



The Perryman Group

# The Economic Impact of the Solar Eclipse on the US and Affected States

March 2024

On Monday, April 8, a total solar eclipse will cross North America, passing over Mexico, the United States, and Canada. The path of totality enters Texas around Eagle Pass and crosses the nation to the northeast, exiting the northeast near Houlton, Maine. More than 30 million people reside in the path of totality (including about 12 million in Texas alone).

Although there was a total eclipse in August 2017, the upcoming one will be even more impressive. In particular, the moon will be closer as it passes between the sun and earth, thus causing totality to be longer in duration and occur across a wider path. The sky will darken as if it were dawn or dusk for several minutes. In addition, the next total solar eclipse that will be visible in the United States will not occur until August 2044.

Because of the unique nature of the upcoming eclipse, millions of people are expected to travel to witness the phenomenon. From small towns to large population centers, the numbers of visitors are projected to be unusually large. These travelers will spend money locally for accommodations, meals, gasoline, and retail items. The result will be a substantial economic stimulus.

The Perryman Group estimated the potential economic benefits associated with the eclipse and found that the United States is likely to see an increase in direct expenditures by visitors of almost \$1.6 billion. When the downstream/multiplier effects through the economy are considered, expected economic impacts rise to \$6.0 billion, with a gain of \$3.0 billion in gross product and \$1.8 billion in personal

## Estimated Economic Impact of the 2024 Solar Eclipse on US Business Activity

Region	Direct Expenditures	Total Expenditures*	Gross Product*	Personal Income*
<b>United States</b>	<b>\$1,558.9 m</b>	<b>\$5,985.7 m</b>	<b>\$3,026.1 m</b>	<b>\$1,818.9 m</b>
States in Path of Totality	\$1,489.7 m	\$4,660.1 m	\$2,531.6 m	\$1,538.0 m
Remaining States	\$69.2 m	\$1,325.7 m	\$494.5 m	\$280.9 m

**Source:** US Multi-Regional Impact Assessment System, The Perryman Group

**Notes:** Monetary values in millions of 2024 US dollars. Total Expenditures, Gross Product, and Personal Income include downstream multiplier effects. For more information, see methodology on page 3.

income flowing to US residents. (Methods used are described on page 3.) Of these amounts, the total expenditures (including downstream/multiplier effects) in the restaurant industry group are expected to include **\$685.1 million**, with **\$1.1 billion** in retail and **\$810.8 million** in short-term rentals and hotels.

