



SOUTH CAROLINA AERONAUTICS

ECONOMIC IMPACT OF SOUTH CAROLINA'S
COMMERCIAL AIRPORTS: **2025**

SOUTH CAROLINA
AERONAUTICS COMMISSION

Commissioned by:



**SOUTH CAROLINA
AERONAUTICS**



**SC COUNCIL ON
COMPETITIVENESS**

Prepared by:

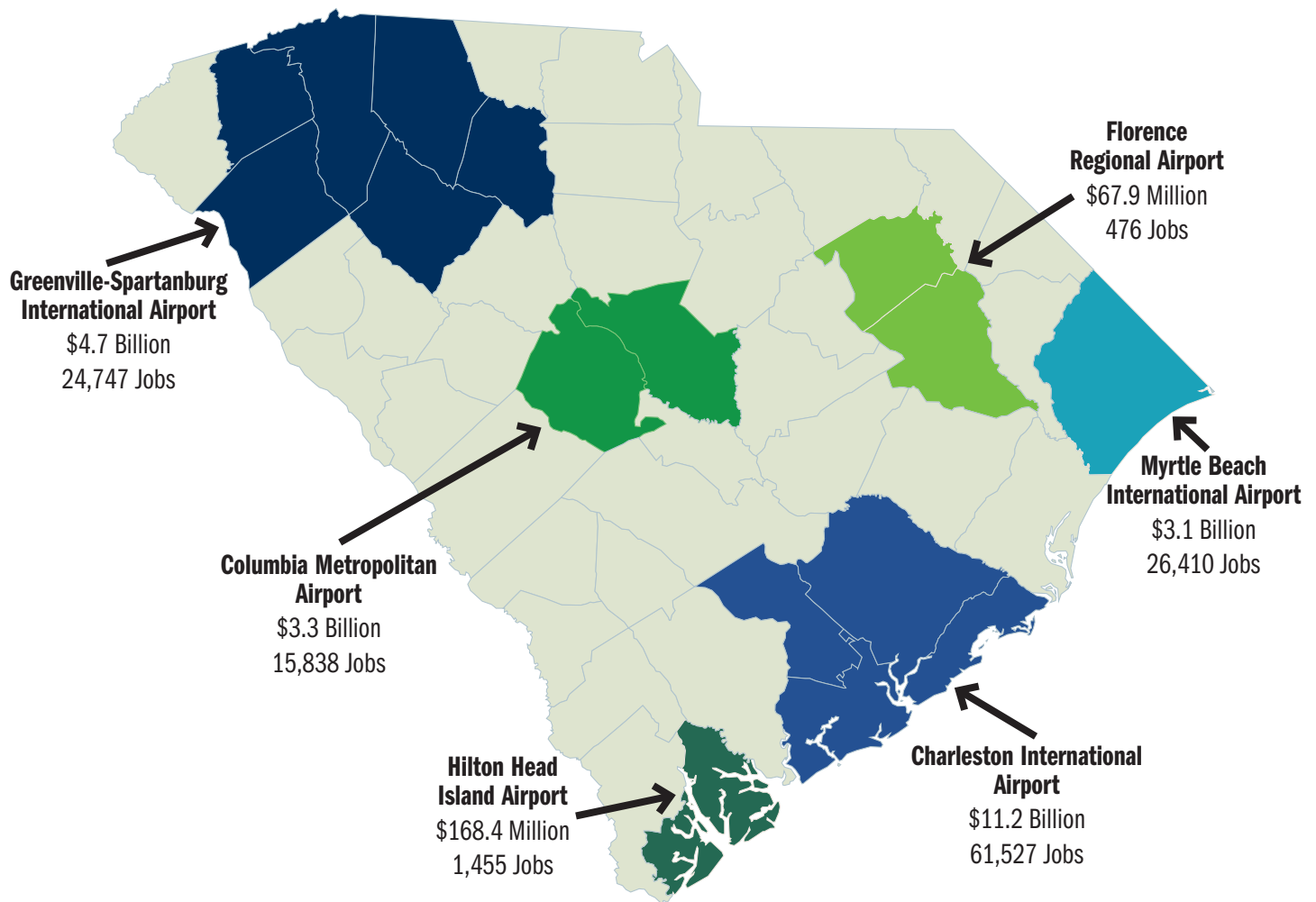
Joseph C. Von Nessen, Ph.D.

Research Economist

January 2025

EXECUTIVE SUMMARY

THE ECONOMIC IMPACT OF SOUTH CAROLINA'S COMMERCIAL AIRPORTS



Total Impact on South Carolina

\$22.5 BILLION

Total Employment:

130,453

Total Labor Income:

\$6.8 Billion



**SOUTH CAROLINA
AERONAUTICS**



**SC COUNCIL ON
COMPETITIVENESS**

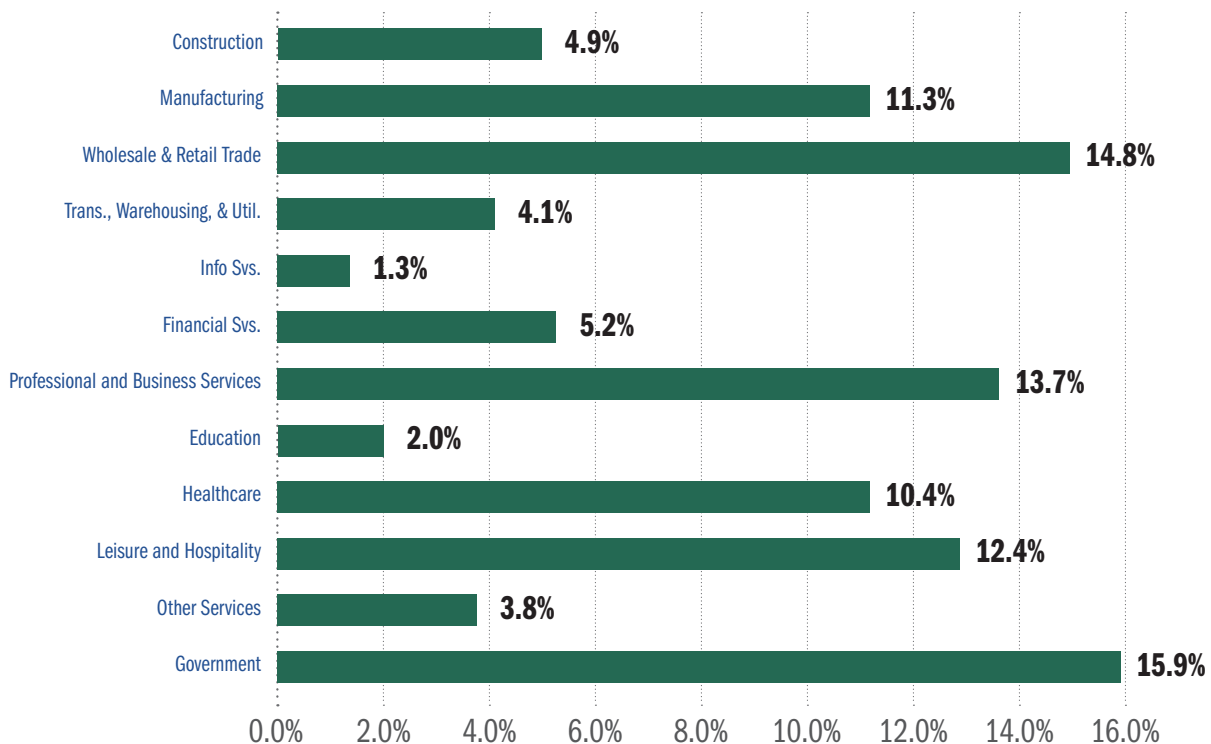
SECTION I

OVERVIEW

South Carolina maintains a well-established system of commercial airports that represents an essential component of the state's transportation infrastructure. There are currently six publicly owned commercial service airports located across the state that collectively board (or enplane) more than 5 million passengers each year for destinations across the globe, including both South Carolina residents and visitors. Among these passengers, more than 2.5 million visitors are estimated to arrive in South Carolina on a commercial airline each year. This level of activity directly supports tourism in the Palmetto State, which has long been among the state's largest industries. The Leisure & Hospitality sector specifically employs more than 12 percent of South Carolina's workforce, as shown in **Figure 1**.

Figure 1 – Contribution to South Carolina Employment Base by Industry

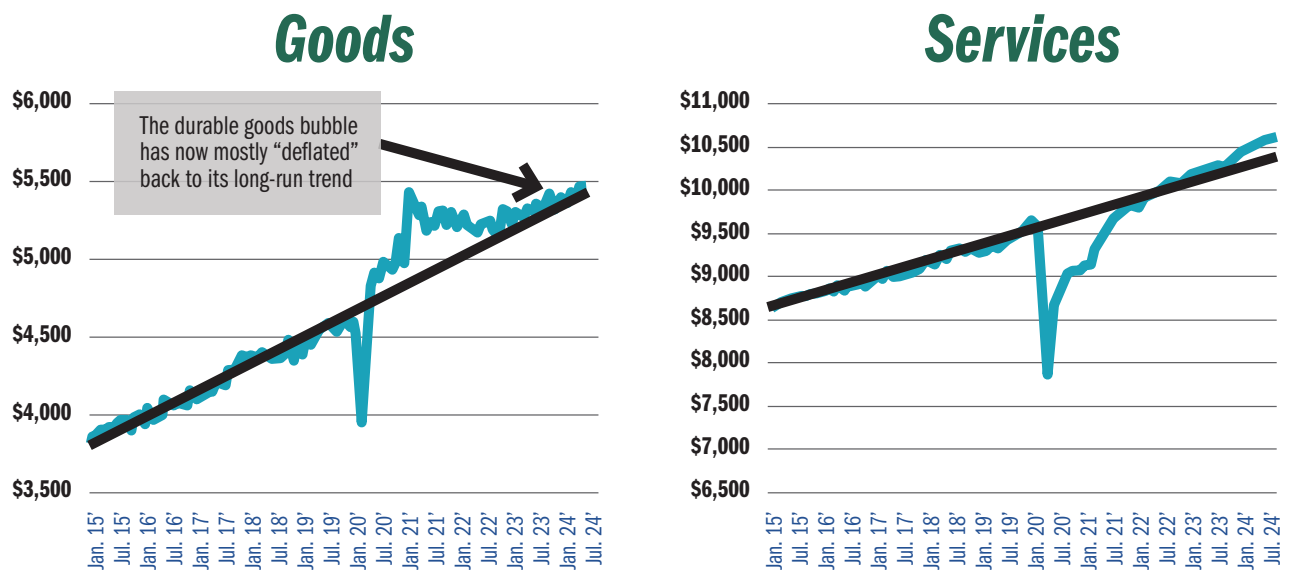
Source: U.S. Bureau of Labor Statistics, QCEW





Moreover, Leisure & Hospitality has been one of the biggest drivers of economic growth since 2021 due to relatively high levels of consumer spending that has disproportionately benefitted consumer services – including tourism. As **Figure 2** reveals, following the onset of the COVID-19 pandemic in 2020, consumer spending initially shifted heavily towards consumer goods due to social distancing guidelines. However, as these guidelines were relaxed following the vaccine rollout, consumers shifted their spending activity back towards services. And since 2023, despite having returned to pre-pandemic trends, annual growth in consumer spending on services has averaged 2.9 percent, compared to just 1.7 percent during the decade leading up to the pandemic (2010-2019).

