 percent from 2016. This accounted for 30.5 percent of the state total domestic travel spending.
- The lodging industry, which reached more than \$3.4 billion in 2017 domestic traveler expenditure receipts, is in second position. These expenditures increased 6.2 percent from 2016. Smith Travel Research’s data show that total rooms sold in South Carolina increased 2.2 percent and average room rate in the state was up 4.0 percent in 2017.
- Domestic traveler spending on auto transportation totaled \$2.6 billion in 2017, an increase of 7.4 percent, largely due to gasoline price increases.
- Domestic travelers spent nearly \$1.3 billion on public transportation in South Carolina during 2017, up 7.1 percent compared with 2016.

**Domestic Travel Expenditures in South Carolina
by Industry Sector - 2017**



1. Auto transportation sector includes privately-owned vehicles that are used for trips (e.g., automobiles, trucks, campers or other recreational vehicles), gasoline service stations, and automotive rental.
2. Foodservice sector includes restaurants, grocery stores and other eating and drinking establishments.
3. Public transportation sector comprises air, intercity bus, rail, boat or ship, and taxicab or limousine service.
4. Lodging sector consists of hotels and motels, campgrounds, and ownership or rental of vacation or second homes.
5. General retail trade sector includes gifts, clothes, souvenirs and other incidental retail purchases.
6. Entertainment and recreation sector includes amusement parks and attractions, attendance at nightclubs, movies, legitimate shows, sports events, and other forms of entertainment and recreation while traveling.

Domestic Travel Expenditures

Table 5: Domestic Travel Expenditures in South Carolina by Industry Sector, 2016 and 2017

<i>2017</i>	Expenditures (\$ Millions)	% of Total
Public Transportation	\$1,268.4	9.2%
Auto Transportation	2,616.4	19.1%
Lodging	3,428.2	25.0%
Foodservice	4,188.0	30.5%
Entertainment & Recreation	964.9	7.0%
General Retail Trade	1,262.3	9.2%
Total	\$13,728.4	100.0%
 <i>2016</i>		
Public Transportation	\$1,184.7	9.1%
Auto Transportation	2,435.6	18.7%
Lodging	3,229.2	24.8%
Foodservice	4,036.9	31.0%
Entertainment & Recreation	933.5	7.2%
General Retail Trade	1,215.7	9.3%
Total	\$13,035.6	100.0%
 <i>2017 over 2016</i>		
Public Transportation	7.1%	
Auto Transportation	7.4%	
Lodging	6.2%	
Foodservice	3.7%	
Entertainment & Recreation	3.4%	
General Retail Trade	3.8%	
Total	5.3%	

Source: U.S. Travel Association

DOMESTIC TRAVEL IMPACT ON SOUTH CAROLINA - 2017

Travel-Supported Payroll

Travel-supported payroll is the wage and salary income paid to employees directly serving the traveler within the industry sectors from which these travelers purchase goods and services. Each dollar of travel spending supports different amounts of payroll income within the various travel industry sectors depending on the labor and the wage structure of each sector.

Domestic travel supported payroll income (wages and salaries) reached close to \$2.6 billion in 2017. This represented an increase of 4.6 percent from 2016.

- On average, every dollar spent by domestic travelers produced 18.8 cents in wage and salary income for South Carolina residents in 2017.
- In 2017, the foodservice sector posted the largest payroll generated by domestic traveler spending with nearly \$1.1 billion, accounting for 41.6 percent of the state total domestic travel-generated payroll.
- The lodging sector ranked second with \$586.8 million in domestic travel-supported payroll income, representing 22.7 percent of the state total travel-generated payroll.
- Entertainment and recreation, the third largest contributor at \$425.6 million, accounted for 16.5 percent of the state payroll supported from domestic travel.
- General retail trade posted \$185.9 million in total payroll for a 7.2 percent share of the state's 2017 total domestic travel-supported payroll.

**Domestic Travel-Supported Payroll in South Carolina
by Industry Sector - 2017**

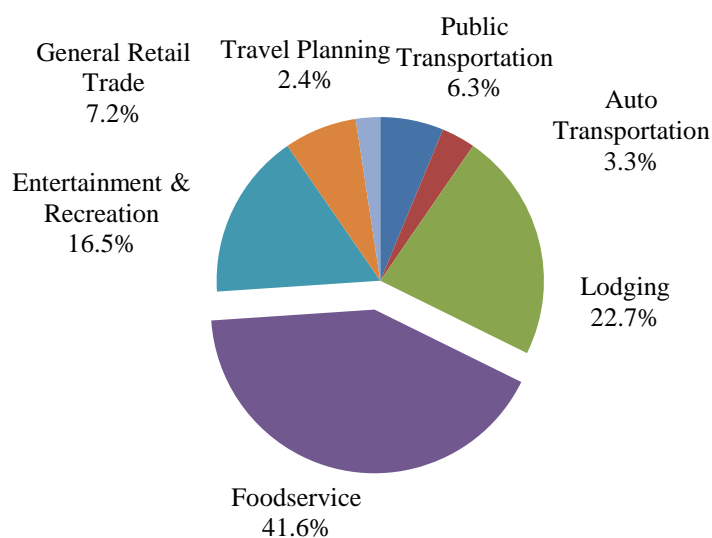


Table 6: Domestic Travel-Supported Payroll in South Carolina by Industry Sector, 2016 and 2017

2017	Payroll (\$ Millions)	% of Total
Public Transportation	\$162.0	6.3%
Auto Transportation	86.1	3.3%
Lodging	586.8	22.7%
Foodservice	1,076.6	41.6%
Entertainment & Recreation	425.6	16.5%
General Retail Trade	185.9	7.2%
Travel Planning*	62.3	2.4%
Total	\$2,585.2	100.0%
2016		
Public Transportation	\$161.6	6.5%
Auto Transportation	85.2	3.4%
Lodging	545.9	22.1%
Foodservice	1,029.7	41.7%
Entertainment & Recreation	409.9	16.6%
General Retail Trade	179.5	7.3%
Travel Planning*	59.2	2.4%
Total	\$2,470.8	100.0%
2017 over 2016		
Public Transportation	0.3%	
Auto Transportation	1.1%	
Lodging	7.5%	
Foodservice	4.6%	
Entertainment & Recreation	3.8%	
General Retail Trade	3.6%	
Travel Planning*	5.3%	
Total	4.6%	

Source: U.S. Travel Association

Note: * Refers to payroll income that goes to travel agents, tour operators, and other travel service employees who arrange passenger transportation, lodging, tours and other related services.

DOMESTIC TRAVEL IMPACT ON SOUTH CAROLINA - 2017

Travel-Supported Employment

The most impressive contribution that travel and tourism makes to the South Carolina economy is the number of businesses and jobs it supports. These jobs include a large number of executive and managerial positions, as well as service-oriented occupations.

During 2017, domestic traveler spending in South Carolina supported 127,000 jobs, including full-time and seasonal/part-time positions in the state, an increase of 2.3 percent from 2016. In 2017, every \$108,063 spent by domestic travelers in South Carolina directly supported one job.

