The University of Nevada, Las Vegas’s Economic Contribution As a Top-Tier University

Executive Summary

Founded in 1957, the University of Nevada, Las Vegas (UNLV) is the only graduate research institution in Southern Nevada. This report quantifies UNLV’s economic impact within the local economy from 2019 through its reaching top-tier status in 2025. The university employed 4,077 individuals in October 2019, ranking it as one of the largest employers in Clark County. UNLV also contributes to the local economy via its purchases from local businesses in support of its operations. We estimate that the university spent approximately $689 million in Southern Nevada during fiscal year 2019. UNLV also generates economic activity in Southern Nevada through the purchases by its students and visitors on local goods and services.

The primary economic impact of UNLV on the Southern Nevada economy is summarized in the figure below. In total, UNLV’s primary quantitative economic impact equals an estimated $1,438 million, split between the university, employees, students, and visitors.

In addition, the university’s direct economic impact generates spinoff expenditures that ripple through the local economy. Spinoff expenditures result from additional rounds of spending that take place after the direct spending has occurred. We employ a structural model of Clark County’s economy developed by Regional Economic Models, Inc. (REMI) to calculate these spinoff impacts. The table below summarizes the total quantitative economic impact of UNLV on the Southern Nevada economy. We estimate that UNLV generated a total of $2,445 million of expenditure in the Southern Nevada economy during Fiscal Year (FY) 2019. This estimate does not include any purchase of capital assets such as

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1 The full report is available at: https://cber.unlv.edu/publications/UNLV_Econ_Impact_FY2019.pdf
expenditures for new construction or the additional economic contributions from UNLV graduates in 2018-19 academic years from any incremental wages and salaries due to UNLV-earned degrees. UNLV’s state appropriations amounted to $237 million in 2019. Hence, UNLV’s Economic Impact Ratio (EIR) for 2017 is 10.3. That is, for every dollar of state-appropriated funds, the university generated an additional $10.3 of economic activity in the Southern Nevada community. In addition, we find that each dollar of student spending generates approximately 1.70 dollars of economic activity in Southern Nevada.

We also find that by the year 2025, UNLV will supply the valley with nearly 19,500 direct and indirect jobs and roughly $2,705 million in economic activity when the university achieves a top-tier status as a public university. These quantitative estimates are, nonetheless, conservative as they do not include the numerous positive qualitative impacts of UNLV on Southern Nevada: the spillover effects of research and development, advanced science, and technology; a better trained workforce that can compete globally; UNLV’s role in attracting new industries that help to diversity the Nevada’s economy; and UNLV’s contribution to an improved quality of life for local residents.

Given that these estimates represent a lower bound on the total economic impact, we conclude that UNLV plays a fundamental part in the Southern Nevada economy. Moreover, as the only major graduate research university in a rapidly diversifying economy, the university will no doubt contribute significantly to the region’s future well-being and provide valuable resources in helping the Southern Nevada community to reach its full potential. Although FY19’s economic impact was not affected by the COVID-19 recession, the projections through 2025 do incorporate the current estimate of the COVID-19 recession as contained in the national forecast in REMI.

Center for Business and Economic Research
Lee Business School
University of Nevada, Las Vegas

**UNLV as a **TOP TIER UNIVERSITY, WILL SUPPORT SOUTHERN NEVADA ECONOMY in 2025

<table>
<thead>
<tr>
<th>Employment</th>
<th>Economic Output</th>
<th>Personal Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>19,500 Jobs</td>
<td>$2,705 million</td>
<td>$1,528 million</td>
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100 additional jobs from 2019
$260 million of additional economic output from 2019
$282 million of additional personal income from 2019