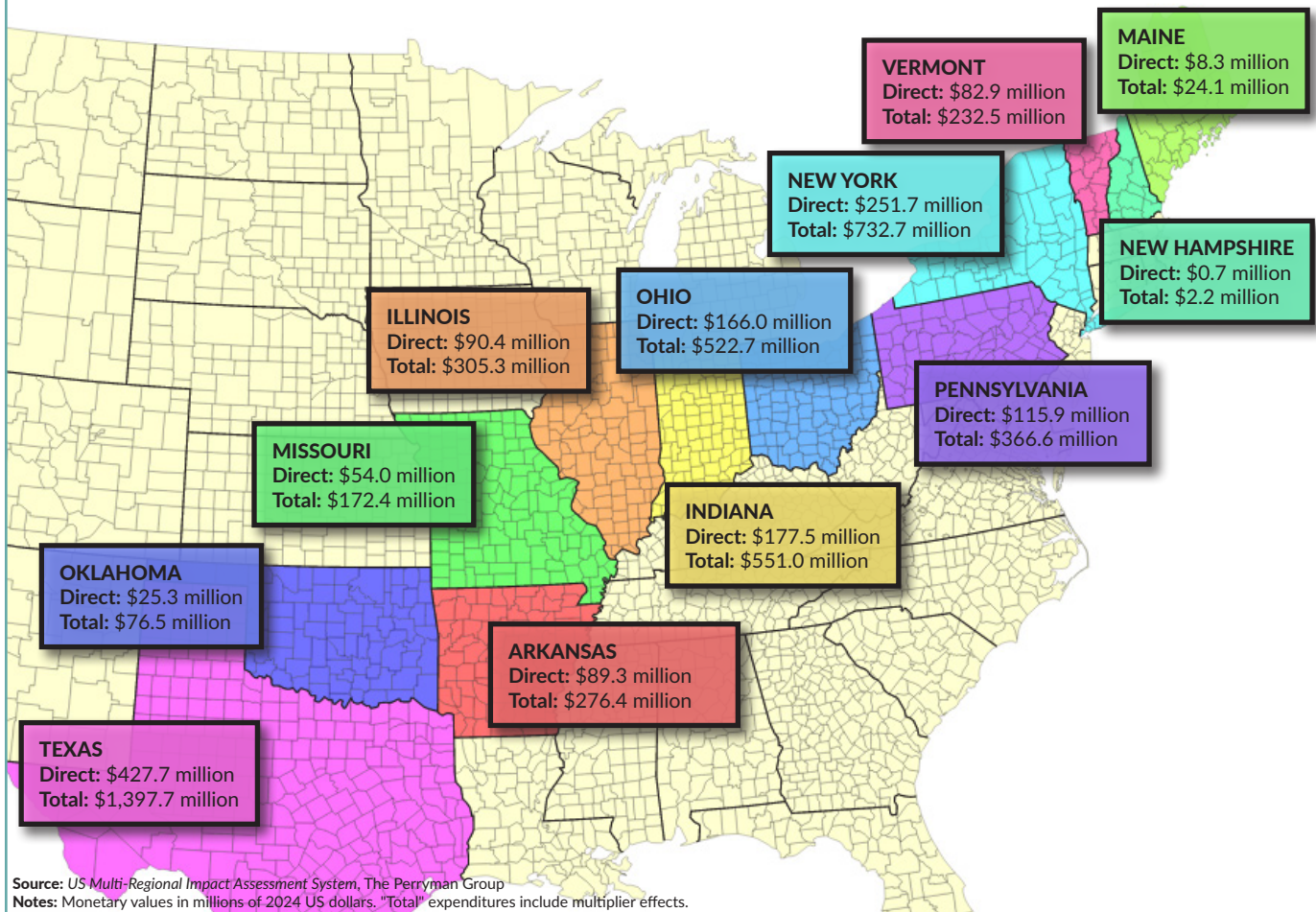
Benefits will be concentrated in the largest metropolitan areas

within the path of totality due to the availability of hotel rooms and other needed infrastructure. Total spending (including multiplier effects) is projected to range from **\$2.1 million** in New Hampshire to **\$1.4 billion** in Texas. Effects on other states along the route are included on page 3.

While the eclipse is a one-day event, many areas are hoping that the influx

of visitors from across the nation and beyond will lead to lasting benefits. Areas that rarely receive much in the way of widespread or national media coverage are likely to be featured, enhancing the prospects for future tourism as well as other developmental benefits.

### Estimated State Expenditures due to the 2024 Solar Eclipse



Source: US Multi-Regional Impact Assessment System, The Perryman Group  
 Notes: Monetary values in millions of 2024 US dollars. "Total" expenditures include multiplier effects.

## Estimated Economic Impact of the 2024 Solar Eclipse on Business Activity in the US

Region	Direct Expenditures	Total Expenditures*	Gross Product*	Personal Income*
Texas	\$427.7 m	\$1,397.7 m	\$749.5 m	\$453.6 m
Arkansas	\$89.3 m	\$276.4 m	\$150.1 m	\$91.2 m
Oklahoma	\$25.3 m	\$76.5 m	\$42.1 m	\$25.6 m
Missouri	\$54.0 m	\$172.4 m	\$92.3 m	\$56.0 m
Illinois	\$90.4 m	\$305.3 m	\$162.9 m	\$98.9 m
Indiana	\$177.5 m	\$551.0 m	\$299.8 m	\$182.6 m
Ohio	\$166.0 m	\$522.7 m	\$283.7 m	\$172.9 m
Pennsylvania	\$115.9 m	\$366.6 m	\$199.6 m	\$121.5 m
New York	\$251.7 m	\$732.7 m	\$406.8 m	\$247.3 m
Vermont	\$82.9 m	\$232.5 m	\$130.4 m	\$79.5 m
New Hampshire	\$0.7 m	\$2.2 m	\$1.2 m	\$0.7 m
Maine	\$8.3 m	\$24.1 m	\$13.4 m	\$8.1 m
<b>Remaining States</b>	<b>\$69.2 m</b>	<b>\$1,325.7 m</b>	<b>\$494.5 m</b>	<b>\$280.9 m</b>
<b>United States</b>	<b>\$1,558.9 m</b>	<b>\$5,985.7 m</b>	<b>\$3,026.1 m</b>	<b>\$1,818.9 m</b>

