

South Carolina Early School Start Dates and the South Carolina Travel and Tourism Industries

An Analysis of Economic & Tax Revenue Impacts

Report for:

**Uniform School Start Date Task Force
South Carolina Department of Education**

Report by:

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*The views expressed in this report are solely those of the author, Stephen C. Morse,
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Executive Summary

South Carolina Early School Start Dates and the South Carolina Travel and Tourism Industries

Purpose of the Study

The purpose of this report is to examine the effects and impacts of early school start dates in South Carolina on the Travel and Tourism economy of the State.

Findings of the Study

- ✓ South Carolina public schools have begun earlier and earlier in August, taking away up to 3 weeks of summer August vacation time from families with children in South Carolina public schools.
- ✓ Early school start dates shorten the August vacation season in South Carolina and is associated with decreased August tourism demand, costing the State's largest industry – tourism – millions in lost economic activity and millions in lost State and local tax revenues.
- ✓ Early school start dates in South Carolina are associated with lower August tourist business activity including decreased August hotel occupancy rates, decreased August State and local accommodations taxes generated, decreased State and local sales tax generated, and decreased August employment in tourist areas.
- ✓ Decreased August tourist activity as schools start earlier, is not off-set by increases in tourist activity in other summer months.
- ✓ Starting schools in August mean schools must cool facilities for children during the hottest month of the year - August, costing unnecessary utility expenses by starting early, as opposed to starting after Labor Day in September.
- ✓ One conservative scenario estimates economic and tax revenue impacts where as little as 4 out of 10 families with children in South Carolina take one additional vacation if August summer vacation were restored; plus induced additional families from in-state and out-of-state family vacations, would generate \$180 million in total economic impact, \$6.03 million in State tax revenues, \$2.34 million in local tax revenues, and \$8.37 million in total State and local tax revenues.

South Carolina Early School Start Dates and the South Carolina Travel and Tourism Industries

Purpose of Study

The purpose of this study is to examine the effects and impacts of early school start dates in South Carolina on the Travel and Tourism economy of the State. In August 2002, the South Carolina Department of Education requested Dr. Steve Morse, economist and professor in the School of Hotel, Restaurant and Tourism Management at the University of South Carolina conduct an impact study to examine the effects of early school start dates on the State's travel and tourism industry.

Background

In 2002, the South Carolina state legislature examined the possibility of establishing a uniform school start date for SC public schools. To examine the issue further, the legislature directed the SC Department of Education to establish a task force. The SC legislative bill establishing the task force is below:

“Section 59-5-71. The General Assembly declares that it is in the best interest of the students of South Carolina for a uniform beginning date for the annual school term to be developed and adopted by the State Board of Education to be implemented in all public schools of the State. Therefore, the State Board of Education is directed to establish a task force comprised of superintendents, principals, teachers, parents, school board members, and representatives of business and industry, including tourism-related industries no later than July 1, 2002. The task force to the fullest extent possible shall be equally divided among proponents of existing or earlier starting dates for schools, proponents of later starting dates for schools, including proponents for dates after Labor Day, and persons who legitimately have no preferences. The task force shall make recommendations to the board including, but not limited to, the desirability of and if agreed upon a suggested uniform beginning date for the annual school term. The task force shall report its findings to the State Board of Education no later than October 15, 2002.”
(Source: SC State Legislature & SC Department of Education)

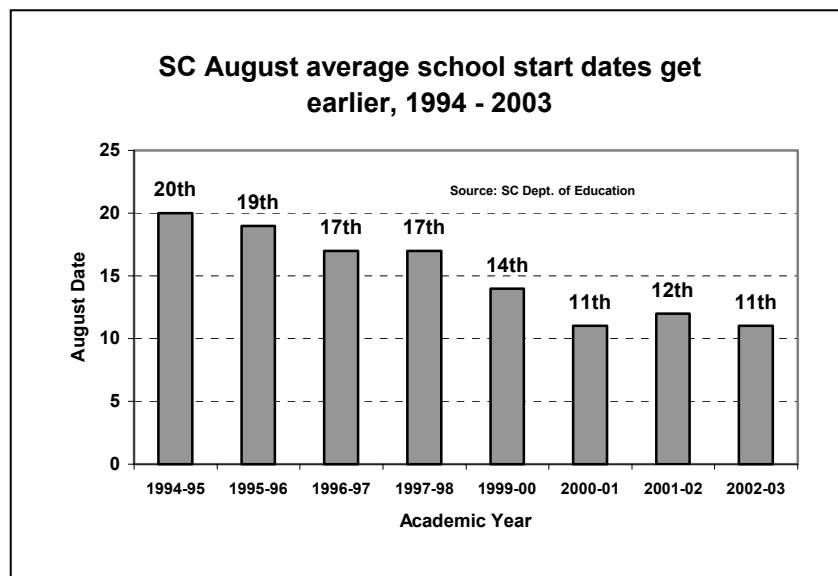
History of South Carolina School Start Dates

The table below shows South Carolina public school start dates for nine academic years from 94-95 to 02-03. The average school start date has become earlier in August from a 1994 average of August 20 to a 2002 average of August 11. The earliest start data in 1994 was August 16, and in 2002 earlier at August 5.

