

Fact Sheet: Benefits of Hawai'i's Tourism Economy

Hawai'i Tourism Industry in March 2022¹

Prior to the global COVID-19 pandemic and Hawai'i's quarantine requirements for travelers, the State of Hawai'i achieved record-level visitor expenditures and arrivals in 2019 through February 2020. Due to concerns about the rapid surge of COVID cases worldwide and the limitations of Hawai'i's health care system, on March 17, 2020 Hawai'i Gov. David Ige asked visitors to postpone their trips for at least 30 days. The counties also began issuing stay-at-home orders. On March 26, 2020, the state implemented a 14-day mandatory travel quarantine. Subsequently, nearly all trans-Pacific and interisland flights were canceled, cruise ship activities were suspended and tourism to the islands all but shut down. This continued until mid-October 2020, when the state initiated the Safe Travels program, which allowed trans-Pacific travelers to bypass the quarantine if they had a valid negative test for COVID-19.

Through March 25, 2022, domestic passengers could bypass the State's mandatory five-day self-quarantine if they were up-to-date on their vaccination or with a negative COVID-19 pre-travel test result from a Trusted Testing Partner through the Safe Travels program. The Safe Travels Program ended on March 25, 2022, and domestic pre-travel requirements ceased as of March 26, 2022. Passengers arriving on direct international flights were subjected to federal U.S. entry requirements which included proof of an up-to-date vaccination document and negative COVID-19 test result taken within one day of travel, or documentation of having recovered from COVID-19 in the past 90 days, prior to their flight.

Total spending by visitors who came to the islands in March 2022 was \$1.53 billion, which was higher compared to the \$1.49 billion (+2.5%) reported for March 2019. A total of 788,931 visitors came in March 2022, with 785,715 visitors arriving by air service, mainly from the U.S. West and U.S. East. In comparison, 928,849 visitors (-15.1%) arrived by air and by cruise ships in March 2019. The average daily census² was 226,857 visitors in March 2022, compared to 250,528 visitors (-9.4%) in March 2019.

Hawai'i Tourism Industry in March 2022 Year-to-Date

- **Total Visitor Spending: \$4.23 billion.** Total visitor spending decreased, compared to \$4.49 billion (-5.8%) in the first quarter of 2019.
- **State Tax Revenue (direct, indirect and induced): \$491.10 million,** compared to \$524.6 million (-6.4%) in the first quarter of 2019.
- **Visitor Arrivals: 1,993,761 visitors,** compared to 2,527,277 visitors (-21.1%) in the first quarter of 2019.
- **Average Daily Census: 213,432 visitors,** compared to 253,382 visitors (-15.8%) in the first quarter of 2019.
- **Total flights: 15,000 trans-Pacific flights and 3,137,184 seats,** compared to 15,214 flights and 3,337,280 seats in the first quarter of 2019.

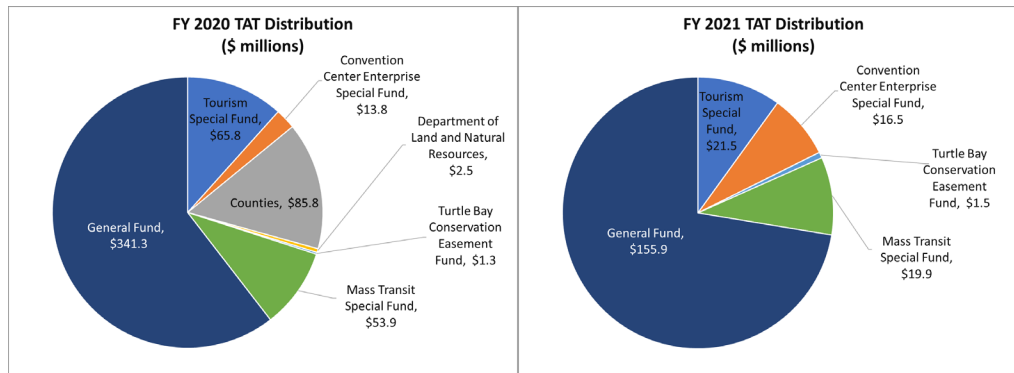
TAT Collections

- FY 2018: The state collected \$554.9 million in TAT; an increase of 9.2 percent compared to FY 2017. (The TAT rate was increased to 10.25 percent, effective January 1, 2018. Tax revenues generated to be allocated to the Mass Transit Special Fund).
- FY 2019: The state collected \$600.3 million in TAT; an increase of 8.2 percent compared to FY 2018.
- FY 2020: The state collected \$564.3 million in TAT, down 6.0 percent compared to FY 2019.

