

The Economic Impact of Travel on Louisiana Parishes 2005

A Study Prepared for the
Louisiana Office of Tourism
by the
Research Department of the
Travel Industry Association
Washington, D.C.
October 2006

PREFACE

This study was conducted by the research department of the Travel Industry Association (TIA) for the Louisiana Office of Tourism. The study provides preliminary 2005 and 2004 estimates of domestic and international traveler expenditures in Louisiana, as well as the employment, payroll income, and federal, state and local tax revenues directly generated by these expenditures.

Additionally, this study provides estimates by parish for domestic travel expenditures and employment; payroll income; and state and local tax revenue directly generated by domestic expenditures.

Travel Industry Association
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October 2006

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INTRODUCTION

This report presents preliminary 2005 estimates of the impact of U.S. resident and international traveler spending in Louisiana, as well as the employment, payroll income and tax revenue directly generated by this spending. For the purpose of comparison, 2004 impact data are also included in this report.

All estimates of the economic impact of travel contained in this volume are the product of TIA'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 in 1975 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 on more accurate and targeted input data available from governments and the private sector.

The domestic component of TEIM is based on national surveys conducted by TIA and other travel-related data developed each year by TIA, various federal agencies and national travel organizations. A summary of the methodology is provided in Appendix A.

The international travel expenditure estimates are based on the Office of Travel and 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 the TEIM by incorporating the estimated international travelers' expenditures with the data series utilized to produce the domestic estimates.

U.S. residents traveling in Louisiana include both state residents and out-of-state visitors traveling on day trips to places 50 miles or more away from home or staying overnight in paid accommodations. 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 publicly supported payroll and employment.

Any travel expenses caused by Hurricane Katrina in 2005 by hurricane refugees, relief contractors and relief government officials are not covered in this report. The payroll, employment and tax revenue related with these expenditures are excluded as well.

Since additional data relating to travel and its economic impact in 2005 will become available subsequent to this study, TIA reserves the right to revise these estimates in the future.

EXECUTIVE SUMMARY

- Hurricane Katrina, occurred in late August 2005, severely affected Louisiana's travel and tourism. Travelers' direct expenditure in the state plunged 18.9 percent from 2004 to \$8.1 billion in 2005.
- The \$8.1 billion of direct travel expenditures generated 110 thousand jobs and \$1.8 billion in payroll income, down 9.2 percent and 13.1 percent, respectively, from 2004. Additionally, travel and tourism generated \$1 billion in tax revenue for federal, state and local governments in 2005, down 21 percent from 2004.
- Prior to Hurricane Katrina, the travel industry performed well from January to August 2005. During this period, domestic travel spending in Louisiana was nearly \$7.4 billion, up 9.3 percent, compared with the same period of 2004. The payroll income, employment and tax revenue generated by domestic traveler spending increased 4.3 percent, 2.9 percent and 6.3 percent, respectively, from the same period of 2004. Detailed estimates for this period are shown in Appendix C.
- The Office of Travel and Tourism Industry (OTTI) reported that total overseas travelers and Canadian travelers to Louisiana in 2005 dropped 62 percent and 11 percent, respectively, from 2004. Based on international arrivals reported by OTTI and 2005 travel cost data, TIA estimates that total international traveler spending in Louisiana decreased 53.5 percent from 2004.

TRAVEL IMPACT ON U.S. ECONOMY - 2005

The U.S. economy continued to grow in 2005, with real GDP increasing 3.2 percent. Real disposable income rose 1.2 percent from 2004, while real personal consumption expenditures grew significantly by 3.5 percent from 2004. The U.S. job market improved during 2005 as annual average total non-farm employment increased more than 2 million from 2004 to 133.5 million. This reduced the national unemployment rate to 5.1 percent. The travel industry itself added 56,000 jobs in 2005 as compared to 2004. The Consumer Price Index (CPI), an indicator of the level of price inflation, was up 3.4 percent in 2005, while TIA's Travel Price Index increased 5.3 percent during the same period, primarily due to a significant increase in the price of gasoline. The total U.S. current account deficit rose to a record high of \$792 billion in 2005. The U.S. travel industry, however, generated a \$12.5 billion trade surplus for the country in 2005 (excluding passenger fares).

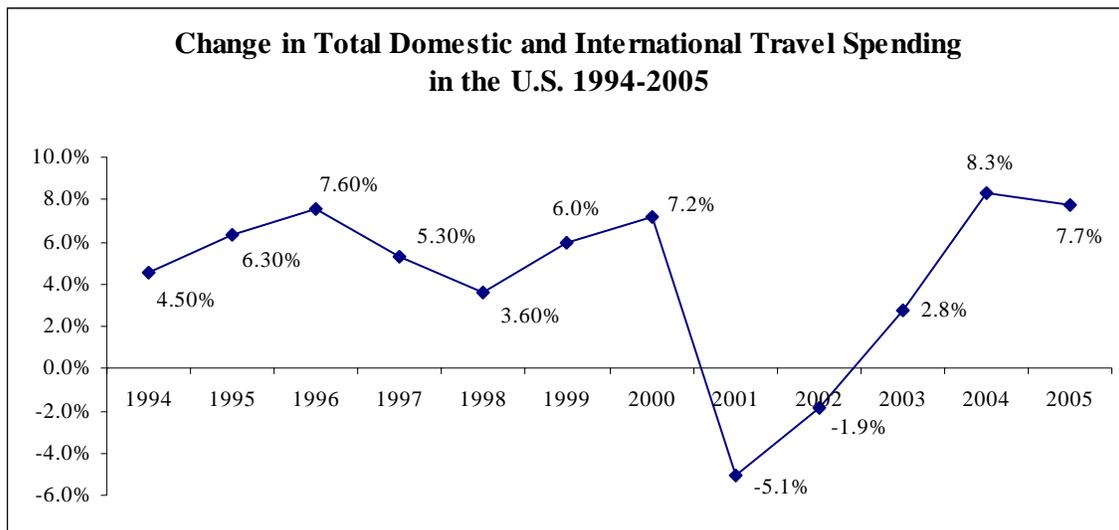
U.S. Travel Volume in 2005

In 2005, total U.S. domestic person-trips were up 2.0 percent over 2004, according to TIA TravelScope®/DIRECTIONS® by DKS&A survey.

International visitors to the U.S. increased 7.2 percent in 2005 to 49.4 million. International travel to the U.S., however, remained 3.6 percent lower than its historical record set in 2000.

Travel Expenditures in 2005

Domestic travelers spent \$572.1 billion in the U.S. during 2005, an increase of 7.5 percent over 2004. International traveler expenditures in the U.S., excluding spending on international airfares purchased outside the U.S., increased 9.6 percent to total \$81.7 billion in 2005. Combined domestic and international travel expenditures in the U.S. totaled \$653.8 billion, 7.7 percent more than in 2004.



Sources: TIA, OTTI

Domestic travel spending on auto transportation jumped 14.1 percent over 2004, to \$106.3 billion, reflecting the dramatic increase in gasoline prices during 2005. Total domestic air passenger enplanements were up 1.6 percent from 2004 and international air passenger enplanements jumped 9.4 percent in 2005, according to the Air Transport Association (ATA). In 2005, Amtrak reported a 2.4 percent increase in ridership. The growth in demand contributed to a 6.5 percent increase in public transportation expenditures in 2005. Domestic travel spending on lodging increased 7.3 percent over 2004. Hotel room demand (hotel room-nights sold) grew 3.3 percent, according to Smith Travel Research.

Table 1: Travel Expenditures in the U.S. 2004-2005

<u>Industry Sector</u>	2005 Travel Spending in The U.S. (\$ Billions)	2004 Travel Spending in The U.S. (\$ Billions)	2005 Percent Change Over 2004 (%)
Public Transportation	\$108.5	\$101.9	6.5%
Auto Transportation	106.3	93.1	14.1%
Lodging	102.5	95.5	7.3%
Foodservice	141.6	134.3	5.4%
Entertainment	66.8	63.3	5.5%
General Retail	46.5	44.3	5.0%
Domestic Total	\$572.1	\$532.4	7.5%
International Total*	\$81.7	\$74.5	9.6%
Total	\$653.8	\$606.9	7.7%

Source: TIA

* Total international traveler spending does not include international passenger fare payments, international traveler spending in the U.S. territories, and Canadian traveler spending not allocated to states.

Travel Employment in 2005

More than 2 million jobs were added to the non-farm sector of the strengthening U.S. economy in 2005, up 1.5 percent from 2004, according to the U.S. Bureau of Labor Statistics (BLS). This reduced the national unemployment rate to 5.1 percent from 5.5 percent in 2004. Employment generated by domestic and international traveler spending in the U.S. increased 0.8 percent during 2005.

Examining just employment related to domestic travel expenditures, the greatest gain occurred in the entertainment/recreation sector, with employment up 2.2 percent. In 2005, domestic travel-generated employment related to foodservices and lodging increased 1.3 percent and 1.2 percent, respectively.