South Carolina Public School Start Dates, 1994 - 2002

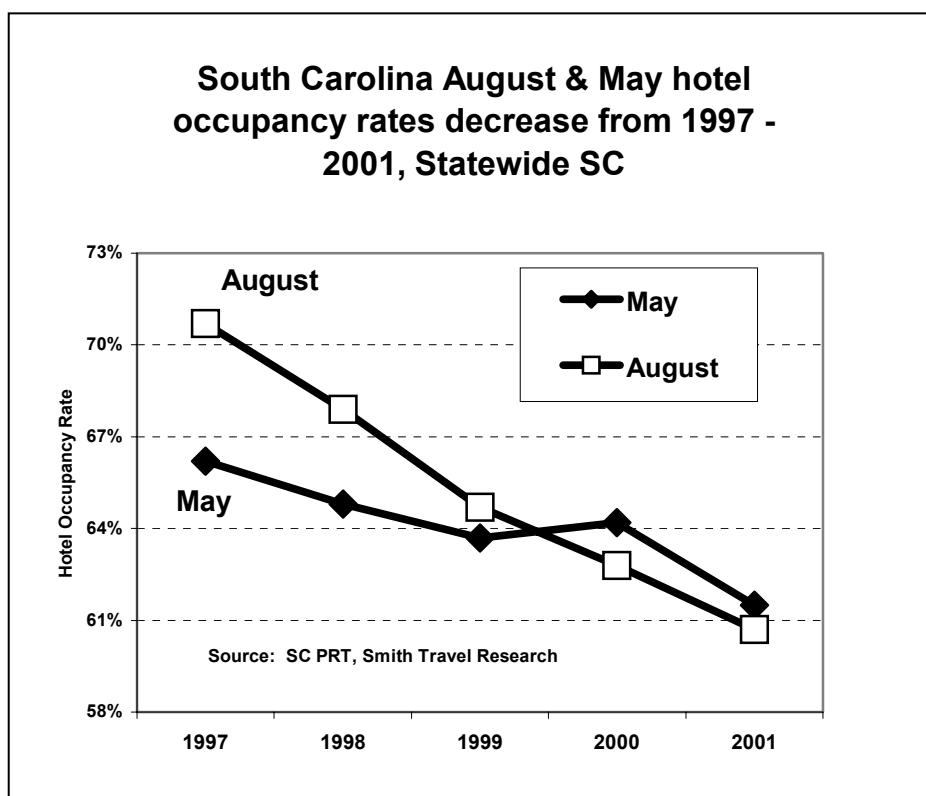
Academic Year	Average School Start Date	Latest School Start Date	Earliest School Start Date
94-95	Aug. 20	Aug. 26	Aug. 16
95-96	Aug. 19	Aug. 28	Aug. 10
96-97	Aug. 17	Sept. 3	Aug. 9
97-98	Aug. 17	Sept. 2	Aug. 11
98-99	Aug. 14	Aug. 24	Aug. 6
99-00	Aug. 15	Sept. 7	Aug. 5
00-01	Aug. 11	Aug. 21	Aug. 3
01-02	Aug. 12	Aug. 20	Aug. 6
02-03	Aug. 11	Aug. 26	Aug. 5

Source: SC Dept. of Education



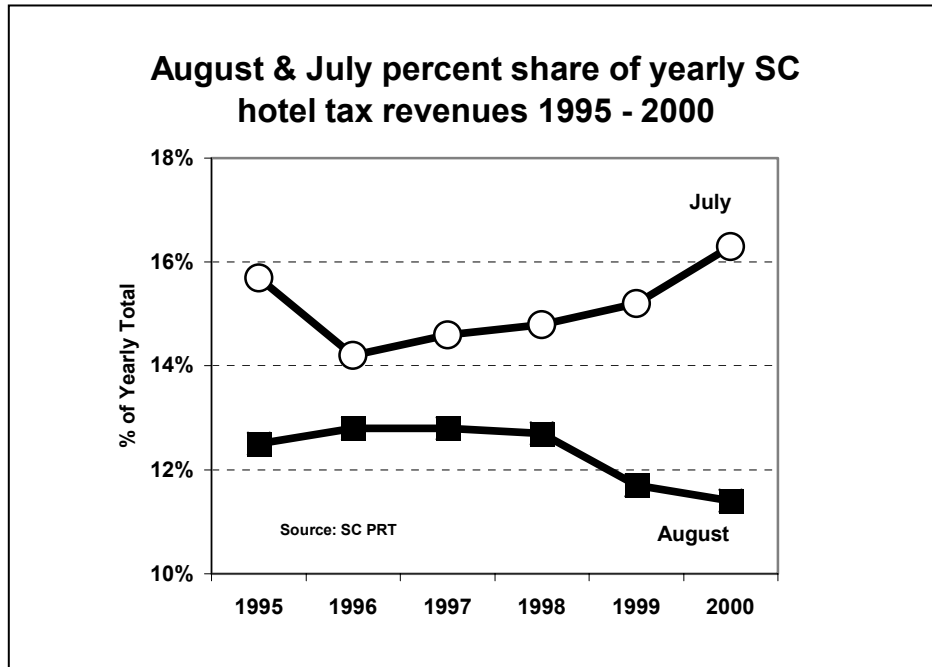
Early School Start Dates and Statewide Tourism Demand

As South Carolina school start dates have been earlier and earlier since 1997, more and more of the August vacation season has been lost. In 1997 the earliest school start date was August 11, while in 2002 the earliest school start date was August 5. Below, the South Carolina statewide hotel and lodging occupancy rates are shown for August and May over a five-year period from 1997 to 2001. The data indicate that since schools start dates have become earlier and more of the August summer vacation season is lost, August hotel occupancy rates have decreased statewide.

