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# Entrepreneurship and the COVID-19 Pandemic

A summary of small business creation during and after the  
COVID-19 Pandemic in Nevada versus the United States

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## I. Key Findings

### i. Nevada Small Business Trends

- New business filings in Nevada rose sharply in 2020 and in 2021 reached their highest level since 2006. This contrasts to the steep drop Nevada experienced during the Great Recession.
- As of 2024, 40 percent of firms in Nevada with employees, regardless of size, were created after the COVID-19 pandemic.
- Nevada's business closures did not rise significantly during or immediately after the COVID-19 recession, unlike the pattern observed during and after the Great Recession.
- Nevada's small business count increased sharply following the COVID-19 recession and remained above the 2017-2020 trend line.
- Small business growth accelerated with the COVID-19 pandemic in both Nevada and the United States, with Nevada showing higher gains per 1,000 population.
- When comparing growth in nonemployer businesses per 1,000 residents from 2019 to 2022, Nevada ranked 11th (8.3 per 1,000 population), behind Florida (15.9), Wyoming (14.2), Georgia (13.4), Delaware (11.1), Louisiana (9.5), South Carolina (9.4), Tennessee (8.9), Mississippi (8.8), Illinois (8.7), and Texas (8.7).

#### Small Employer Firms (1-500 employees)

- Nevada recorded the third-fastest growth in employer businesses per 1,000 residents from 2019 to 2022, resulting in a substantial improvement in its ranking for small employer firm count. The state's ranking rose sharply from 38th in 2019 to 27th in 2022.
- The growth in Nevada for small businesses with employees after COVID-19 was largely driven by the increase in firms with one to five employees.
- Small businesses with employees drove economic recovery accounting for 45.0 percent of total private jobs in 2022, up from 42.8 percent in 2019.
- The largest employment contributor by firm size among Nevada's small businesses with employees after COVID-19 was those with 20-99 employees, accounting for 50.4% of net jobs gains among small employer firms.

### ii. Nevada's Small Businesses by Industry

#### Nonemployer Firms (no paid employees)

- The five largest net gains in nonemployer firms from 2019 to 2022 occurred in the following sectors in Nevada, representing 74.2 percent of the total net increase: Transportation and Warehousing; Other Services; Administrative and Support and Waste Management and Remediation Services; Professional, Scientific, and Technical Services; and Health Care and Social Assistance, respectively.

- In terms of raw growth rates, Nevada's five fastest-growing sectors for nonemployer firms from 2019 to 2022 were Transportation and Warehousing; Accommodation and Food Services; Wholesale Trade; Administrative and Support and Waste Management and Remediation Services; and Other Services, respectively.
- The top sectors with nonemployer business expansions in Nevada between 2019 and 2022 were similar to those at the national level, which implies that Nevada's growth largely reflected the national trend in nonemployer firms.

### Small Employer Firms (1-500 employees)

- The five largest net gains in small employer firms from 2019 to 2022 occurred in the following sectors in Nevada, representing 56.1 percent of the total net increase: Professional, Scientific and Technical Services; Health Care and Social Assistance; Other Services; and Real Estate and Rental and Leasing; and Construction, respectively.
- Nevada's small employer firm net gain was more evenly distributed across sectors compared to the United States, where the top five sectors accounted for 70.2 percent of the total net increase.
- The fastest-growing small employer firm sectors from 2019 to 2022 were as follows: Transportation and Warehousing; Information; Arts, Entertainment and Recreation; Other Services; and Real Estate and Rental and Leasing, respectively.
- The largest small-firm job gains between 2019 and 2022 occurred in Accommodation and Food Services; Professional, Scientific & Technical Services; Construction; Health Care & Social Assistance, and Retail Trade.
- Small employer job growth was less evenly distributed nationally than in Nevada. From 2019 to 2022, nine out of 19 sectors lost jobs in the U.S., versus just three sectors in Nevada.
- The fastest-growing employment sectors from 2019 to 2022 were Transportation and Warehousing; Information; Educational Services; Arts, Entertainment and Recreation; and Professional, Scientific, and Technical Services, mostly with relatively small employment bases.

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## IV. Introduction

The COVID-19 pandemic transformed the small business landscape in Nevada, a state uniquely prone to economic shocks and entrepreneurial behavior. This paper explores whether the COVID-19 pandemic, which was first identified in early March of 2020,<sup>1</sup> and subsequent pandemic emergency restrictions on businesses and employees served as a temporary disruption or a long-term structural shift in entrepreneurial activities, focusing on how many businesses survived, how many were newly created, and which industries and demographic groups were most affected pre and post pandemic. It also compares Nevada's trajectory with national trends and evaluates how the state's business-friendly policy environment combined with the massive layoffs due to its tourism-dependent economy, may have contributed to a surge in small business creation during the pandemic.

To understand the pandemic's impact on Nevada's small businesses, it is important to first recognize the broader role these types of enterprises play in the U.S. economy. Small businesses, defined as businesses with fewer than 500 employees, make up 99.9 percent of all business entities and employ approximately 59.0 million workers, or approximately 45.9 percent of the national workforce, according to the U.S. Small Business Administration (2024).<sup>2</sup> Only 18.1 percent, or 6,274,916 firms, had paid employees, while the majority (81.9 percent) had none, beyond the owners.

The U.S. Small Business Administration defines firms with paid employees as "employer firms" and with no employees as "nonemployer firms". These 34.7 million small businesses (both employer and nonemployer firms combined) contributed 43.5 percent of GDP and accounted for 39 percent of all private sector payroll. They are also essential to local governments by generating tax revenue that funds public services and infrastructure. Unlike large corporations, which often base operations elsewhere, small businesses tend to serve and invest in their local communities.

Given this growth, it is tempting to view small businesses as the primary engines of economic expansion. The reality, however, is more nuanced. While they generate roughly 70 percent of net new jobs, compared to 15 percent from large firms, research indicates that most of this job creation is concentrated within a relatively small group of high-growth small firms. Birch (1979)<sup>3</sup> found that younger businesses with the capacity to scale rapidly account for the bulk of sustained job creation, whereas many other small firms plateau or contract as they mature. Owner intentions also play a critical role: nearly three-quarters of small business owners prefer to remain small. For instance, a 1998 survey revealed that 81 percent of new business owners had no desire to expand (Shane, 2010),<sup>4</sup> and Hurst and Pugsley (2011)<sup>5</sup> reported that half envisioned their ideal firm as having only a few employees. Consequently, the key to fostering broader economic growth lies in enabling a subset of small businesses to successfully scale, as seen in the early stages of now-major corporations like Apple, Tesla, or MGM Resorts.

In early 2020, as COVID-19 took hold, Nevada experienced some of the nation's most severe economic effects. The closure of casinos, restaurants, hotels, and entertainment venues caused unemployment state-

<sup>1</sup> Kaitlyn Olvera, "First case of COVID-19 in Clark County confirmed by CDC," 8 News Now, March 11, 2020, <https://www.8newsnow.com/newslocal-news/first-case-of-covid-19-in-clark-county-confirmed-by-cdc>.

<sup>2</sup> U.S. Small Business Administration, "Frequently Asked Questions About Small Business 2024," Office of Advocacy, July 23, 2024, <https://advocacy.sba.gov/2024/07/23/frequently-asked-questions-about-small-business-2024/>.

<sup>3</sup> David L. Birch, *The Job Generation Process*, MIT Program on Neighborhood and Regional Change, 1979.

<sup>4</sup> Scott Shane, "The Illusions of Entrepreneurship: The Costly Myths That Entrepreneurs, Investors, and Policy Makers Live By," New Haven, CT: Yale University Press, 2008.