Employment generated by domestic travel in the public transportation sector (composed primarily of the airline industry), however, declined 2.4 percent in 2005, the most severe decline among all travel industry sectors. Employment in the travel-planning sector (i.e., the travel agent and travel arrangement industry) continued to decline as well, down 0.9 percent from 2004.

Table 2: Travel-Generated Employment in the U.S., 2004-2005

<u>Industry Sector</u>	2005 Travel-Generated Employment (Thousands)	2004 Travel-Generated Employment (Thousands)	2005 Percent Change Over 2004 (%)
Public Transportation	928.4	951.6	-2.4%
Auto Transportation	265.4	265.3	0.0%
Lodging	1,228.8	1,214.0	1.2%
Foodservice	2,566.9	2,533.2	1.3%
Entertainment	1,110.0	1,085.9	2.2%
General Retail	340.6	344.0	-1.0%
Travel Planning	173.7	175.3	-0.9%
Domestic Travelers	6,613.9	6,569.3	0.7%
International Travelers*	894.9	883.4	1.3%
Total	7,508.8	7,452.7	0.8%

Sources: TIA, BLS

* Excludes jobs generated by international passenger fare payments, international traveler spending in the U.S. territories, and Canadian traveler spending not allocated to states.

Table 3: Overall U.S. Economic Developments, 2003-2005

<u>Sector</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Nominal gross domestic product (\$ billions)	\$10,469.6	\$10,971.2	\$11,734.3
Real gross domestic product (\$ billions)*	\$10,301.0	\$10,703.5	\$11,048.6
Total retail sales (\$ billions)	\$3,265.5	\$3,477.3	\$3,719.2
Real disposable personal income (\$ billions)*	\$7,729.9	\$8,010.8	\$8,104.6
Real personal consumption expenditures (\$ billions)*	\$7,295.3	\$7,577.1	\$7,841.2
Consumer price index**	184	188.9	195.3
Travel Price Index**	201.1	210.2	221.4
Non-farm payroll employment (millions)	130.0	131.4	133.5
Unemployment rate (%)	6.0	5.5	5.1

Percentage change from previous year

Nominal gross domestic product	4.7%	6.9%	6.3%
Real gross domestic product	2.5%	3.9%	3.2%
Total retail sales	4.2%	6.5%	7.0%
Real disposable personal income	2.2%	3.6%	1.2%
Real personal consumption expenditures	2.8%	3.9%	3.5%
Consumer price index	2.3%	2.7%	3.4%
Travel Price Index	2.4%	4.5%	5.3%
Non-farm payroll employment	-0.3%	1.1%	1.5%

Sources: U.S. Dept. of Commerce, U.S. Dept. of Labor, U.S. Census Bureau, TIA

* Chained 2000 dollars

** Base period: 1982-84=100

Table 4: U.S. Travel Trends, 2001-2005p

<u>Category</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005p</u>
U.S. travel expenditures (\$ billions)	\$483.8	\$478.3	\$495.8	\$532.4	\$572.1
International travel expenditures in the U.S.* (\$ billions)	\$71.9	\$66.6	\$64.3	\$74.5	\$81.7
Total travel expenditures (\$billions)	\$555.7	\$544.9	\$560.1	\$606.9	\$653.8
Travel price index	196.9	196.3	201.1	210.2	221.4
Travel-generated employment** (thousands)	7,673.2	7,440.5	7,336.0	7,452.7	7,508.8

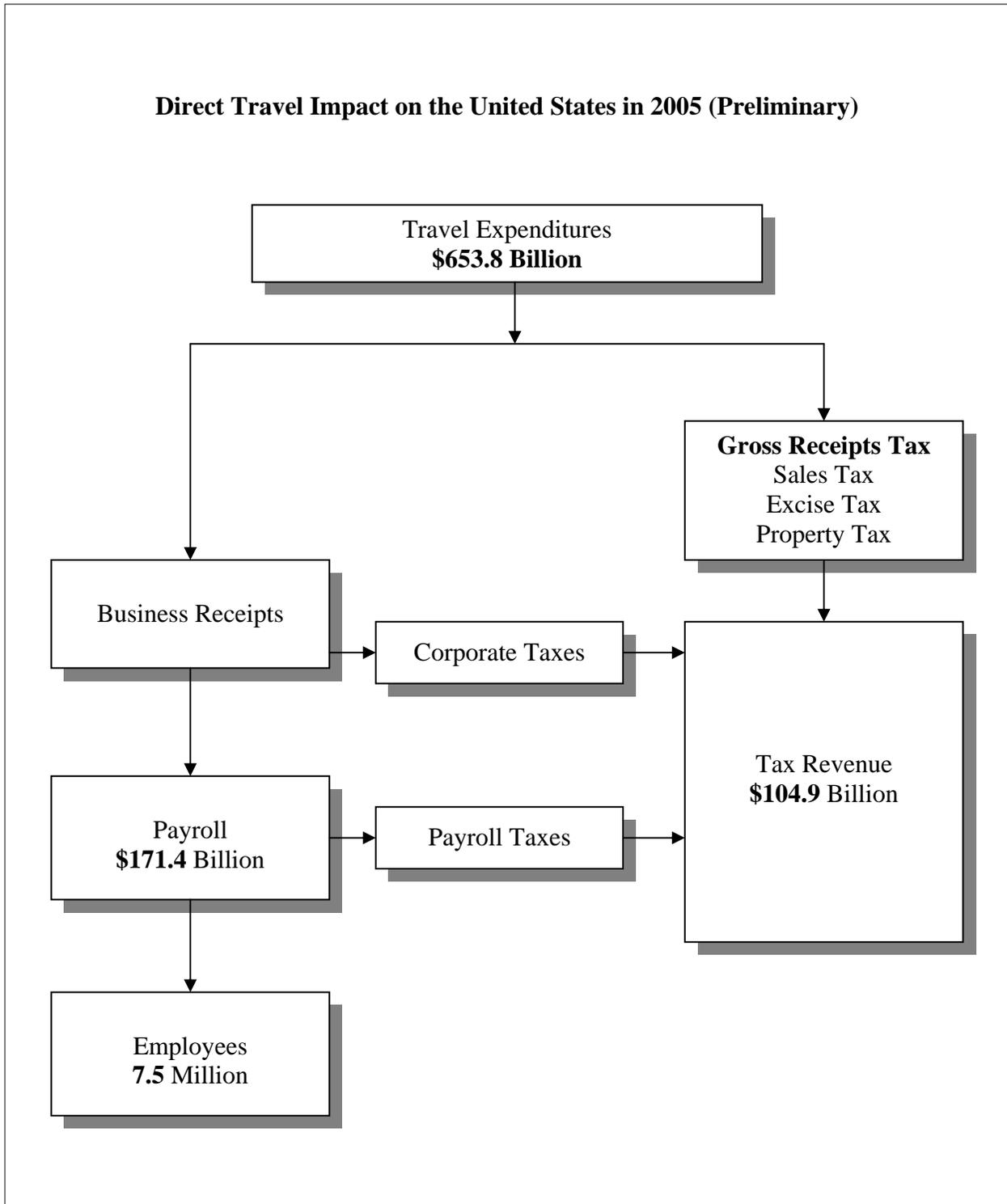
Percentage change from previous year

U.S. travel expenditures	-3.9%	-1.1%	3.7%	7.4%	7.5%
International travel expenditures in the U.S.	-12.8%	-7.4%	-3.4%	15.8%	9.6%
Total travel expenditures (\$billions)	-5.1%	-1.9%	2.8%	8.3%	7.7%
Travel price index	1.1%	-0.3%	2.4%	4.5%	5.3%
Travel-generated employment	-1.4%	-3.0%	-1.4%	1.6%	0.8%

Sources: TIA, Office of Travel and Tourism Industries (OTTI)/International Trade Administration, BLS, BEA

Note: * Total international traveler spending does not include international passenger fare payments, international traveler spending in the U.S. territories, and Canadian traveler spending not allocated to states.

** Includes employment generated by both domestic and international traveler expenditures



Source: TIA

Note: International visitor spending excludes international transportation payments on U.S. air carriers made outside of the U.S.

TRAVEL IMPACT ON LOUISIANA

TRAVEL IMPACT ON LOUISIANA - 2005

Travel Expenditures

Hurricane Katrina, which hit Louisiana and Mississippi in late August 2005, is the costliest natural disaster in US history. Thirty-seven parishes and regions in Louisiana were heavily hit by Hurricane Katrina. The city of New Orleans became the center of the disaster; over 80 percent of the city was flooded.

In September 2005, Louisiana was hit by another severe tropical storm - Hurricane Rita, the fourth-most intense Atlantic hurricane ever recorded and the most intense tropical cyclone ever observed in the Gulf of Mexico. Nearly every parish in the southwestern part of the state was affected by Hurricane Rita.

Total economic loss of hurricanes Katrina and Rita may reach as high as \$200 billion. One year after the hurricanes, more than \$100 billion of federal aid alone has been going towards relief, recovery and rebuilding efforts. The parishes and contiguous parishes affected by Hurricane Katrina, as declared by FEMA, are listed in Appendix D.