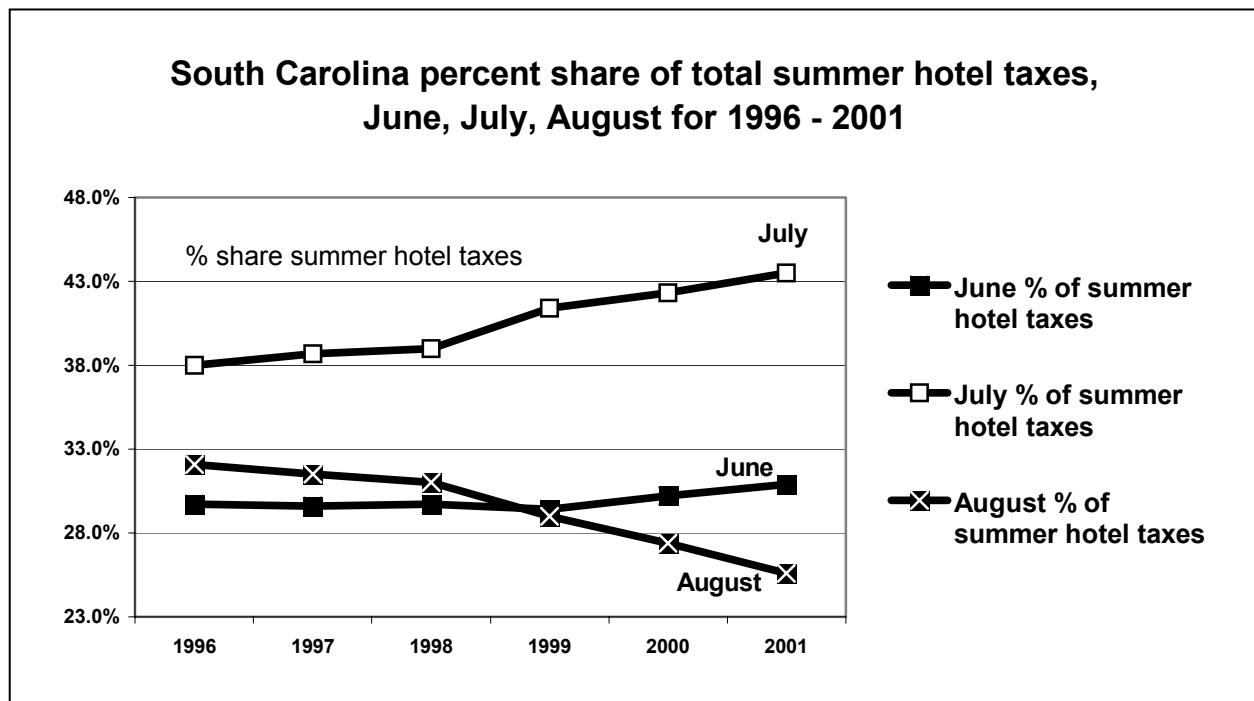


In addition, less summer vacation opportunity in August and lower August hotel occupancy rates statewide are reflected in the 2% State Accommodations Tax revenue collected. In particular, the graphs below shows that since 1997, August state tax revenue generated from the 2% accommodations taxes have decreased.

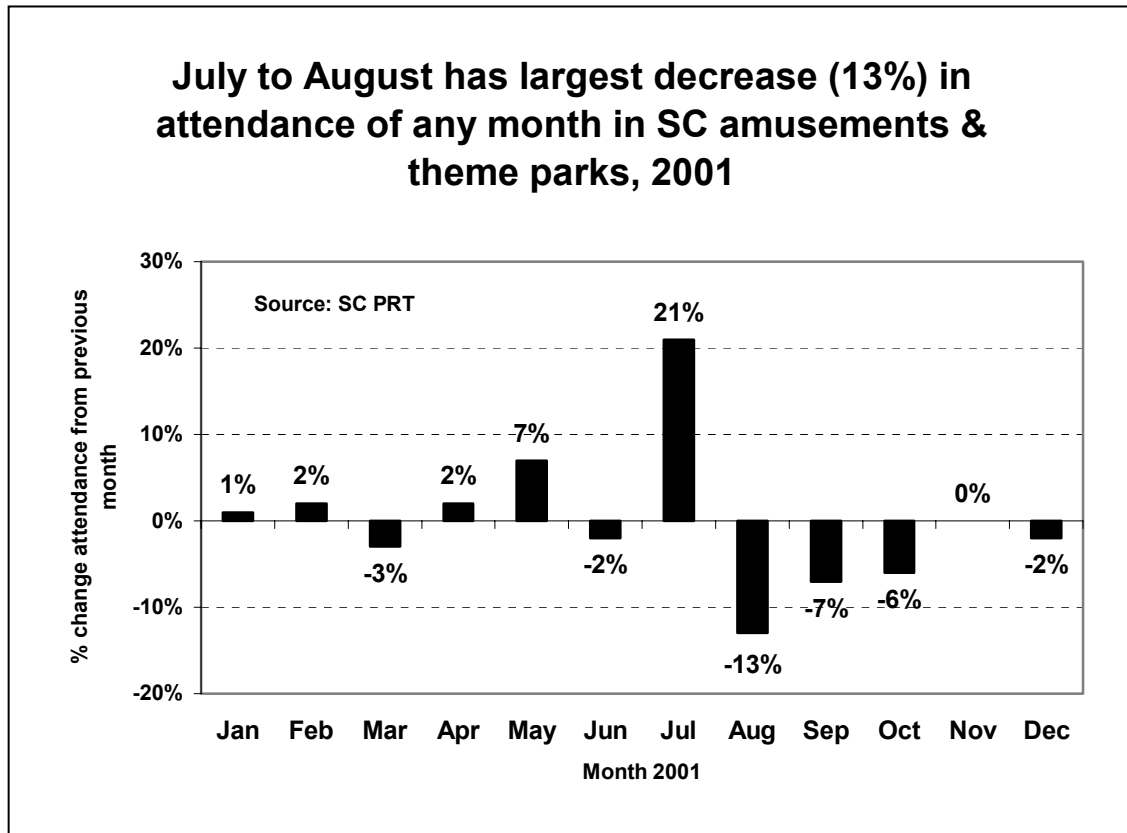
Since 1997, August statewide 2% accommodations taxes have decreased.



Below, August percent share of summer hotel taxes decrease while June & July share increases. Total summer hotel taxes equal June + July + August taxes generated. Less vacation time for SC residents is associated with decreasing share of August hotel taxes generated.



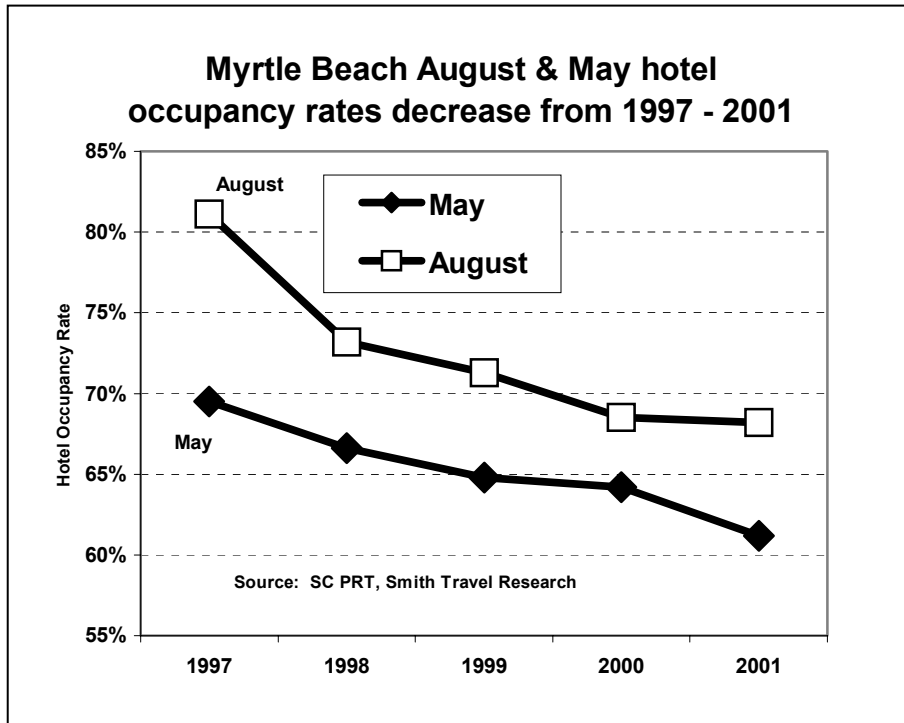
The graph below shows the change in attendance from month to month at SC amusement and theme parks. In 2001, attendance at SC amusement and theme parks decreased by the largest percent (13%) in August. This decrease in attendance also results in less SC admissions tax revenues not generated by this decreased August attendance.



