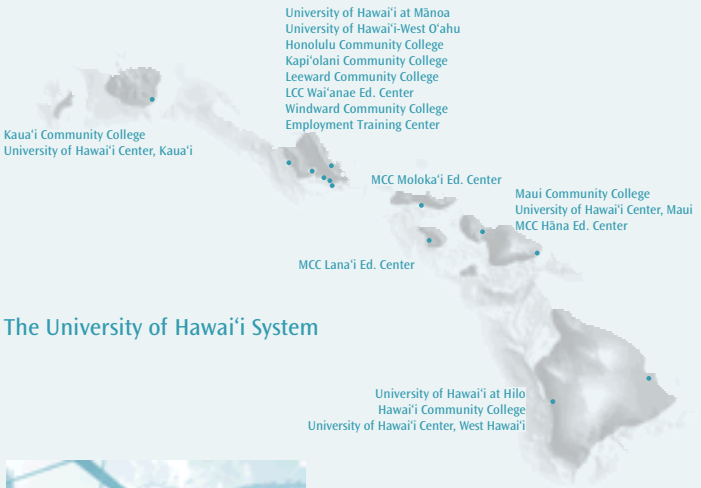




# The Contribution of the University of Hawai'i to Hawai'i's Economy in 2003



The University of Hawai'i System



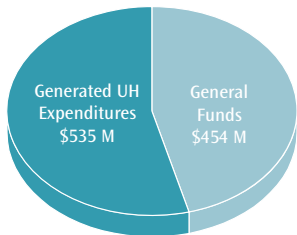
August 2004

# THE UNIVERSITY OF HAWAI‘I IS A 1.4 BILLION DOLLAR PLAYER IN HAWAI‘I’S ECONOMY

The contribution of the University of Hawai‘i to Hawai‘i’s economy is significant and growing. The contribution is generated by the University’s ability to leverage state appropriations and the related spending by students, visitors, and others.

## UH SYSTEM CONTRIBUTION:

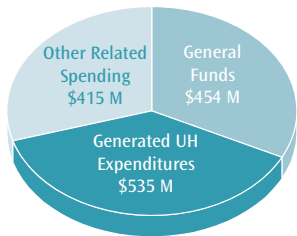
In FY 2003, UH was able to use a base of \$454 million in general fund expenditures to generate \$535 million in additional outlays for a total of \$989 million of UH System expenditures. The difference was generated through government research and training grants, revolving funds (e.g., bookstore revenues), special funds (e.g., tuition and fees), and federal matching grants.



Total \$989 Million  
UH System Expenditures

## RELATED SPENDING:

In addition to the contribution above, in FY 2003 other spending on UH-related activities brought the expenditure total to \$1.403 billion. This included spending by students (on items other than tuition, fees, dorm fees, and books), money spent by the privately funded UH Foundation and the Research Corporation of the University of Hawai‘i, out-of-state visitor spending while attending UH sporting events and UH-sponsored conferences and professional meetings, and University employee retiree benefits.



Total \$1.4 Billion Related  
Educational Expenditures

UH is approaching a billion and a half dollar enterprise!

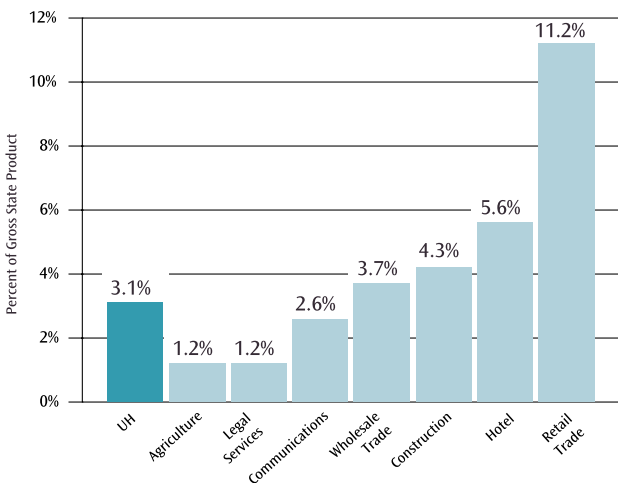
## UH leverages taxpayer dollars

- For every dollar of general funds appropriated by the state, the UH System generates another \$2.09 of education-related expenditures in the economy.
- Every dollar of general fund spending by UH generates \$4.35 of total business sales and \$2.74 of labor earnings.
- For every \$1 million of state general funds invested in UH, 79 jobs are generated.
- Every dollar of general fund spending by the University of Hawai'i generates \$.29 in state taxes.

## UH generates a good return on the state's investment

- Total UH expenditures generated \$132 million in state taxes during the 2003 fiscal year. These expenditures represent 3.8 percent of total state taxes.
- Adjusted for inflation, a Hawai'i resident who obtains a bachelor's degree pays \$137,000 more in state taxes over his or her lifetime than does a resident with a high school diploma.

## UH expands the state economy



In 2003, the University of Hawai'i represented about 3 percent of Hawai'i's economy (gross state product) of nearly \$46 billion.

## UH stimulates the business community

- Total UH-related expenditures in fiscal 2003 directly and indirectly generated \$1.97 billion of business sales, 35,800 jobs, and \$1.24 billion of earnings to households.
- University activities foster new businesses, assist existing industry, and create long-term job growth. They enhance the work force through development of human capital and knowledge infrastructure, and integration of Hawai'i into the global community.
- UH promotes innovation and capitalization on Hawai'i's unique natural and cultural endowments. It serves as a laboratory for the creation of new knowledge and a warehouse for additions to the pool of knowledge.
- The University of Hawai'i produces the future leaders of Hawai'i.



Information in this brochure is excerpted from "The Contribution of the University of Hawai'i to Hawai'i's Economy in 2003" prepared by the University of Hawai'i Economic Research Organization (UHERO), March 2004. Principal investigators were James Mak and PingSun Leung. This study was funded by the University of Hawai'i Office of Planning and Policy and the UH Foundation, and is an update of the 2000 "Study of the Economic Impact of the University of Hawai'i System."

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