Travel, as one of most important industries in Louisiana's economy, was dramatically affected by Hurricane Katrina and Hurricane Rita. In 2005, total domestic and international travelers' direct spending in Louisiana plunged 18.9 percent from 2004, even with a 9.3 percent increase during the first 8 months of the year. (The expenditures by hurricane refugees, relief contractors and relief government officials are not covered in this report). The annual estimates of direct travel expenditures are shown in Table 5.

From January to August of 2005, the travel industry experienced strong growth in Louisiana. During this period, domestic travel spending increased 9.3 percent compared with the same period of 2004. Travelers' spending was up 17.8 percent in auto travel and 8.3 percent in eating, drinking and other foodservices. Detailed travel economic impact estimates for the period before Hurricane Katrina in 2005 are included in Appendix C.

International travelers to Louisiana declined dramatically in 2005. According to the Office of Travel and Tourism Industry, U.S. Department of Commerce, the number of overseas travelers to Louisiana dropped 62 percent and Canadian travelers dropped 11 percent. Based on OTTI's international arrivals and 2005 travel cost data, a 53.5 percent decline from 2004 in international travelers' direct spending in Louisiana was estimated.

Table 5: Travel Expenditures in Louisiana by Industry Sector, 2004-2005

<i>2005 Expenditures</i>	Total (\$ Millions)	% of Domestic Total
Public Transportation	\$733.0	9.3%
Auto Transportation	1,698.5	21.5%
Lodging	1,443.0	18.3%
Foodservice	1,963.1	24.9%
Entertainment & Recreation	1,358.5	17.2%
General Retail Trade	692.5	8.8%
Domestic	7,888.6	100.0%
International	197.8	
Total	\$8,086.4	
<i>2004 Expenditures</i>		
Public Transportation	\$900.9	9.4%
Auto Transportation	1,916.0	20.1%
Lodging	1,781.0	18.7%
Foodservice	2,394.9	25.1%
Entertainment & Recreation	1,696.6	17.8%
General Retail Trade	849.9	8.9%
Domestic	9,539.4	100.0%
International	425.4	
Total	\$9,964.8	
<i>Percentage change 2005 over 2004</i>		
Public Transportation	-18.6%	
Auto Transportation	-11.4%	
Lodging	-19.0%	
Foodservice	-18.0%	
Entertainment & Recreation	-19.9%	
General Retail Trade	-18.5%	
Domestic	-17.3%	
International	-53.5%	
Total	-18.9%	

Source: TIA

TRAVEL IMPACT ON LOUISIANA - 2005

Travel-Generated Employment

The travel and tourism industry is one of the biggest employers in Louisiana's economy. In the first eight months before Hurricane Katrina, travel and tourism enjoyed strong growth in employment (a 2.9 percent increase compared to the same period of 2004). Employment in the lodging and foodservice industries increased 5.5 percent and 3.1 percent, respectively, in this period.

Hurricanes Katrina and Rita, left many Louisiana residents jobless in the affected areas. As one of the most affected industries, travel-generated employment dropped 9.2 percent in 2005 in comparison to 2004. Employment directly attributed to travel in the foodservice industry, the biggest employer among all travel related industries in Louisiana, declined 8.6 percent in 2005.

It is important to note that, even after the effects of Hurricane Katrina, travel generated employment (110,100 jobs) composed 5.9 percent of total non-agricultural employment in Louisiana during 2005. Without these jobs generated by domestic and international travel, Louisiana's 2005 unemployment rate of 7.1 percent would have been 5.3 percentage points higher than it was, or nearly 12.5 percent of the labor force.

Table 6 covers annual employment estimates for 2005 and 2004. Detailed employment estimates for the period of January to August 2005 and 2004 are included in Appendix C.

Domestic Travel-Generated Employment in Louisiana by Industry Sector, 2005

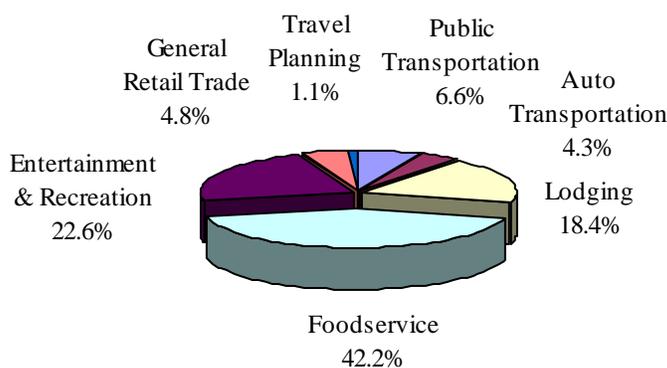


Table 6: Travel-Generated Employment in Louisiana by Industry Sector, 2004-2005

<i>2005 Employment</i>	<u>Total (thousands)</u>	<u>% of Domestic Total</u>
Public Transportation	7.0	6.6%
Auto Transportation	4.6	4.3%
Lodging	19.6	18.4%
Foodservice	44.8	42.2%
Entertainment & Recreation	24.1	22.6%
General Retail Trade	5.1	4.8%
Travel Planning*	1.1	1.1%
<hr/>	<hr/>	<hr/>
Domestic	106.3	100.0%
International	3.8	
Total	110.1	
 <i>2004 Employment</i>		
Public Transportation	7.2	6.2%
Auto Transportation	4.8	4.2%
Lodging	22.5	19.4%
Foodservice	49.0	42.2%
Entertainment & Recreation	25.6	22.1%
General Retail Trade	5.6	4.8%
Travel Planning*	1.2	1.1%
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Domestic	116.1	100.0%
International	5.2	
Total	121.2	
<hr/>		
<i>Percentage change</i>		
<i>2005 over 2004</i>		
Public Transportation	-3.1%	
Auto Transportation	-5.2%	
Lodging	-13.0%	
Foodservice	-8.6%	
Entertainment & Recreation	-6.1%	
General Retail Trade	-9.4%	
Travel Planning*	-9.4%	
<hr/>	<hr/>	
Domestic	-8.4%	
International	-26.1%	
Total	-9.2%	

Source: TIA

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

TRAVEL IMPACT ON LOUISIANA – 2005

Travel-Generated Payroll

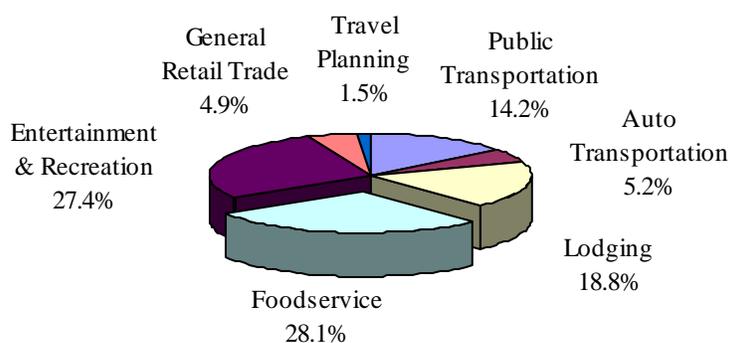
Travel-generated payroll is the wage and salary income paid to employees directly serving travelers within the industry sectors from which these travelers purchase goods and services. One dollar of travel spending generates different amounts of payroll income within the various travel industry sectors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

Domestic travel-generated payroll increased 4.3 percent during the first eight months in 2005 compared with the same period of 2004. In this period, the lodging industry reported the strongest increase (9.0%) in travel-generated payroll income among all travel-related industries covered in this study.

Hurricane Katrina dramatically affected payroll income as well. Total annual payroll (wages and salaries) paid by Louisiana travel-related firms and directly attributable to domestic and international traveler spending decreased 13.1 percent from 2004. The foodservice industry and amusement/recreation industry, the largest travel-generated payroll income providers in Louisiana, declined 13.1 percent and 10.6 percent, respectively, from 2004.

Table 7 covers the annual travel generated payroll estimates for 2004 and 2005. The estimates for the January to August period in 2005 and 2004 are shown in Appendix C.

**Domestic Travel-Generated Payroll in Louisiana
by Industry Sector, 2005**



Travel-Generated Payroll

Table 7: Travel-Generated Payroll in Louisiana by Industry Sector, 2004-2005

<i>2005 Payroll</i>	Total (\$ millions)	% of Domestic Total
Public Transportation	\$243.7	14.2%
Auto Transportation	90.3	5.2%
Lodging	323.1	18.8%
Foodservice	483.4	28.1%
Entertainment & Recreation	471.0	27.4%
General Retail Trade	83.9	4.9%
Travel Planning*	26.2	1.5%
Domestic	1,721.7	100.0%
International	58.7	
Total	\$1,780.4	
2004 Payroll		
Public Transportation	\$267.5	13.7%
Auto Transportation	100.1	5.1%
Lodging	380.9	19.5%
Foodservice	556.6	28.5%
Entertainment & Recreation	526.6	26.9%
General Retail Trade	95.0	4.9%
Travel Planning*	29.7	1.5%
Domestic	1,956.4	100.0%
International	93.3	
Total	\$2,049.7	
Percentage change 2005 over 2004		
Public Transportation	-8.9%	
Auto Transportation	-9.8%	
Lodging	-15.2%	
Foodservice	-13.1%	
Entertainment & Recreation	-10.6%	
General Retail Trade	-11.6%	
Travel Planning*	-11.6%	
Domestic	-12.0%	
International	-37.1%	
Total	-13.1%	

Source: TIA

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

TRAVEL IMPACT ON LOUISIANA - 2005

Travel-Generated Tax Revenue

Travel tax receipts are the federal, state and local tax revenues attributable to travel spending in Louisiana. 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.