¹ 2022 and 2021 visitor statistics are preliminary. 2020 and 2019 visitor data are the final numbers and reflect updated airfare statistics from DIIO Mi Airline database, and final passenger counts from Airline Traffic Summary reports.

² Average daily census measures the number of visitors present on any given day.

- FY 2021: Through June 2021, the state collected \$209.1 million in TAT, a decrease of 62.7 percent compared to FY 2020 through June 2020 (Preliminary data from Dept of Taxation).
- FY2022: Through March 2022, the state collected \$521.6 million in TAT, up 458.0 percent compared to \$93.5 million collected in FY 2021 through March 2021 (Preliminary data from Dept of Taxation).



Hawai'i Tourism Industry in 2021

- **Total Visitor Spending: \$13.0 billion.** Visitor spending declined 26.6 percent from \$17.7 billion in 2019.
- **State Tax Revenue (direct, indirect and induced): \$1.52 billion;** a decrease of 26.6 percent from \$2.07 billion in 2019.
- **Visitor Arrivals: 6,777,498 visitors (+150.3%),** more than double the arrival count of 2,708,258 from 2020. Total visitor arrivals decreased 34.7 percent compared to the 10,386,673 visitors in 2019.
- **Average Daily Census: 179,022 visitors;** compared to 78,305 visitors in 2020, versus 247,564 visitors in 2019.
- **Total flights: 51,904, Total Seats: 10,735,084;** compared to 24,372 flights and 5,318,667 seats in 2020, versus 61,778 flights and 13,619,247 seats in 2019.

Hawai'i Tourism Industry in 2020

- **Visitor Spending: NA³**
- **State Tax Revenue (direct, indirect and induced): NA**
- **Visitor Arrivals (Air and Cruise): 2,708,258 (-73.9% compared to 2019).**
- **Average Daily Census: 77,915 visitors (-68.3% compared to 2019).**
- **Air Seats: 5,318,667 (-60.9% versus 2019).**

Hawai'i Tourism Industry in 2019

- **Visitor Spending (Air and Cruise): \$17.72 billion (+1.2%, +\$206.4 million YOY versus 2018).**
- **State Tax Revenue (direct, indirect and induced): \$2.07 billion (+1.2%, +\$24.1 million YOY versus 2018).**
- **Visitor Arrivals (Air and Cruise): 10,386,673 (+5.0% YOY versus 2018).**
- **Average Daily Census: 247,564 visitors (+2.4% versus 2018).**
- **Jobs supported (direct, indirect, induced): 216,000**
- **Air Seats: 13,619,349 (+2.9% YOY versus 2018).**

³ Comparative annual 2020 visitor spending statistics were not available, as the Departure Survey could not be conducted between April through October 2020 due to COVID-19 restrictions.

Hotel Occupancy Rates:

| Occupancy Rate | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|-----------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| State | 57.6% | 37.1% | 80.7% | 80.3% | 80.2% | 79.1% | 78.7% |
| O'ahu | 55.6% | 39.0% | 84.0% | 83.7% | 83.5% | 84.2% | 85.1% |
| Maui County | 60.2% | 33.9% | 77.7% | 75.9% | 77.0% | 75.8% | 74.3% |
| Island of Hawai'i | 61.1% | 38.0% | 77.0% | 74.6% | 74.8% | 68.7% | 65.7% |
| Kaua'i | 58.5% | 33.0% | 72.5% | 77.5% | 75.7% | 72.6% | 71.1% |

Source: STR, Inc.

Hawai'i Tourism: A Decade of Growth

| Year | Total Daily Expenditures, Includes Sup Business | # of Jobs Supported |
|-------------|--|----------------------------|
| 2019 | \$48.9 million | 217,000 |
| 2018 | \$48.3 million | 215,000 |
| 2017 | \$46.0 million | 205,000 |
| 2016 | \$43.5 million | 194,000 |
| 2015 | \$41 million | 177,000 |
| 2014 | \$41 million | 174,000 |
| 2013 | \$40 million | 168,000 |
| 2012 | \$39 million | 167,000 |
| 2011 | \$34 million | 156,000 |
| 2010 | \$30 million | 145,000 |