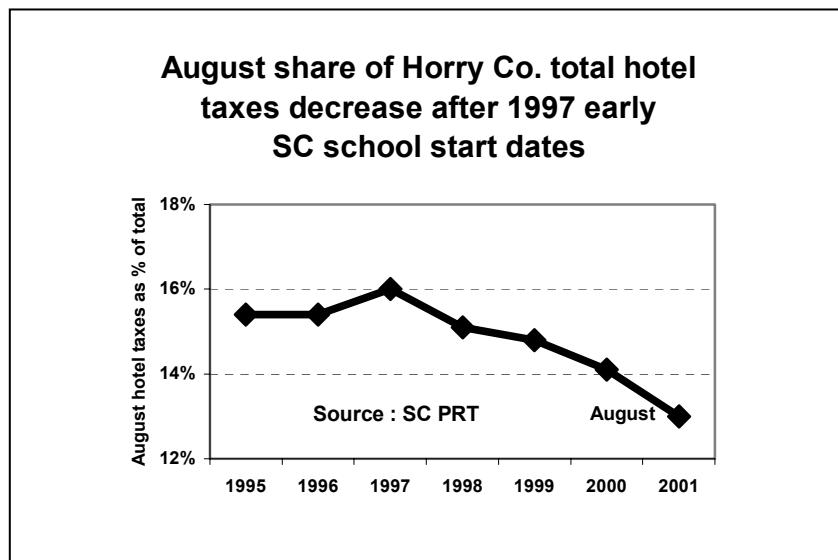
Early School Start Dates and Coastal Tourism Demand

Coastal areas of South Carolina generate the majority of tourism demand. Of all visitors to South Carolina in 2000, coastal areas generated 64% of all visitors, the midlands 19%, and the upstate 17% (Source: SC PRT). This section examines the relationship between early school start dates and effects on tourism in coastal areas of South Carolina.

Since 1997, hotel occupancy rates in Myrtle Beach for August and May have decreased.



Horry County generates the largest share of the 2% hotel tax in the State. However, since 1997 the August percent contributed to the Horry County yearly total has decreased.



Hotel occupancy rates for SC, Myrtle Beach, Hilton Head Island, and Charleston are shown below from 1997 – 2001 for May, June July, August and September.

South Carolina hotel occupancy rates, May – Sept., 1997 – 2001					
<i>Month</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>2000</i>	<i>2001</i>
<i>May</i>	66.2%	64.8%	63.7%	64.2%	61.5%
<i>June</i>	68.4%	69.5%	68.5%	70.3%	66.2%
<i>July</i>	72.7%	73.6%	73.8%	70.4%	67.3%
<i>August</i>	70.7%	67.9%	64.7%	62.8%	60.7%
<i>Sept</i>	59.5%	63.5%	57.0%	57.3%	51.3%

- Statewide, August hotel occupancy rates have decreased 10% since 1997.



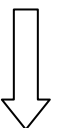
Myrtle Beach hotel occupancy rates, May – Sept., 1997 – 2001					
<i>Month</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>2000</i>	<i>2001</i>
<i>May</i>	69.5%	66.6%	64.8%	64.2%	61.2%
<i>June</i>	73.3%	75.4%	74.9%	78.2%	70.4%
<i>July</i>	83.3%	83.6%	85.3%	84.2%	79.9%
<i>August</i>	81.1%	73.2%	71.3%	68.5%	68.2%
<i>Sept</i>	64.8%	64.2%	55.9%	58.2%	52.4%

- Myrtle Beach hotel occupancy rates for August have decreased 12.9% since 1997.



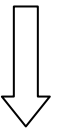
Hilton Head Island hotel occupancy rates, May – Sept., 1997 – 2001					
<i>Month</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>2000</i>	<i>2001</i>
<i>May</i>	73.5%	75.8%	73.2%	74.9%	69.8%
<i>June</i>	74.8%	80.6%	76.4%	83.4%	81.2%
<i>July</i>	77.1%	83.4%	83.4%	81.1%	75.1%
<i>August</i>	77.1%	74.9%	70.8%	70.6%	66.3%
<i>Sept</i>	66.4%	67.4%	52.8%	64.6%	46.7%

- Hilton Head Island hotel occupancy rates for August have decreased 10.8% since 1997.



Charleston hotel occupancy rates, May – Sept., 1997 – 2001					
<i>Month</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>2000</i>	<i>2001</i>
<i>May</i>	80.3%	80.5%	74.2%	77.7%	73.7%
<i>June</i>	76.1%	77.7%	74.9%	77.9%	72.2%
<i>July</i>	73.3%	78.6%	75.6%	73.1%	67.6%
<i>August</i>	73.7%	76.8%	64.8%	70.9%	63.0%
<i>Sept</i>	67.1%	76.5%	58.3%	69.5%	54.9%

- Charleston hotel occupancy rates for August have decreased 10.7% since 1997.