Figure 2 – Real U.S. Consumer Spending: Goods vs. Services
Source: U.S. Bureau of Economic Analysis, in billions





South Carolina's commercial airports also support local industries that import and export a wide variety of products both domestically and internationally. This is an especially important advantage for the state's export-oriented advanced manufacturing sector, which has been a primary driver of economic growth for South Carolina over the past 15 years.

The purpose of this analysis is to document the economic impact of all commercial airports in South Carolina, including Charleston, Columbia, Florence, Greenville-Spartanburg, Hilton Head, and Myrtle Beach. This will consist of quantifying the impact of each airport's operations, tenants, and capital expenditures, as well as all economic activity that results from new spending introduced to the state from visitor travel and business activity that depends on access to these commercial airports for cargo shipments. In the following sections, the economic impact of each airport will be estimated for its local region and for the state as a whole.

SECTION II

ECONOMIC IMPACT METHODOLOGY

As previously noted, each of South Carolina's commercial airports generates a significant economic impact through a combination of ongoing operations, tenant activity, and capital expenditures. In addition, the commercial airports also introduce new spending to the state through visitor travel and also support local businesses that depend on access to commercial airports for cargo shipments.

Yet these activities do not provide a complete picture of the impact of the commercial airports to South Carolina's economy. The expenditures that occur as part of the ongoing operations and related business activities around each airport represent direct economic activity within the region. However, these expenditures also lead to additional job creation and economic activity throughout the local region by way of the economic multiplier effect (or economic ripple effect).

Economic multiplier effects can be divided into direct, indirect, and induced impacts. The direct impact includes all local purchases made by (1) each commercial airport, (2) the new visitors to the state that each airport facilitates, and (3) local businesses engaged in operations that require access to commercial airports for cargo shipments. Such expenditures at the airports themselves may include, for example, employee wages and benefits, equipment, building construction and remodeling, technology services, vendors, and other overhead or administrative costs. This spending activity increases demand and leads to the creation of new jobs and more income for both employees and suppliers.

The indirect impact reflects additional economic activity that results from inter-industry linkages between local firms throughout South Carolina. For example, if an airport were to make a sizable purchase of computer equipment from a local supplier, then this computer equipment supplier would experience an increase in demand. To satisfy this demand, the computer equipment supplier would purchase additional inputs from its own vendors, and so on. These indirect effects would therefore ripple throughout the state's economy and affect many industrial sectors within South Carolina.

The induced impact reflects additional economic activity that results from increases in the spending of household income. For example, when the aforementioned computer equipment supplier purchases materials from one of its own vendors and the overall demand for this vendor rises, some of the staff working for this vendor will see a rise in their income levels (or the vendor may hire new staff). Part of this income will then be spent in-state on, for example, food, entertainment, or health care. These industries will then also see an increase in demand for their goods and services, which will lead to higher incomes for some of their employees, part of which will also be spent locally.

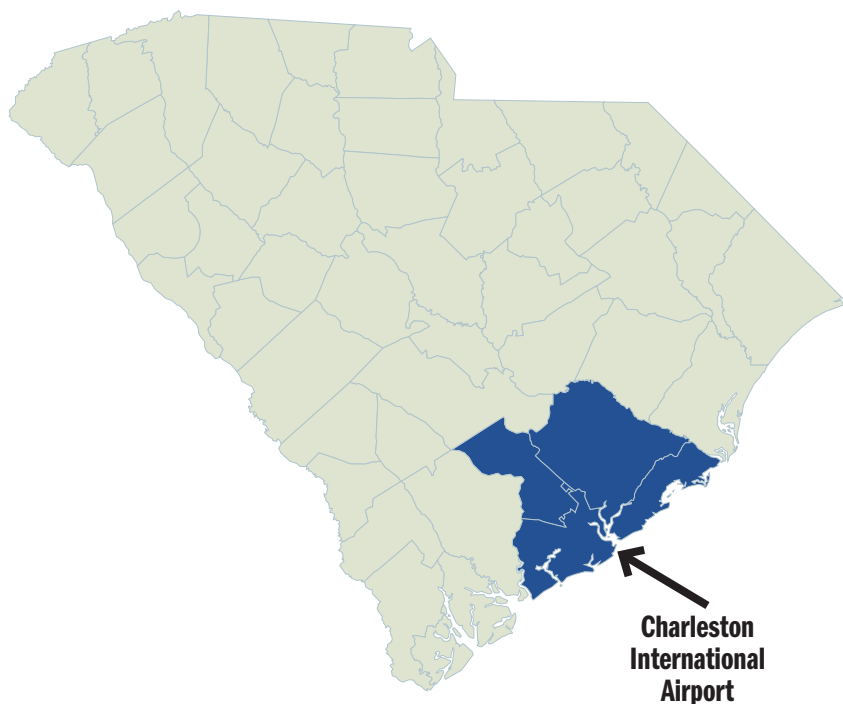


These successive rounds of indirect and induced spending do not go on forever, which is why it is possible to calculate a value for each of them. In each round, money is “leaked out” for a variety of reasons. For example, firms will purchase some of their supplies from vendors located outside of their local area or outside of South Carolina. In addition, employees will save part of their income or spend part of it with firms located elsewhere. In order to determine the total economic impact that will result from an initial direct impact, economic multipliers are used. An economic multiplier can be used to determine the total impact (direct, indirect, and induced) that results from an initial change in economic activity (the direct impact). Multipliers are different in each sector of the economy and are largely determined by the size of the local supplier network as well as the particular region being examined. Economic multipliers are available to calculate not just the total economic impact of an individual organization, but also the total employment and income levels associated with the total impact.

In this analysis, all multiplier effects are calculated using input-output analysis, which is the industry-standard method for estimation that is widely implemented across the United States. This analysis uses customized input-output models of the state of South Carolina and each of its 46 counties, which contain specific information on economic linkages of over 500 different industries for each region. The IMPLAN software package was combined with these models to generate all estimates in this report.

SECTION III - CHARLESTON INTERNATIONAL AIRPORT

THE ECONOMIC IMPACT OF SOUTH CAROLINA'S COMMERCIAL AIRPORTS



Airport Operations
\$152.4 Million

Airport Tenants
\$654.3 Million

Commercial & Defense Aerospace
\$6.0 Billion

Visitor Spending
\$4.0 Billion

Cargo Facilitation
\$273.7 Million

TOTAL
\$11.2 Billion

Total Impact on South Carolina

\$11.2 BILLION

Total Employment:
61,527

Total Labor Income:
\$3.7 Billion



THE ECONOMIC IMPACT OF THE CHARLESTON INTERNATIONAL AIRPORT (CHS)

Airport and Tenant Operations

The Charleston International Airport (CHS) currently serves 13 airlines along with 46 cities. With approximately 3.0 million enplanements each year, CHS generates a total of \$88.5 million in revenue annually. This level of business operations also supports a direct employment base of 240 full-time equivalent (FTE) workers, paying a total of \$19.3 million in labor income. In addition to all airport operations, CHS also contains many business tenants that provide a variety of goods and services to airport personnel and visitors. The Boeing Company represents the largest tenant at CHS.

Furthermore, the United States Air Force component of Joint Base Charleston (JBS) employs more than 5,000 active duty and civilian workers in the Charleston tri-county region. And although the U.S. Air Force component of Joint Base Charleston does not directly represent part of CHS, it nevertheless is an essential part of the infrastructure associated with CHS operations, and thus the impacts of the U.S. Air Force via Joint Base Charleston are facilitated through access to and usage of the Charleston International Airport. As such, it is included as part of this research effort. CHS maintains a joint-use agreement with Joint Base Charleston with all runways owned by the U.S. Air Force and by Joint Base Charleston. This arrangement represents the longest running civilian/military joint-use agreement of its kind in the United States. This study estimates that in 2023 all CHS business tenants generated more than \$4.5 billion in total revenue.





The ongoing operations of the airport itself along with all business tenants generates new, local economic activity that would not exist otherwise. In addition, these direct impacts also generate significant multiplier effects that make the total economic impact of these airport operations and business tenants far larger. The structural input-output models used in this analysis estimate impacts in terms of three specific measures: economic output, employment, and labor income. Economic output reflects the dollar value of all final goods and services that can be attributed (directly or indirectly) to the airport operations and business tenants. It can also be thought of as an aggregate measure of total spending activity that results from all direct expenditures on the part of the airport and its business tenants within the local economy. Because it includes all spending on both goods and services, it is an all-inclusive measure of the impact on total economic activity. Employment measures the total number of full-time equivalent positions associated with total economic output. Labor income reflects all employee compensation associated with total employment estimates, including wages, salaries, and benefits. **Tables 1 and 2** highlight these estimates for the Charleston Region¹.

Table 1 – Economic Impact of Airport Operations on the Charleston Region

	Employment	Labor Income	Economic Output
Direct Effect	240	\$19,282,482	\$88,486,185
Multiplier Effect	371	\$22,317,259	\$60,082,240
Total Impact	611	\$41,599,741	\$148,568,425

Table 2 – Economic Impact of Airport Tenants on the Charleston Region

	Employment	Labor Income	Economic Output
Direct Effect	12,314	\$1,463,191,310	\$4,583,194,083
Multiplier Effect	12,891	\$756,008,670	\$1,836,005,673
Total Impact	25,205	\$2,219,199,980	\$6,419,199,756

The 12,554 employees at CHS, which includes both the direct employment associated with all airport operations as well as employment across all business tenants, generate a total of \$4.7 billion in direct total economic output annually. This level of direct economic activity then leads to economic multiplier effects totaling another \$1.9 billion in economic output and 13,262 jobs across the Charleston Region. These estimates reflect increased demand for goods and services of local suppliers as well as all new economic activity generated across all industries resulting from increased household spending that comes about from the increased volume of paid wages that accompany the aforementioned job creation. The combination of the direct effect and all multiplier effects leads to a total economic impact of approximately \$6.6 billion, which is associated with 25,816 jobs across the Charleston Region as well as \$2.3 billion in labor income.