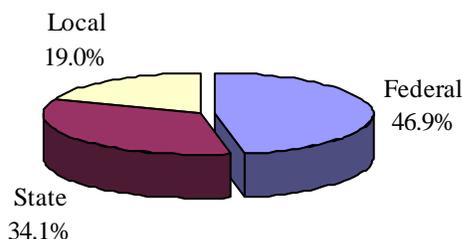
Domestic traveler spending in Louisiana generated \$457.7 million in tax revenue for the federal government in 2005. Domestic traveler spending in Louisiana also generated \$332.7 million tax revenue for the state treasury through state sales and excise taxes, and taxes on personal and corporate income. During 2005, domestic traveler spending generated \$185.1 million in sales and property tax revenue for localities.

Each dollar spent by domestic and international travelers in Louisiana produced 12.4 cents for federal, state and local tax coffers.

Directly affected by substantial decreases in the sales of travel goods and services, in addition to travel generated income caused by the hurricanes, travel-generated tax revenues for federal, state and local governments declined 21 percent annually in 2005. Annual estimates of travel generated tax receipts for 2005 and 2004 are shown in table 8.

In the first eight months in 2005, tax revenue generated by domestic and international traveler spending increased 6.3 percent, compared to the same period of 2004. The details are shown in appendix C.

Domestic Travel-Generated Tax Revenue in Louisiana by Level of Government, 2005



Travel-Generated Tax Revenue

Table 8: Travel-Generated Tax Revenue in Louisiana by Level of Government, 2004-2005

<i>2005 Tax Revenue</i>	<u>Total (\$ millions)</u>	<u>% of Domestic Total</u>
Federal	\$457.7	46.9%
State	332.7	34.1%
<u>Local</u>	<u>185.1</u>	<u>19.0%</u>
Domestic	975.5	100.0%
International	25.7	
Total	\$1,001.3	
<i>2004 Tax Revenue</i>		
Federal	\$576.3	47.6%
State	408.9	33.8%
<u>Local</u>	<u>226.0</u>	<u>18.7%</u>
Domestic	1,211.3	100.0%
International	56.9	
Total	\$1,268.2	
<i>Percentage change 2005 over 2004</i>		
Federal	-20.6%	
State	-18.6%	
<u>Local</u>	<u>-18.1%</u>	
Domestic	-19.5%	
International	-54.7%	
Total	-21.0%	

Source: TIA

DOMESTIC TRAVEL IMPACT ON LOUISIANA PARISHES - 2005

Domestic travelers spent nearly \$7.9 billion while traveling in Louisiana in 2005, down 17.3 percent from 2004, due to Hurricanes Katrina and Rita. These expenditures directly generated more than \$1.7 billion in wages and salaries, 106.3 thousand jobs and \$517.8 million in tax revenue for the state treasury and local governments.

Travel expenditures occurred throughout all the sixty-four parishes in Louisiana. The top five parishes in Louisiana received nearly \$5.6 billion in direct domestic travel expenditures, 70.7 percent of the state total, down 18.4 percent from 2004. Spending by domestic travelers in the top five parishes generated over \$1.3 billion in payroll income (77.0 percent) and 82.6 thousand jobs (77.7 percent) in 2005. Additionally, domestic traveler expenditures in these top five parishes generated \$351.7 million in tax revenue for the state treasury and the local governments during 2005, 67.9 percent of the state total.

Domestic Travel Impact on Top 5 Parishes

Orleans Parish, which includes the city of New Orleans, was the most severely affected area by Hurricane Katrina. Although travel and tourism grew significantly before the hurricanes, the disaster disrupted almost all travel activities in this area in the last four months. Consequently, domestic travel spending declined 23.5 percent in 2005 compared to 2004. Travel-generated employment, payroll and tax receipts declined dramatically as well.

Jefferson Parish, located adjacent to New Orleans, ranked second with \$717.2 million in domestic travel spending in 2005. This parish was heavily hit by Hurricane Katrina as well. Travel spending declined 24.1 percent from 2004.

East Baton Rouge Parish posted \$580.3 million in domestic expenditures to rank third, down 9.3 percent from 2004. These expenditures generated nearly \$106.2 million in payroll as well as 5.8 thousand jobs for parish residents. The travel industry in this parish experienced a strong growth during the first eight months. Total travel expenditures increased 10.5 percent compared to the same period of 2004. During the same period, travel-generated payroll and employment increased 5.8 percent and 4.3 percent, respectively.

Caddo Parish, which was not directly damaged by the hurricanes, received \$532 million from domestic travelers, up 4.6 percent from 2004. This represents 7.4 percent of the state total. These travel expenditures benefited parish residents with \$104.9 million in wages and salaries and 5.2 thousand jobs.

Bossier Parish, which was not directly damaged by the hurricanes, ranked fifth with more than \$402.6 million from domestic visitors, up 9.7 percent from 2004. This spending generated \$108.5 million in payroll and more than 5.9 thousand jobs.

Top Five Parishes

Table 9: Domestic Travel Impact in Louisiana - Top 5 Parishes, 2004-2005

2005 Travel Impact

<u>Parish</u>	<u>Expenditures (\$ Millions)</u>	<u>Payroll (\$ Millions)</u>	<u>Employment (Thousands)</u>	<u>State & Local Tax Revenue (\$ Millions)</u>
ORLEANS	\$3,347.3	\$853.3	56.9	\$206.7
JEFFERSON	717.2	152.4	8.9	43.5
EAST BATON ROUGE	580.3	106.2	5.8	36.5
CADDO	532.0	104.9	5.2	35.5
<u>BOSSIER</u>	<u>402.6</u>	<u>108.5</u>	<u>5.9</u>	<u>29.6</u>
Five Parish Total	\$5,579.4	\$1,325.3	82.6	\$351.7
State Total	\$7,888.6	\$1,721.7	106.3	\$517.8
Share Of Top 5 Parishes	70.7%	77.0%	77.7%	67.9%

2004 Travel Impact

ORLEANS	\$4,376.5	\$1,005.2	63.5	\$275.5
JEFFERSON	945.0	180.7	10.0	58.5
EAST BATON ROUGE	639.9	116.2	6.2	41.0
CADDO	508.6	104.2	5.2	34.6
<u>BOSSIER</u>	<u>367.0</u>	<u>103.1</u>	<u>5.6</u>	<u>27.5</u>
Five Parish Total	\$6,837.1	\$1,509.4	90.4	\$437.1
State Total	\$9,539.4	\$1,956.4	116.1	\$635.0
Share Of Top 5 Parishes	71.7%	77.2%	77.9%	68.8%

***Percentage Change
2005 over 2004***

ORLEANS	-23.5%	-15.1%	-10.4%	-25.0%
JEFFERSON	-24.1%	-15.6%	-11.0%	-25.6%
EAST BATON ROUGE	-9.3%	-8.6%	-5.6%	-11.1%
CADDO	4.6%	0.6%	-0.2%	2.5%
<u>BOSSIER</u>	<u>9.7%</u>	<u>5.2%</u>	<u>4.6%</u>	<u>7.6%</u>
Five Parish Total	-18.4%	-12.2%	-8.7%	-19.5%
State Total	-17.3%	-12.0%	-8.4%	-18.5%

Source: TIA

PARISH TABLES

The following tables list the results of the Parish Economic Impact Component of the TIA's Travel Economic Impact Model for Louisiana in 2005 and estimates for 2004. The estimates presented are for direct domestic travel expenditures and related economic impact.

Table A shows the parishes listed alphabetically, with 2005 travel expenditures, travel-generated payroll and employment, and state tax revenue and the local tax revenue for each.

Table B ranks the parishes in order of 2005 travel expenditures from highest to lowest.

Table C shows the percent distribution for each impact measure in 2005.

Table D shows the percent change in 2005 over 2004 estimates for each of the measures of economic impact.

Table E shows the parishes listed alphabetically, with 2004 travel expenditures, travel-generated payroll and employment, and state tax revenue and local tax revenue shown for each.