- The 127,000 jobs generated by domestic travel in South Carolina composed 6.1 percent of the state's total non-agricultural employment during 2017. Without these jobs supported by domestic travel, South Carolina's 2017 unemployment rate of 4.3 percent would have been 5.5 percentage points higher, or the equivalent of 9.8 percent of the labor force.
- The foodservice sector, which includes restaurants and other eating and drinking places, provided more jobs than any other industry sector. During 2017, domestic traveler spending in this sector supported 66,000 jobs, accounting for over half of the state total jobs supported by domestic travel. The labor-intensiveness of these businesses and the large proportion of travel expenditures spent on food service together contribute to the importance of this sector.
- Domestic travel-supported employment in the lodging sector reached 24,000 jobs in 2017, which accounts for 18.9 percent of South Carolina's total jobs generated by domestic travel in 2017.

**Domestic Travel-Supported Employment
in South Carolina by Industry Sector - 2017**

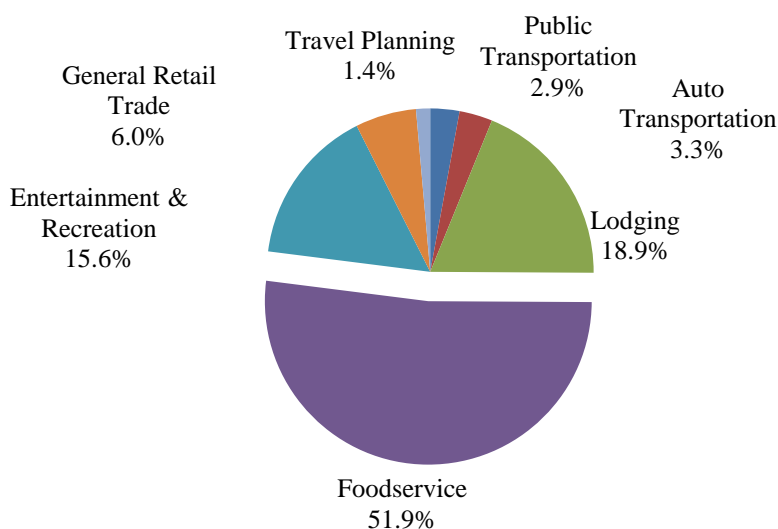


Table 7: Domestic Travel-Supported Employment in South Carolina by Industry Sector, 2016 and 2017

<i>2017</i>	Employment (Thousands)	% of Total
Public Transportation	3.7	2.9%
Auto Transportation	4.2	3.3%
Lodging	24.0	18.9%
Foodservice	66.0	51.9%
Entertainment & Recreation	19.8	15.6%
General Retail Trade	7.7	6.0%
Travel Planning*	1.8	1.4%
Total	127.0	100.0%
<i>2016</i>		
Public Transportation	3.5	2.9%
Auto Transportation	4.1	3.3%
Lodging	23.5	18.9%
Foodservice	64.4	51.8%
Entertainment & Recreation	19.3	15.5%
General Retail Trade	7.7	6.2%
Travel Planning*	1.7	1.4%
Total	124.2	100.0%
<i>2017 over 2016</i>		
Public Transportation	3.5%	
Auto Transportation	0.9%	
Lodging	2.4%	
Foodservice	2.5%	
Entertainment & Recreation	2.7%	
General Retail Trade	-1.0%	
Travel Planning*	2.9%	
Total	2.3%	

Source: U.S. Travel Association

Note: * Refers to jobs created in travel arrangement firms such as travel agencies, wholesale and retail tour companies, and other travel-related service businesses.

DOMESTIC TRAVEL IMPACT ON SOUTH CAROLINA – 2017

Travel-Generated Tax Revenue

Travel tax receipts are the federal, state and local tax revenues attributable to travel spending in South Carolina. Travel-generated tax revenue is a significant economic benefit, as governments use these funds to support the travel infrastructure and help support a variety of public programs.

- In 2017, total tax revenue generated by domestic traveler spending in South Carolina reached \$2.0 billion, up 4.1 percent from 2016. On average, each travel dollar spent by domestic travelers in South Carolina produced 14.7 cents in tax receipts for federal, state and local governments in 2017.
- Domestic traveler spending in South Carolina generated \$788.7 million for the federal government in 2017, up 4.9 percent from 2016. The \$788.7 million represents 39.1 percent of all domestic travel-generated tax collections in the state. Each dollar spent by domestic travelers in South Carolina produced 5.7 cents for federal tax coffers.
- Spending by domestic travelers in South Carolina also generated \$815.4 million in tax revenue for the state treasury through state sales and excise taxes, and taxes on personal and corporate income. This composed 40.4 percent of all domestic travel-generated tax revenue for 2017 collected in the state. On average, each domestic travel dollar produced 5.9 cents in state tax receipts. Total tax revenue generated by domestic travel for South Carolina state government increased 3.8 percent from 2016.
- Local governments in South Carolina directly benefited from domestic travel as well. During 2017, domestic travel spending generated \$414.5 million in sales and property tax revenue for the local governments, 20.5 percent of total domestic travel-generated tax revenue in the state. Each travel dollar produced 3.0 cents for local tax coffers.

**Domestic Travel-Generated Tax Revenue
in South Carolina by Level of Government - 2017**

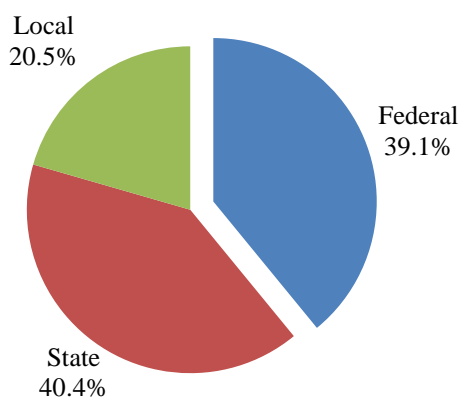


Table 8: Domestic Travel-Generated Tax Revenue in South Carolina by Level of Government, 2016 and 2017

<i>2017</i>	Tax Revenue (\$ Millions)	% of Total
Federal Tax	\$788.7	39.1%
State tax	815.4	40.4%
Local Tax	414.5	20.5%
Total	\$2,018.5	100.0%
<i>2016</i>		
Federal Tax	\$751.6	38.8%
State tax	785.2	40.5%
Local Tax	401.7	20.7%
Total	\$1,938.5	100.0%
<i>2017 over 2016</i>		
Federal Tax	4.9%	
State tax	3.8%	
Local Tax	3.2%	
Total	4.1%	

Source: U.S. Travel Association

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**DOMESTIC TRAVEL IMPACT
ON SOUTH CAROLINA COUNTIES**

DOMESTIC TRAVEL IMPACT ON SOUTH CAROLINA COUNTIES, 2017

Domestic travelers spent over \$13.7 billion while traveling in South Carolina during 2017, up 5.3 percent from 2016.

The top five counties in South Carolina received \$10.1 billion in direct domestic travel expenditures, 73.4 percent of the state total. Domestic travel spending in the top five counties supported nearly \$2.0 billion in payroll (76.1 percent of the state total) and 98,500 jobs (77.6 percent of the state total) in 2017.

Additionally, domestic travel expenditures in the top five counties generated \$599.5 million in tax revenue for the state treasury (up 4.2 percent from 2016 and comprising 73.5 percent of the state total) and \$312.5 million in tax revenue for local governments (75.4 percent of the state total) during 2017.