¹ Berkeley, Charleston, and Dorchester counties



Facilitated Spending: Visitors and Cargo

As previously noted, in recent years U.S. consumers have dramatically shifted their buying habits. More specifically, a greater percentage of all purchases are now going towards consumer services in lieu of consumer goods. For example, since 2023 alone, annual growth in consumer spending on services has averaged 2.9 percent, compared to just 1.7 percent during the decade leading up to the pandemic (2010-2019). This surge in demand for consumer services has, in turn, generated higher levels of air travel. Following a decline in enplanements from 2.4 million in 2019 to 0.9 million in 2020 as a result of the COVID-19 pandemic, enplanements had fully recovered and exceeded pre-pandemic levels (3.0 million) by 2023.

CHS regularly facilitates millions of dollars in direct visitor spending to the Charleston Region each year for both business and leisure-related engagements. In order to estimate the total economic impact of all visitor spending that is generated by this total enplanement volume, estimates were obtained from the Federal Aviation Administration (FAA) and the South Carolina Aeronautics Commission (SCAC) regarding the long-run average percentage of enplanements related to tourism and the specific spending patterns of visitors.

Another major component of CHS’ economic impact arises from local business activities that require an airport for cargo shipments. Many businesses throughout the region depend on CHS to receive and/or ship cargo via air.² While these firms are not entirely dependent on CHS for all of their business transactions, the availability of CHS is nevertheless critical to their success and, in many cases, can be instrumental in major business location decisions. This study analyzed data on cargo shipments obtained from the FAA and U.S. Census Bureau (USA Trade Online) in order to estimate the total value of cargo shipped via air through CHS each year. These dollars reflect the private business activity that directly involves CHS – either through the distribution of goods to customers or through the acquisition of supplies for production. The economic impact of all visitor spending and cargo-dependent business operations are shown in **Tables 3 and 4**.

Table 3 – Economic Impact of Visitor Spending on the Charleston Region

	Employment	Labor Income	Economic Output
Direct Effect	24,546	\$764,074,107	\$2,286,854,527
Multiplier Effect	8,850	\$509,946,919	\$1,681,129,878
Total Impact	33,396	\$1,274,021,026	\$3,967,984,405

Table 4 – Economic Impact of Cargo-Dependent Business Operations on the Charleston Region

	Employment	Labor Income	Economic Output
Direct Effect	418	\$49,915,232	\$190,439,251
Multiplier Effect	420	\$26,837,516	\$80,813,489
Total Impact	838	\$76,752,748	\$271,252,740

² A significantly larger volume of cargo is processed through Port of Charleston primarily through container ships. This activity is not included in the estimates presented here.





This study estimates that the total volume of visitor spending associated with the 3.0 million enplanements facilitated by CHS each year along with cargo-dependent business activity generates approximately \$2.5 billion in direct economic output for the Charleston Region each year. This level of direct economic activity then leads to economic multiplier effects totaling another \$1.8 billion in economic output and 9,270 jobs across the area. These estimates reflect increased demand for goods and services of local suppliers as well as all new economic activity generated across all industries resulting from increased household spending that comes about from the increased volume of paid wages that accompany the aforementioned job creation. The combination of the direct effect and all multiplier effects lead to a total economic impact of approximately \$4.2 billion, which is associated with 34,234 jobs across the Charleston Region as well as \$1.4 billion in labor income.

Contributions to State Tax Revenue

The economic impacts previously quantified that derive from all business activities associated with CHS generate a significant volume of tax revenue for the state of South Carolina. As shown in **Tables 1-4**, the economic impact of CHS is estimated to total approximately \$10.8 billion annually on the Charleston Region, which increases to nearly \$11.2 billion for the state of South Carolina as a whole. Historically, every additional dollar that is generated in economic activity (i.e., nominal gross state product) within South Carolina also generates 4.4 cents in new state tax revenue.³ By applying this figure to the economic activity generated by CHS, the tax revenue from this total volume of activity can be estimated.⁴ **Table 5** displays these results, which show that the annual total estimated tax revenue that arises from CHS is approximately \$283.2 million.

Table 5 – S.C. State Tax Revenue Derived from Economic Activity Supported by CHS

Category	Dollar Value
Estimated Economic Output for South Carolina	\$11,154,411,206
Estimated Tax Revenue Generated for South Carolina	\$283,188,191

³ The historical relationship between South Carolina nominal gross state product and the South Carolina general funds revenue (as measured and tracked by the South Carolina Board of Economic Advisors) was estimated using industry-standard time-series regression techniques.

⁴ Economic output represents the value of industry production and is therefore not synonymous with gross state product. As such, the dollar value of all intermediate inputs was subtracted from economic output before the 4.4-cent estimate was applied to estimate total tax revenue.

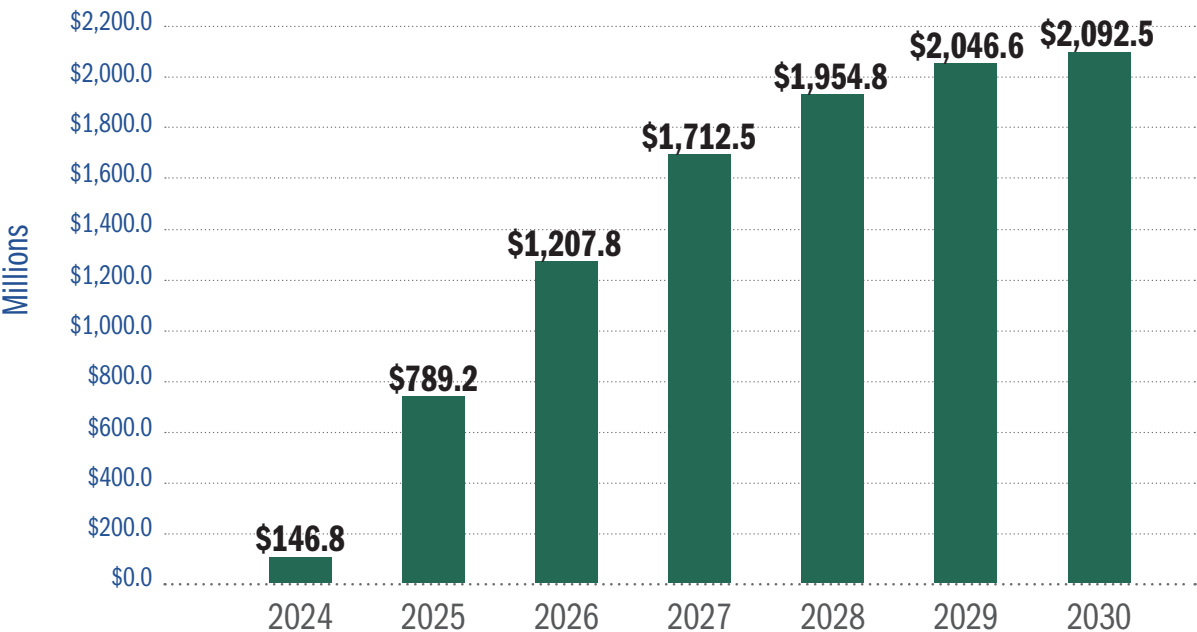


Planned Expansions

Following the onset of the COVID-19 pandemic in February 2020, the rate at which the U.S. population is migrating to the Southeast has increased, implying that there will also be a corresponding increase in the demand for air travel. According to the U.S. Census, the Southern United States is projected to see more population gains than any other U.S. region through the year 2040. Moreover, South Carolina experienced the fastest population growth rate (+1.7%) in the nation between July 2022 and July 2023.

Because of this anticipated increase in demand, many of South Carolina’s commercial airports – including CHS – are expanding their capacity in order to facilitate this growth and increase their impacts over time. CHS is currently planning more than \$1.1 billion in capital investments over the next six years, which will generate a series of temporary, construction-related impacts that will cumulatively total nearly \$2.1 billion by 2030, as shown in **Figure 3**.

Figure 3 – Cumulative Economic Impact of CHS Capital Investments: 2024-2030



SECTION IV - COLUMBIA METROPOLITAN AIRPORT

THE ECONOMIC IMPACT OF SOUTH CAROLINA'S COMMERCIAL AIRPORTS



Airport Operations
\$37.2 Million

Airport Tenants
\$1.8 Billion

Visitor Spending
\$731.3 Million

Cargo Facilitation
\$755.0 Million

TOTAL
\$3.3 Billion

Total Impact on South Carolina

\$3.3 BILLION

Total Employment:
15,838

Total Labor Income:
\$867.7 Million

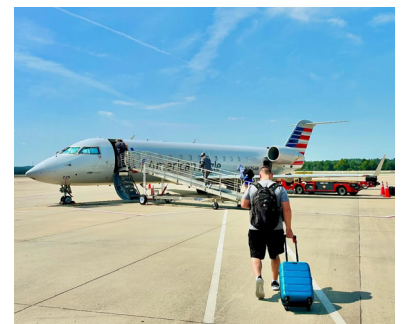


THE ECONOMIC IMPACT OF THE COLUMBIA METROPOLITAN AIRPORT (CAE)

Airport and Tenant Operations

The Columbia Metropolitan Airport (CAE) currently serves three airlines along with seven cities. With nearly 600,000 enplanements each year, CAE generates a total of \$22.2 million in revenue annually. This level of business operations also supports a direct employment base of 67 full-time equivalent (FTE) workers, paying a total of \$5.5 million in labor income. In addition to all airport operations, CAE also contains many business tenants that provide a variety of goods and services to airport personnel and visitors as well as the local community. According to data provided by CAE, it is estimated that in 2023 these business tenants generated approximately \$1.1 billion in total revenue.

The ongoing operations of the airport itself along with all business tenants generates new, local economic activity that would not exist otherwise. In addition, these direct impacts also generate significant multiplier effects that make the total economic impact of these airport operations and business tenants far larger. The structural input-output models used in this analysis estimate impacts in terms of three specific measures: economic output, employment, and labor income. Economic output reflects the dollar value of all final goods and services that can be attributed (directly or indirectly) to the airport operations and business tenants. It can also be thought of as an aggregate measure of total spending activity that results from all direct expenditures on the part of the airport and its business tenants within the local economy. Because it includes all spending on both goods and services, it is an all-inclusive measure of the impact on total economic activity. Employment measures the total number of full-time equivalent positions associated with total economic output. Labor income reflects all employee compensation associated with total employment estimates, including wages, salaries, and benefits. **Tables 6 and 7** highlight these estimates for the Columbia Region⁵.