Table A: Alphabetical by Parish, 2005

2005 Domestic Travel Impact on Louisiana					
Table A: Alphabetical by Parish, 2005					
<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>
ACADIA	\$26.32	\$2.81	0.18	\$1.51	\$0.48
ALLEN	156.34	39.44	2.20	4.59	3.11
ASCENSION	53.55	7.03	0.48	2.95	0.85
ASSUMPTION	7.93	0.95	0.06	0.43	0.18
AVOUELLES	85.69	18.43	1.07	2.11	1.34
BEAUREGARD	13.11	1.62	0.09	0.69	0.97
BIENVILLE	9.58	1.16	0.07	0.50	0.70
BOSSIER	402.56	108.51	5.87	18.08	11.52
CADDO	532.01	104.87	5.17	24.46	10.99
CALCASIEU	231.57	62.71	3.51	10.42	6.08
CALDWELL	7.55	0.95	0.06	0.36	0.48
CAMERON	3.05	0.49	0.04	0.14	0.18
CATAHOULA	4.85	0.75	0.05	0.20	0.30
CLAIBORNE	8.80	1.28	0.08	0.40	0.46
CONCORDIA	10.38	1.16	0.08	0.53	0.48
DE SOTO	14.05	1.58	0.10	0.79	0.47
EAST BATON ROUGE	580.28	106.17	5.81	26.17	10.29
EAST CARROLL	9.85	1.01	0.07	0.59	0.22
EAST FELICIANA	2.66	0.48	0.04	0.11	0.17
EVANGELINE	13.80	1.91	0.12	0.69	0.51
FRANKLIN	7.81	1.12	0.09	0.32	0.25
GRANT	3.38	0.52	0.04	0.14	0.29
IBERIA	31.60	5.20	0.35	1.55	0.55
IBERVILLE	15.22	2.49	0.15	0.79	0.62
JACKSON	8.20	1.06	0.07	0.31	0.21
JEFFERSON	717.19	152.45	8.87	29.26	14.28
JEFFERSON DAVIS	13.71	1.88	0.14	0.74	0.31

Table A: Alphabetical by Parish, 2005

2005 Domestic Travel Impact on Louisiana**Table A: Alphabetical by Parish, 2005 (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>
LAFAYETTE	265.39	48.52	2.82	12.73	4.78
LAFOURCHE	49.99	6.72	0.43	2.72	0.82
LASALLE	4.40	0.65	0.05	0.18	0.22
LINCOLN	24.87	3.92	0.27	1.21	0.60
LIVINGSTON	27.45	2.80	0.17	1.53	0.95
MADISON	39.86	3.03	0.16	2.72	0.59
MOREHOUSE	14.98	2.24	0.14	0.74	0.40
NATCHITOCHES	33.64	4.97	0.33	1.68	1.18
ORLEANS	3,347.35	853.32	56.88	125.36	81.31
OUACHITA	190.47	33.48	1.73	8.09	3.57
PLAQUEMINES	16.16	2.98	0.17	0.79	1.17
POINTE COUPEE	7.29	1.04	0.07	0.35	0.18
RAPIDES	126.97	18.45	1.06	6.16	2.42
RED RIVER	5.36	0.65	0.04	0.29	0.18
RICHLAND	18.42	2.07	0.13	1.07	0.35
SABINE	19.80	2.47	0.14	0.92	2.01
SAINT BERNARD	29.98	4.30	0.27	1.58	0.43
SAINT CHARLES	25.26	3.75	0.25	1.24	0.36
SAINT HELENA	1.76	0.37	0.03	0.07	0.11
SAINT JAMES	7.83	1.13	0.09	0.36	0.12
SAINT JOHN THE BAPTIST	21.20	3.83	0.27	1.00	0.44
SAINT LANDRY	74.65	7.98	0.55	4.20	2.08
SAINT MARTIN	17.91	2.41	0.14	0.92	0.99
SAINT MARY	71.95	17.62	1.05	2.14	1.18
SAINT TAMMANY	126.27	19.73	1.24	6.74	3.42
TANGIPAHOA	96.32	10.56	0.67	5.42	1.62
TENSAS	3.77	0.74	0.04	0.15	0.41

Table A: Alphabetical by Parish, 2005

2005 Domestic Travel Impact on Louisiana					
Table A: Alphabetical by Parish, 2005 (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>
TERREBONNE	75.10	11.45	0.76	4.02	1.30
UNION	11.91	1.27	0.08	0.65	0.80
VERMILION	28.22	3.22	0.20	1.61	0.71
VERNON	19.24	2.48	0.16	0.98	0.80
WASHINGTON	15.17	1.90	0.12	0.82	0.42
WEBSTER	42.54	4.77	0.27	2.46	1.30
WEST BATON ROUGE	32.65	4.75	0.32	1.87	0.61
WEST CARROLL	3.77	0.57	0.04	0.15	0.14
WEST FELICIANA	13.24	2.38	0.17	0.69	0.52
WINN	6.39	1.18	0.09	0.27	0.28
STATE TOTALS	\$7,888.56	\$1,721.71	106.25	\$332.71	\$185.09

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Table B: Ranking Of Parishes By Expenditure Levels, 2005

2005 Domestic Travel Impact on Louisiana					
Table B: Ranking of Parishes by Expenditure Levels, 2005					
<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>
ORLEANS	\$3,347.35	\$853.32	56.88	\$125.36	\$81.31
JEFFERSON	717.19	152.45	8.87	29.26	14.28
EAST BATON ROUGE	580.28	106.17	5.81	26.17	10.29
CADDO	532.01	104.87	5.17	24.46	10.99
BOSSIER	402.56	108.51	5.87	18.08	11.52
LAFAYETTE	265.39	48.52	2.82	12.73	4.78
CALCASIEU	231.57	62.71	3.51	10.42	6.08
OUACHITA	190.47	33.48	1.73	8.09	3.57
ALLEN	156.34	39.44	2.20	4.59	3.11
RAPIDES	126.97	18.45	1.06	6.16	2.42
SAINT TAMMANY	126.27	19.73	1.24	6.74	3.42
TANGIPAHOA	96.32	10.56	0.67	5.42	1.62
AVOUELLES	85.69	18.43	1.07	2.11	1.34
TERREBONNE	75.10	11.45	0.76	4.02	1.30
SAINT LANDRY	74.65	7.98	0.55	4.20	2.08
SAINT MARY	71.95	17.62	1.05	2.14	1.18
ASCENSION	53.55	7.03	0.48	2.95	0.85
LAFOURCHE	49.99	6.72	0.43	2.72	0.82
WEBSTER	42.54	4.77	0.27	2.46	1.30
MADISON	39.86	3.03	0.16	2.72	0.59
NATCHITOCHE	33.64	4.97	0.33	1.68	1.18
WEST BATON ROUGE	32.65	4.75	0.32	1.87	0.61
IBERIA	31.60	5.20	0.35	1.55	0.55
SAINT BERNARD	29.98	4.30	0.27	1.58	0.43
VERMILION	28.22	3.22	0.20	1.61	0.71
LIVINGSTON	27.45	2.80	0.17	1.53	0.95
ACADIA	26.32	2.81	0.18	1.51	0.48

Table B: Ranking Of Parishes By Expenditure Levels, 2005

2005 Domestic Travel Impact on Louisiana						
Table B: Ranking of Parishes by Expenditure Levels, 2005 (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>	
SAINT CHARLES	25.26	3.75	0.25	1.24	0.36	
LINCOLN	24.87	3.92	0.27	1.21	0.60	
SAINT JOHN THE BAPTIST	21.20	3.83	0.27	1.00	0.44	
SABINE	19.80	2.47	0.14	0.92	2.01	
VERNON	19.24	2.48	0.16	0.98	0.80	
RICHLAND	18.42	2.07	0.13	1.07	0.35	
SAINT MARTIN	17.91	2.41	0.14	0.92	0.99	
PLAQUEMINES	16.16	2.98	0.17	0.79	1.17	
IBERVILLE	15.22	2.49	0.15	0.79	0.62	
WASHINGTON	15.17	1.90	0.12	0.82	0.42	
MOREHOUSE	14.98	2.24	0.14	0.74	0.40	
DE SOTO	14.05	1.58	0.10	0.79	0.47	
EVANGELINE	13.80	1.91	0.12	0.69	0.51	
JEFFERSON DAVIS	13.71	1.88	0.14	0.74	0.31	
WEST FELICIANA	13.24	2.38	0.17	0.69	0.52	
BEAUREGARD	13.11	1.62	0.09	0.69	0.97	
UNION	11.91	1.27	0.08	0.65	0.80	
CONCORDIA	10.38	1.16	0.08	0.53	0.48	
EAST CARROLL	9.85	1.01	0.07	0.59	0.22	
BIENVILLE	9.58	1.16	0.07	0.50	0.70	
CLAIBORNE	8.80	1.28	0.08	0.40	0.46	
JACKSON	8.20	1.06	0.07	0.31	0.21	
ASSUMPTION	7.93	0.95	0.06	0.43	0.18	
SAINT JAMES	7.83	1.13	0.09	0.36	0.12	
FRANKLIN	7.81	1.12	0.09	0.32	0.25	
CALDWELL	7.55	0.95	0.06	0.36	0.48	
POINTE COUPEE	7.29	1.04	0.07	0.35	0.18	