Domestic Travel Impact in Top 5 Counties

Horry County, which includes the resort area of Myrtle Beach, led all counties in travel expenditures, payroll income and jobs directly generated by domestic traveler spending in 2017. Domestic travel expenditures in Horry County reached \$4.3 billion, accounting for 31.4 percent of the state total. These expenditures supported \$821.0 million in payroll income (a 5.8 percent increase from the previous year) and 42,600 jobs for area residents.

Charleston County ranked second with \$2.5 billion in domestic traveler spending in 2017, representing 17.9 percent of the state total. The payroll income and jobs directly attributable to domestic traveler spending reached \$485.6 million and 24,300 jobs.

Beaufort County, which includes the resort area of Hilton Head Island, posted \$1.4 billion in domestic traveler expenditures to rank third or 10.0 percent of the state total. These expenditures supported \$261.6 million in payroll as well as 14,200 jobs within the county.

Greenville County received nearly \$1.3 billion from domestic travelers, 9.1 percent of the state total, to rank fourth in the state. These domestic travel expenditures benefited area residents with \$272.9 million in wages and salaries and 10,600 jobs.

Richland County ranked fifth with \$684.6 million in domestic travel expenditures in 2017 or 5.0 percent of the state total. These expenditures by domestic travelers supported \$125.7 million in payroll income and 6,900 thousand jobs for the area residents.

Table 9: Domestic Travel Impact in South Carolina - Top 5 Counties, 2016 and 2017

2017 Impact

County	Expenditures (\$ Millions)	Payroll (\$ Millions)	Employment (Thousands)	State Tax Receipts (\$ Millions)	Local Tax Receipts (\$ Millions)
HORRY	\$4,306.8	\$821.0	42.6	\$270.0	\$156.8
CHARLESTON	2,454.7	485.6	24.3	145.1	79.0
BEAUFORT	1,374.8	261.6	14.2	84.9	41.2
GREENVILLE	1,250.5	272.9	10.6	55.2	19.5
RICHLAND	684.6	125.7	6.9	44.3	16.0
Top Five County Total	\$10,071.4	\$1,966.7	98.5	\$599.5	\$312.5
State Total	\$13,728.4	\$2,585.2	127.0	\$815.4	\$414.5
Share of Top 5 Counties	73.4%	76.1%	77.6%	73.5%	75.4%
HORRY	\$4,081.5	\$776.2	41.4	\$258.3	\$152.2
CHARLESTON	2,318.3	462.7	23.7	138.8	76.2
BEAUFORT	1,304.3	249.6	13.8	80.9	39.6
GREENVILLE	1,187.2	263.7	10.3	53.5	18.8
RICHLAND	663.3	122.1	6.9	43.7	16.0
Top Five County Total	\$9,554.6	\$1,874.3	96.2	\$575.3	\$302.7
State Total	\$13,035.6	\$2,470.8	124.2	\$785.2	\$401.7
Share of Top 5 Counties	73.3%	75.9%	77.4%	73.3%	75.3%
Percent Change					
2017 over 2016					
HORRY	5.5%	5.8%	2.8%	4.5%	3.0%
CHARLESTON	5.9%	4.9%	2.4%	4.5%	3.8%
BEAUFORT	5.4%	4.8%	2.3%	4.9%	4.1%
GREENVILLE	5.3%	3.5%	2.3%	3.1%	3.5%
RICHLAND	3.2%	2.9%	0.6%	1.4%	0.5%
Top Five County Total	5.4%	4.9%	2.4%	4.2%	3.2%
State Total	5.3%	4.6%	2.3%	3.8%	3.2%

Source: U.S. Travel Association

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COUNTY TABLES

The following tables list the results of the County Economic Impact Component of the U.S. Travel Association's Travel Economic Impact Model for South Carolina in 2017 and 2016. The estimates presented are for direct domestic travel expenditures and related economic impact.

- Table A shows the counties listed alphabetically, with 2017 travel expenditures, travel-generated payroll and employment, and state tax revenue and local tax revenue for each.
- Table B ranks the counties in order of 2017 travel expenditures from highest to lowest.
- Table C shows the percent distribution for each impact measure in 2017.
- Table D shows the percent change in 2017 over 2016 estimates for each of the measures of economic impact.
- Table E shows the counties listed alphabetically, with 2016 travel expenditures, travel-generated payroll and employment, and state tax revenue and local tax revenue for each.

Table A: Alphabetical by County, 2017

2017 Impact of Travel on South Carolina					
Table A: Alphabetical by County, 2017					
<u>County</u>	<u>Expenditures (\$ Millions)</u>	<u>Payroll (\$ Millions)</u>	<u>Employment (Thousands)</u>	<u>State Tax Receipts (\$ Millions)</u>	<u>Local Tax Receipts (\$ Millions)</u>
ABBEVILLE	\$7.37	\$1.01	0.05	\$0.46	\$0.49
AIKEN	132.46	21.68	1.01	7.62	2.69
ALLENDALE	4.13	0.61	0.03	0.29	0.15
ANDERSON	179.68	26.35	1.40	12.60	4.92
BAMBERG	6.88	0.96	0.05	0.47	0.21
BARNWELL	9.97	1.52	0.08	0.66	0.26
BEAUFORT	1,374.80	261.57	14.17	84.86	41.22
BERKELEY	137.16	22.91	1.10	9.21	4.59
CALHOUN	3.30	0.43	0.02	0.21	0.20
CHARLESTON	2,454.68	485.60	24.31	145.09	79.02
CHEROKEE	42.53	7.47	0.39	2.89	0.88
CHESTER	24.63	3.97	0.21	1.68	0.43
CHESTERFIELD	18.56	2.92	0.16	1.29	0.70
CLARENDON	54.00	7.73	0.37	3.41	3.56
COLLETON	118.77	21.58	1.09	7.72	3.49
DARLINGTON	36.32	5.40	0.28	2.64	1.01
DILLON	42.42	7.82	0.42	2.89	1.05
DORCHESTER	98.21	17.31	0.85	7.04	1.88
EDGEFIELD	9.20	1.33	0.06	0.67	0.38
FAIRFIELD	14.15	2.11	0.10	0.88	0.86
FLORENCE	321.42	59.66	2.67	18.01	7.59
GEORGETOWN	360.46	63.07	3.30	22.34	15.02
GREENVILLE	1,250.47	272.85	10.56	55.19	19.46
GREENWOOD	53.43	8.87	0.46	3.67	1.17
HAMPTON	13.61	2.34	0.12	0.91	0.27
HORRY	4,306.77	821.05	42.56	270.04	156.75
JASPER	68.32	13.01	0.71	4.49	2.26