⁵ Lexington and Richland counties



Table 6 – Economic Impact of Airport Operations on the Columbia Region

	Employment	Labor Income	Economic Output
Direct Effect	67	\$5,475,014	\$22,214,132
Multiplier Effect	92	\$4,798,061	\$14,330,120
Total Impact	159	\$10,273,075	\$36,544,252

Table 7 – Economic Impact of Airport Tenants⁶ on the Columbia Region

	Employment	Labor Income	Economic Output
Direct Effect	2,417	\$211,335,147	\$1,082,950,264
Multiplier Effect	3,188	\$193,069,923	\$699,578,061
Total Impact	5,605	\$404,405,070	\$1,782,528,325

The 2,484 employees at CAE, which includes both the direct employment associated with all airport operations as well as employment across all business tenants, generate a total of \$1.1 billion in direct total economic output annually. This level of direct economic activity then leads to economic multiplier effects totaling another \$713.9 million in economic output and 3,280 jobs across the region. These estimates reflect increased demand for goods and services of local suppliers as well as all new economic activity generated across all industries resulting from increased household spending that comes about from the increased volume of paid wages that accompany the aforementioned job creation. The combination of the direct effect and all multiplier effects leads to a total economic impact of approximately \$1.8 billion, which is associated with 5,764 jobs across the Columbia region as well as \$414.7 million in labor income.

⁶ Includes business operations at CAE Park, GA East, GA North, Main Campus, Terminal, Site 16, and ACC.





Facilitated Spending: Visitors and Cargo

As previously noted, in recent years U.S. consumers have dramatically shifted their buying habits. More specifically, a greater percentage of all purchases are now going towards consumer services in lieu of consumer goods. For example, since 2023 alone, annual growth in consumer spending on services has averaged 2.9 percent, compared to just 1.7 percent during the decade leading up to the pandemic (2010-2019). This surge in demand for consumer services has, in turn, generated higher levels of air travel. Following a decline in enplanements from 600,000 in 2019 to 300,000 in 2020 as a result of the COVID-19 pandemic, enplanements had nearly recovered to pre-pandemic levels (600,000) by 2023.

CAE regularly facilitates millions of dollars in direct visitor spending to the Columbia Region each year for both business and leisure-related engagements. In order to estimate the total economic impact of all visitor spending that is generated by this total enplanement volume, estimates were obtained from the Federal Aviation Administration (FAA) and the South Carolina Aeronautics Commission (SCAC) regarding the long-run average percentage of enplanements related to tourism and the specific spending patterns of visitors.

Another major component of CAE's economic impact arises from local business activities that require an airport for cargo shipments. Many businesses throughout the Midlands depend on CAE to receive and/or ship cargo via air. While these firms are not entirely dependent on CAE for all of their business transactions, the availability of CAE is nevertheless critical to their success and, in many cases, can be instrumental in major business location decisions. This study analyzed data on cargo shipments obtained from the FAA and U.S. Census Bureau (USA Trade Online) in order to estimate the total value of cargo shipped via air through CAE each year. These dollars reflect the private business activity that directly involves CAE – either through the distribution of goods to customers or through the acquisition of supplies for production. The economic impact of visitor spending and cargo-dependent business operations are shown in **Tables 8 and 9**.

Table 8 – Economic Impact of Visitor Spending on the Columbia Region

	Employment	Labor Income	Economic Output
Direct Effect	5,156	\$124,823,985	\$422,918,542
Multiplier Effect	1,644	\$88,713,280	\$291,962,544
Total Impact	6,800	\$213,537,265	\$714,811,086

Table 9 – Economic Impact of Cargo-Dependent Business Operations in the Columbia Region

	Employment	Labor Income	Economic Output
Direct Effect	1,228	\$119,704,709	\$414,446,203
Multiplier Effect	1,587	\$100,107,400	\$291,588,524
Total Impact	2,815	\$219,812,109	\$706,034,727





This study estimates that the total volume of visitor spending associated with the 600,000 enplanements facilitated by CAE each year along with local cargo-dependent business activity generates approximately \$837.4 million in direct economic output for the Columbia Region each year. This level of direct economic activity then leads to economic multiplier effects totaling another \$583.6 million in economic output and 3,231 jobs across the Columbia area. These estimates reflect increased demand for goods and services of local suppliers as well as all new economic activity generated across all industries resulting from increased household spending that comes about from the increased volume of paid wages that accompany the aforementioned job creation. The combination of the direct effect and all multiplier effects leads to a total economic impact of approximately \$1.4 billion, which is associated with 9,615 jobs across the region as well as \$433.3 million in labor income.

Contributions to State Tax Revenue

The economic impacts previously quantified that derive from all business activities associated with CAE generate a significant volume of tax revenue for the state of South Carolina. As shown in **Tables 6-9**, the economic impact of CAE is estimated to total approximately \$3.2 billion annually on the Columbia Region, which increases to nearly \$3.4 billion for the state of South Carolina as a whole. Historically, every additional dollar that is generated in economic activity (i.e., nominal gross state product) within South Carolina also generates 4.4 cents in new state tax revenue.⁷ By applying this figure to the economic activity generated by CAE, the tax revenue from this total volume of activity can be estimated.⁸ **Table 10** displays these results, which show that the annual total estimated tax revenue that arises from CAE is approximately \$85.0 million.

Table 10 – S.C. State Tax Revenue Derived from Economic Activity Supported by CAE

Category	Dollar Value
Estimated Economic Output for South Carolina	\$3,348,573,426
Estimated Tax Revenue Generated for South Carolina	\$85,013,582

⁷ The historical relationship between South Carolina nominal gross state product and the South Carolina general funds revenue (as measured and tracked by the South Carolina Board of Economic Advisors) was estimated using industry-standard time-series regression techniques.

⁸ Economic output represents the value of industry production and is therefore not synonymous with gross state product. As such, the dollar value of all intermediate inputs was subtracted from economic output before the 4.4-cent estimate was applied to estimate total tax revenue.

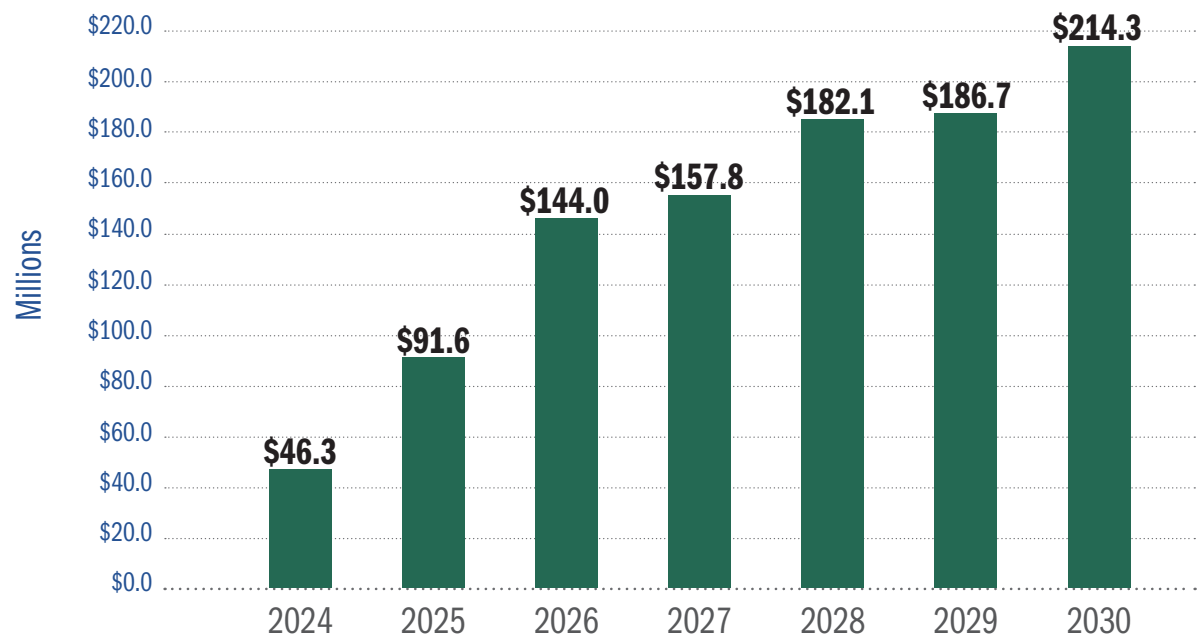


Planned Expansions

Following the onset of the COVID-19 pandemic in February 2020, the rate at which the U.S. population is migrating to the Southeast has increased, implying that there will also be a corresponding increase in the demand for air travel. According to the U.S. Census, the Southern United States is projected to see more population gains than any other U.S. region through the year 2040. Moreover, South Carolina experienced the fastest population growth rate (+1.7%) in the nation between July 2022 and July 2023.

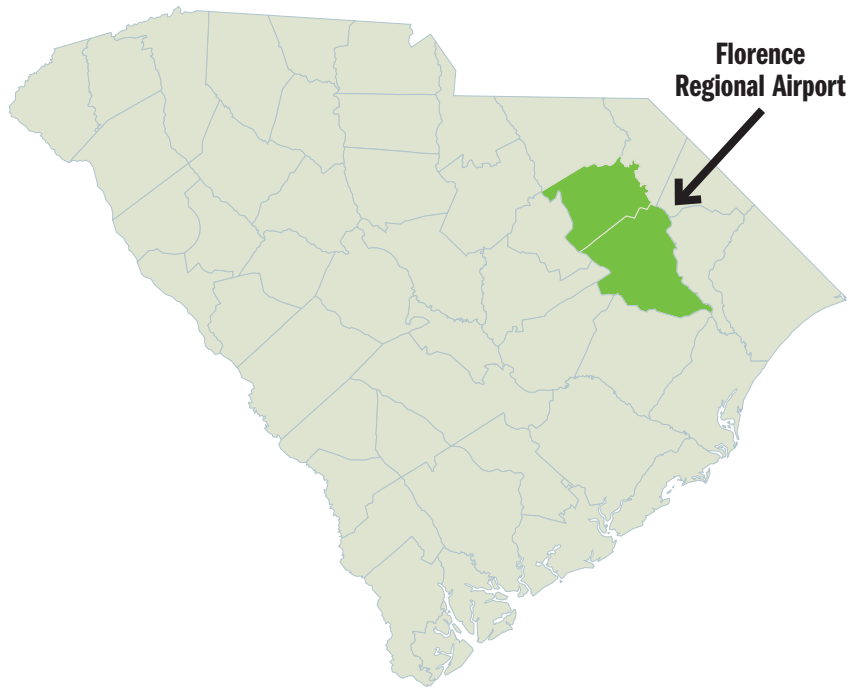
Because of this anticipated increase in demand, many of South Carolina’s commercial airports – including CAE – are renovating or expanding their capacity. CAE is currently planning more than \$116.4 million in capital investments over the next six years, which will generate a series of temporary, construction-related impacts that will cumulatively total nearly \$214.3 million by 2030, as shown in **Figure 4**.