Table B: Ranking Of Parishes By Expenditure Levels, 2005

2005 Domestic Travel Impact on Louisiana					
Table B: Ranking of Parishes by Expenditure Levels, 2005 (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>
WINN	6.39	1.18	0.09	0.27	0.28
RED RIVER	5.36	0.65	0.04	0.29	0.18
CATAHOULA	4.85	0.75	0.05	0.20	0.30
LASALLE	4.40	0.65	0.05	0.18	0.22
WEST CARROLL	3.77	0.57	0.04	0.15	0.14
TENSAS	3.77	0.74	0.04	0.15	0.41
GRANT	3.38	0.52	0.04	0.14	0.29
CAMERON	3.05	0.49	0.04	0.14	0.18
EAST FELICIANA	2.66	0.48	0.04	0.11	0.17
SAINT HELENA	1.76	0.37	0.03	0.07	0.11
STATE TOTALS	\$7,888.56	\$1,721.71	106.25	\$332.71	\$185.09

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Table C: Percent Distribution By Parish, 2005

2005 Domestic Travel Impact on Louisiana					
Table C: Percent Distribution by Parish, 2005					
<u>County</u>	<u>Expenditures</u>	<u>Payroll</u>	<u>Employment</u>	<u>State Tax Receipts</u>	<u>Local Tax Receipts</u>
ACADIA	0.33%	0.16%	0.17%	0.45%	0.26%
ALLEN	1.98%	2.29%	2.07%	1.38%	1.68%
ASCENSION	0.68%	0.41%	0.45%	0.89%	0.46%
ASSUMPTION	0.10%	0.06%	0.06%	0.13%	0.10%
AVOUELLES	1.09%	1.07%	1.01%	0.63%	0.73%
BEAUREGARD	0.17%	0.09%	0.09%	0.21%	0.53%
BIENVILLE	0.12%	0.07%	0.07%	0.15%	0.38%
BOSSIER	5.10%	6.30%	5.53%	5.44%	6.22%
CADDO	6.74%	6.09%	4.86%	7.35%	5.94%
CALCASIEU	2.94%	3.64%	3.31%	3.13%	3.28%
CALDWELL	0.10%	0.06%	0.05%	0.11%	0.26%
CAMERON	0.04%	0.03%	0.04%	0.04%	0.10%
CATAHOULA	0.06%	0.04%	0.05%	0.06%	0.16%
CLAIBORNE	0.11%	0.07%	0.08%	0.12%	0.25%
CONCORDIA	0.13%	0.07%	0.07%	0.16%	0.26%
DE SOTO	0.18%	0.09%	0.09%	0.24%	0.26%
EAST BATON ROUGE	7.36%	6.17%	5.47%	7.87%	5.56%
EAST CARROLL	0.12%	0.06%	0.07%	0.18%	0.12%
EAST FELICIANA	0.03%	0.03%	0.03%	0.03%	0.09%
EVANGELINE	0.17%	0.11%	0.12%	0.21%	0.28%
FRANKLIN	0.10%	0.07%	0.08%	0.09%	0.13%
GRANT	0.04%	0.03%	0.04%	0.04%	0.16%
IBERIA	0.40%	0.30%	0.32%	0.47%	0.30%
IBERVILLE	0.19%	0.14%	0.14%	0.24%	0.34%
JACKSON	0.10%	0.06%	0.07%	0.09%	0.11%
JEFFERSON	9.09%	8.85%	8.34%	8.79%	7.72%
JEFFERSON DAVIS	0.17%	0.11%	0.13%	0.22%	0.17%

Table C: Percent Distribution By Parish, 2005

2005 Domestic Travel Impact on Louisiana					
Table C: Percent Distribution by Parish, 2005 (Continued)					
<u>County</u>	<u>Expenditures</u>	<u>Payroll</u>	<u>Employment</u>	<u>State Tax Receipts</u>	<u>Local Tax Receipts</u>
LAFAYETTE	3.36%	2.82%	2.66%	3.83%	2.58%
LAFOURCHE	0.63%	0.39%	0.41%	0.82%	0.45%
LASALLE	0.06%	0.04%	0.04%	0.05%	0.12%
LINCOLN	0.32%	0.23%	0.25%	0.36%	0.32%
LIVINGSTON	0.35%	0.16%	0.16%	0.46%	0.51%
MADISON	0.51%	0.18%	0.15%	0.82%	0.32%
MOREHOUSE	0.19%	0.13%	0.13%	0.22%	0.21%
NATCHITOCHE	0.43%	0.29%	0.31%	0.50%	0.64%
ORLEANS	42.43%	49.56%	53.53%	37.68%	43.93%
OUACHITA	2.41%	1.94%	1.63%	2.43%	1.93%
PLAQUEMINES	0.20%	0.17%	0.16%	0.24%	0.63%
POINTE COUPEE	0.09%	0.06%	0.07%	0.10%	0.10%
RAPIDES	1.61%	1.07%	0.99%	1.85%	1.31%
RED RIVER	0.07%	0.04%	0.04%	0.09%	0.10%
RICHLAND	0.23%	0.12%	0.13%	0.32%	0.19%
SABINE	0.25%	0.14%	0.13%	0.28%	1.08%
SAINT BERNARD	0.38%	0.25%	0.25%	0.47%	0.23%
SAINT CHARLES	0.32%	0.22%	0.23%	0.37%	0.19%
SAINT HELENA	0.02%	0.02%	0.03%	0.02%	0.06%
SAINT JAMES	0.10%	0.07%	0.08%	0.11%	0.07%
SAINT JOHN THE BAPTIST	0.27%	0.22%	0.25%	0.30%	0.24%
SAINT LANDRY	0.95%	0.46%	0.52%	1.26%	1.12%
SAINT MARTIN	0.23%	0.14%	0.13%	0.28%	0.54%
SAINT MARY	0.91%	1.02%	0.99%	0.64%	0.64%
SAINT TAMMANY	1.60%	1.15%	1.17%	2.03%	1.85%
TANGIPAOHA	1.22%	0.61%	0.63%	1.63%	0.87%
TENSAS	0.05%	0.04%	0.04%	0.05%	0.22%

Table C: Percent Distribution By Parish, 2005

2005 Domestic Travel Impact on Louisiana					
Table C: Percent Distribution by Parish, 2005 (Continued)					
<u>County</u>	<u>Expenditures</u>	<u>Payroll</u>	<u>Employment</u>	<u>State Tax Receipts</u>	<u>Local Tax Receipts</u>
TERREBONNE	0.95%	0.67%	0.72%	1.21%	0.70%
UNION	0.15%	0.07%	0.07%	0.19%	0.43%
VERMILION	0.36%	0.19%	0.19%	0.48%	0.39%
VERNON	0.24%	0.14%	0.15%	0.30%	0.43%
WASHINGTON	0.19%	0.11%	0.12%	0.25%	0.23%
WEBSTER	0.54%	0.28%	0.25%	0.74%	0.70%
WEST BATON ROUGE	0.41%	0.28%	0.30%	0.56%	0.33%
WEST CARROLL	0.05%	0.03%	0.04%	0.05%	0.08%
WEST FELICIANA	0.17%	0.14%	0.16%	0.21%	0.28%
WINN	0.08%	0.07%	0.08%	0.08%	0.15%
STATE TOTALS	100.00%	100.00%	100.00%	100.00%	100.00%

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Table D: Percent Change Over 2004

2005 Domestic Travel Impact on Louisiana					
Table D: Percent Change over 2004					
<u>County</u>	<u>Expenditures</u>	<u>Payroll</u>	<u>Employment</u>	<u>State Tax Receipts</u>	<u>Local Tax Receipts</u>
ACADIA	-18.28%	-10.37%	-5.48%	-20.12%	-19.41%
ALLEN	-5.05%	-11.61%	-6.78%	-7.19%	-6.36%
ASCENSION	-26.27%	-17.61%	-13.05%	-27.93%	-27.29%
ASSUMPTION	-24.54%	-16.04%	-11.41%	-26.24%	-25.58%
AVOUELLES	-12.88%	-18.70%	-14.20%	-14.85%	-14.09%
BEAUREGARD	-8.03%	-14.31%	-9.60%	-10.10%	-9.31%
BIENVILLE	6.49%	2.35%	1.59%	4.09%	5.02%
BOSSIER	9.69%	5.24%	4.62%	7.22%	8.17%
CADDO	4.60%	0.63%	-0.20%	2.25%	3.15%
CALCASIEU	-23.85%	-15.41%	-10.76%	-25.56%	-24.90%
CALDWELL	4.41%	0.46%	-0.38%	2.05%	2.96%
CAMERON	-30.35%	-21.30%	-16.92%	-31.92%	-31.32%
CATAHOULA	9.66%	5.22%	4.60%	7.19%	8.14%
CLAIBORNE	4.47%	0.51%	-0.33%	2.11%	3.02%
CONCORDIA	-9.80%	-15.91%	-11.28%	-11.84%	-11.05%
DE SOTO	3.94%	0.04%	-0.83%	1.60%	2.50%
EAST BATON ROUGE	-9.32%	-8.62%	-5.59%	-11.37%	-10.58%
EAST CARROLL	10.79%	6.24%	5.67%	8.30%	9.26%
EAST FELICIANA	-22.68%	-14.35%	-9.65%	-24.42%	-23.75%
EVANGELINE	-7.65%	-13.96%	-9.24%	-9.73%	-8.93%
FRANKLIN	6.55%	2.40%	1.65%	4.15%	5.07%
GRANT	4.33%	0.39%	-0.45%	1.98%	2.89%
IBERIA	-23.11%	-14.74%	-10.06%	-24.84%	-24.18%
IBERVILLE	-24.95%	-16.41%	-11.81%	-26.65%	-26.00%
JACKSON	4.13%	0.21%	-0.65%	1.78%	2.68%
JEFFERSON	-24.11%	-15.64%	-11.00%	-25.82%	-25.16%
JEFFERSON DAVIS	-21.98%	-13.72%	-8.99%	-23.74%	-23.06%