Table A: Alphabetical by County, 2017

2017 Impact of Travel on South Carolina					
Table A: Alphabetical by County, 2017 (Continued)					
<u>County</u>	<u>Expenditures (\$ Millions)</u>	<u>Payroll (\$ Millions)</u>	<u>Employment (Thousands)</u>	<u>State Tax Receipts (\$ Millions)</u>	<u>Local Tax Receipts (\$ Millions)</u>
KERSHAW	55.59	8.74	0.42	3.70	2.49
LANCASTER	32.39	5.15	0.27	2.10	0.86
LAURENS	53.43	8.40	0.39	3.50	2.48
LEE	5.12	0.65	0.04	0.35	0.19
LEXINGTON	576.76	102.99	3.45	21.27	11.92
MCCORMICK	8.24	1.52	0.09	0.50	0.25
MARION	13.08	1.72	0.09	0.89	0.53
MARLBORO	11.78	1.85	0.09	0.77	0.34
NEWBERRY	35.21	5.27	0.25	2.30	1.83
OCONEE	64.29	9.92	0.48	4.22	3.30
ORANGEBURG	149.36	25.41	1.34	9.76	4.99
PICKENS	111.08	20.10	0.94	7.39	3.54
RICHLAND	684.62	125.67	6.95	44.32	16.04
SALUDA	4.39	0.51	0.02	0.29	0.26
SPARTANBURG	421.98	63.90	2.49	22.17	6.56
SUMTER	89.81	15.82	0.79	6.15	2.10
UNION	12.78	2.00	0.10	0.93	0.20
WILLIAMSBURG	9.71	1.15	0.06	0.72	0.30
<u>YORK</u>	<u>245.04</u>	<u>43.33</u>	<u>2.25</u>	<u>16.83</u>	<u>5.79</u>
State Totals	\$13,728.37	\$2,585.25	127.04	\$815.38	\$414.48

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Table B: Ranking of Counties by Expenditure Levels, 2017

2017 Impact of Travel on South Carolina					
Table B: Ranking of Counties by Expenditure Levels, 2017					
<u>County</u>	<u>Expenditures (\$ Millions)</u>	<u>Payroll (\$ Millions)</u>	<u>Employment (Thousands)</u>	<u>State Tax Receipts (\$ Millions)</u>	<u>Local Tax Receipts (\$ Millions)</u>
HORRY	\$4,306.77	\$821.05	42.56	\$270.04	\$156.75
CHARLESTON	2,454.68	485.60	24.31	145.09	79.02
BEAUFORT	1,374.80	261.57	14.17	84.86	41.22
GREENVILLE	1,250.47	272.85	10.56	55.19	19.46
RICHLAND	684.62	125.67	6.95	44.32	16.04
LEXINGTON	576.76	102.99	3.45	21.27	11.92
SPARTANBURG	421.98	63.90	2.49	22.17	6.56
GEORGETOWN	360.46	63.07	3.30	22.34	15.02
FLORENCE	321.42	59.66	2.67	18.01	7.59
YORK	245.04	43.33	2.25	16.83	5.79
ANDERSON	179.68	26.35	1.40	12.60	4.92
ORANGEBURG	149.36	25.41	1.34	9.76	4.99
BERKELEY	137.16	22.91	1.10	9.21	4.59
AIKEN	132.46	21.68	1.01	7.62	2.69
COLLETON	118.77	21.58	1.09	7.72	3.49
PICKENS	111.08	20.10	0.94	7.39	3.54
DORCHESTER	98.21	17.31	0.85	7.04	1.88
SUMTER	89.81	15.82	0.79	6.15	2.10
JASPER	68.32	13.01	0.71	4.49	2.26
OCONEE	64.29	9.92	0.48	4.22	3.30
KERSHAW	55.59	8.74	0.42	3.70	2.49
CLARENDON	54.00	7.73	0.37	3.41	3.56
GREENWOOD	53.43	8.87	0.46	3.67	1.17
LAURENS	53.43	8.40	0.39	3.50	2.48
CHEROKEE	42.53	7.47	0.39	2.89	0.88
DILLON	42.42	7.82	0.42	2.89	1.05
DARLINGTON	36.32	5.40	0.28	2.64	1.01

Table B: Ranking of Counties by Expenditure Levels, 2017

2017 Impact of Travel on South Carolina						
Table B: Ranking of Counties by Expenditure Levels, 2017 (Continued)						
<u>County</u>	<u>Expenditures (\$ Millions)</u>	<u>Payroll (\$ Millions)</u>	<u>Employment (Thousands)</u>	<u>State Tax Receipts (\$ Millions)</u>	<u>Local Tax Receipts (\$ Millions)</u>	
NEWBERRY	35.21	5.27	0.25	2.30	1.83	
LANCASTER	32.39	5.15	0.27	2.10	0.86	
CHESTER	24.63	3.97	0.21	1.68	0.43	
CHESTERFIELD	18.56	2.92	0.16	1.29	0.70	
FAIRFIELD	14.15	2.11	0.10	0.88	0.86	
HAMPTON	13.61	2.34	0.12	0.91	0.27	
MARION	13.08	1.72	0.09	0.89	0.53	
UNION	12.78	2.00	0.10	0.93	0.20	
MARLBORO	11.78	1.85	0.09	0.77	0.34	
BARNWELL	9.97	1.52	0.08	0.66	0.26	
WILLIAMSBURG	9.71	1.15	0.06	0.72	0.30	
EDGEFIELD	9.20	1.33	0.06	0.67	0.38	
MCCORMICK	8.24	1.52	0.09	0.50	0.25	
ABBEVILLE	7.37	1.01	0.05	0.46	0.49	
BAMBERG	6.88	0.96	0.05	0.47	0.21	
LEE	5.12	0.65	0.04	0.35	0.19	
SALUDA	4.39	0.51	0.02	0.29	0.26	
ALLENDALE	4.13	0.61	0.03	0.29	0.15	
<u>CALHOUN</u>	<u>3.30</u>	<u>0.43</u>	<u>0.02</u>	<u>0.21</u>	<u>0.20</u>	
State Totals	\$13,728.37	\$2,585.25	127.04	\$815.38	\$414.48	

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Table C: Percent Distribution by County, 2017

2017 Impact of Travel on South Carolina					
Table C: Percent Distribution by County, 2017					
<u>County</u>	<u>Expenditures</u>	<u>Payroll</u>	<u>Employment</u>	<u>State Tax Receipts</u>	<u>Local Tax Receipts</u>
ABBEVILLE	0.05%	0.04%	0.04%	0.06%	0.12%
AIKEN	0.96%	0.84%	0.79%	0.93%	0.65%
ALLENDALE	0.03%	0.02%	0.03%	0.04%	0.04%
ANDERSON	1.31%	1.02%	1.10%	1.54%	1.19%
BAMBERG	0.05%	0.04%	0.04%	0.06%	0.05%
BARNWELL	0.07%	0.06%	0.06%	0.08%	0.06%
BEAUFORT	10.01%	10.12%	11.16%	10.41%	9.94%
BERKELEY	1.00%	0.89%	0.86%	1.13%	1.11%
CALHOUN	0.02%	0.02%	0.02%	0.03%	0.05%
CHARLESTON	17.88%	18.78%	19.13%	17.79%	19.07%
CHEROKEE	0.31%	0.29%	0.30%	0.35%	0.21%
CHESTER	0.18%	0.15%	0.17%	0.21%	0.10%
CHESTERFIELD	0.14%	0.11%	0.12%	0.16%	0.17%
CLARENDON	0.39%	0.30%	0.29%	0.42%	0.86%
COLLETON	0.87%	0.83%	0.86%	0.95%	0.84%
DARLINGTON	0.26%	0.21%	0.22%	0.32%	0.24%
DILLON	0.31%	0.30%	0.33%	0.35%	0.25%
DORCHESTER	0.72%	0.67%	0.67%	0.86%	0.45%
EDGEFIELD	0.07%	0.05%	0.05%	0.08%	0.09%
FAIRFIELD	0.10%	0.08%	0.08%	0.11%	0.21%
FLORENCE	2.34%	2.31%	2.10%	2.21%	1.83%
GEORGETOWN	2.63%	2.44%	2.60%	2.74%	3.62%
GREENVILLE	9.11%	10.55%	8.31%	6.77%	4.70%
GREENWOOD	0.39%	0.34%	0.36%	0.45%	0.28%
HAMPTON	0.10%	0.09%	0.09%	0.11%	0.06%
HORRY	31.37%	31.76%	33.50%	33.12%	37.82%
JASPER	0.50%	0.50%	0.56%	0.55%	0.54%