Figure 4 – Cumulative Economic Impact of CAE Capital Investments: 2024-2030



SECTION V - FLORENCE REGIONAL AIRPORT

THE ECONOMIC IMPACT OF SOUTH CAROLINA'S COMMERCIAL AIRPORTS



Airport Operations
\$5.7 Million

Airport Tenants
\$34.3 Million

Visitor Spending
\$27.9 Million

TOTAL
\$67.9 Million

Total Impact on South Carolina

\$67.9 MILLION

Total Employment:

476

Total Labor Income:

\$20.0 Million



THE ECONOMIC IMPACT OF THE FLORENCE REGIONAL AIRPORT (FLO)

Airport and Tenant Operations

With over 22,000 enplanements each year, the Florence Regional Airport (FLO) generates a total of \$3.5 million in total revenue annually. This level of business operations also supports a direct employment base of 15 full-time equivalent (FTE) workers, paying a total of \$0.7 million in labor income. In addition to all airport operations, FLO also contains many business tenants that provide a variety of goods and services to airport personnel and visitors. According to data provided by FLO, it is estimated that in 2023 these business tenants generated approximately \$18.7 million in total revenue.

The ongoing operations of the airport itself along with all business tenants generates new, local economic activity that would not exist otherwise. In addition, these direct impacts also generate significant multiplier effects that make the total economic impact of these airport operations and business tenants far larger. The structural input-output models used in this analysis estimate impacts in terms of three specific measures: economic output, employment, and labor income. Economic output reflects the dollar value of all final goods and services that can be attributed (directly or indirectly) to the airport operations and business tenants. It can also be thought of as an aggregate measure of total spending activity that results from all direct expenditures on the part of the airport and its business tenants within the local economy. Because it includes all spending on both goods and services, it is an all-inclusive measure of the impact on total economic activity. Employment measures the total number of full-time equivalent positions associated with total economic output. Labor income reflects all employee compensation associated with total employment estimates, including wages, salaries, and benefits. **Tables 11 and 12** highlight these estimates for Florence and Darlington counties.

Table 11 – Economic Impact of Airport Operations on the Florence Region

	Employment	Labor Income	Economic Output
Direct Effect	15	\$743,347	\$3,485,974
Multiplier Effect	10	\$520,153	\$1,518,620
Total Impact	25	\$1,263,500	\$5,004,594

Table 12 – Economic Impact of Airport Tenants on the Florence Region

	Employment	Labor Income	Economic Output
Direct Effect	79	\$5,645,459	\$18,677,862
Multiplier Effect	65	\$3,294,725	\$10,267,313
Total Impact	144	\$8,940,184	\$28,945,175



The 94 employees at FLO, which includes both the direct employment associated with all airport operations as well as employment across all business tenants, generate a total of \$22.2 million in direct total economic output annually. This level of direct economic activity then leads to economic multiplier effects totaling another \$11.8 million in economic output and 75 jobs across the Florence Region. These estimates reflect increased demand for goods and services of local suppliers as well as all new economic activity generated across all industries resulting from increased household spending that comes about from the increased volume of paid wages that accompany the aforementioned job creation. The combination of the direct effect and all multiplier effects lead to a total economic impact of approximately \$33.9 million, which is associated with 169 jobs as well as \$10.2 million in labor income.

Facilitated Spending: Visitors

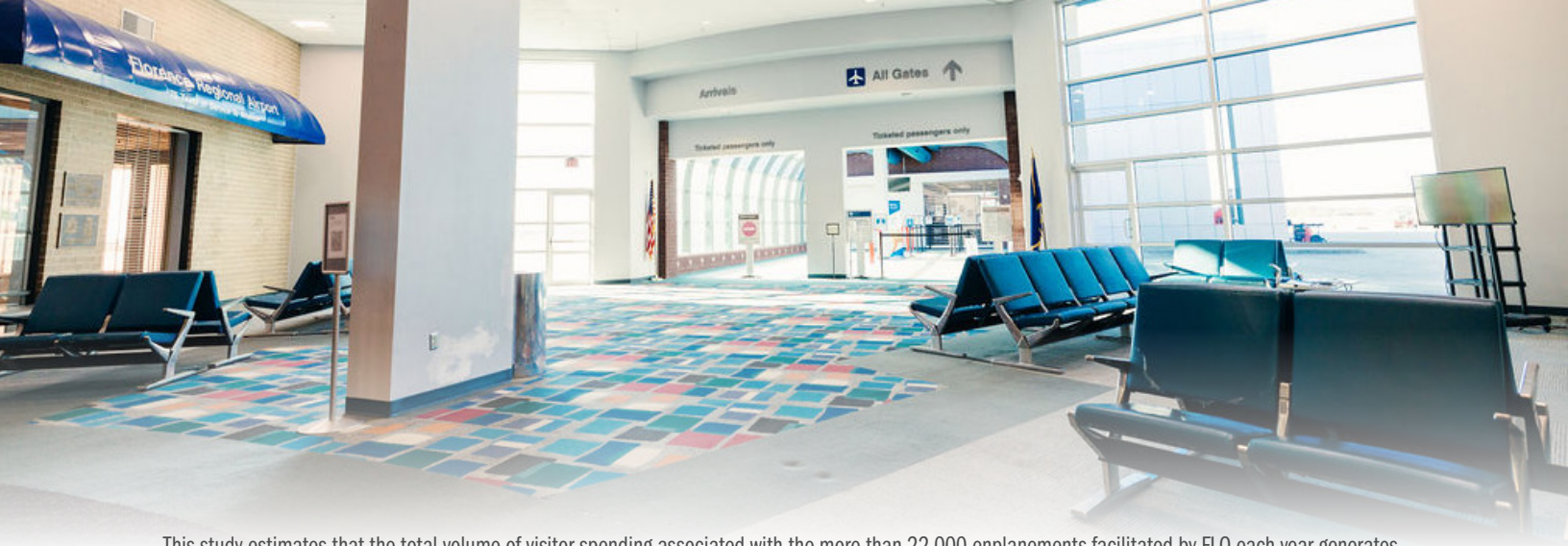
FLO regularly facilitates millions of dollars in direct visitor spending to the Florence Region each year for both business and leisure-related engagements. In order to estimate the total economic impact of all visitor spending that is generated by this total enplanement volume, estimates were obtained from the Federal Aviation Administration (FAA) and the South Carolina Aeronautics Commission (SCAC) regarding the long-run average percentage of enplanements related to tourism and the specific spending patterns of visitors.

The economic impact of all visitor spending is shown in **Table 13**.

Table 13 – Economic Impact of Visitor Spending on the Florence Region

	Employment	Labor Income	Economic Output
Direct Effect	211	\$4,491,722	\$16,117,400
Multiplier Effect	48	\$2,390,156	\$8,167,444
Total Impact	259	\$6,881,878	\$24,284,844





This study estimates that the total volume of visitor spending associated with the more than 22,000 enplanements facilitated by FLO each year generates approximately \$16.1 million in direct economic output for the Florence Region each year. This level of direct economic activity then leads to economic multiplier effects totaling another \$8.2 million in economic output and 48 jobs. These estimates reflect increased demand for goods and services of local suppliers as well as all new economic activity generated across all industries resulting from increased household spending that comes about from the increased volume of paid wages that accompany the aforementioned job creation. The combination of the direct effect and all multiplier effects lead to a total economic impact of approximately \$24.3 million, which is associated with 259 jobs across the region as well as \$6.9 million in labor income.

Contributions to State Tax Revenue

The economic impacts previously quantified that derive from all business activities associated with FLO generate a significant volume of tax revenue for the state of South Carolina. As shown in **Tables 11-13**, the economic impact of FLO is estimated to total approximately \$58.2 million annually on the Florence Region, which increases to over \$67.8 million for the state of South Carolina as a whole. Historically, every additional dollar that is generated in economic activity (i.e., nominal gross state product) within South Carolina also generates 4.4 cents in new state tax revenue.⁹ By applying this figure to the economic activity generated by FLO, the tax revenue from this total volume of activity can be estimated.¹⁰ **Table 14** displays these results, which show that the annual total estimated tax revenue that arises from FLO is approximately \$1.6 million.

Table 14 – S.C. State Tax Revenue Derived from Economic Activity Supported by FLO

Category	Dollar Value
Estimated Economic Output for South Carolina	\$67,867,123
Estimated Tax Revenue Generated for South Carolina	\$1,573,953

⁹ The historical relationship between South Carolina nominal gross state product and the South Carolina general funds revenue (as measured and tracked by the South Carolina Board of Economic Advisors) was estimated using industry-standard time-series regression techniques.

¹⁰ Economic output represents the value of industry production and is therefore not synonymous with gross state product. As such, the dollar value of all intermediate inputs was subtracted from economic output before the 4.4-cent estimate was applied to estimate total tax revenue.



SECTION VI - GREENVILLE-SPARTANBURG INTERNATIONAL AIRPORT

THE ECONOMIC IMPACT OF SOUTH CAROLINA'S COMMERCIAL AIRPORTS



Airport Operations
\$97.0 Million

Airport Tenants
\$1.8 Billion

Visitor Spending
\$1.5 Billion

Cargo Facilitation
\$1.2 Billion

TOTAL
\$4.7 Billion

Total Impact on South Carolina

\$4.7 BILLION

Total Employment:

24,747

Total Labor Income:

\$1.2 Billion



THE ECONOMIC OF THE GREENVILLE-SPARTANBURG INTERNATIONAL AIRPORT (GSP)



Airport and Tenant Operations

The Greenville-Spartanburg International Airport (GSP) currently serves seven airlines along with 24 cities. With approximately 1.3 million enplanements each year, GSP generates a total of \$56.8 million in total revenue annually. This level of business operations also supports a direct employment base of 219 full-time equivalent (FTE) workers, paying a total of \$18.0 million in labor income. In addition to all airport operations, GSP also contains many business tenants that provide a variety of goods and services to airport personnel and visitors. According to data provided by GSP, it is estimated that in 2023 these business tenants generated approximately \$1.2 billion in total revenue.