Table D: Percent Change Over 2004

2005 Domestic Travel Impact on Louisiana					
Table D: Percent Change Over 2004 (Continued)					
<u>County</u>	<u>Expenditures</u>	<u>Payroll</u>	<u>Employment</u>	<u>State Tax Receipts</u>	<u>Local Tax Receipts</u>
LAFAYETTE	-20.82%	-12.67%	-7.89%	-22.60%	-21.92%
LAFOURCHE	-23.63%	-15.21%	-10.55%	-25.35%	-24.69%
LASALLE	5.03%	1.02%	0.21%	2.66%	3.57%
LINCOLN	7.65%	3.39%	2.69%	5.22%	6.15%
LIVINGSTON	-20.51%	-12.39%	-7.60%	-22.30%	-21.62%
MADISON	0.42%	-3.16%	-4.17%	-1.85%	-0.98%
MOREHOUSE	7.03%	2.83%	2.10%	4.62%	5.54%
NATCHITOCHE	2.86%	-0.95%	-1.85%	0.54%	1.43%
ORLEANS	-23.52%	-15.11%	-10.44%	-25.24%	-24.58%
OUACHITA	4.13%	0.21%	-0.65%	1.78%	2.68%
PLAQUEMINES	-27.60%	-18.81%	-14.32%	-29.23%	-28.61%
POINTE COUPEE	-25.24%	-16.67%	-12.07%	-26.92%	-26.27%
RAPIDES	8.23%	3.92%	3.24%	5.79%	6.73%
RED RIVER	6.07%	1.96%	1.19%	3.68%	4.60%
RICHLAND	8.43%	4.10%	3.43%	5.99%	6.93%
SABINE	5.63%	1.56%	0.77%	3.25%	4.16%
SAINT BERNARD	-28.54%	-19.66%	-15.20%	-30.15%	-29.53%
SAINT CHARLES	-27.62%	-18.83%	-14.34%	-29.26%	-28.63%
SAINT HELENA	-24.71%	-16.20%	-11.58%	-26.41%	-25.76%
SAINT JAMES	-22.84%	-14.50%	-9.81%	-24.58%	-23.91%
SAINT JOHN THE BAPTIST	-26.21%	-17.55%	-13.00%	-27.88%	-27.24%
SAINT LANDRY	-10.00%	-16.09%	-11.47%	-12.03%	-11.25%
SAINT MARTIN	-23.89%	-15.45%	-10.80%	-25.61%	-24.95%
SAINT MARY	-21.73%	-13.49%	-8.75%	-23.49%	-22.82%
SAINT TAMMANY	-22.42%	-14.11%	-9.40%	-24.17%	-23.49%
TANGIPAHOA	-22.83%	-14.49%	-9.79%	-24.57%	-23.90%
TENSAS	5.26%	1.23%	0.42%	2.89%	3.80%

Table D: Percent Change Over 2004

**2005 Domestic Travel Impact on Louisiana
Table D: Percent Change Over 2004 (Continued)**

<u>County</u>	<u>Expenditures</u>	<u>Payroll</u>	<u>Employment</u>	<u>State Tax Receipts</u>	<u>Local Tax Receipts</u>
TERREBONNE	-21.73%	-13.49%	-8.75%	-23.49%	-22.81%
UNION	7.63%	3.38%	2.67%	5.21%	6.14%
VERMILION	-24.67%	-16.16%	-11.54%	-26.37%	-25.71%
VERNON	9.31%	4.90%	4.26%	6.85%	7.80%
WASHINGTON	-25.85%	-17.23%	-12.66%	-27.52%	-26.88%
WEBSTER	5.85%	1.76%	0.98%	3.46%	4.38%
WEST BATON ROUGE	-24.72%	-16.20%	-11.59%	-26.42%	-25.77%
WEST CARROLL	5.92%	1.83%	1.05%	3.54%	4.46%
WEST FELICIANA	-22.90%	-14.55%	-9.86%	-24.63%	-23.96%
WINN	6.11%	2.00%	1.22%	3.72%	4.63%
STATE TOTALS	-17.31%	-12.00%	-8.45%	-18.64%	-18.12%

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Table E: Alphabetical By Parish, 2004

2005 Domestic Travel Impact on Louisiana					
Table E: Alphabetical by Parish, 2004					
<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>
ACADIA	\$32.21	\$3.13	0.19	\$1.89	\$0.60
ALLEN	164.65	44.62	2.36	4.95	3.32
ASCENSION	72.63	8.53	0.56	4.09	1.17
ASSUMPTION	10.51	1.13	0.07	0.58	0.24
AVOUELLES	98.36	22.68	1.25	2.48	1.56
BEAUREGARD	14.25	1.89	0.10	0.77	1.07
BIENVILLE	9.00	1.13	0.07	0.48	0.67
BOSSIER	367.01	103.11	5.61	16.87	10.65
CADDO	508.60	104.21	5.18	23.92	10.66
CALCASIEU	304.10	74.14	3.94	13.99	8.10
CALDWELL	7.23	0.95	0.06	0.35	0.47
CAMERON	4.38	0.63	0.05	0.20	0.27
CATAHOULA	4.42	0.72	0.05	0.19	0.28
CLAIBORNE	8.42	1.27	0.08	0.39	0.44
CONCORDIA	11.51	1.38	0.09	0.60	0.53
DE SOTO	13.52	1.58	0.10	0.78	0.46
EAST BATON ROUGE	639.94	116.18	6.15	29.52	11.51
EAST CARROLL	8.89	0.95	0.07	0.55	0.20
EAST FELICIANA	3.44	0.56	0.04	0.15	0.22
EVANGELINE	14.94	2.22	0.14	0.76	0.56
FRANKLIN	7.33	1.09	0.08	0.30	0.24
GRANT	3.24	0.52	0.04	0.14	0.28
IBERIA	41.10	6.10	0.38	2.07	0.72
IBERVILLE	20.28	2.98	0.17	1.08	0.84
JACKSON	7.88	1.05	0.07	0.31	0.20
JEFFERSON	944.99	180.72	9.96	39.44	19.09
JEFFERSON DAVIS	17.57	2.18	0.15	0.97	0.41

Table E: Alphabetical By Parish, 2004

2005 Domestic Travel Impact on Louisiana**Table E: Alphabetical by Parish, 2004 (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>
LAFAYETTE	335.16	55.56	3.06	16.45	6.12
LAFOURCHE	65.45	7.93	0.49	3.65	1.09
LASALLE	4.19	0.65	0.05	0.17	0.21
LINCOLN	23.10	3.79	0.26	1.15	0.56
LIVINGSTON	34.53	3.20	0.18	1.97	1.21
MADISON	39.70	3.13	0.17	2.77	0.59
MOREHOUSE	13.99	2.18	0.14	0.71	0.38
NATCHITOCHE	32.70	5.01	0.34	1.67	1.16
ORLEANS	4,376.55	1,005.20	63.51	167.69	107.80
OUACHITA	182.92	33.41	1.74	7.95	3.48
PLAQUEMINES	22.32	3.67	0.20	1.12	1.64
POINTE COUPEE	9.75	1.25	0.08	0.48	0.24
RAPIDES	117.32	17.76	1.02	5.82	2.27
RED RIVER	5.05	0.64	0.04	0.28	0.17
RICHLAND	16.99	1.99	0.13	1.01	0.33
SABINE	18.75	2.44	0.14	0.89	1.93
SAINT BERNARD	41.95	5.35	0.32	2.26	0.61
SAINT CHARLES	34.90	4.62	0.29	1.76	0.50
SAINT HELENA	2.33	0.45	0.03	0.09	0.15
SAINT JAMES	10.14	1.32	0.10	0.48	0.16
SAINT JOHN THE BAPTIST	28.73	4.65	0.31	1.39	0.60
SAINT LANDRY	82.95	9.51	0.62	4.78	2.34
SAINT MARTIN	23.54	2.85	0.15	1.24	1.32
SAINT MARY	91.93	20.37	1.15	2.79	1.53
SAINT TAMMANY	162.76	22.98	1.37	8.89	4.47
TANGIPAHOA	124.81	12.35	0.74	7.19	2.12
TENSAS	3.58	0.73	0.04	0.15	0.40