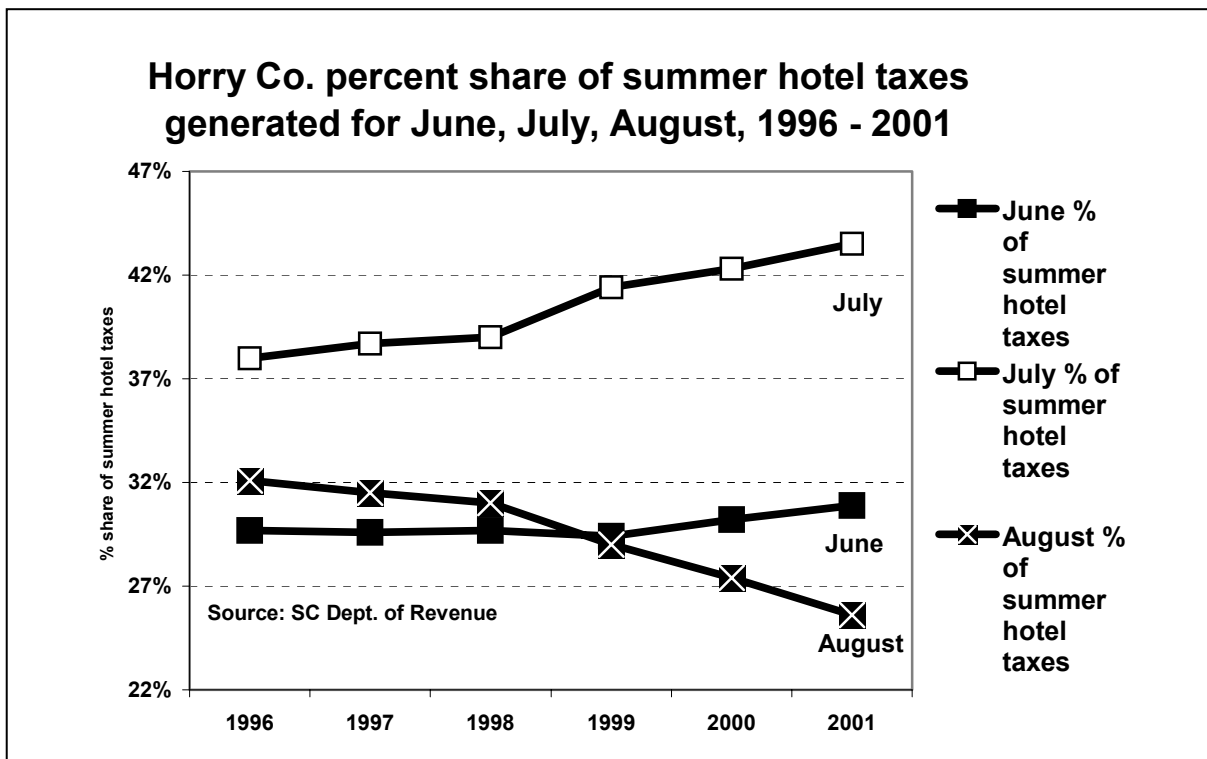


Do early school start dates mean SC tourists shift summer vacation times from August to other months? No. Statewide, the decrease in August occupancy rates since 1997 have not been off-set by gains in other summer months. For example,

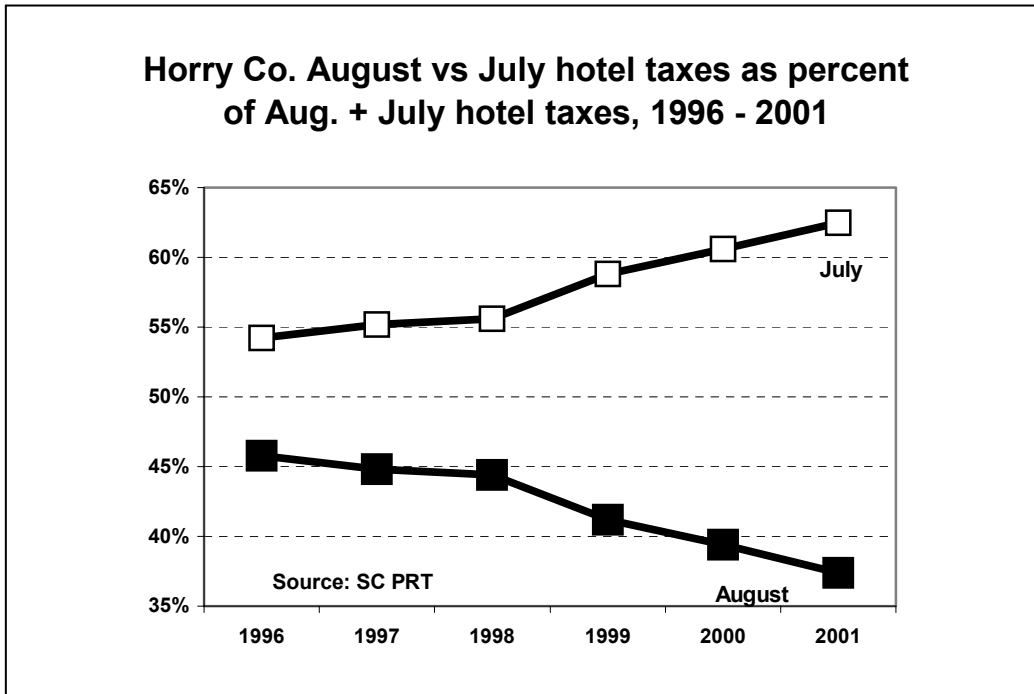
from 1997 to 2001 SC August occupancy rates decreased by 10% while occupancy rates for May, June, July and September did not increase.

Thus statewide, there is no trade-off from lower August occupancy rates and higher rates in other summer months indicating there is no shifting in tourism visitor patterns from early school start dates. The same patterns follow no shifting of vacation time from August to other months for Myrtle Beach, Hilton Head Island, and Charleston.

Below, the August share of summer hotel taxes have been decreasing since 1997 and not off-set by June and July taxes generated, indicating August lost vacation time is associated with lower August business activity.

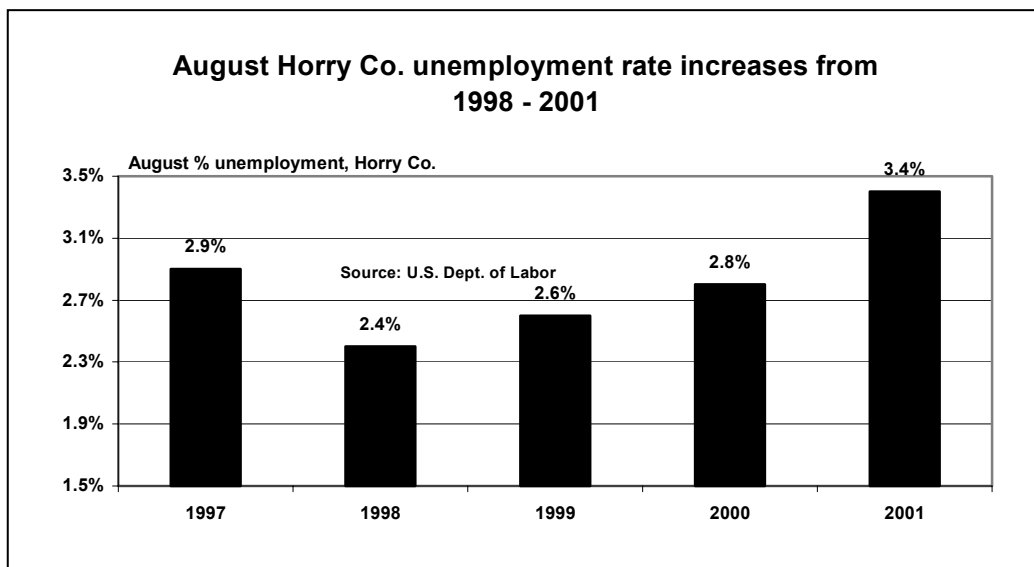


Below, Horry County's August share of July + August hotel taxes have decreased since 1996.