The ongoing operations of the airport itself along with all business tenants generates new, local economic activity that would not exist otherwise. In addition, these direct impacts also generate significant multiplier effects that make the total economic impact of these airport operations and business tenants far larger. The structural input-output models used in this analysis estimate impacts in terms of three specific measures: economic output, employment, and labor income. Economic output reflects the dollar value of all final goods and services that can be attributed (directly or indirectly) to the airport operations and business tenants. It can also be thought of as an aggregate measure of total spending activity that results from all direct expenditures on the part of the airport and its business tenants within the local economy. Because it includes all spending on both goods and services, it is an all-inclusive measure of the impact on total economic activity. Employment measures the total number of full-time equivalent positions associated with total economic output. Labor income reflects all employee compensation associated with total employment estimates, including wages, salaries, and benefits. **Tables 15 and 16** highlight these estimates for the Upstate Region.¹¹

¹¹ Anderson, Greenville, Laurens, Pickens, Spartanburg, and Union counties

The Economic Impact of the Greenville-Spartanburg International Airport (GSP)

Table 15 – Economic Impact of Airport Operations on the Upstate Region

	Employment	Labor Income	Economic Output
Direct Effect	219	\$17,970,000	\$56,767,434
Multiplier Effect	264	\$12,967,057	\$36,705,767
Total Impact	483	\$30,937,057	\$93,473,201

Table 16 – Economic Impact of Airport Tenants on the Upstate Region

	Employment	Labor Income	Economic Output
Direct Effect	2,063	\$164,267,441	\$1,252,018,101
Multiplier Effect	2,637	\$159,030,652	\$570,842,623
Total Impact	4,700	\$323,298,093	\$1,822,860,724

The 2,282 employees at GSP, which includes both the direct employment associated with all airport operations as well as employment across all business tenants, generate a total of \$1.3 billion in direct total economic output annually. This level of direct economic activity then leads to economic multiplier effects totaling another \$607.5 million in economic output and 2,901 jobs across the Upstate. These estimates reflect increased demand for goods and services of local suppliers as well as all new economic activity generated across all industries resulting from increased household spending that comes about from the increased volume of paid wages that accompany the aforementioned job creation. The combination of the direct effect and all multiplier effects lead to a total economic impact of approximately \$1.9 billion, which is associated with 5,183 jobs across the Upstate as well as \$354.2 million in labor income.

Facilitated Spending: Visitors and Cargo

As previously noted, in recent years U.S. consumers have dramatically shifted their buying habits. More specifically, a greater percentage of all purchases are now going towards consumer services in lieu of consumer goods. For example, since 2023 alone, annual growth in consumer spending on services has averaged 2.9 percent, compared to just 1.7 percent during the decade leading up to the pandemic (2010-2019). This surge in demand for consumer services has, in turn, generated higher levels of air travel. Following a decline in enplanements from 1.3 million in 2019 to 500,000 in 2020 as a result of the COVID-19 pandemic, enplanements had fully recovered to pre-pandemic levels (1.3 million) by 2023.

GSP regularly facilitates millions of dollars in direct visitor spending to the Upstate Region each year for both business and leisure-related engagements. In order to estimate the total economic impact of all visitor spending that is generated by this total enplanement volume, estimates were obtained from the Federal Aviation Administration (FAA) and the South Carolina Aeronautics Commission (SCAC) regarding the long-run average percentage of enplanements related to tourism and the specific spending patterns of visitors.

Another major component of GSP's economic impact arises from all local business activities that require an airport for cargo shipments. Many businesses throughout the Upstate depend on GSP to receive and/or ship cargo via air. While these firms are not entirely dependent on GSP for all of their business transactions, the availability of GSP is nevertheless critical to their success and, in many cases, can be instrumental in major business location decisions. This study analyzed data on cargo shipments obtained from the U.S. Census Bureau (USA Trade Online) in order to estimate the total volume of cargo shipped via air through GSP each year. These dollars reflect the private business activity that directly involves GSP – either through the distribution of goods to customers or through the acquisition of supplies for production. The economic impact of all visitor spending and cargo-dependent business operations are shown in **Tables 17 and 18**.



Table 17 – Economic Impact of Visitor Spending on the Upstate Region

	Employment	Labor Income	Economic Output
Direct Effect	10,958	\$272,128,879	\$892,451,732
Multiplier Effect	3,568	\$189,258,067	\$636,668,870
Total Impact	14,526	\$461,386,946	\$1,529,120,602

Table 18 – Economic Impact of Cargo-Dependent Business Operations in the Upstate Region

	Employment	Labor Income	Economic Output
Direct Effect	1,850	\$155,863,301	\$663,002,008
Multiplier Effect	2,750	\$170,983,381	\$499,732,185
Total Impact	4,600	\$326,846,682	\$1,162,734,193

This study estimates that the total volume of visitor spending associated with the 1.3 million enplanements facilitated by GSP each year along with local cargo-dependent business activity generates approximately \$1.6 billion in direct economic output for the Upstate Region each year. This level of direct economic activity then leads to economic multiplier effects totaling another \$1.1 billion in economic output and 6,318 jobs across the Upstate. These estimates reflect increased demand for goods and services of local suppliers as well as all new economic activity generated across all industries resulting from increased household spending that comes about from the increased volume of paid wages that accompany the aforementioned job creation. The combination of the direct effect and all multiplier effects lead to a total economic impact of approximately \$2.7 billion, which is associated with 19,126 jobs across the Upstate as well as \$788.2 million in labor income.

Contributions to State Tax Revenue

The economic impacts previously quantified that derive from all business activities associated with GSP generate a significant volume of tax revenue for the state of South Carolina. As shown in **Tables 15-18**, the economic impact of GSP is estimated to total approximately \$4.6 billion annually on the Upstate Region, which increases to nearly \$4.7 billion for the state of South Carolina as a whole. Historically, every additional dollar that is generated in economic activity (i.e., nominal gross state product) within South Carolina also generates 4.4 cents in new state tax revenue.¹² By applying this figure to the economic activity generated by GSP, the tax revenue from this total volume of activity can be estimated.¹³ **Table 19** displays these results, which show that the annual total estimated tax revenue that arises from GSP is approximately \$88.9 million.

Table 19 – S.C. State Tax Revenue Derived from Economic Activity Supported by GSP

Category	Dollar Value
Estimated Economic Output for South Carolina	\$4,672,140,083
Estimated Tax Revenue Generated for South Carolina	\$88,922,836

¹² The historical relationship between South Carolina nominal gross state product and the South Carolina general funds revenue (as measured and tracked by the South Carolina Board of Economic Advisors) was estimated using industry-standard time-series regression techniques.

¹³ Economic output represents the value of industry production and is therefore not synonymous with gross state product. As such, the dollar value of all intermediate inputs was subtracted from economic output before the 4.4-cent estimate was applied to estimate total tax revenue.



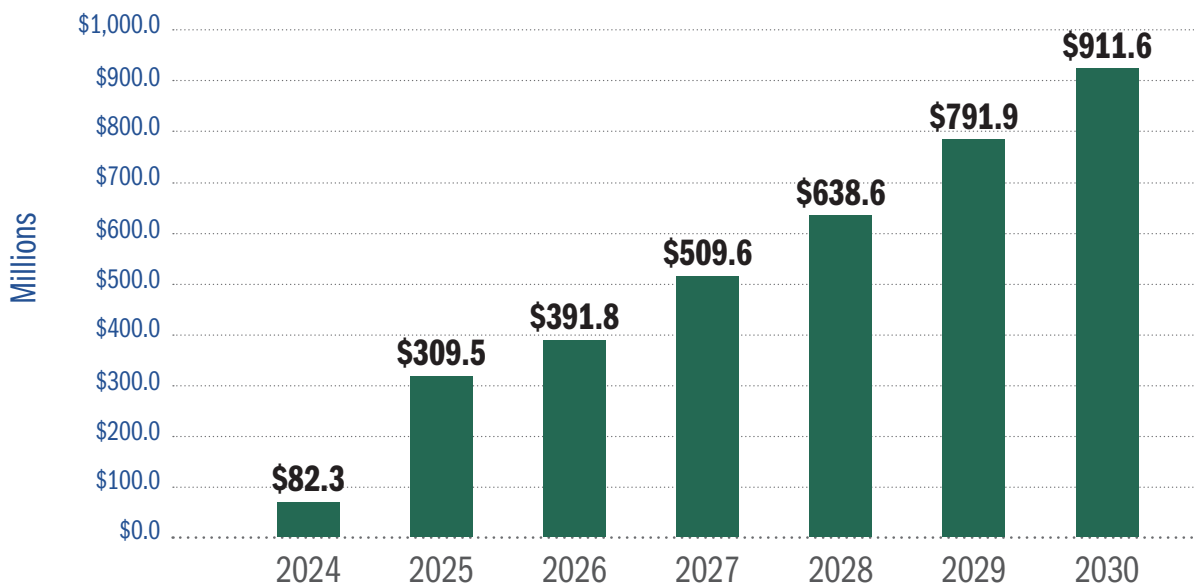


Planned Expansions

Following the onset of the COVID-19 pandemic in February 2020, the rate at which the U.S. population is migrating to the Southeast has increased, implying that there will also be a corresponding increase in the demand for air travel. According to the U.S. Census, the Southern United States is projected to see more population gains than any other U.S. region through the year 2040. Moreover, South Carolina experienced the fastest population growth rate (+1.7%) in the nation between July 2022 and July 2023.

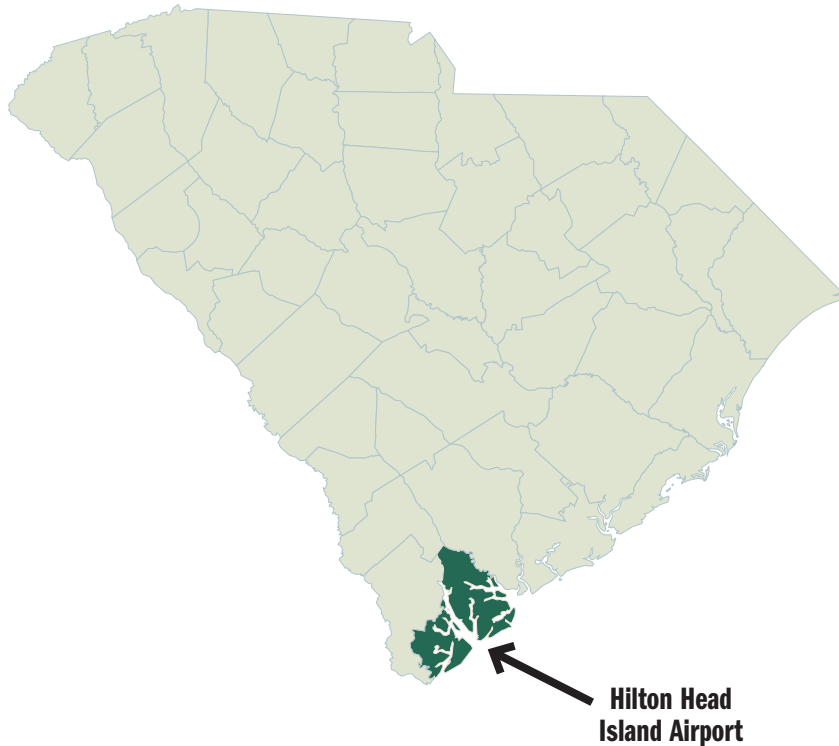
Because of this anticipated increase in demand, many of South Carolina's commercial airports – including GSP – are expanding their capacity in order to facilitate this growth and increase their impacts over time. GSP is currently planning more than \$487 million in capital investments over the next six years, which will generate a series of temporary, construction-related impacts that will cumulatively total nearly \$912 million by 2030, as shown in **Figure 5**.