<sup>5</sup> Erik Hurst and Benjamin Wild Pugsley, "What Do Small Businesses Do?" *Brookings Papers on Economic Activity* 43, no. 2 (Fall 2011): 73–142.

wide to spike above 30 percent, the highest in the U.S. Business closures surged, and many long-standing firms laid off large portions of their workforce. Yet paradoxically, this disruption also sparked a wave of entrepreneurial activity, as measured by new business entities created. Economically, entrepreneurship can be understood as the process of launching a new business venture, involving the assumption of financial risk in hopes of gaining profit by capitalizing on market opportunities (Gutterman 2020).<sup>6</sup> As Dunkelberg (2024)<sup>7</sup> notes, a mix of mass layoffs, elevated personal savings, and government stimulus led many to start their own businesses. In this way, the pandemic acted as both a shock and a catalyst for firm formation. Many of the new business formations between 2019 and 2022 emerged in industries such as retail trade and professional services, with the number of non-store retailers surging as individuals sold goods from home and increased demand for consulting businesses (U.S. Chamber of Commerce 2025).<sup>8</sup>

During the COVID-19 recession recovery, small businesses became central to job creation. Since the fourth quarter of 2019, they have accounted for 71 percent of net new jobs in the U.S., up from 64 percent during the previous business cycle, which spanned from the fourth quarter of 2007 to the fourth quarter of 2019 (Norstrand, 2024).<sup>9</sup> Nevada, in particular, experienced a sharp rise in entrepreneurial activity, which also supported the state's recovery from the economic downturn, while large firms were still struggling. The number of small businesses in Nevada rose by 12.9 percent from 2019 to 2022, with nonemployer and employer firms posting nearly identical gains of 12.9 and 12.8 percent, respectively (Figure 1). At the national level, small businesses increased by 9.0 percent over the same period, with nonemployer firms growing by 10.0 percent and employer firms by 4.8 percent (Figure 2). In addition, small businesses with employees drove economic recovery. According to the U.S. Census Bureau's Statistics of U.S. Businesses (SUSB), small firms with paid employees in Nevada supported 45.0 percent of total private jobs in 2022, up from 42.8 percent in 2019. These firms drove labor market recovery with a 7.2 percent employment gain from 2019 to 2022, while large firms with 500 or more employees still employed 1.9 percent fewer workers over the same timeframe.

The sharper growth may reflect both Nevada's heavier economic losses during the pandemic and its supportive business climate, characterized by a low-tax environment, minimal regulatory burden, and resources such as the Nevada Small Business Development Center and federal Small Business Administration programs that provide capital and training. Whether this momentum signals a lasting structural shift or a post-pandemic rebound remains uncertain, but early signs point to small businesses not only recovering, but reshaping Nevada's economic landscape.

In this white paper, CBER analyzed data from the U.S. Census' SUSB, Nonemployer Statistics (NES), and Annual Business Survey (ABS) data, BLS's Business Employment Dynamics (BED) and Quarterly Census of Employment and Wages (QCEW), and Nevada Secretary of State business license records to examine the surge in small business creation in Nevada following the pandemic and to identify the industry sectors that contributed to this growth. Section V reviews overall small business trends from 2017 to 2022 such as firm creation, death, and net result. Section VI focuses on sectoral contributions to post-pandemic business growth. Finally, Section VII presents our conclusion.

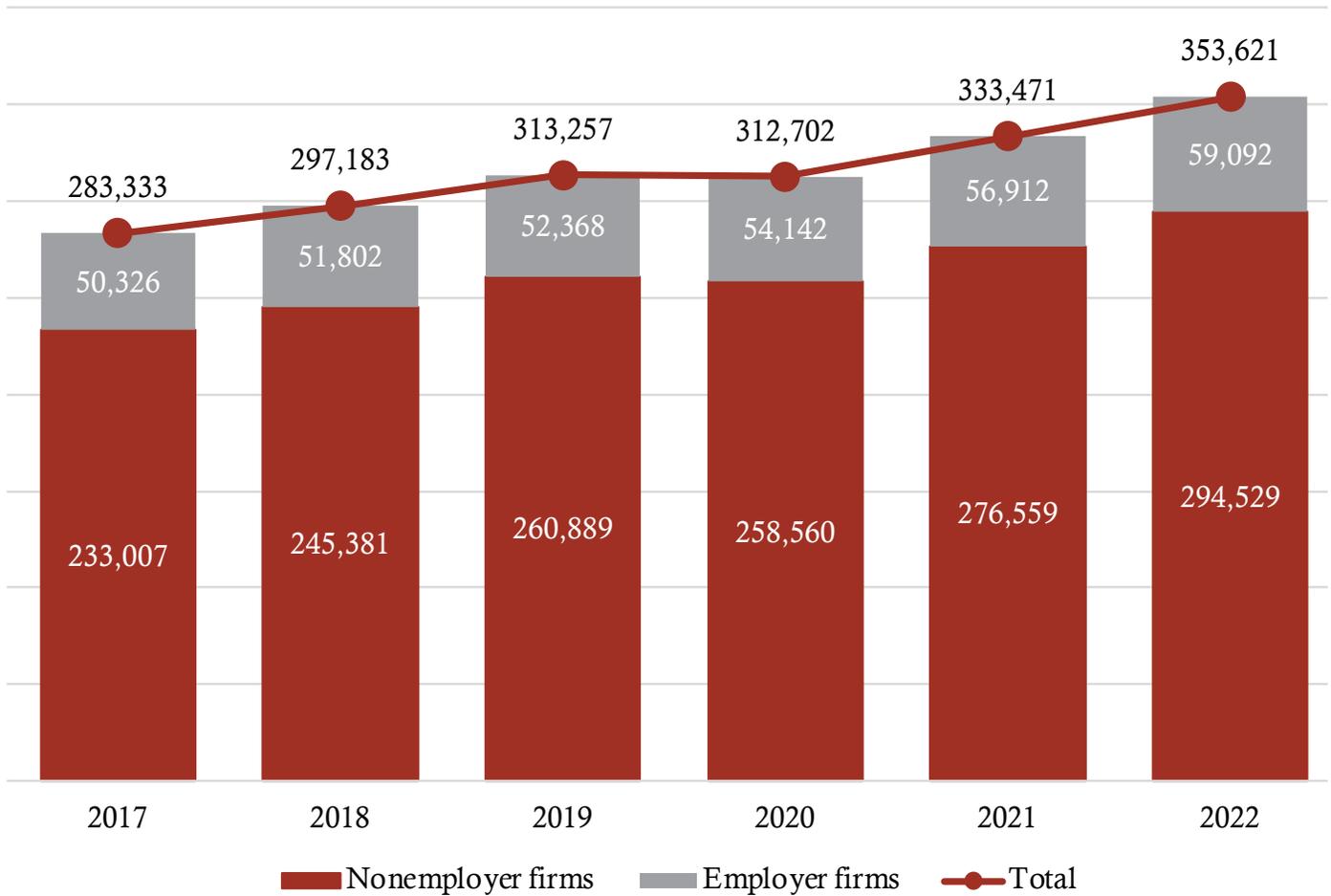
<sup>6</sup> Alan Gutterman. 2020. "Definitions and Types of Entrepreneurship." SSRN Electronic Journal. <https://doi.org/10.2139/ssrn.3930375>.

<sup>7</sup> William Dunkelberg, "Small Business Economic Trends," National Federation of Independent Business, January 2024.

<sup>8</sup> U.S. Chamber of Commerce, "Small Business Data Center," U.S. Chamber of Commerce, accessed April 13, 2025. <https://www.uschamber.com/small-business/new-business-applications-a-state-by-state-view?state=nv>.

<sup>9</sup> Van Nostrand, Eric. 2024. "Small Business and Entrepreneurship in the Post-COVID Expansion." U.S. Department of the Treasury. September 3, 2024. <https://home.treasury.gov/news/featured-stories/small-business-and-entrepreneurship-in-the-post-covid-expansion>.