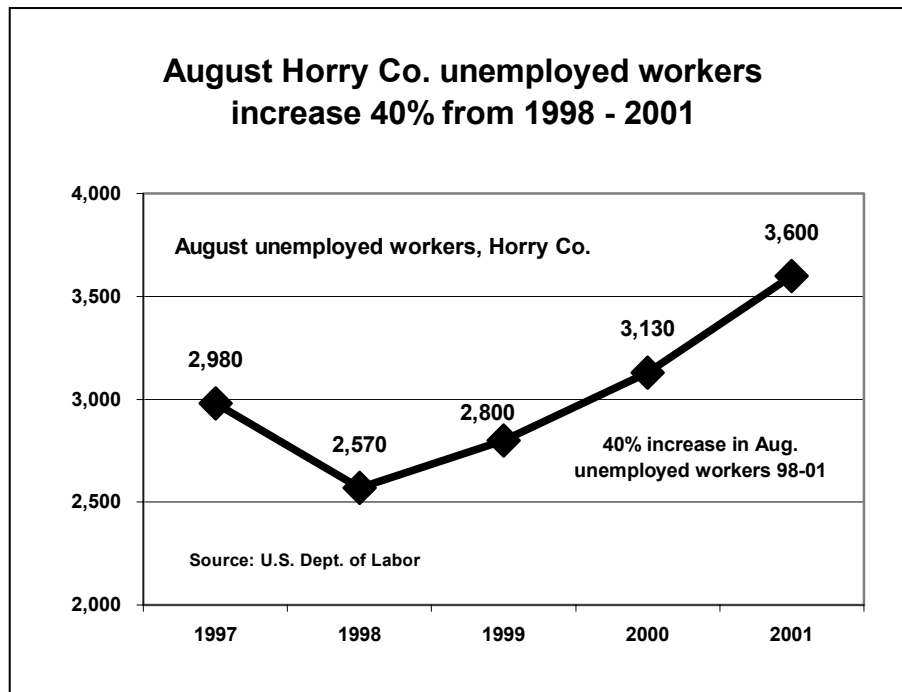


Unemployment Trends

Since 1998, August unemployment in Horry County has increased. This effect is in August and reflects the decreased tourist demand and reduced business activity.



August Horry County unemployed workers have increased 40% from 1998 to 2001, indicating decreased business activity in the county.



Shorter August Summer Vacation Season and Tourism Attractions

In public hearings held in August 2002 in South Carolina by the SC Department of Education's Uniform Start Date Task Force Committee, several tourist business owners and operators expressed how the shortened August summer vacation season has impacted employment, revenues and seasonal openings.

Mark Lazarus, owner of water theme park attractions in Horry County, SC and Myrtle Beach area said opening schools in SC earlier in August has caused many of his businesses to close early in the season because decreased tourist demand, and decreased labor supply of high school students. Mr. Lazarus said closing his water parks early affects less payroll in the county, less opportunities for meaningful employment for youth, less opportunities for businesses making contributions to local schools, and less sales and amusement taxes generated.

Jodie Roberts Smith, public relations manager with Carowinds theme parks in York County, SC told representatives of the task force that all other theme parks owned by Carowinds in other states have a 12-week summer season. Ms. Smith said that as a result of early school start dates, Carowinds in York County, SC

operates with a reduced summer season of only 10-weeks. This reduced summer season generated approximately an extra 100,000 visitors, causing over \$300,000 less in payroll for youth, and generated less sales taxes and admissions taxes that go to fund education.

Mr. Gary Loftus, hotelier and past president of the Myrtle Beach Area Chamber of Commerce claimed that when school started in August, vacationers throughout South Carolina decrease by two-thirds after August 10. In addition, he said hotel room rates decrease by 25% - 40% because of the lower demand in August after schools open.

Although other business owners and managers of tourist attractions stated the shortened August summer vacation season negatively affected revenues, employment and taxes, the key point is that early school start dates negatively impact South Carolina's largest industry – tourism.

Economic Impact from Families with School Children

With schools starting earlier in August, summer vacation time for South Carolina families have been shortened. Less summer vacation time means less economic impact from SC residents traveling in the State.

To measure the economic impact on early school starts on SC residents with children attending public schools, the number of potential family vacations lost must be estimated. In 2001, there were 669,342 children in South Carolina public schools. Using an average of two children per family, these children represent approximately 334,671 families with school children in the State.

Using average travel patterns reported by surveys from the South Carolina Department of Parks, Recreation and Tourism (SC-PRT), in-state residents take 36% of their trips as day-trips, and the remaining 64% as overnight travelers in the State. The SC-PRT also estimates that in-state tourists spend an average of \$122.17 per trip per party when traveling; while in-state overnighiter travelers are estimated to spend \$362.62 per trip per party. Both estimates exclude transportation costs, assuming day-trippers have \$20 transportation cost and overnighiters have \$75 transportation costs, this would estimate day-trippers spending to be \$142.17 per trip per party, and overnighiters spending to be \$437.62.

The following table shows the economic impact of potential spending by South Carolina families with school children. The analysis uses a range of 10% of

families taking one additional vacation to 100% of families taking one additional vacation. Using the patterns of average SC residents traveling in-state described above, day-trip and overnight tourist spending is estimated. The total amount of tourist spending by SC families is direct spending in the SC economy, which when re-spent provides a multiplier effect or indirect spending generated. This study uses a multiplier of 2.3 for the statewide indirect effect and is reflected in the total economic impact in column 5. The multiplier of 2.3 is considered a modest multiplier that in some areas can be as high as 3.0 in estimating re-spending effects.