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values in millions of 2024 US dollars. Total Expenditures, Gross Product, and Personal Income include downstream multiplier effects. For more information, see methodology below.

### METHODS AND ASSUMPTIONS

The Perryman Group's US Multi-Regional Impact Assessment System was used to estimate the total (not only direct, but also indirect and induced) effects of incremental visitor spending associated with the eclipse. The System was developed by the firm about 40 years ago and has been used in hundreds of analyses for clients ranging from major corporations to government agencies and has been peer reviewed on multiple occasions. The impact system uses a variety of data (from surveys, industry information, and other sources) to describe the various goods and

services (known as resources or inputs) required to produce another good/service. This dynamic process allows for estimation of the total economic impact (including multiplier effects) of the increase in direct visitor spending. The direct outlays were based on projected visitors, daily spending patterns, and typical allocations by visitors among various categories of purchases. Gravity modeling was used to allocate spending across areas.

Total economic effects are quantified for key measures of business activity. Note that these are different ways of

looking at the same economic effects; they are not additive. Total expenditures (or total spending) measures the dollars changing hands as a result of the economic stimulus. Gross product (or output) is production of goods and services that will come about or be foregone as a result of the activity. Personal income is dollars that end up in the hands of people in the area; the vast majority of this aggregate derives from the earnings of employees, but payments such as interest and rents are also included.

## THE PERRYMAN GROUP



The Perryman Group is a focused team of analysts who know how to address complex economic information tasks and present our findings effectively.

Our in-house professionals bring expertise in **economics, finance, statistics, mathematics, real estate, valuation, systems analysis, engineering, technical communications, and marketing**. Dr. Ray Perryman, President and CEO, has 40 years of experience in developing systems, analyzing complex problems, and communicating effectively. We have considerable pride in what we do. Our enthusiasm is both unbridled and contagious; every day brings a new opportunity for us to tackle a different problem or create a product or service specifically tailored to our clients.

### OUR SERVICES

#### IMPACT ASSESSMENT

We have developed and continually maintain an extensive set of economic impact evaluation models that can be applied in a variety of contexts.

#### EXPERT TESTIMONY

We help clients analyze and communicate complex information in common-sense terms through comprehensive, objective analyses and clear, concise expert reports and presentations.

#### FORECASTING

We are at the cutting edge of econometrics and other advanced statistical methods and have provided innovative approaches for many complex applications.

#### SPEECHES

Dr. Perryman addresses dozens of audiences throughout the world every year, catering to a wide variety of events.

### M. RAY PERRYMAN, PH.D.

Dr. Perryman is the President and CEO of the Perryman Group and Distinguished Professor of Economic Theory and Method at the International Institute for Advanced Studies. Over the past 40 years, Dr. Perryman has helped recruit corporations providing tens of thousands of jobs through economic development work, resolved billion-dollar legal issues, and revamped public policy through impact assessments and other studies. His firm has measured economic impacts for corporate locations and expansions involving billions in investments, and his economic forecasts are used by corporations and government agencies alike.

He has provided economic analysis and expert testimony for civil litigation across a wide range of practice areas including antitrust and competition, patent infringement and other intellectual property disputes, securities, and commercial and complex litigation. His work combines strong expertise in economic damages calculation, asset valuation, market analysis, and statistical methods and econometrics.



#### Reach out to us for more information!



@PerrymanGroup



/PerrymanGroup



/in/ray-perryman



www.perrymangroup.com



info@perrymangroup.com



1.800.749.8705



1.254.751.7855

For more information on **subscriptions, economic forecasts**, or any of our other corporate services, call **1.800.749.8705**.