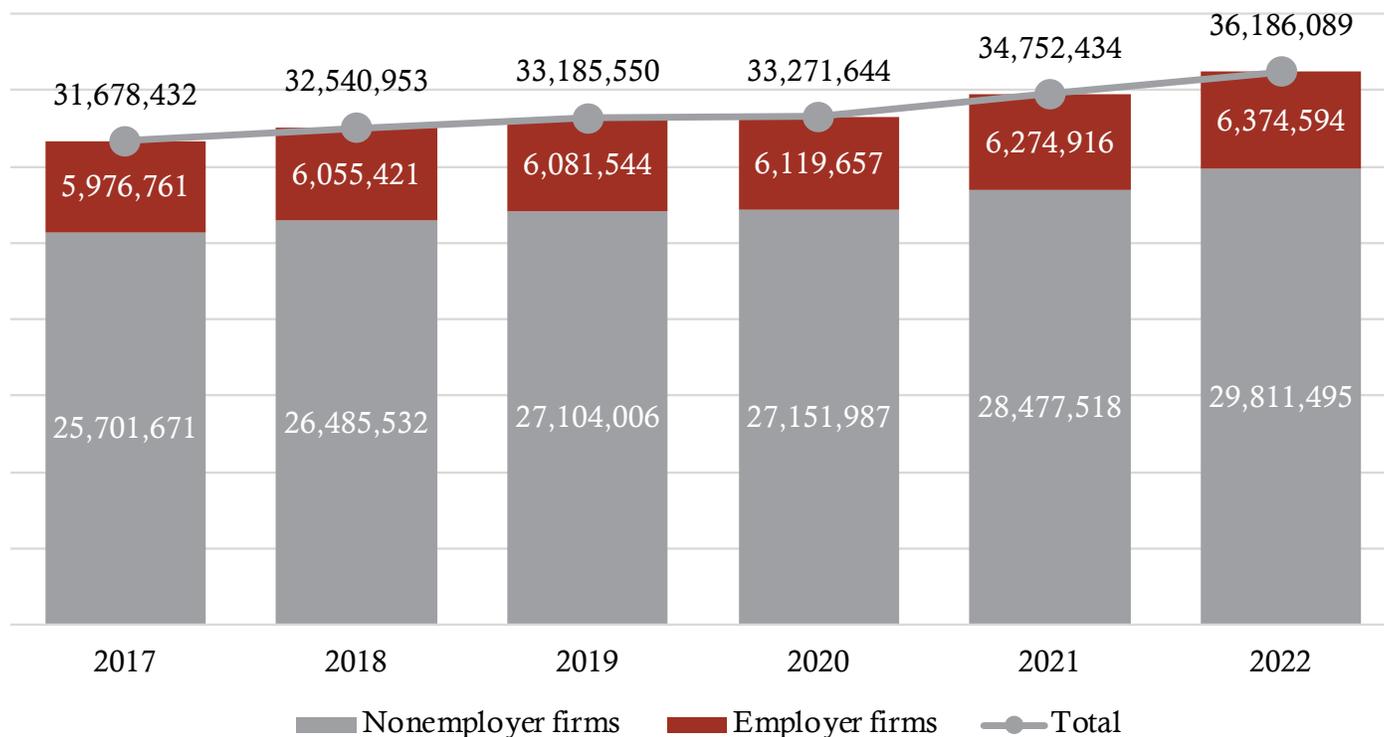
Figure 1. Small Business Counts in Nevada: 2017-2022



Source: Nonemployer Statistics and Statistics of U.S. Businesses, US Census

Note: The employer firm data reflect activity during the week of March 12 in the corresponding years. The employer firm count represents the number of firms owned by enterprises with fewer than 500 employees. Nonemployer firms include companies without employees that filed tax returns with the Internal Revenue Service (IRS) and had at least \$1,000 in annual business receipts in the respective years. The total is the sum of nonemployer firms and employer firms with fewer than 500 employees.

Figure 2. Small Business Counts in the United States: 2017-2022



Source: Nonemployer Statistics and Statistics of U.S. Businesses, US Census

Note: The employer firm data reflect activity during the week of March 12 in the corresponding years. The employer firm count represents the number of firms owned by enterprises with fewer than 500 employees. Nonemployer firms include companies without employees that filed tax returns with the Internal Revenue Service (IRS) and had at least \$1,000 in annual business receipts in the respective years. The total is the sum of nonemployer firms and employer firms with fewer than 500 employees.

## V. Nevada Small Business Trends

### i. Trends in Nevada’s New Business Formation

The COVID-19 pandemic triggered a record surge in new U.S. business applications starting in mid-2020, a sharp contrast to the decline observed during the 2007-2009 Great Recession (Haltiwanger, 2021).<sup>10</sup> Nevada shows a similar pattern as shown in Figure 3. After remaining nearly flat between 45,000 and 53,000 from 2009 to 2019, new business filings rose sharply in 2020 and in 2021 reached their highest level since the Great Recession. This stands in contrast to the steep drop Nevada experienced during the Great Recession. Although filings have slowed since the 2021 peak, they remain substantially above the pre-COVID average of 49,000. Notably, Nevada’s 2021 total was the second highest on record (earlier data begins in 2000), surpassed only by the 2006 peak. At the national level, 2021 marked the highest level on record, Haltiwanger (2021).<sup>11</sup>

<sup>10</sup> John C Haltiwanger, “Entrepreneurship During the COVID-19 Pandemic: Evidence from the Business Formation Statistics,” National Bureau of Economic Research, Working Paper 28912, (June 2021), [https://www.nber.org/system/files/working\\_papers/w28912/w28912.pdf](https://www.nber.org/system/files/working_papers/w28912/w28912.pdf) .

<sup>11</sup> Ibid.

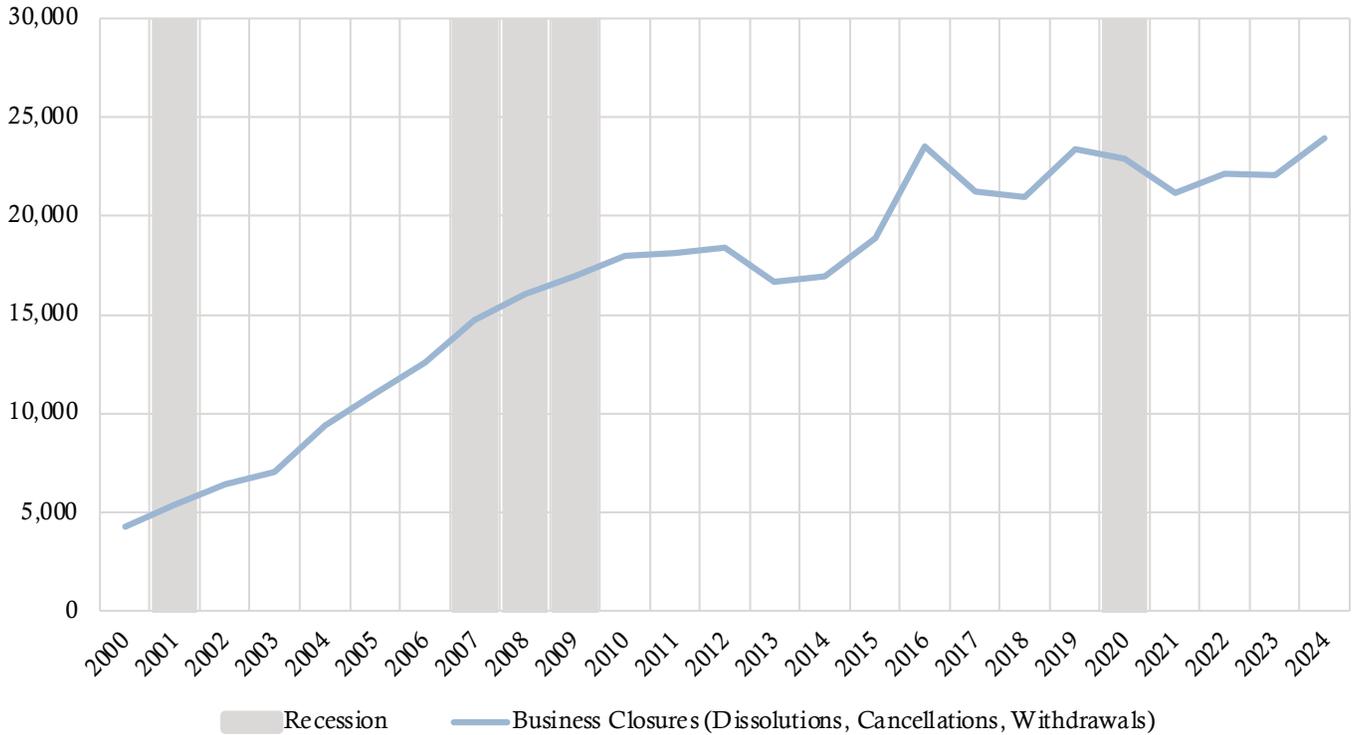
Figure 3. Nevada Initial List Filing, 2000-2024



Source: Nevada Secretary of State

Interestingly, Nevada’s business closures did not rise significantly during or immediately after the COVID-19 recession, unlike the pattern observed during and after the Great Recession (Figure 4). Business closure filings increased steadily from 2006 to 2012, but remained relatively flat at around 22,000 from 2020 to 2023. Annual list filings (renewed business licenses) also suggest a different pattern. That is, they declined from 2008 to 2012 but increased during and after the COVID-19 recession (Figure 5). Moreover, the increases in 2021 and 2022 were notably larger, up by 3.4 and 5.9 percent, respectively, compared with annual growth rates below 3 percent from 2016 to 2019.