Figure 5 – Cumulative Economic Impact of GSP Capital Investments: 2024-2030



SECTION VII - HILTON HEAD ISLAND AIRPORT

THE ECONOMIC IMPACT OF SOUTH CAROLINA'S COMMERCIAL AIRPORTS



Airport Operations
\$10.3 Million

Airport Tenants
\$17.2 Million

Visitor Spending
\$140.9 Million

TOTAL
\$168.4 Million

Total Impact on South Carolina

\$168.4 MILLION

Total Employment:
1,455

Total Labor Income:
\$49.7 Million



THE ECONOMIC IMPACT OF THE HILTON HEAD ISLAND AIRPORT (HXD)



Airport and Tenant Operations

The Hilton Head Island Airport (HXD) currently serves three airlines along with nine cities. With over 100,000 enplanements each year, HXD generates a total of \$6.1 million in total revenue annually. This level of business operations also supports a direct employment base of 19 full-time equivalent (FTE) workers, paying a total of \$1.7 million in labor income. In addition to all airport operations, HXD also contains many business tenants that provide a variety of goods and services to airport personnel and visitors. According to data provided by HXD, it is estimated that in 2023 these business tenants generated approximately \$10.0 million in total revenue.

The ongoing operations of the airport itself along with all business tenants generates new, local economic activity that would not exist otherwise. In addition, these direct impacts also generate significant multiplier effects that make the total economic impact of these airport operations and business tenants far larger. The structural input-output models used in this analysis estimate impacts in terms of three specific measures: economic output, employment, and labor income. Economic output reflects the dollar value of all final goods and services that can be attributed (directly or indirectly) to the airport operations and business tenants. It can also be thought of as an aggregate measure of total spending activity that results from all direct expenditures on the part of the airport and its business tenants within the local economy. Because it includes all spending on both goods and services, it is an all-inclusive measure of the impact on total economic activity. Employment measures the total number of full-time equivalent positions associated with total economic output. Labor income reflects all employee compensation associated with total employment estimates, including wages, salaries, and benefits. **Tables 20 and 21** highlight these estimates for Beaufort County.

Table 20 – Economic Impact of Airport Operations on Beaufort County

	Employment	Labor Income	Economic Output
Direct Effect	19	\$1,716,829	\$6,115,538
Multiplier Effect	23	\$1,095,190	\$3,300,221
Total Impact	42	\$2,812,019	\$9,415,759

Table 21 – Economic Impact of Airport Tenants on Beaufort County

	Employment	Labor Income	Economic Output
Direct Effect	94	\$2,624,067	\$10,041,000
Multiplier Effect	33	\$1,595,295	\$4,988,678
Total Impact	127	\$4,219,362	\$15,029,678



The 113 employees at HXD, which includes both the direct employment associated with all airport operations as well as employment across all business tenants, generate a total of \$16.2 million in direct total economic output annually. This level of direct economic activity then leads to economic multiplier effects totaling another \$8.3 million in economic output and 56 jobs across Beaufort County. These estimates reflect increased demand for goods and services of local suppliers as well as all new economic activity generated across all industries resulting from increased household spending that comes about from the increased volume of paid wages that accompany the aforementioned job creation. The combination of the direct effect and all multiplier effects lead to a total economic impact of approximately \$24.4 million, which is associated with 169 jobs across the county as well as \$7.0 million in labor income.

Facilitated Spending: Visitors

Following a decline in enplanements from 110,000 in 2019 to 73,600 in 2020 as a result of the COVID-19 pandemic, enplanements had recovered to near pre-pandemic levels (104,000) by 2023.

HXD regularly facilitates millions of dollars in direct visitor spending to Beaufort County each year for both business and leisure-related engagements. In order to estimate the total economic impact of all visitor spending that is generated by this total enplanement volume, estimates were obtained from the Federal Aviation Administration (FAA) and the South Carolina Aeronautics Commission (SCAC) regarding the long-run average percentage of enplanements related to tourism and the specific spending patterns of visitors.

The economic impact of all visitor spending is shown in **Table 22**.

Table 22 – Economic Impact of Visitor Spending on Beaufort County			
	Employment	Labor Income	Economic Output
Direct Effect	955	\$24,897,557	\$78,566,378
Multiplier Effect	231	\$10,979,617	\$37,866,074
Total Impact	1,186	\$35,877,174	\$116,432,452



This study estimates that the total volume of visitor spending associated with the 104,000 enplanements facilitated by HXD each year generates approximately \$78.6 million in direct economic output for Beaufort County each year. This level of direct economic activity then leads to economic multiplier effects totaling another \$37.9 million in economic output and 231 jobs across the county. These estimates reflect increased demand for goods and services of local suppliers as well as all new economic activity generated across all industries resulting from increased household spending that comes about from the increased volume of paid wages that accompany the aforementioned job creation. The combination of the direct effect and all multiplier effects lead to a total economic impact of approximately \$116.4 million, which is associated with 1,186 jobs across Beaufort County as well as \$35.9 million in labor income.

Contributions to State Tax Revenue

The economic impacts previously quantified that derive from all business activities associated with HXD generate a significant volume of tax revenue for the state of South Carolina. As shown in **Tables 20-22**, the economic impact of HXD is estimated to total approximately \$140.9 million annually on Beaufort County, which increases to over \$163.3 million for the state of South Carolina as a whole. Historically, every additional dollar that is generated in economic activity (i.e., nominal gross state product) within South Carolina also generates 4.4 cents in new state tax revenue.¹⁴ By applying this figure to the economic activity generated by HXD, the tax revenue from this total volume of activity can be estimated.¹⁵ **Table 23** displays these results, which show that the annual total estimated tax revenue that arises from HXD is approximately \$4.3 million.

Table 23 – S.C. State Tax Revenue Derived from Economic Activity Supported by HXD

Category	Dollar Value
Estimated Economic Output for South Carolina	\$168,372,843
Estimated Tax Revenue Generated for South Carolina	\$4,274,650

¹⁴ The historical relationship between South Carolina nominal gross state product and the South Carolina general funds revenue (as measured and tracked by the South Carolina Board of Economic Advisors) was estimated using industry-standard time-series regression techniques.

¹⁵ Economic output represents the value of industry production and is therefore not synonymous with gross state product. As such, the dollar value of all intermediate inputs was subtracted from economic output before the 4.4-cent estimate was applied to estimate total tax revenue.

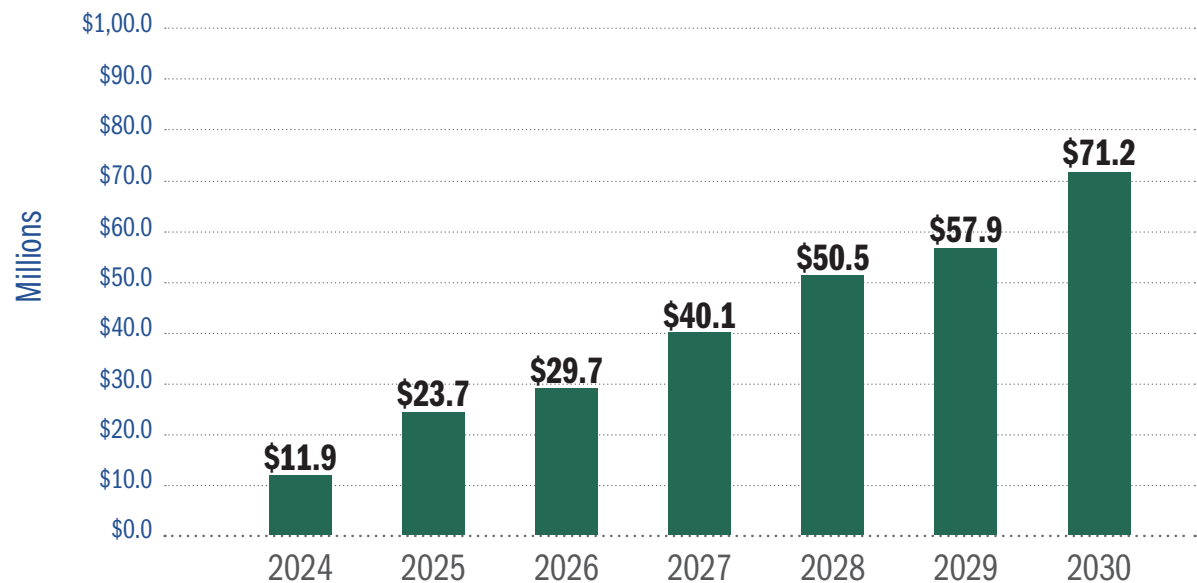


Planned Expansions

Following the onset of the COVID-19 pandemic in February 2020, the rate at which the U.S. population is migrating to the Southeast has increased, implying that there will also be a corresponding increase in the demand for air travel. According to the U.S. Census, the Southern United States is projected to see more population gains than any other U.S. region through the year 2040. Moreover, South Carolina experienced the fastest population growth rate (+1.7%) in the nation between July 2022 and July 2023.

Because of this anticipated increase in demand, many of South Carolina’s commercial airports – including HXD – are either renovating or expanding their capacity in order to facilitate this growth and increase their impacts over time. HXD is currently planning on \$48 million in capital investments over the next six years, which will generate a series of temporary, construction-related impacts that will cumulatively total over \$71 million by 2030, as shown in Figure 6.