**Economic Impact of Potential Vacation Spending by
South Carolina Families with School Children**

(Col 1) If this percent of SC families with school children took 1 additional SC vacation...	(Col 2) Then spending from day-trip travelers would be...	(Col 3) And spending From overnight travelers would be...	(Col 4) And total (day + overnight) direct spending would be...	(Col 5) Having a total (direct + indirect) economic impact of this much spending generated in the SC economy...
10%	\$1,712,881	\$9,373,330	\$11,086,211	\$25,489,283
20%	3,425,772	18,746,660	22,172,432	50,996,593
30%	5,138,643	28,119,990	33,258,633	76,494,855
40%	6,953,887	38,053,474	45,007,361	103,516,193
50%	8,564,406	46,866,651	55,431,057	127,494,131
60%	10,277,287	56,239,981	66,517,268	152,989,714
70%	11,990,168	65,613,311	77,603,479	178,488,007
80%	13,703,049	74,986,642	88,689,691	203,986,283
90%	15,415,930	84,359,972	99,775,902	229,484,576
100%	17,128,863	93,733,582	110,862,440	254,983,610

Background Information on Tax Revenue Impacts

State Sales Tax

South Carolina levies a 5% State sales tax on most good and services in the hospitality and tourism industry including food in restaurants, lodging, and shopping purchases which make up most spending by in-state tourists.

State Accommodations Taxes

South Carolina levies 2% tax on the price of accommodations (hotels, motels, bed & breakfasts) in addition to the State sales tax of 5%. Tourist spending estimated to be allocated to hotels and other lodging equal 36% of spending. Therefore,

State accommodations taxes are estimated based on 36% of total tourist spending allocated to hotels and lodging expenses.

State Admissions Tax

South Carolina levies a 5% admission tax on most events and theme parks .

State Income Taxes

The maximum State income tax rate is 7% on income over \$12,000 and declining percentages with lower incomes. Because many employees are seasonal, a lower income tax rate of 6% is used here. The 6% tax rate is used on the portion of tourist spending that reflects labor costs, here assumed to be 35% of spending.

State Beverage Alcohol Taxes

Taxes generated by sales of beer, wine and spirits to tourist are generated as a State tax revenue source for South Carolina. It is difficult to estimate these taxes, but increased tourism demand will certainly increase tax revenues generated from the sale on on-premise and off-premise sales. The tax revenue generated from these beverage alcohol sales are not included in this study.

State Corporate Income Taxes

South Carolina corporate income tax is 5%, however the contribution of corporate income taxes are not included here as this information is not readily defined or available from the South Carolina Department of Revenue.

Local Taxes

South Carolina allows counties and municipalities to add on sales and accommodations taxes to required state taxes. Local taxes are retained locally for local spending projects and to help support local education. For this study, local tax rates of 3% is used to estimate local tax revenues which include an additional 2% local accommodations tax and 1% local sales tax.

State and Local Tax Revenues Generated

The following table estimates State and local tax revenues generated from one additional vacation from portions of SC families with school children.

State & Local Tax Revenues Generated per year by Vacation Spending of South Carolina Families with School Children

	State Tax Revenues Generated per year				Local Taxes Generated per year	Total State + Local Taxes Generated per year
(Col 1) If this percent of SC families with school children took 1 additional SC vacation per year	(Col 7) Then this much in State accommodation tax revenue will be generated per year	(Col 8) Then this much in State sales & admissions taxes will be generated per year	(Col 9) Then this much in State income taxes will be generated per year	(Col 10) Then this much In total State taxes will be generated per year	(Col 11) Then this much in local accommodations and sales tax revenue will be generated per year	(Col 12) Then this much In total state & local taxes will be generated per year
10%	\$67,487	\$554,310	\$232,810	\$854,607	\$332,586	\$1,187,193
20%	134,975	1,108,621	465,821	1,709,417	665,172	2,374,589
30%	202,246	1,662,931	698,431	2,563,608	997,758	3,561,366
40%	273,985	2,250,368	945,154	3,469,507	1,350,220	4,819,727
50%	337,439	2,771,552	1,164,052	4,274,043	1,662,931	5,936,974
60%	404,927	3,325,863	1,396,862	5,127,652	1,995,518	7,123,170
70%	472,415	3,880,173	1,629,673	5,982,261	2,328,104	8,310,365
80%	539,903	4,434,484	1,862,483	6,836,870	2,660,690	9,497,560
90%	607,391	4,988,795	2,095,293	7,691,479	2,993,277	10,684,756
100%	674,881	5,543,122	2,328,111	8,546,114	3,325,873	11,871,987

Additional Tourism Spending by Other In-state and Out-of-state Tourists

Restoration of the full August summer vacation season will not only increase demand from in-state SC families with children, but also will increase demand from other tourists inside and outside the state. With the lost August vacation period restored, more SC tourist related businesses will stay open as the supply of labor is not reduced when school opens. At public hearings, business owners from across the state said early August school starts drained youth employment and forced businesses to close early during August by up to three weeks. Water Parks in Myrtle Beach and amusement theme parks in York County reported shorter August seasons as a result in early August school start dates.

Myrtle Beach tourism officials report tourist activity decreases substantially during the last three weeks of the August. Beginning August 10th, Myrtle Beach tourism officials estimate tourists and vacationers decrease by approximately two-thirds. In Myrtle Beach, lower tourism demand in August is reflected in the decrease in August hotel occupancy rates, decreased accommodations taxes collected in Horry County for August, decrease in hotel room rates as demand is lower, higher worker unemployment rates and the early closing of many tourist related businesses in August. In addition, Myrtle Beach tourism officials say both in-state and out-of-state tourist decreases from 300,000 to 240,000 visitors per day after August 10th each year because of early school openings. This decrease in tourists by 60,000 per day includes both in-state and out-of-state tourists to the area and is estimated to produce a loss of \$178 million to the Grand Strand area. Myrtle Beach tourist officials state that if this pattern is true across South Carolina, statewide the State could be losing up to \$400 million per year from both in-state and out-of-state lost tourist revenues from the shorter August vacation season.

Estimating the impact of increased tourist demand from additional in-state and out-of-state tourist is difficult. Also, South Carolina tourist destinations may embark on new marketing campaigns that increase demand from in-state and out-of-state tourist. One method would assume August tourist activity levels in hotels, restaurants, retail shopping areas and attractions would not decrease as they do now in August, but be maintained at July levels. Restoration of the full August vacation season to will increase demand for tourism is South Carolina from in-state and out-of-state tourists. Increasing the August tourist season by two weeks will have a substantial impact on state and local revenues generated by this additional tourism period.

Weather and Heat Related Factors of Early School Openings

Early school starts in August instead of early September, place children into schools during the hottest month of the year. The weather related trade-off to be examined is children starting school during the hottest time of the year the last three weeks in August, and ending school during the cooler weather time of the last three weeks in May. Therefore, the temperature issue of August vs. May must be examined in terms of energy demand during these periods.