Table C: Percent Distribution by County, 2017

2017 Impact of Travel on South Carolina					
Table C: Percent Distribution by County, 2017 (Continued)					
<u>County</u>	<u>Expenditures</u>	<u>Payroll</u>	<u>Employment</u>	<u>State Tax Receipts</u>	<u>Local Tax Receipts</u>
KERSHAW	0.40%	0.34%	0.33%	0.45%	0.60%
LANCASTER	0.24%	0.20%	0.21%	0.26%	0.21%
LAURENS	0.39%	0.33%	0.31%	0.43%	0.60%
LEE	0.04%	0.03%	0.03%	0.04%	0.05%
LEXINGTON	4.20%	3.98%	2.71%	2.61%	2.88%
MCCORMICK	0.06%	0.06%	0.07%	0.06%	0.06%
MARION	0.10%	0.07%	0.07%	0.11%	0.13%
MARLBORO	0.09%	0.07%	0.07%	0.09%	0.08%
NEWBERRY	0.26%	0.20%	0.20%	0.28%	0.44%
OCONEE	0.47%	0.38%	0.38%	0.52%	0.80%
ORANGEBURG	1.09%	0.98%	1.05%	1.20%	1.20%
PICKENS	0.81%	0.78%	0.74%	0.91%	0.86%
RICHLAND	4.99%	4.86%	5.47%	5.44%	3.87%
SALUDA	0.03%	0.02%	0.01%	0.04%	0.06%
SPARTANBURG	3.07%	2.47%	1.96%	2.72%	1.58%
SUMTER	0.65%	0.61%	0.62%	0.75%	0.51%
UNION	0.09%	0.08%	0.08%	0.11%	0.05%
WILLIAMSBURG	0.07%	0.04%	0.05%	0.09%	0.07%
<u>YORK</u>	<u>1.78%</u>	<u>1.68%</u>	<u>1.77%</u>	<u>2.06%</u>	<u>1.40%</u>
State Totals	100.00%	100.00%	100.00%	100.00%	100.00%

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Table D: Percent Change over 2016

2017 Impact of Travel on South Carolina					
Table D: Percent Change over 2016					
<u>County</u>	<u>Expenditures</u>	<u>Payroll</u>	<u>Employment</u>	<u>State Tax Receipts</u>	<u>Local Tax Receipts</u>
ABBEVILLE	3.84%	3.75%	1.04%	3.12%	1.45%
AIKEN	5.04%	4.80%	2.70%	3.52%	2.98%
ALLENDALE	2.65%	0.29%	-1.84%	-1.24%	-1.21%
ANDERSON	4.73%	4.01%	1.62%	2.10%	1.95%
BAMBERG	5.10%	4.58%	2.03%	3.28%	2.67%
BARNWELL	3.32%	2.60%	0.28%	1.45%	0.58%
BEAUFORT	5.41%	4.81%	2.32%	4.86%	4.06%
BERKELEY	5.78%	5.59%	2.70%	4.52%	3.92%
CALHOUN	5.51%	4.08%	1.87%	2.81%	2.94%
CHARLESTON	5.88%	4.95%	2.40%	4.51%	3.77%
CHEROKEE	4.34%	3.78%	1.35%	1.79%	1.49%
CHESTER	-1.15%	-1.61%	-3.34%	-3.12%	-5.08%
CHESTERFIELD	4.91%	4.29%	1.84%	2.01%	2.14%
CLARENDON	3.25%	3.62%	1.39%	2.58%	0.54%
COLLETON	4.21%	3.85%	1.11%	3.02%	1.95%
DARLINGTON	4.31%	2.80%	0.28%	0.99%	1.23%
DILLON	3.64%	2.79%	0.32%	1.24%	0.75%
DORCHESTER	6.67%	5.93%	3.30%	3.96%	4.52%
EDGEFIELD	3.64%	0.75%	-1.42%	-0.90%	-0.08%
FAIRFIELD	1.47%	2.25%	0.36%	0.75%	-1.00%
FLORENCE	3.11%	1.52%	-0.18%	1.60%	0.81%
GEORGETOWN	8.23%	7.17%	4.12%	7.92%	8.12%
GREENVILLE	5.33%	3.47%	2.35%	3.11%	3.48%
GREENWOOD	4.68%	3.25%	1.12%	2.10%	2.09%
HAMPTON	8.22%	6.93%	3.59%	6.13%	6.51%
HORRY	5.52%	5.78%	2.77%	4.54%	3.00%
JASPER	4.42%	3.80%	1.52%	3.25%	2.01%

Table D: Percent Change over 2016

2017 Impact of Travel on South Carolina
Table D: Percent Change over 2016 (Continued)

<u>County</u>	<u>Expenditures</u>	<u>Payroll</u>	<u>Employment</u>	<u>State Tax Receipts</u>	<u>Local Tax Receipts</u>
KERSHAW	4.40%	3.78%	1.36%	3.14%	2.34%
LANCASTER	1.66%	0.81%	-1.08%	0.47%	-1.04%
LAURENS	5.33%	4.50%	2.53%	4.11%	2.98%
LEE	5.45%	4.87%	2.51%	2.82%	2.90%
LEXINGTON	5.36%	2.34%	1.33%	1.06%	2.29%
MCCORMICK	3.89%	3.89%	1.44%	3.09%	1.48%
MARION	-0.23%	-1.85%	-4.19%	-2.32%	-3.62%
MARLBORO	5.09%	4.15%	1.78%	2.76%	2.53%
NEWBERRY	5.15%	5.19%	2.44%	3.63%	2.72%
OCONEE	4.13%	3.77%	1.07%	3.25%	2.93%
ORANGEBURG	5.22%	4.35%	2.36%	3.85%	2.84%
PICKENS	5.65%	5.40%	2.86%	4.36%	3.57%
RICHLAND	3.22%	2.93%	0.65%	1.43%	0.51%
SALUDA	2.82%	2.31%	-0.08%	0.58%	-0.12%
SPARTANBURG	3.93%	1.05%	-0.44%	-0.44%	-0.02%
SUMTER	2.17%	1.12%	-1.63%	-0.35%	-1.10%
UNION	5.55%	3.98%	1.71%	1.34%	3.05%
WILLIAMSBURG	3.08%	1.00%	-1.35%	-0.52%	-0.43%
<u>YORK</u>	<u>8.04%</u>	<u>7.49%</u>	<u>4.80%</u>	<u>5.84%</u>	<u>6.74%</u>
State Totals	5.31%	4.63%	2.26%	3.85%	3.17%