Figure 4. Nevada Business Closures, 2000-2024



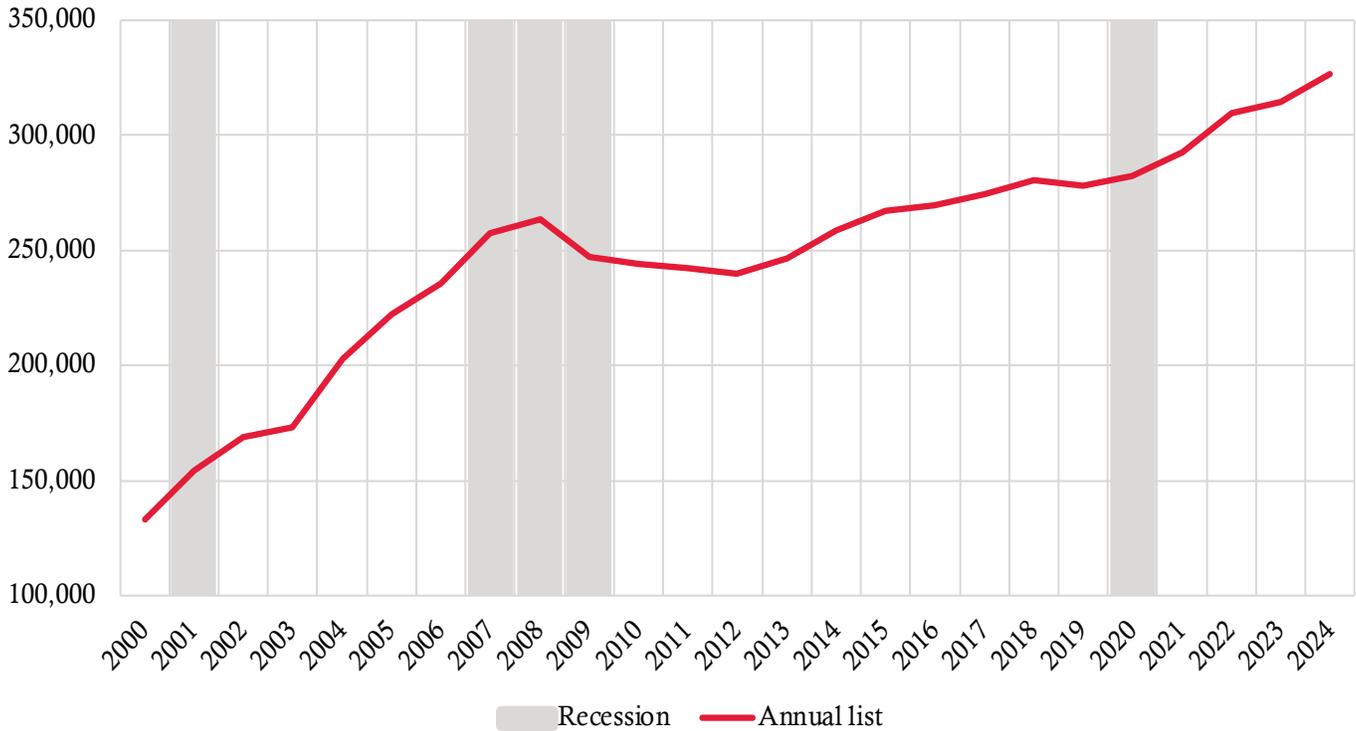
Source: Nevada Secretary of State

Note: Business Closures are measured by summing all filings for dissolutions, cancellations, and withdrawals.

Overall, the business filing statistics from the Nevada Secretary of State show that the COVID-19 pandemic led to a sharp increase in new business formations, while business closures remained relatively stable despite the recession. This contributed to stronger growth in renewed business licenses in the years immediately following COVID-19. These trends also suggest faster post-pandemic expansion among small businesses, which make up roughly 99 percent of all firms in Nevada. In 2022, the state had 353,621 small businesses (See Figure 1 on page 9 compared with only 2,531 large firms employing 500 or more workers.)<sup>12</sup>

<sup>12</sup> Statistics of U.S. Businesses (SUSB), US Census.

Figure 5. Nevada Annual List Filing, 2000-2024



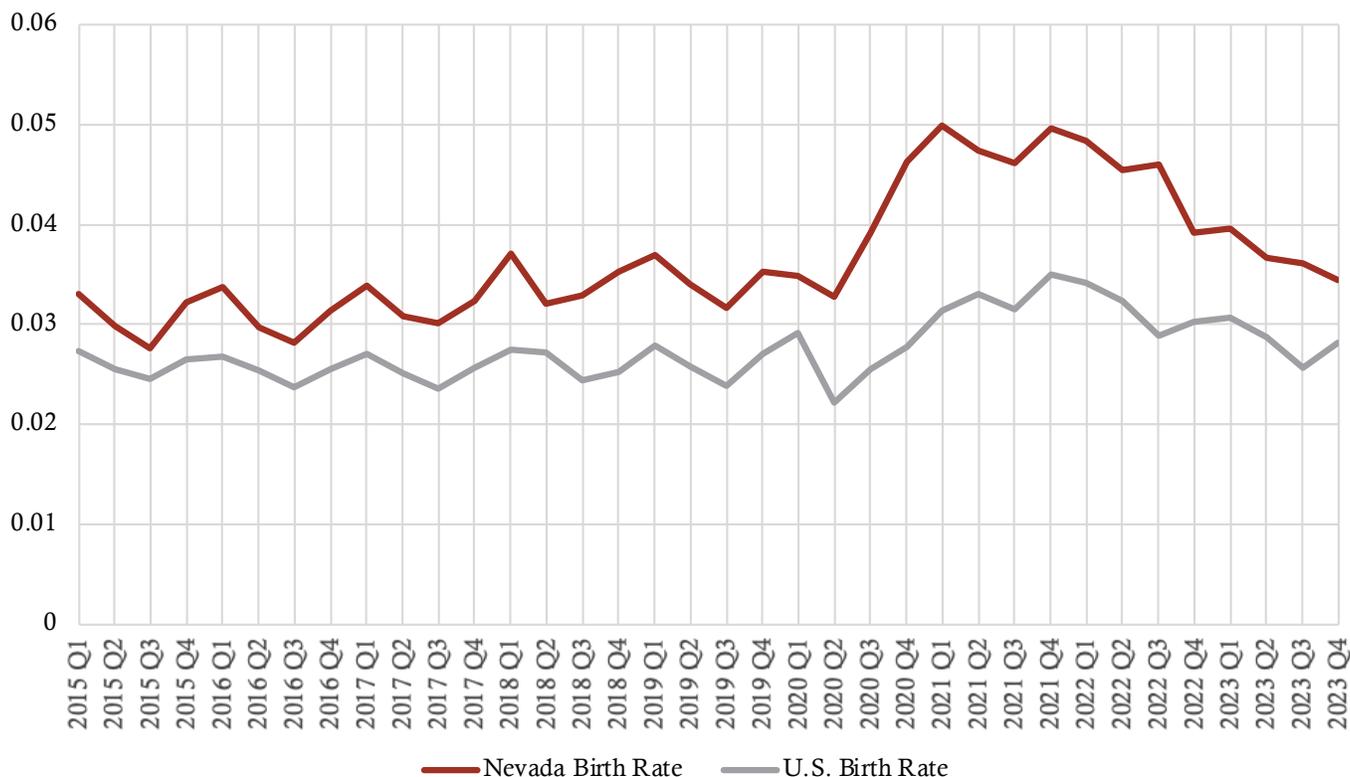
Source: Nevada Secretary of State

Note: Entities are required to file an annual list of officers every year after the initial list period. This filing updates officer information and includes annual business license renewal, unless the entity is exempt from the license fee. Because some entities do not submit their annual list on time, they may fall into non-compliant statuses such as default or revoked. These entities are not automatically canceled, dissolved, or withdrawn, and they can remain in a non-compliant status for an extended period. As a result, the number of annual list filings in year t will not necessarily equal annual list filings in t-1 + initial list filings in t-1 – business closures in t-1.

ii. Nevada’s Small Businesses Trends Compared with the United States, 2017-2022

New business creations in Nevada increased sharply immediately after the COVID-19 recession, which differed from what occurred following the Great Recession (see Figure 3, page 11). COVID-19 triggered a surge in new business formations, which had been relatively flat prior to the pandemic. A similar pattern is observed for the United States as a whole (Figure 6). Although Figure 6 reflects only employer establishments, Haltiwanger (2021) shows comparable trends for all business applications, including nonemployer businesses, at the national level. Notably, Nevada experienced an even steeper and more pronounced rise in its business birth rate for employer businesses immediately after the COVID-19 recession ended, beginning in 2020Q2.