Table E: Alphabetical By Parish, 2004

2005 Domestic Travel Impact on Louisiana					
Table E: Alphabetical by Parish, 2004 (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>
TERREBONNE	95.95	13.24	0.83	5.25	1.68
UNION	11.07	1.23	0.08	0.62	0.75
VERMILION	37.46	3.84	0.22	2.19	0.96
VERNON	17.60	2.37	0.15	0.92	0.74
WASHINGTON	20.46	2.30	0.14	1.13	0.58
WEBSTER	40.19	4.68	0.26	2.38	1.25
WEST BATON ROUGE	43.38	5.67	0.36	2.54	0.82
WEST CARROLL	3.56	0.56	0.04	0.15	0.14
WEST FELICIANA	17.17	2.78	0.19	0.92	0.68
WINN	6.03	1.16	0.09	0.26	0.27
STATE TOTALS	\$9,539.35	\$1,956.38	116.1	\$408.94	\$226.05

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APPENDICES

Appendix A: Top Industries by Employment and Payroll in Louisiana, 2005

Table 10: Top Industries by Employment in Louisiana, 2005

<u>Rank</u>	<u>NAICS Code*</u>	<u>Industry Name</u>	<u>(Thousands)</u>
1	62	Health care and social assistance	209.2
2	44-45	Retail Trade**	214.1
3	31-33	Manufacturing	151.7
4	23	Construction	118.8
5		Travel & Tourism***	110.1

Table 11: Top Industries by Payroll in Louisiana, 2005

<u>Rank</u>	<u>NAICS Code*</u>	<u>Industry Name</u>	<u>(\$ Millions)</u>
1	31-33	Health care and social assistance	\$7,496.7
2	62	Manufacturing	\$6,517.5
3	44-45	Retail Trade****	\$4,628.0
4	23	Construction	\$4,286.4
11		Travel & Tourism***	\$1,780.4

Sources: TIA, Louisiana Department of Labor

Notes: * The North American Industry Classification System, private sector only.

** Excludes jobs attributable to the travel and tourism industry.

*** Payroll and jobs generated by both domestic and international travel spending.

Appendix B: Share of Domestic Travel Expenditures in the South Region by State, 2004

Table 12: Share of Domestic Travel Expenditures in the South Region by State, 2004*

<u>State</u>	<u>Rank</u>	<u>Domestic Expenditures (\$ Millions)</u>	<u>Percent of South Region Total</u>
Florida	1	\$46,671.8	37.2%
Georgia	2	15,389.6	12.3%
North Carolina	3	13,252.5	10.6%
Tennessee	4	11,163.5	8.9%
Louisiana	5	9,539.4	7.6%
South Carolina	6	7,763.7	6.2%
Alabama	7	5,968.6	4.8%
Kentucky	8	5,867.8	4.7%
Mississippi	9	5,696.8	4.5%
<u>Arkansas</u>	<u>10</u>	<u>4,281.2</u>	<u>3.4%</u>
South Region Total		\$125,594.8	100.0%

Source: TIA

* Based on 2004 ranking, the latest available at this time.

Appendix C: Domestic Travel Impact on Louisiana -2004 and 2005p (January - August)

Table 13: Domestic Travel Impact on Louisiana -2004 and Preliminary 2005 (January - August)			
Expenditures	Total Jan.-Aug. 2004 (\$ Millions)	Total Jan.-Aug. 2005 (\$ Millions)	% Jan.-Aug. 2005/04 Change
Public Transportation	\$637.9	\$685.5	7.5%
Auto Transportation	1,356.5	1,597.4	17.8%
Lodging	1,260.9	1,349.0	7.0%
Foodservice	1,695.6	1,836.7	8.3%
Entertainment & Recreation	1,201.2	1,268.9	5.6%
General Retail Trade	601.7	647.7	7.6%
Domestic	\$6,753.9	\$7,385.2	9.3%
Payroll	Total Jan.-Aug. 2004 (\$ Millions)	Total Jan.-Aug. 2005 (\$ Millions)	% Jan.-Aug. 2005/04 Change
Public Transportation	\$178.7	\$189.8	6.2%
Auto Transportation	66.9	68.1	1.9%
Lodging	254.5	277.3	9.0%
Foodservice	371.9	386.0	3.8%
Entertainment & Recreation	351.9	356.0	1.2%
General Retail Trade	63.4	66.3	4.5%
Travel Planning	19.8	20.3	2.5%
Domestic	\$1,307.1	\$1,363.95	4.3%
Employment	Average Jan.-Aug. (Thousands)	Average Jan.-Aug. (Thousands)	% Jan.-Aug. 2005/04 Change
Public Transportation	5.1	5.4	6.6%
Auto Transportation	3.4	3.5	1.0%
Lodging	15.9	16.8	5.5%
Foodservice	34.7	35.8	3.1%
Entertainment & Recreation	18.1	18.2	0.3%
General Retail Trade	4.0	4.0	1.1%
Travel Planning	0.8	0.8	-7.7%
Domestic	82.1	84.5	2.9%
Tax Revenue	Total Jan.-Aug. 2004 (\$ Millions)	Total Jan.-Aug. 2005 (\$ Millions)	% Jan.-Aug. 2005/04 Change
Federal	\$407.9	\$427.3	4.7%
State	289.4	311.1	7.5%
Local	160.0	173.2	8.2%
Domestic	\$857.3	\$911.5	6.3%

Source: TIA

Appendix D: List of Disaster Parishes and Contiguous Parishes for Hurricane Katrina

DISASTER PARISH

ACADIA
ASCENSION
ASSUMPTION
CALCASIEU
CAMERON
EAST BATON ROUGE
EAST FELICIANA
IBERIA
IBERVILLE
JEFFERSON
JEFFERSON DAVIS
LAFAYETTE
LAFOURCHE
LIVINGSTON
ORLEANS
PLAQUEMINES
POINTE COUPEE
SAINT BERNARD
SAINT CHARLES
SAINT HELENA
SAINT JAMES
SAINT JOHN THE BAPTIST
SAINT MARTIN
SAINT MARY
SAINT TAMMANY
TANGIPAHOA
TERREBONNE
VERMILION
WASHINGTON
WEST BATON ROUGE
WEST FELICIANA

CONTIGUOUS PARISH

ALLEN
AVOUELLES
BEAUREGARD
CONCORDIA
EVANGELINE
SAINT LANDRY

Source: Federal Emergency Management Agency

Appendix E: Travel Economic Impact Model

Introduction

The Travel Economic Impact Model (TEIM) was developed by the research department at TIA (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 trips away from home in paid accommodations and day trips to places 50 miles or more, one way, from the traveler's origin. The TEIM definition includes all overnight trips regardless of distance away from home, but excludes day trips to places less than 50 miles away from home.

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 16 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) and well as in its predecessor, the 1987 Standard Industrial Classification System (SIC). In each case, the relevant NAICS and SIC codes are included.

A *travel expenditure* is assumed to take place whenever a 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. Sixteen (16) 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 16 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 of 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 TIA, 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 is 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 ES-202, American Society of Travel Agents, the Federal Aviation Administration, the Department of Transportation, Amtrak, the Federal Highway Administration, state revenue departments, TIA'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 F: Glossary of Terms

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. Also included are expenditures on "other transportation" as indicated in the TravelScope.

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 G: Travel-Related Industry Measurement

SIC-NAICS Transition

The *travel industry*, as defined by TIA and covered in its research, refers to the collection of 16 types of businesses that provide goods and services to the traveler or potential traveler at the retail level. For many years, TIA 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, TIA 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, TIA'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.

Automobile Transportation Industry: Gasoline service stations, motor vehicle/parts dealers and passenger car rental.

Entertainment/Recreation Industry: Entertainment, art and recreation industry.

Foodservice Industry: Eating & drinking places, and grocery stores.

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*.

Lodging Industry: This industry includes hotels, motels, and motor hotels, camps and trailer parks.

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."

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 (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 (includes travel agencies and tour operators)</i>	5615

Appendix H: Sources of Data

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

Sources

Air Transport Association
American Automobile Association
Amtrak
American Society of Travel Agents
Bureau of the 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, U.S. Department of Commerce
Federal Aviation Administration, U.S. Department of Transportation
Federal Highway Administration, U.S. Department of Transportation
National Park Service
Louisiana Office of Tourism
Louisiana Department of Labor, Research & Statistics Division
Peterson, Howell & Heather, Inc.
Runzheimer International Ltd.
Smith Travel Research
The Office of Travel and Tourism Industries (OTTI)/ITA, U.S. Department of Commerce
Travel Industry Association