An Economic Summary of Utah’s Cultural Arts Industry, 2022

**Economic Contributions In 2022**
Utah’s cultural industry, including the design, education, entertainment, fashion, film, humanities, and traditional arts sectors, generated $14.9 billion in output (direct spending) and supported an estimated 69,820 Utah jobs in 2022 (Figures 1 and 4). The $14.9 billion represents 3.1% of total statewide output (Figure 2). Utah’s cultural industry also generated $6.8 billion in GDP, representing 2.6% of total statewide GDP (Figure 3). Cultural industry activity generated an additional $14.7 billion in output and $7.5 billion in GDP through indirect and induced effects.

Utah’s cultural industry experienced a 16.8% year-over increase in direct output after adjusting for inflation. The $14.9 billion in direct output indirectly supported an additional 76,440 jobs for a total of 146,260 Utah jobs (Figure 4). About 8.4% of all Utah jobs were either directly or indirectly supported by the cultural industry in 2022 (up from 7.5% in 2021, Figure 5).

Utah’s 69,820 direct cultural industry jobs experienced a 7.2% year-over increase, which was the fourth fastest year-over growth rate among all job sectors after leisure and hospitality, information, and natural resources and mining (Figure 6).

The motion picture and sound recording sector added the greatest number of jobs from 2021 to 2022 (1,970), while the combined marketing, advertising, and design sector ten time. For instance, 26.2% of cultural industry jobs were in the performing arts.'

Utah’s cultural industry job profile has shifted slightly over time. For instance, 26.2% of cultural industry jobs were in the combined marketing, advertising, and design sector ten years ago. Today, those same jobs represent 32.4% (Figure 8). Conversely, publishing/broadcasting sector jobs made up 15.7% of cultural industry jobs in 2013, but dropped to 9.2% in 2022.

Utah’s cultural industry employment generated a total of $8.0 billion in labor income in 2022, a 2.5% year-over increase after adjusting for inflation.4

**Public Investment**
The Utah Legislature increased investments to Utah’s cultural industry in fiscal year 2020 (FY20) through both ongoing and one-time funding (Figure 9). Prior to FY19, annual ongoing legislative funding was $1.4 million for about 20 years.6 In FY20, the Legislature appropriated $2.0 million in one-time funding to Utah Division of Arts & Museums’ (UA&M) grant program. The following year, the Legislature re-appropriated this $2.0 million
from one-time to ongoing UA&M grant funding, while adding another $1.0 million in ongoing funding. This raised the state’s appropriations to $4.4 million (including National Endowment for the Arts (NEA) funds). In FY22, the Legislature increased the UA&M grant program by an additional $3.0 million, raising the ongoing funding pool to $7.4 million (including NEA funds).7 In FY23, the Legislature reduced UA&M’s FY24 ongoing funding by $2.0 million. At the same time, the Legislature increased Governor’s Office of Economic Opportunity (GOEO) funding by $2.0 million in one-time funds. This one-time funding was distributed to arts, museums, and cultural organizations. UA&M and GOEO worked together to fairly distribute the funding statewide.

**National Rankings**

Utah’s 35.5% year-over increase in motion picture and sound recording sector employment was the highest year-over increase among all 50 states (Figure 10).8 Utah’s arts and culture employment also had the fifth-highest location quotient (LQ) in the nation in 2021 (Figure 11).9
Tax Revenue

Tax revenue generated by cultural industry activity supports health and human services, public safety, and other statewide services through General Fund contributions. In 2022, cultural industry spending generated an estimated $477.4 million in direct tax revenue, a 24.3% year-over increase after adjusting for inflation (Figure 12). This $477.4 million included $302.6 million in state and $174.8 million in local tax revenue. Of total direct tax revenue, state sales tax was the largest share at $147 million, followed by local property tax at $116 million (Figure 13).

Tax revenue from Utah’s cultural industry made up 3% of total statewide sales tax, 2% of income tax, 3% of corporate profits tax, and 2% of property tax (Figure 14).

Seven counties and 50 municipalities in Utah currently levy a 0.1% Recreation, Arts, & Parks (RAP) or Zoo, Arts, & Parks (ZAP) tax. Cities and counties generally use RAP/ZAP taxes to support recreation, arts & culture, and parks in their communities.

Figure 15 shows the state’s RAP/ZAP tax revenue from 2018-2022 (adjusted for inflation), including the estimated visitor-generated and resident-generated portions. The visitor-generated RAP/ZAP tax share is estimated to be approximately 12% on a statewide basis.

Cultural Tourism Contributions

Utah’s diverse outdoor recreation, historical, and cultural opportunities support the state’s $11.98 billion-dollar tourism industry. In addition to its five national parks, 11 national places, 46 state parks, and 15 ski resorts, Utah is home to hundreds of art galleries, theaters, and cultural arts venues. Utah also hosts popular cultural events, including the Sundance Film Festival, Utah Shakespeare Festival, and Park City Arts Festival.

Travel research firm, Omnitrak, reports that entertainment and arts and culture visitors spent an average of $776-$795 per Utah travel party per trip in 2022, which was above the average per
party per trip spend of those visiting friends and family ($738) (Figure 16). About one-third of that spend was on transportation to Utah, meaning two-thirds was spent in Utah. Assuming one in 10 travelers visit Utah for an arts and culture experience, it is estimated that cultural tourism generates around $1.2 billion in annual statewide spending. After accounting for the travel-to-Utah spending share (airline tickets, gasoline to get to Utah, etc.), it is estimated that Utah's cultural arts visitors spent roughly $780 million in Utah's economy, generating statewide and regional economic impact.

Endnotes
1. This economic contribution study assesses the economic multiplier effects associated with the current or predicted level of output (spending) generated by Utah's cultural industry on a statewide basis. Economic contributions studies capture the economic expanse of all cultural industry spending and show the relative reach and magnitude of the industry in the Utah economy. In contrast, economic impact studies measure the changes in the size and structure of a region’s economy that occur when goods and services are purchased from vendors within the region with money generated outside the region.
2. For this analysis, the Gardner Institute utilized 83 cultural industry NAICS codes identified by the Utah Cultural Alliance and their advisory board of economists and economic development professionals to define the industry in Utah. Researchers entered industry codes into Chmura's JobsEQ software tool to generate cultural industry jobs and then entered jobs into IMPLAN economic modeling software to produce industry output, GDP, jobs, labor income, and tax revenue.
3. Jobs include full- and part-time private and public employment, and self-employment.
4. Labor income is the sum of employee compensation (wages and benefits) and proprietor income.
5. This increase was likely due in part to the Legislation recognizing value in the Utah Division of Arts & Museums (UA&M) grant review, transparent application, and community evaluation process. Also, channeling grant requests to UA&M reduced the number of direct requests for appropriations during the legislative process.
6. Over the last several years, between $400,000 and $700,000 of these grant funds have come from the federal government, through the National Endowment for the Arts (NEA).
7. Beginning in 2021, $6.0 million of the $7.4 million have been placed in a separate line item by the Legislature and are used primarily for general operating support (GOS) grants.
8. The motion picture and sound recording employment sector comprises jobs in video production and distribution and audio recordings or related services, including jobs in post-production services, exhibition services, and motion picture processing and developing services.
9. A location quotient (LQ) is an analytical statistic that measures a region's industrial specialization relative to a larger geographic unit (usually the nation).