Figure 6. Employer Establishments Birth Rates, 2015Q1-2023Q4: Nevada vs. the United States



**Source:** Business Employment Dynamics and Quarterly Census of Employment and Wages, Bureau of Labor Statistics; CBER’s calculations

**Note:** Birth rates are calculated as the total number of business births divided by the total number of private establishments for each quarter. This data series does not capture nonemployer business activity.

Given that more than 90 percent of all business entities are small businesses (fewer than 500 employees), small businesses experienced a pronounced increase immediately after the COVID-19 recession (Figure 7, page 15). The dotted lines in Figure 7 represent the trend estimates based on 2017-2020 activity, and the actual number of small businesses exceeded those trend levels in both Nevada and the United States. This indicates that the post-COVID surge was stronger than what would have been expected based on pre-pandemic patterns.

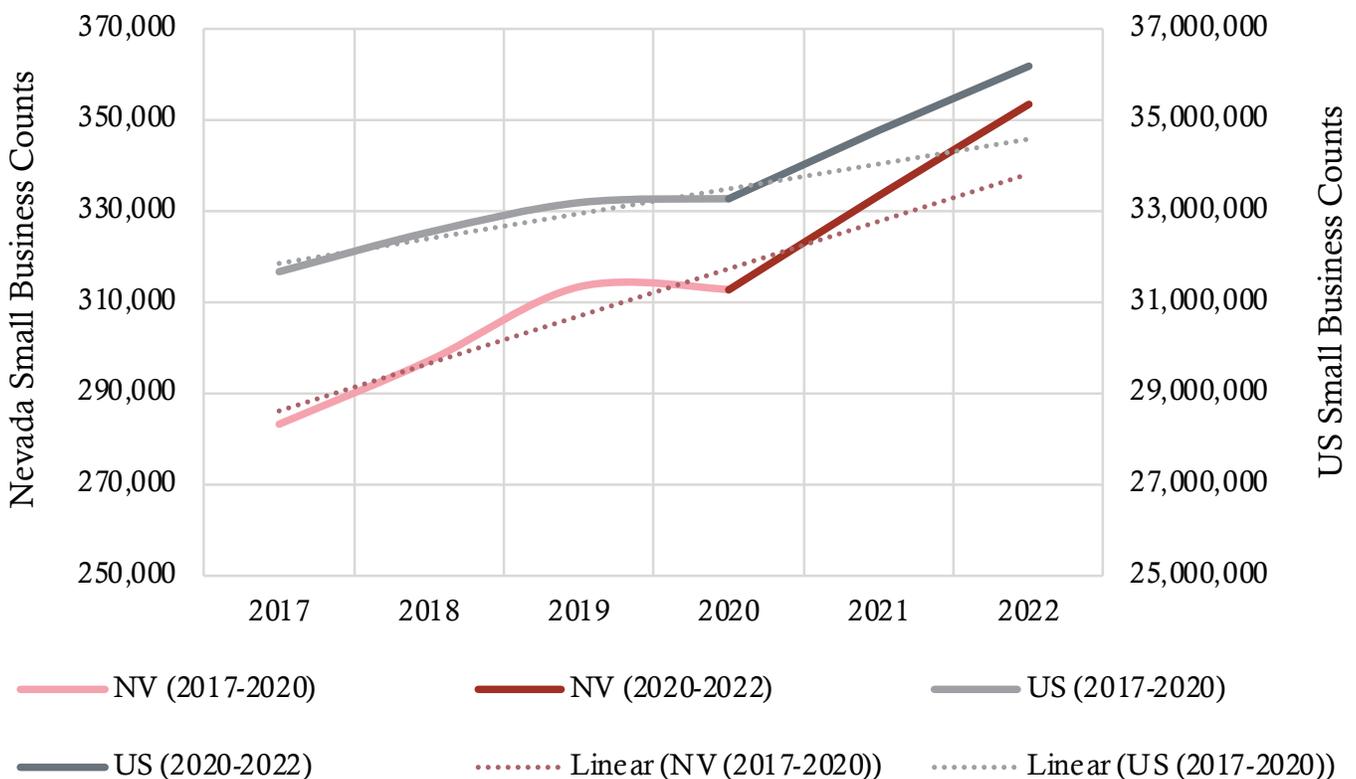
Although the total U.S. small business count appears to show a sharper rise following the COVID-19 recession, Nevada’s gains were also substantial and remained above the 2017-2020 trend line. Growth rates reinforce this pattern. Excluding 2020, Nevada’s small business counts increased by 6.6 percent in 2021 and 6.0 percent in 2022, compared with 4.9 percent and 5.4 percent in 2019. The U.S. experienced even larger jumps, with growth of 4.5 percent in 2021 and 4.1 percent in 2022, relative to 2.7 percent and 2.0 percent in 2018 and 2019.

A sharper rise for the United States was driven largely by nonemployer firms, which grew by 4.9 percent in 2021 and 4.7 percent in 2022, compared with 3.0 percent in 2018 and 2.3 percent in 2019. In Nevada, nonemployer firms also accelerated in 2021 and 2022 relative to 2018 and 2019, but not as strongly as

the national trend. That is, nonemployer firms increased by 5.3 percent in 2018, 6.3 percent in 2019, and then by 7.0 percent in 2021 and 6.5 percent in 2022. This more moderate acceleration might partly reflect slower population growth. Nevada’s annual population growth fell to 1.0 percent in 2021 and 0.9 percent in 2022, compared to 2.0 percent in both 2018 and 2019.<sup>13</sup>

As noted earlier, the unexpectedly high establishment births shown in Figure 6 were accompanied by substantially larger gains in both Nevada and the United States. Specifically, in Nevada, small employer firms grew by 5.1 percent in 2021 and 3.8 percent in 2022 compared to 2.9 percent in 2018 and 1.1 percent in 2019. Nationally, small employer firms expanded by 2.5 percent in 2021 and 1.6 percent in 2022 compared to 1.3 percent in 2018 and 0.4 percent in 2019.

Figure 7. Small Business Counts, 2017-2022: Nevada vs. the United States, with 2017-2020 Trend Lines



Source: Nonemployer Statistics and Statistics of U.S. Businesses, US Census

Note: The dotted lines represent the trend estimates based on 2017-2020 activity. The employer firm data reflect activity during the week of March 12 in the corresponding years. The employer firm count represents the number of firms owned by enterprises with fewer than 500 employees. Nonemployer firms include companies without employees that filed tax returns with the Internal Revenue Service (IRS) and had at least \$1,000 in annual business receipts in the respective years. The total is the sum of nonemployer firms and employer firms with fewer than 500 employees. The sharp rise in employer businesses in Nevada in 2020 is partly because the SUSB data include activity during the week of March 12, while non-essential business closures began on March 18.

Table 1 shows small businesses per 1,000 residents from 2017 to 2022 for the United States and Nevada. Since the U.S. economy is much larger than Nevada’s, comparing raw growth rates can be misleading,

<sup>13</sup> U.S. Census Bureau, Resident Population in Nevada [NVPOP], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/NVPOP>, September 14, 2025.

as higher rates are easier to achieve from a smaller base. To address this, small business counts were adjusted by population to allow fairer comparisons of growth between the United States and Nevada. This also allows the numbers to be adjusted for population growth, since faster population growth generally results in a higher growth rate of business creation.

In 2017, Nevada had 95.3 small businesses per 1,000 population, slightly below the United States figure of 96.9. Nevada, however, surpassed the national level in 2019, reaching 101.4 compared to 100.4 for the United States, driven by a surge in nonemployer firms. This increase may reflect the rising number of gig workers on platforms such as Uber, Lyft, Airbnb, and Vrbo, particularly in Clark County, where the tourism-dependent economy provides easier access to such opportunities. That is, nonemployer businesses per 1,000 residents in Nevada rose by 6.0 per 1000 residents between 2017 and 2019, while small employer businesses per 1,000 showed no growth. This increase was much larger than in the United States overall, where nonemployer businesses grew by only 3.4 per 1,000 residents, and employer firms increased by 0.1 over the same period.

Small business growth then accelerated with the COVID-19 pandemic in both Nevada and the United States, with Nevada showing higher gains per 1,000 population. From 2019 to 2022, Nevada’s small businesses per 1,000 residents increased by 10.0 per 1000 residents, driven by 8.3 from nonemployer firms and 1.7 from employer firms. Nationally, the increase was 7.8, including 7.2 from nonemployer firms and 0.7 from employer firms.

