

Public universities an economic powerhouse in Arizona

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led an estimated \$11.1 billion.

stats are courtesy of an

[independent analysis by Elliot D. Pollack & Co. and the Maguire Company](#) – a new, independent review of the economic and fiscal impacts of Arizona’s public universities.

Within the \$11 billion total impact, the universities generate an “incremental” economic impact of \$3.8 billion and nearly 32,000 jobs that result from spending funded by sources outside Arizona. This is spending and economic activity that would not occur in the state without the out-of-state sources such as research contracts and non-resident student spending. This contribution to Arizona’s economy demonstrates that the universities act, in many ways, like a “base industry” – those operations that make things and sell them outside the state.

Truth be told – the real economic impact of the universities is much higher. The study, which was conservative in scope, does not account for every possible university impact, including the important, ongoing, long-term impact of graduates whose higher skills impact their communities and our state. Graduates of the three public universities are estimated to have earned approximately \$18.6 billion from fiscal year 1990 – 2017.

The study also does not account for the economic impact injected into our state by spin-off businesses created by university faculty and students; or the contributions of employers that locate in Arizona to be near our universities.

Yet, this independent analysis reinforces the case we’ve made for years: Year over year, Arizona’s public universities continue to be important economic drivers in the state – educating our workforce, creating jobs and driving our state forward.

Among key report findings:

- Public university students spent an estimated \$2 billion on housing, utilities, groceries and other items, supporting nearly 20,000 jobs and \$3 billion in total economic impact.

- Spending by university faculty and staff supported more than 11,000 jobs and economic impact totaling \$1.7 billion.
- University research at ASU, NAU and UA resulted in total economic impact exceeding \$2 billion.
- Non-resident students' and out-of-state visitors' spending supports more than 2,000 jobs and resulted in \$181 million in economic output.
- The annual operations of the universities (including faculty, student and visitor spending) generate a wide range of tax revenues for the state, counties, cities and other local governments in Arizona, generating an estimated \$451 million in collected tax revenue.

This economic impact study focused on the operational impact of Arizona's public universities on our state's economy. The results demonstrate that higher education is a key industry that attracts dollars into our state, creating jobs and prosperity.

This operational economic impact is only the beginning. The full impact of increased economic output created through education is not part of this study, but will be the focus of future work.

Click [HERE](#) to view the Economic and Fiscal Impact Report and methodology in its entirety.