Figure 6 – Cumulative Economic Impact of HXD Capital Investments: 2024-2030



SECTION VIII - MYRTLE BEACH INTERNATIONAL AIRPORT

THE ECONOMIC IMPACT OF SOUTH CAROLINA'S COMMERCIAL AIRPORTS



Airport Operations
\$82.9 Million

Airport Tenants
\$307.0 Million

Visitor Spending
\$2.7 Billion

TOTAL
\$3.1 Billion

Total Impact on South Carolina

\$3.1 BILLION

Total Employment:
26,410

Total Labor Income:
\$936.0 Million



THE ECONOMIC IMPACT OF THE MYRTLE BEACH INTERNATIONAL AIRPORT (MYR)



Airport and Tenant Operations

The Myrtle Beach International Airport (MYR) currently serves a total of ten (10) airlines – six (6) signatory and four (4) non-signatory – along with nearly 50 cities. With approximately 1.7 million enplanements each year, MYR generates a total of \$46.2 million in total revenue annually. This level of business operations also supports a direct employment base of 160 full-time equivalent (FTE) workers, paying a total of \$12.4 million in labor income. In addition to all airport operations, MYR also contains many business tenants that provide a variety of goods and services to airport personnel and visitors. According to data provided by MYR, it is estimated that in 2023 these business tenants generated approximately \$187.3 million in total revenue.

The ongoing operations of the airport itself along with all business tenants generates new, local economic activity that would not exist otherwise. In addition, these direct impacts also generate significant multiplier effects that make the total economic impact of these airport operations and business tenants far larger. The structural input-output models used in this analysis estimate impacts in terms of three specific measures: economic output, employment, and labor income. Economic output reflects the dollar value of all final goods and services that can be attributed (directly or indirectly) to the airport operations and business tenants. It can also be thought of as an aggregate measure of total spending activity that results from all direct expenditures on the part of the airport and its business tenants within the local economy. Because it includes all spending on both goods and services, it is an all-inclusive measure of the impact on total economic activity. Employment measures the total number of full-time equivalent positions associated with total economic output. Labor income reflects all employee compensation associated with total employment estimates, including wages, salaries, and benefits. **Tables 24 and 25** highlight these estimates for Horry County.

Table 24 – Economic Impact of Airport Operations on Horry County

	Employment	Labor Income	Economic Output
Direct Effect	160	\$12,429,046	\$46,160,415
Multiplier Effect	225	\$10,216,900	\$31,770,139
Total Impact	385	\$22,645,946	\$77,930,554

Table 25 – Economic Impact of Airport Tenants on Horry County

	Employment	Labor Income	Economic Output
Direct Effect	1,002	\$57,709,830	\$187,342,215
Multiplier Effect	569	\$26,496,731	\$89,580,615
Total Impact	1,571	\$84,206,561	\$276,922,830



The 1,162 employees at MYR, which includes both the direct employment associated with all airport operations as well as employment across all business tenants, generate a total of \$233.5 million in direct total economic output annually. This level of direct economic activity then leads to economic multiplier effects totaling another \$121.4 million in economic output and 794 jobs across the county. These estimates reflect increased demand for goods and services of local suppliers as well as all new economic activity generated across all industries resulting from increased household spending that comes about from the increased volume of paid wages that accompany the aforementioned job creation. The combination of the direct effect and all multiplier effects lead to a total economic impact of approximately \$354.9 million, which is associated with 1,956 jobs across Horry County as well as \$106.9 million in labor income.

Facilitated Spending: Visitors

Following a decline in enplanements from 1.3 million in 2019 to 500,000 in 2020 as a result of the COVID-19 pandemic, enplanements had fully recovered to pre-pandemic levels (1.7 million) by 2023.

MYR regularly facilitates millions of dollars in direct visitor spending to Horry County each year for both business and leisure-related engagements. In order to estimate the total economic impact of all visitor spending that is generated by this total enplanement volume, estimates were obtained from the Federal Aviation Administration (FAA) and the South Carolina Aeronautics Commission (SCAC) regarding the long-run average percentage of enplanements related to tourism and the specific spending patterns of visitors.

The economic impact of all visitor spending is shown in **Table 26**.

Table 26 – Economic Impact of Visitor Spending on Horry County

	Employment	Labor Income	Economic Output
Direct Effect	18,034	\$487,821,398	\$1,552,649,607
Multiplier Effect	5,196	\$240,920,979	\$887,875,552
Total Impact	23,230	\$728,742,377	\$2,440,525,159





This study estimates that the total volume of visitor spending associated with the 1.7 million enplanements facilitated by MYR each year generates approximately \$1.6 billion in direct economic output for Horry County each year. This level of direct economic activity then leads to economic multiplier effects totaling another \$887.9 million in economic output and 5,196 jobs across the county. These estimates reflect increased demand for goods and services of local suppliers as well as all new economic activity generated across all industries resulting from increased household spending that comes about from the increased volume of paid wages that accompany the aforementioned job creation. The combination of the direct effect and all multiplier effects lead to a total economic impact of approximately \$2.4 billion, which is associated with 23,230 jobs across Horry County as well as \$728.7 million in labor income.

Contributions to State Tax Revenue

The economic impacts previously quantified that derive from all business activities associated with MYR generate a significant volume of tax revenue for the state of South Carolina. As shown in **Tables 24-26**, the economic impact of MYR is estimated to total approximately \$2.8 billion annually on Horry County, which increases to nearly \$3.1 billion for the state of South Carolina as a whole. Historically, every additional dollar that is generated in economic activity (i.e., nominal gross state product) within South Carolina also generates 4.4 cents in new state tax revenue.¹⁶ By applying this figure to the economic activity generated by MYR, the tax revenue from this total volume of activity can be estimated.¹⁷ **Table 27** displays these results, which show that the annual total estimated tax revenue that arises from MYR is approximately \$78.1 million.

Table 27 – S.C. State Tax Revenue Derived from Economic Activity Supported by MYR

Category	Dollar Value
Estimated Economic Output for South Carolina	\$3,074,564,898
Estimated Tax Revenue Generated for South Carolina	\$78,057,054

¹⁶ The historical relationship between South Carolina nominal gross state product and the South Carolina general funds revenue (as measured and tracked by the South Carolina Board of Economic Advisors) was estimated using industry-standard time-series regression techniques.

¹⁷ Economic output represents the value of industry production and is therefore not synonymous with gross state product. As such, the dollar value of all intermediate inputs was subtracted from economic output before the 4.4-cent estimate was applied to estimate total tax revenue.

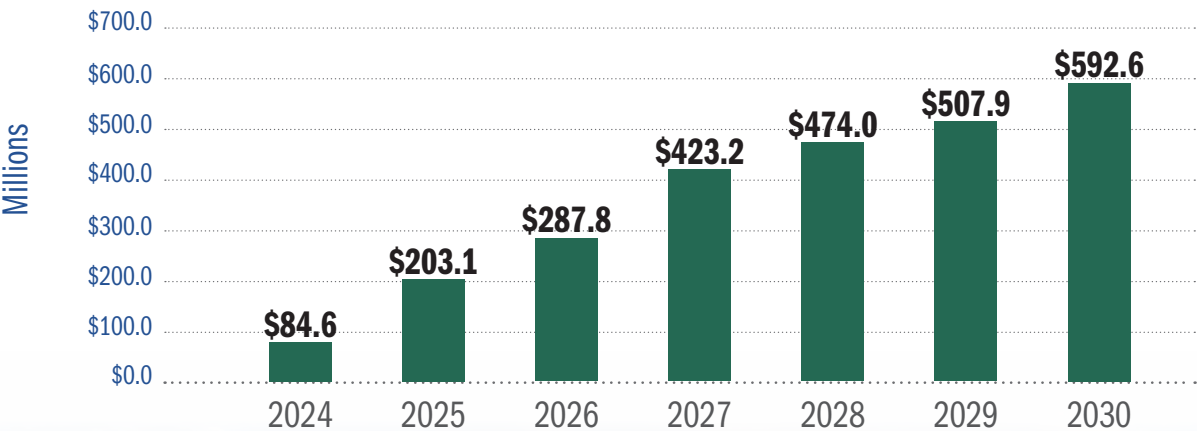


Planned Expansions

Following the onset of the COVID-19 pandemic in February 2020, the rate at which the U.S. population is migrating to the Southeast has increased, implying that there will also be a corresponding increase in the demand for air travel. According to the U.S. Census, the Southern United States is projected to see more population gains than any other U.S. region through the year 2040. Moreover, South Carolina experienced the fastest population growth rate (+1.7%) in the nation between July 2022 and July 2023.

Because of this anticipated increase in demand, many of South Carolina’s commercial airports – including MYR – are renovating or expanding their capacity in order to facilitate this growth and increase their impacts over time. MYR is currently planning to make \$350 million in capital investments over the next six years, which will generate a series of temporary, construction-related impacts that will cumulatively total nearly \$593 million by 2030, as shown in **Figure 7**.

Figure 7 – Cumulative Economic Impact of MYR Capital Investments: 2024-2030



SECTION IX

CONCLUSION AND STATEWIDE IMPACT SUMMARY

South Carolina's commercial airport system generates a significant statewide economic footprint. The Palmetto State is home to six publicly owned commercial airports located across the state that collectively enplane more than 5 million passengers annually. These airports support both local and statewide economic activity through a combination of airport operations, tenants, and capital expenditures – as well as through the new spending that is introduced to the state from visitor travel. The larger commercial airports also facilitate business activity that depends on significant volumes of cargo shipments.

In sum, the total economic impact of the commercial airport system on the state of South Carolina is approximately \$22.5 billion annually. This dollar value reflects all final goods and services that are produced in South Carolina that can be attributed (directly or indirectly) to the state's six commercial airports. This level of economic activity is also estimated to support 130,453 jobs and nearly \$6.8 billion in labor income for South Carolinians. **Table 28** provides a breakdown of these results by individual airport.

According to the U.S. Census, the Southeastern United States is projected to experience more population growth over the next two decades than any other U.S. region – and South Carolina is already benefitting from these trends. The Palmetto State currently ranks first in the nation in both population growth and GDP growth. With this rapidly expanding population and industry base, the state's commercial airports will continue to play a critical role for the state's ongoing economic development efforts.





Table 28 – Statewide Economic Impact Summary of All Commercial Airports on South Carolina¹⁸

Airport	Employment	Labor Income	Economic Output
Charleston International Airport	61,527	\$3,737,149,287	\$11,154,411,206
Columbia Metropolitan Airport	15,838	\$867,706,908	\$3,348,573,426
Florence Regional Airport	476	\$20,033,409	\$67,867,123
Greenville-Spartanburg International Airport	24,747	\$1,173,995,162	\$4,672,140,083
Hilton Head Island Airport	1,455	\$49,682,779	\$168,372,843
Myrtle Beach International Airport	26,410	\$935,994,352	\$3,074,564,898
Total	130,453	\$6,784,561,897	\$22,485,929,579

¹⁸ Note that all estimates in **Table 28** reflect statewide economic impacts. As such, they will be larger than the reported local impacts reported in previous tables.



aeronautics.sc.gov