**Table 1. Small Businesses With and Without Employees per 1,000 Residents, 2017-2022: Nevada vs. the United States**

Year	Nevada			US		
	Nonemployer Firms	Employer Firms	Total	Nonemployer Firms	Employer Firms	Total
2017	78.4	16.9	95.3	78.6	18.3	96.9
2018	81.0	17.1	98.1	80.6	18.4	99.0
2019	84.4	16.9	101.4	82.0	18.4	100.4
2020	83.0	17.4	100.3	81.8	18.4	100.3
2021	87.8	18.1	105.9	85.6	18.9	104.5
2022	92.7	18.6	111.3	89.2	19.1	108.2
2017-2022	14.3	1.7	16.0	10.5	0.8	11.3

**Source:** Nonemployer Statistics, Statistics of U.S. Businesses, and Population and Housing Unit Estimates, US Census; CBER’s calculations

**Note:** Small business counts were adjusted for population to allow fair comparisons across economies of different sizes. The counts were divided by population and then multiplied by 1,000. The employer firm data reflect activity during the week of March 12 in the corresponding years. The employer firm count represents the number of firms owned by enterprises with fewer than 500 employees. Nonemployer firms include companies without employees that filed tax returns with the Internal Revenue Service (IRS) and had at least \$1,000 in annual business receipts in the respective years. The total is the sum of non-employer firms and employer firms with fewer than 500 employees.

Small business creation accelerated nationwide in the years following COVID-19, with Nevada showing stronger growth than the national average. As noted above, small businesses consist of two distinct segments: nonemployer firms and employer firms. Nonemployer firms are businesses without paid employees, while employer firms are those with at least one paid employee. Because these segments are measured differently and reflect different dynamics in the economy, their statistics are reported separately. The following subsections/sections present explanations of nonemployer and employer firms separately.

### a. Nonemployer Firms

Nonemployer firms are businesses with no paid employees other than the owners, often structured as sole proprietorships or partnerships, or run by gig-workers who typically use them to supplement their income (Fed Small Business, 2025).<sup>14</sup> Some nonemployer firms, however, intend to grow into employer firms. The Federal Reserve Banks' 2024 Report on Startup Firms<sup>15</sup> found that 45 percent of Startup nonemployer businesses (0-2 years in business) expected to add employees and 25 percent of older non-employer businesses (3+years in business) expected to add employees within a year.

For Nevada, nonemployer businesses accounted for a slightly higher proportion of small businesses at 83.3 percent compared to 82.4 percent for the United States in 2022 (Figures 1 and 2). In addition, nonemployer businesses per 1,000 population surpassed the U.S. level in 2018 and have remained higher than the national average since then. This suggests that Nevada's small business openings favor nonemployer firms over employer firms relative to the U.S. average. This may be partly due to easy access to gig-working opportunities, given the state's heavy economic dependence on the tourism industry. For example, White (2025)<sup>16</sup> found that nonemployer businesses located in recreational and lifestyle destinations exhibited higher-than-average levels of nonemployer businesses. That is, Clark County had 101.6 nonemployer businesses per 1,000 residents on average with a large concentration in transportation and warehousing, exceeding the U.S. average of 90.3 in 2023.

Nonemployer businesses in Nevada experienced stronger growth after COVID-19 compared to the pre-COVID period. Growth in Nevada exceeded the U.S. average, with 8.3 additional nonemployer businesses per 1,000 residents from 2019 to 2022, compared to 7.2 for the United States. This pattern is also reflected in Nevada's ranking in nonemployer businesses per 1,000 residents, which improved from 13th among the 50 states in 2019 to 11th in 2022. Interestingly, Nevada's ranking rose sharply earlier from 17th in 2017 to 13th in 2019, partly boosted by more gig-working opportunities thanks to the tourism industry compared to other states.

When comparing growth in nonemployer businesses per 1,000 residents from 2019 to 2022, Nevada ranked 11th (8.3 per 1,000 population), behind Florida (15.9), Wyoming (14.2), Georgia (13.4), Delaware (11.1), Louisiana (9.5), South Carolina (9.4), Tennessee (8.9), Mississippi (8.8), Illinois (8.7), and Texas (8.7), as shown in Figure 8. Interestingly, most of these states are located in the Sun Belt, which is characterized by lower taxes, lower cost of living, and more favorable weather. The Sun Belt also has experienced significant population growth and economic development over several decades, attracting

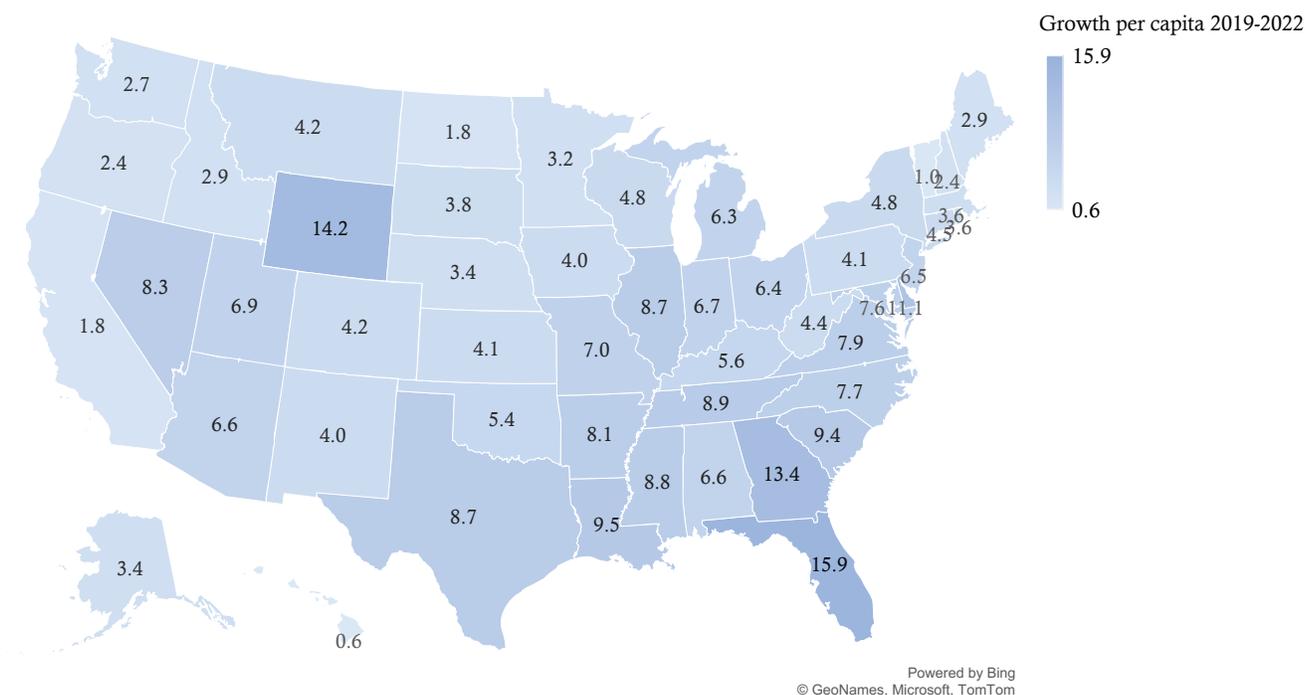
<sup>14</sup> Nonemployer Firms. Fed Small Business. Accessed September 2025. <https://www.fedsmallbusiness.org/categories/nonemployer-firms>.

<sup>15</sup> 2024 Report on Startup Firms: Findings from the 2023 Small Business Credit Survey. December 2024. Federal Reserve Banks. <https://www.fedsmall-business.org/categories/nonemployer-firms/2024-report-on-startup-firms>.

<sup>16</sup> White, Mark. June 2025. Nonemployer Businesses and the Geography of Self-Employment. *Farmdoc daily* (15):118, Department of Agricultural and Consumer Economics, University of Illinois at Urbana-Champaign. <https://farmdocdaily.illinois.edu/2025/06/nonemployer-businesses-and-the-geography-of-self-employment.html>.

additional investment (Crandall 2023).<sup>17</sup> Nevada’s faster growth in small businesses, along with Delaware and Wyoming, however, may partly reflect tax advantages that attract not only local residents but also entrepreneurs from other states and abroad (Miller 2023).<sup>18</sup>

**Figure 8. Nonemployer Firm Growth Per Capita by State 2019-2022**



**Source:** Nonemployer Statistics and Population and Housing Unit Estimates, US Census; CBER’s calculations  
**Note:** For more detailed numbers, see Table A1 in the appendix. Firm Counts per 1000 residents by State.