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Table E: Alphabetical by County, 2016

2016 Impact of Travel on South Carolina					
Table E: Alphabetical by County, 2016					
<u>County</u>	<u>Expenditures</u> <u>(\$ Millions)</u>	<u>Payroll</u> <u>(\$ Millions)</u>	<u>Employment</u> <u>(Thousands)</u>	<u>State Tax</u> <u>Receipts</u> <u>(\$ Millions)</u>	<u>Local Tax</u> <u>Receipts</u> <u>(\$ Millions)</u>
ABBEVILLE	\$7.10	\$0.98	0.05	\$0.45	\$0.49
AIKEN	126.10	20.69	0.98	7.36	2.61
ALLENDALE	4.02	0.61	0.04	0.29	0.15
ANDERSON	171.55	25.34	1.38	12.34	4.83
BAMBERG	6.55	0.92	0.05	0.45	0.21
BARNWELL	9.65	1.48	0.08	0.65	0.25
BEAUFORT	1,304.26	249.57	13.85	80.92	39.61
BERKELEY	129.67	21.70	1.07	8.81	4.42
CALHOUN	3.13	0.41	0.02	0.21	0.20
CHARLESTON	2,318.26	462.71	23.74	138.83	76.15
CHEROKEE	40.76	7.19	0.38	2.84	0.87
CHESTER	24.91	4.04	0.22	1.74	0.46
CHESTERFIELD	17.70	2.80	0.15	1.26	0.69
CLARENDON	52.30	7.46	0.37	3.32	3.54
COLLETON	113.97	20.78	1.08	7.49	3.42
DARLINGTON	34.82	5.26	0.28	2.61	1.00
DILLON	40.93	7.60	0.42	2.85	1.04
DORCHESTER	92.07	16.34	0.82	6.77	1.79
EDGEFIELD	8.88	1.32	0.06	0.67	0.38
FAIRFIELD	13.95	2.06	0.10	0.87	0.87
FLORENCE	311.72	58.77	2.68	17.73	7.53
GEORGETOWN	333.04	58.85	3.17	20.70	13.89
GREENVILLE	1,187.25	263.71	10.31	53.52	18.81
GREENWOOD	51.04	8.59	0.46	3.60	1.14
HAMPTON	12.58	2.19	0.12	0.86	0.25
HORRY	4,081.53	776.20	41.41	258.32	152.18
JASPER	65.42	12.54	0.70	4.35	2.21

Table E: Alphabetical by County, 2016

2016 Impact of Travel on South Carolina					
Table E: Alphabetical by County, 2016 (Continued)					
<u>County</u>	<u>Expenditures</u> <u>(\$ Millions)</u>	<u>Payroll</u> <u>(\$ Millions)</u>	<u>Employment</u> <u>(Thousands)</u>	<u>State Tax</u> <u>Receipts</u> <u>(\$ Millions)</u>	<u>Local Tax</u> <u>Receipts</u> <u>(\$ Millions)</u>
KERSHAW	53.25	8.42	0.42	3.59	2.43
LANCASTER	31.86	5.11	0.28	2.09	0.87
LAURENS	50.72	8.04	0.38	3.36	2.41
LEE	4.86	0.62	0.04	0.34	0.19
LEXINGTON	547.42	100.63	3.40	21.05	11.66
MCCORMICK	7.93	1.47	0.09	0.49	0.24
MARION	13.11	1.75	0.09	0.92	0.55
MARLBORO	11.21	1.77	0.09	0.74	0.33
NEWBERRY	33.48	5.01	0.25	2.22	1.78
OCONEE	61.74	9.56	0.47	4.09	3.20
ORANGEBURG	141.95	24.35	1.31	9.40	4.85
PICKENS	105.14	19.07	0.92	7.08	3.42
RICHLAND	663.27	122.09	6.90	43.70	15.96
SALUDA	4.27	0.50	0.02	0.29	0.27
SPARTANBURG	406.00	63.24	2.50	22.27	6.56
SUMTER	87.90	15.64	0.80	6.17	2.12
UNION	12.11	1.92	0.10	0.91	0.19
WILLIAMSBURG	9.42	1.14	0.06	0.73	0.30
<u>YORK</u>	<u>226.80</u>	<u>40.31</u>	<u>2.15</u>	<u>15.90</u>	<u>5.42</u>
State Totals	\$13,035.61	\$2,470.77	124.24	\$785.16	\$401.74

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APPENDICES

Appendix A: Travel Economic Impact Model

Introduction

The Travel Economic Impact Model (TEIM) was developed by the research department at U.S. Travel Association (formerly known as the U.S. Travel Data Center) to provide annual estimates of the impact of the travel activity of U.S. residents on national, state and county economies in this country. It is a disaggregated model comprised of 16 travel categories. The TEIM estimates travel expenditures and the resulting business receipts, employment, personal income, and tax receipts generated by these expenditures.

The TEIM has the capability of estimating the economic impact of various types of travel, such as business and vacation, by transport mode and type of accommodations used, and other trip and traveler characteristics. The County Impact Component of the TEIM allows estimates of the economic impact of travel at the county and city level.

Definition of Terms

There is no commonly accepted definition of travel in use at this time. For the purposes of the estimates herein, *travel* is defined as activities associated with all overnight and day trips to places 50 miles away or more, one way, from the traveler's origin and any overnight trips away from home in paid accommodations.

The word *tourism* is avoided in this report because of its vague meaning. Some define tourism as all travel away from home while others use the dictionary definition that limits tourism to personal or pleasure travel.

The *travel industry*, as used herein, refers to the collection of 18 types of businesses that provide goods and services to the traveler or potential traveler at the retail level (see Glossary of Terms). With the exception of Amtrak and second home ownership and rental, these business types are defined by the Office of Management and Budget in the 1997 North American Industry Classification System (NAICS) as well as in its predecessor, the 1987 Standard Industrial Classification System (SIC). In each case, the relevant NAICS and SIC codes are included.

Travel *expenditure* is assumed to take place whenever traveler exchanges money for an activity considered part of his/her trip. Total travel expenditures are separated into 16 categories representing traveler purchases of goods and services at the retail level. One category, travel agents, receives no travel expenditures as these purchases are allocated to the category (i.e. air transportation) actually providing the final good or service to the traveler. Travel expenditures are allocated among states by simulating where the exchange of money for goods or service actually took place. By their nature, some travel expenditures are assumed to occur at the traveler's origin, some at his/her destination, and some enroute.

Economic impact is represented by measures of spending, employment, payroll, business receipts and tax revenues generated by traveler spending. *Payroll* includes all forms of compensation, such as salaries, wages, commissions, bonuses, vacation allowances, sick leave pay and the value of

payments in kind paid during the year to all employees. Payroll is reported before deductions for social security, income tax insurance, union dues, etc. This definition follows that used by the U.S. Census Bureau in the quinquennial Census of Service Industries.