From the following table of average maximum temperatures in selected South Carolina cities, August has an average higher temperature than May across all cities shown. Energy costs are difficult to determine as each school district has different energy suppliers and different energy rates. Although a detailed estimate of energy costs in August vs. May requires more data and individual district energy costs during these months, clearly the higher temperatures in August will cost more to cool schools than the lower temperatures in May.

May & August Average Maximum Temperatures for SC Cities		
South Carolina City	Average Maximum Temp (°F) 1971 - 2000	
	May	August
Columbia	83.6	90.3
Beaufort	83.1	88.8
Charleston	83.0	89.2
Clemson	79.4	87.9
Conway	82.3	89.1
Florence	82.9	89.4
Greenville	79.2	87.0
Orangeburg	83.7	90.3
Rock Hill	80.1	87.9
<i>Source: SC State Climatologist & National Weather Service</i>		

A Sample Scenario of Impacts

Estimating additional tourist spending and associated tax revenue impacts into a prediction of tourist behavior with restoration of the August vacation season required assumptions about the level of tourist activity with an extended August season. However, in the absence of unbiased surveys of tourist propensity of additional vacation travel, one can use previous impacts to predict results of a variety of scenarios.

For example, assuming 4 out of 10 South Carolina families with children in public would take an additional vacation with the restoration of the August vacation season and later school start dates, one can estimate the potential economic and tax revenue impacts from this behavior. Also, if one assumes the additional tourist activity from other in-state and out-of-state tourists during August would increase by an amount equivalent to the level of families with school children, an estimation of potential economic and tax revenue impact under this scenario can be made.

If this amount of additional tourist activity is generated..	Then total economic impact of tourist spending is...	Then total South Carolina State tax revenues generated will be...	And total local taxes generated will be...	Then total State + local taxes generated will be...
40% of SC families with school children take 1 additional trip (or 133,868 family trips)	\$103.51 million	\$3.47million	\$1.35 million	\$4.82 million
Demand from 100,401 families of out-of-state & in-state other tourists	\$76.49 million	\$2.56 million	\$0.998 million	\$3.55 million
Total Impacts	\$180.0 million	\$6.03 million	\$2.34 million	\$8.37 million

To summarize the economic and tax revenue impacts from this particular scenario:

- ✓ 40% of SC families with children in school taking one additional vacation in SC plus an additional 100,401 induced family vacations from other out-of-state and in-state tourists will:
 - generate an estimated **\$180 million** of economic impact in tourism areas per year,
 - generate an estimated **\$6.03 million** in State tax revenues per year,
 - add an estimated **\$2.34 million** in local tax revenues per year, and
 - add an estimated total State and local tax revenues of **\$8.37 million** per year.

Geographic Distribution of the Impacts from this Scenario

The South Carolina Department of Parks, Recreation, and Tourism (SC-PRT) tracks tourist spending geographically in the State. Studies indicate tourism spending in South Carolina is divided geographically in the following regions of the State:

Coastal Region of SC	64.6% of all tourists
Midlands Region of SC	20.0% of all tourists
<u>Upstate Region of SC</u>	<u>15.4% of all tourists</u>
Total	100% of all tourists





Where:

Coastal SC region includes these counties: Beaufort, Charleston, Colleton, Dorchester, Georgetown, Hampton, Horry, and Jasper.

Midlands SC region includes these counties: Aiken, Allendale, Bamberg, Barnwell, Berkeley, Calhoun, Clarendon, Darlington, Dillon, Florence, Lee, Lexington, Marion, Marlboro, Newberry, Orangeburg, Richland, Saluda, Sumter, and Williamsburg.

Upstate region includes these counties: Abbeville, Anderson, Cherokee, Chester, Chesterfield, Edgefield, Fairfield, Greenville, Greenwood, Kershaw, Lancaster, Laurens, McCormick, Oconee, Pickens, Spartanburg, Union, and York.

Using the above detailed possible spending scenario of increased tourist spending from restoration of August vacation season, the geographic distribution of the total impacts of the economy and tax revenues are as shown in the following table.

Geographic Distribution of Economic Impacts and Tax Revenue Impacts of Possible Scenario			
Total State impact from possible scenario	Coastal SC region's contribution to total State impact (64.6%)	Midlands SC region's contribution to total State impact (20.0%)	Upstate SC region's contribution to total State impact (15.4%)
\$180 million total economic impact generated 	\$116.3 million	\$36.0 million	\$27.7 million
\$6.03 million SC State tax revenues generated 	\$3.9 million	\$1.20 million	\$0.93 million
\$2.34 million of local tax revenue generated 	\$1.51 million	\$0.468 million	\$0.362 million
\$8.37 million State + local tax revenues generated 	\$5.4 million	\$1.67 million	\$1.29 million

Additional Possible Scenarios

The above analysis is but one of many scenarios of the impacts of restoring the August vacation season with later school start dates. There are many other possible scenarios, all dependent on how in-state and out-of-state tourists respond to a longer vacation season in South Carolina.

The above scenario demonstrated uses a conservative estimate of tourist response by assuming only 4 out of 10 families with children in South Carolina school would take an additional vacation in SC and also the longer vacation season would induce approximately 100,000 other in-state and out-of-state family tourists trips. There are scenarios under less conservative assumptions that would estimate higher economic impacts and tax revenues, and scenarios under more conservative assumptions that would estimate lower economic impacts and tax revenues generated.

Conclusion and Summary

- ✓ South Carolina public schools have begun earlier and earlier in August, taking away up to 3 weeks of summer August vacation time from families with children in South Carolina public schools.
- ✓ Early school start dates shorten the August vacation season in South Carolina and is associated with decreased August tourism demand, costing the State's largest industry – tourism – millions in lost economic activity and millions in lost State and local tax revenues.
- ✓ Early school start dates in South Carolina are associated with lower August tourist business activity including decreased August hotel occupancy rates, decreased August State and local accommodations taxes generated, decreased State and local sales tax generated, and decreased August employment in tourist areas.
- ✓ Decreased August tourist activity as schools start earlier, are not off-set by increases in tourist activity in other summer months.

- ✓ Starting schools in August mean schools must cool facilities for children during the hottest month of the year - August, costing unnecessary utility expenses by starting early, as opposed to starting after Labor Day in September.
- ✓ One scenario estimates economic and tax revenue impacts where as little as 4 out of 10 families with children in South Carolina take one additional vacation if August summer vacation were restored; plus an induced additional 100,000 families from in-state and out-of-state family vacations would generate \$180 million in total economic impact, \$6.03 million in State tax revenues, \$2.34 million in local tax revenues, and \$8.37 million in total State and local tax revenues.