**b. Employer Firms**

Employer firms are businesses with at least one employee in addition to the owner.<sup>19</sup> Small employer firms, defined as those with fewer than 500 employees, drive economic growth by creating new jobs. In fact, small employer firms accounted for about 46 percent of total private employment in the United States in 2022, according to SUSB.

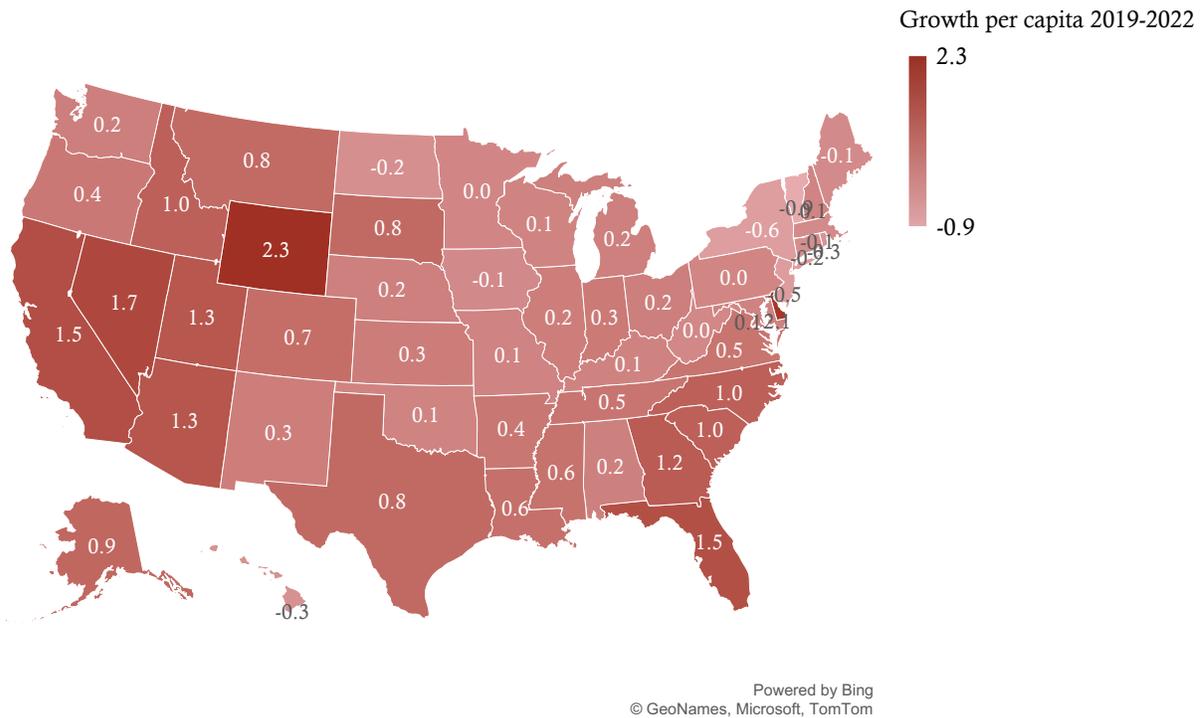
Small employer firms in Nevada experienced accelerated growth in business counts despite slowed population growth after COVID-19. Small employer firms also outpaced the U.S. average in the post-COVID period, both in terms of raw growth rate (Figures 1 and 2) and growth adjusted for population change (Table 1).

When adjusted for population, measuring growth in firms per 1,000 residents, Nevada placed third, behind Wyoming and Delaware, with a 1.7-point gain in small business density (Figure 9). That is, there

<sup>17</sup> Crandall, James. August 2023. Why We Invest in the “Smile States” (Sunbelt States). YIELDI. <https://yields.com/why-we-invest-in-the-smile-states/>.  
<sup>18</sup> Miller, Molly. November 2023. Why incorporate in Delaware, Nevada, or Wyoming? Wolters Kluwer. <https://www.wolterskluwer.com/en/expert-insights/why-incorporate-in-delaware-or-nevada>.  
<sup>19</sup> Employer Firms. FED SMALL BUSINESS. Accessed September 2025. <https://www.fedsmallbusiness.org/categories/employer-firms>.

were 16.9 small businesses per 1,000 residents in 2019, which increased substantially to 18.6 in 2022. As a result, Nevada’s ranking in small employer firms per 1,000 residents improved sharply from 38th in 2019 to 27th in 2022. Nationally, the US average increased from 18.4 to 19.1 small employer businesses per 1,000 residents during the same period, which was a gain of 0.7. This suggests that Nevada’s strong performance is not solely because of other factors such as starting from a low base or due to natural population growth.<sup>20</sup> Instead, both its residents and out of state individuals were more likely to open new businesses, with employees, and were more likely to register in Nevada during and after the COVID-19 pandemic compared to other states. Nevada SOS data confirms this, showing substantially higher initial filings from both residents and nonresidents.<sup>21</sup> For example, Idaho ranked second in overall growth rate between 2019 and 2022, but when adjusted for population growth, it dropped to ninth among 50 states. Once again, the top performance of Nevada, Delaware, and Wyoming may partly reflect their attractiveness for business incorporation due to their tax advantages (Miller 2023).<sup>22</sup>

Figure 9. Small Employer Business Growth Per Capita by State 2019-2022



Source: Statistics of U.S. Businesses and Population and Housing Unit Estimates, US Census; CBER’s calculations

Note: For more detailed numbers, see Table A2 in the appendix. Firm Counts per 1000 residents by State.

<sup>20</sup> Higher rates are easier to achieve from a smaller base. To address this, small business counts were adjusted by population to allow fairer comparisons of growth. This also allows the numbers to be adjusted for population growth, since faster population growth generally results in a higher growth rate of business creation. Nevada’s annual population growth rate fell to 0.9 percent between 2019 and 2022, according to the U.S. Census.  
<sup>21</sup> Nevada SOS data indicate that business openings increased substantially in 2020 and 2021 compared to the 2019 levels. That is, domestic initial lists increased by 13.6 percent in 2020 and 27.6 percent in 2021, and foreign filings increased by 5.6 and 31.4 percent, respectively. Although domestic filings declined in 2022, 2023, and 2024, the 2024 level (61,894) is still substantially higher than the 2019 level (50,431). Foreign filings increased by 1.2 percent in 2022, declined by 9.6 percent in 2023, and rebounded by 11.2 percent in 2024 to 7,722, higher than the 2019 level of 5,470. Initial list filings cover businesses of all sizes, including nonemployer firms. The data, however, do not provide information on firms’ employee size.  
<sup>22</sup> Miller, Molly, “Why incorporate in Delaware, Nevada, or Wyoming?,” Wolters Kluwer, November 2023, <https://www.wolterskluwer.com/en/expert-insights/why-incorporate-in-delaware-or-nevada>.

Small employer businesses' faster growth in Nevada after COVID-19 was largely driven by the increase in firms with fewer than five employees (Figure 10). From 2019 to 2022, 5,066 firms with fewer than five employees were added, compared with 1,040 firms with 5-19 employees, 521 with 20-99 employees, and 97 with 100-499 employees.<sup>23</sup> In 2022, Nevada firms with fewer than five employees accounted for 61.4 percent of all small employer businesses, up from 59.7 percent in 2017 and 59.6 percent in 2019 (Table 2).

Figure 10. Small Employer Firms in Nevada by Employee Size, 2017-2022



Source: Statistics of U.S. Businesses, US Census

Note: Firm counts reflect activity during the week of March 12 in the corresponding years and represent the number of firms owned by enterprises classified by employment size.

<sup>23</sup> The data does not provide the number of firms which moved between employee size categories between years. A share of the numbers reported could be existing firms moving between different employee size categories.