Employment represents the number of jobs generated by traveler spending, both full and part-time. As such, it is consistent with the U.S. Department of Labor series on nonagricultural payroll employment. *Tax revenues* include corporate income, individual income, sales and gross receipts, and excise taxes by level of government. *Business receipts* reflect travel expenditures less the sales and excise taxes imposed on those expenditures.

Description of the Model

Estimates of Travel Expenditures

Total travel expenditures includes spending by travelers on goods and services during their trips, such as lodging, transportation, meals, entertainment, retail shopping. Eighteen (18) categories of activities are covered in the TEIM. Generally, the TEIM combines the activity levels for trips to places within the United States with the appropriate average costs of each unit of travel activity, (e.g., cost per mile by mode of transport, cost per night by type of accommodation), to produce estimates of the total amount spent on each of 18 categories of travel-related goods and services by state. For example, the number of nights spent by travel parties in hotels in Vermont is multiplied by the average cost per night per travel party staying in a hotel in the state to obtain the estimate of traveler expenditures for hotel accommodations.

The data on domestic travel activity levels (e.g., number of miles traveled by mode of transportation, the number of nights spent away from home by type of accommodation) are based on national travel surveys conducted by U.S. TRAVEL ASSOCIATION, The Bureau of Labor Statistics' Survey of Consumer Expenditures, Smith Travel Research's Hotel and Motel Survey, etc. Average cost data are purchased and collected from different organizations and government agencies. Total sales and revenue and other data collected from state, local and federal government and other organizations are employed to compare, adjust and update the spending database of TEIM, as well as linking spending to other impact components.

The international travel expenditure estimates are based on Tourism Industries' (OTTI) In-Flight Survey and data provided to OTTI from Canada and Mexico. Other estimates of the economic impact of international visitors to the U.S. are generated by TEIM by incorporating the estimated international traveler expenditures with the data series utilized to produce the domestic estimates.

Estimates of Business Receipts, Payroll and Employment

The Economic Impact Component of the TEIM estimates travel generated business receipts, employment, and payroll. Basically, the 16 travel categories are associated with a type of travel-related business. For example, traveler spending on commercial lodging in a state is related to the business receipts, employment and payroll of hotels, motels and motor hotels (SIC 701; NAICS 7211) in the state. It is assumed that travel spending in each category, less sales and excise taxes, equals business receipts for the related business type as defined by the U.S. Census Bureau.

It is assumed that each job in a specific type of business in a state is supported by some amount of business receipts and that each dollar of wages and salaries is similarly supported by some dollar volume of business receipts. The ratios of employment to business receipts are computed for each industry in each state. These ratios are then multiplied by the total amount of business receipts generated by traveler spending in a particular type of business to obtain the measures of travel generated employment and payroll of each type of business in each state. For example, the ratio of employees to business receipts in the state commercial lodging establishments is multiplied by travel generated business receipts of these establishments to obtain traveler generated employment in commercial lodging. A similar process is used for the payroll estimates.

The total sales, payroll and employment data of each travel related industry (by SIC and NAICS) are provided by and collected from state, local and federal government, such as the Bureau of Labor Statistics, the Bureau of Economic Analysis, Census Bureau and The Bureau of Transportation Statistics.

Estimates of Tax Revenues

The Fiscal Impact Component of the TEIM is used to estimate traveler generated tax revenues of federal, state and local governments. The yield of each type of tax is related to the best measure of the relevant tax base available for each state consistent with the output of the Economic Impact Component. The ratios of yield to base for each type of tax in each state are then applied to the appropriate primary level output to obtain estimates of tax receipts generated by travel. For example, the ratio of Massachusetts State personal income tax collections to payroll in the state is applied to total travel generated payroll to obtain the estimate of state personal income tax receipts attributable to traveler spending in Massachusetts.

Estimates for Counties and Local Areas

Local area travel impact estimates are derived by distributing the state estimates to the area using proper proportions of each related category in the area. The proportions of a local area are calculated based on a set of data collected from federal, state and local governments and private organizations. The data can be gathered at the zip code level.

Data from the U.S. Bureau of the Census, Smith Travel Research, Enos Foundation, Runzheimer International, Cruise Lines International Association, Prentice-Hall, U.S. Department of Labor's Consumer Expenditure Survey and employment and payroll data, American Society of Travel Agents, the Federal Aviation Administration, the Department of Transportation, Amtrak, the Federal Highway Administration, state revenue departments, U.S. TRAVEL ASSOCIATION's travel surveys and other sources are used in building and updating the model. These data indicate the change in travel spending for each of the expenditure categories for each state over the previous year, as well as changes in the relationship of travel spending to employment, payroll and tax revenue.

Limitations of the Study

This study is designed to indicate the impact of U.S. traveler expenditures on employment, payroll, business receipts and tax revenue in each of the states. These impact estimates reflect the

limitations inherent in the definition of travel expenditures. Two important classes of travel-related expenses have not been estimated due to various reasons. Consumers purchase certain goods and services in anticipation of a trip away from home. These include sports equipment (tennis racquet, skis, scuba gear, etc.), travel books and guides, and services such as language lessons and lessons for participatory sports (tennis, skiing, underwater diving, etc.). The magnitude of these purchases in preparation for a trip cannot be quantified due to lack of sound, relevant data.

The second type of spending not covered due to lack of sufficient data is the purchase of major consumer durables generally related to outdoor recreation on trips. Further research is required in this area to determine to what extent pre-trip spending on consumer durable products can justifiably be included within a travel economic impact study.

Appendix B: Glossary of Terms – TEIM

Automobile Transportation Expenditure. This category includes a prorated share of the fixed costs of owning an automobile, truck, camper, or other recreational vehicle, such as insurance, license fees, tax, and depreciation costs. Also included are the variable costs of operating an automobile, truck, camper, or other recreational vehicle on a trip, such as gasoline, oil, tires, and repairs. The costs of renting an automobile or other motor vehicle are included in this category as well.

Entertainment/Recreation Expenditure. Traveler spending on recreation facility user fees, admissions at amusement parks and attractions, attendance at nightclubs, movies, legitimate shows, sports events, and other forms of entertainment and recreation while traveling.

Food Expenditure. Traveler spending in commercial eating facilities and grocery stores or carry-outs, as well as on food purchased for off-premise consumption.

Incidental Purchase Expenditure. Traveler spending on retail trade purchases including gifts for others, medicine, cosmetics, clothing, personal services, souvenirs, and other items of this nature.

Lodging Expenditure. Traveler spending on hotels and motels, B&Bs, campgrounds and trailer parks, rental of vacation homes and other types of lodging.

Public Transportation Expenditures. This includes traveler spending on air, bus, rail and boat/ship transportation, and taxicab or limousine service between airports and central cities.

Travel-generated Tax Receipts. Those federal, state and local tax revenues attributable to travel in an area. For a given state locality, all or some of the taxes may apply. "Local" includes county, city or municipality, and township units of government actually collecting the receipts and not the level that may end up receiving it through intergovernmental transfers.

Federal. These receipts include corporate income taxes, individual income taxes, employment taxes, gasoline excise taxes, and airline ticket taxes.

State. These receipts include corporate income taxes, individual income taxes, sales and gross receipts taxes, and excise taxes.

Local. These include county and city receipts from individual and corporate income taxes, sales, excise and gross receipts taxes, and property taxes.

Appendix C: Travel-Related Industry Measurement

SIC-NAICS Transition

As described in Appendix A, the 16 types of travel categories used in TEIM are associated with types of travel-related businesses. For many years, U.S. Travel Association selected these business types using 1987 U.S. Standard Industrial Classification (SIC) system codes.

The SIC system has been used for decades with tremendous success to classify all businesses in the U.S. by the types of products or services they make available. To its credit, the SIC system has facilitated the collection, tabulation and analysis of data. It has also promoted “apples-to-apples” comparability in statistical analyses. At the industry group level, SIC Codes report industry groups as 2 or 3 digit categories to 4 digits at their most specific.

However, as a direct consequence of rapid and widespread structural changes throughout the American economy in recent years, the SIC system has become largely outdated. Therefore, its business classification capabilities have become increasingly less than optimal.

In 1998, the United States Office of Management and Budget published a new industry classification system – the 1997 North American Industry Classification System (NAICS) to replace the SIC system. In contrast, the 2- to 6-digit NAICS industry classification system includes more useful and detailed economic data and provides a more comprehensive statistical representation of our industry. NAICS offers four major advantages over the SIC system:

Relevance: NAICS identifies hundreds of new, emerging, and advanced technology industries. Perhaps most important in terms of quantification of travel-related activity, NAICS reorganizes industries into more meaningful sectors, especially in the service-producing segments of the economy. A few examples of travel-related industries that are separately recognized for the first time:

- Convenience stores
- Gas stations with convenience stores
- Casino hotels
- Casinos
- Other gambling industries
- Bed and breakfast inns
- Limited service restaurants

International Comparability: NAICS was developed by the U.S. Office of Management and Budget (OMB) in cooperation with Statistics Canada and Mexico’s Instituto Nacional de Estadística, Geografía e Informática (INEGI). NAICS provides for comparable statistics among the three NAFTA trading partners.

Consistency: NAICS defines industries according to a consistent principle -- businesses that use similar processes are grouped together.

Adaptability: NAICS will be reviewed every five years, so classifications and information keep up with our changing economy.

TEIM: SIC/NAICS Industry Categories

With the transition to NAICS, U.S. TRAVEL ASSOCIATION has adjusted its selections of the travel-related business types using the new NAICS codes and brought its travel economic research into conformity with NAICS. For measurement purposes, U.S. Travel Association's Travel Economic Impact Model, tracks business activity in seven (7) major travel-related industry groups. These, in turn, are comprised of sixteen (16) business subcategories.

The industry groups and subcategories used in the model are outlined below, followed by a detailed table of SIC and NAICS Codes.

1. Automobile Transportation Industry: Gasoline service stations, motor vehicle/parts dealers and passenger car rental.
2. Entertainment/Recreation Industry: Entertainment, art and recreation industry.
3. Foodservice Industry: Eating & drinking places, and grocery stores.
4. General Retail Trade Industry: General merchandise group stores and miscellaneous retail stores, including gift and souvenir shops.

Incidental Purchases Industry: See above, General Retail Trade Industry.

5. Lodging Industry: This industry includes hotels, motels, and motor hotels, camps and trailer parks.
6. Public Transportation Industry: Air transportation, taxicab companies, interurban & rural bus transportation, railroad passenger transportation (Amtrak) and water passenger transportation. Also is the "dummy" industry of "other transportation."
7. Travel Arrangement Industry: This includes travel agencies, tour operators, and other travel arrangement & reservation services.

**1987 SIC – 1997 NAICS:
SELECTED TRAVEL-RELATED CATEGORIES**

SIC DESCRIPTION(S)	SIC CODE(S)	NAICS DESCRIPTION(S)	NAICS CODE(S)
Accommodations			
<i>Hotels and Motels</i>	701	<i>Traveler Accommodation</i>	7211
<i>Recreational Vehicle Parks & Campsites</i>	703	<i>Recreational Vehicle Parks & Campgrounds</i>	7212
Auto Transportation			
<i>Passenger Car Rental</i>	7514	<i>Passenger Car Rental</i>	532111
<i>Gasoline Service Stations</i>	554	<i>Gasoline Stations with Convenience Stores; Other Gasoline Stations</i>	447110; 447190
<i>Automotive Dealers</i>	55 (excl. 554)	<i>Motor Vehicle & Parts Dealers</i>	4411; 4412; 4413
Entertainment and Recreation			
<i>Amusement and Recreational Services</i>	79	<i>Amusement, Gambling & Recreation Industries</i>	713
		<i>Performing Arts, Spectator Sports & Related Industries</i>	711
<i>Museums, Art Galleries, Botanical and Zoological Gardens</i>	84	<i>Museums, Historical Sites & Similar Institutions</i>	712
Food			
<i>Eating & Drinking Places (Alcoholic Beverages)</i>	581	<i>Foodservices & Drinking Places</i>	7221; 7222; 7224
<i>Grocery Stores</i>	541	<i>Food and Beverage stores</i>	4451; 4452; 4453
Public Transportation			
<i>Air Transportation</i>	45	<i>Passenger Air Transportation; Airport Support Activities</i>	481; 4881
<i>Rail - Local & Suburban Transit</i>	4111	<i>Rail Transportation</i>	485112
<i>Interurban & Rural Bus Carriers</i>	413	<i>Interurban & Rural Bus Transportation</i>	4852
<i>Charter Bus/Interstate</i>	4142	<i>Charter Bus (interstate/interurban)</i>	4855102
<i>Taxi & Limousine Services</i>	412	<i>Taxi & Limousine Services</i>	4853
<i>Water Transportation of Passengers</i>	448	<i>Water Passenger Transportation</i>	483112; 483114; 483212
--	--	<i>Scenic & Sightseeing Transportation</i> <i>(New industry-includes parts of SICs 4119,4489,4522,4789,7999)</i>	487
Retail			
<i>General Merchandise Stores</i>	53	<i>General Merchandise Stores</i>	452
<i>Miscellaneous Retail Stores</i>	59	<i>Other Retail Stores</i>	453; 44611; 4483; 45111; 45112; 45121
Travel Arrangement			
<i>Travel Arrangement</i>	472	<i>Travel Arrangement & Reservation Services</i> <i>(includes travel agencies and tour operators)</i>	5615

Appendix D: Sources of Data

This appendix presents the sources of data used in this report.

Organizations

Airlines for America (A4A), (formerly known as Air Transport Association of America - ATA)
American Automobile Association
Amtrak
American Society of Travel Agents
Bureau of Census, U.S. Department of Commerce
Bureau of Economic Analysis, U.S. Department of Commerce
Bureau of Labor Statistics, U.S. Department of Labor
Bureau of Transportation Statistics, Department of Transportation
Federal Aviation Administration, U.S. Department of Transportation
Federal Highway Administration, U.S. Department of Transportation
National Park Service
South Carolina Department of Revenue
South Carolina Department of Parks, Recreation & Tourism
South Carolina Department of Transportation
Smith Travel Research
OTTI/International Trade Administration, U.S. Department of Commerce
U.S. Travel Association