**Table 2. Proportion of Firms by Employee Size Among All Small Employer Firms**

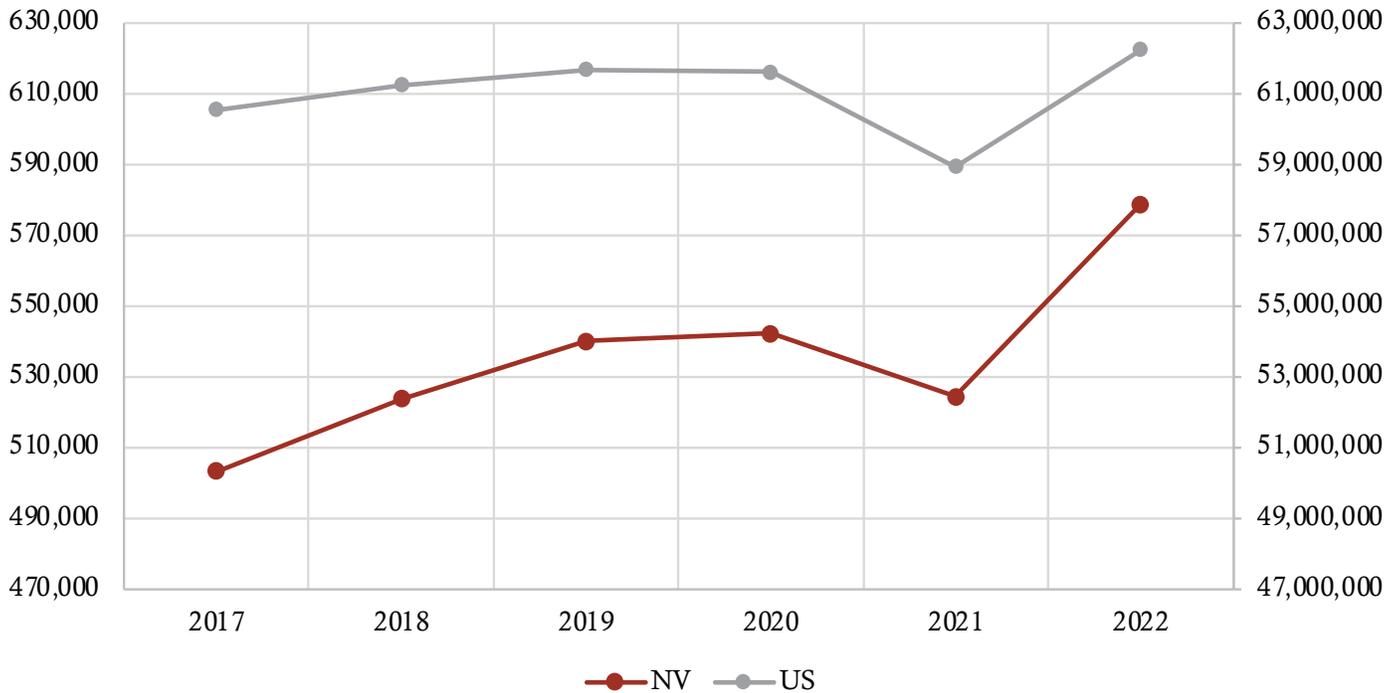
Year	Nevada				US			
	<5 Employees	5-19 Employees	20-99 Employees	100-499 Employees	<5 Employees	5-19 Employees	20-99 Employees	100-499 Employees
2017	59.7%	26.9%	10.1%	3.4%	61.9%	27.5%	9.1%	1.5%
2018	59.7%	27.0%	10.1%	3.3%	62.0%	27.4%	9.1%	1.5%
2019	59.6%	26.8%	10.3%	3.3%	62.1%	27.2%	9.1%	1.6%
2020	60.9%	25.9%	10.0%	3.2%	62.6%	26.9%	9.0%	1.6%
2021	62.3%	25.5%	9.4%	2.9%	63.9%	26.4%	8.3%	1.4%

**Source:** Statistics of U.S. Businesses, US Census; CBER’s calculations

**Note:** The proportions are calculated as the number of firms in each size category divided by the total number of small employer firms. Firm counts reflect activity during the week of March 12 in the corresponding years and represent the number of firms owned by enterprises classified by employment size.

Data also points to a bottom-up rebound led by widespread small business hiring rather than a top-heavy recovery driven by large corporations in Nevada. In other words, small employer businesses drove Nevada’s job recovery, as displayed in Figures 11 and 12. After a 3.3 percent decline in employment in 2021, small firms in the state added 54,520 jobs in 2022, a 10.4 percent rebound that outpaced the national small business growth rate of 5.6 percent, or a total of 42.4 percent of private net jobs added. Large firms in Nevada added 74,208 jobs the same year, reflecting an 11.7 percent increase. This increase, however, was mainly a recovery, as large firms, defined as 500 or more employees, had let go of a significantly larger number of workers due to the pandemic. That is, large firm employment declined by 100,176 jobs, or 13.7 percent from the week of March 12, 2020 to 2021, accounting for 84.8 percent of the total private job losses in 2021 (-118,096 jobs). In 2022, large firms in Nevada still needed to hire back 25,968 employees to return to their pre-pandemic peak. In contrast, large employer firm employment in the United States had already surpassed its pre-pandemic peak in 2022.

**Figure 11. Number of Employees Hired by Small Employer Businesses 2017-2022: Nevada vs. the United States**

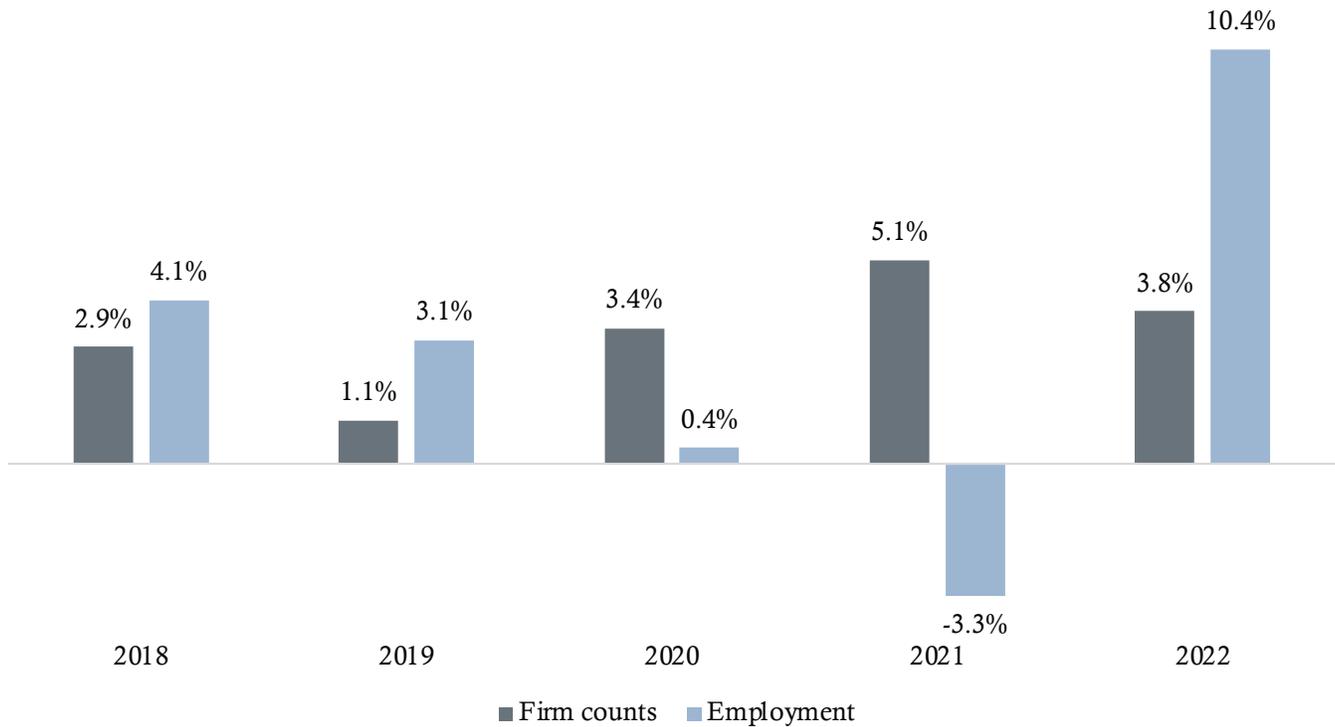


**Source:** Statistics of U.S. Businesses, US Census

**Note:** The data reflect activity during the week of March 12 in the corresponding years. For more detailed numbers, see Table A3 in the appendix.

It is also notable that although the number of small employer firms increased robustly in 2020 and 2021, their employment grew slowly by 0.4 percent in 2020 and then declined by 3.3 percent in 2021 (Figure 12). This is driven largely by firms with 100-499 employees, which saw employment losses of 1.6 percent in 2020 and 4.9 percent in 2021 (Figure 13). In contrast, most other firm-size categories posted modest to solid employment gains in 2020 and 2021, except for no change among firms with 5-19 employees in 2020 and a 2.5 percent decline among firms with 20-99 employees in 2021. For the size categories that saw employment declines in 2020 and/or 2021, business counts also fell. The decrease in firm counts, however, was much smaller than the decline in employment, because a reduction of a firm with multiple employees still counts as only a single firm in the firm’s tally.

Figure 12. Growth in Small Employer Firms and Their Employment in Nevada, 2018-2022



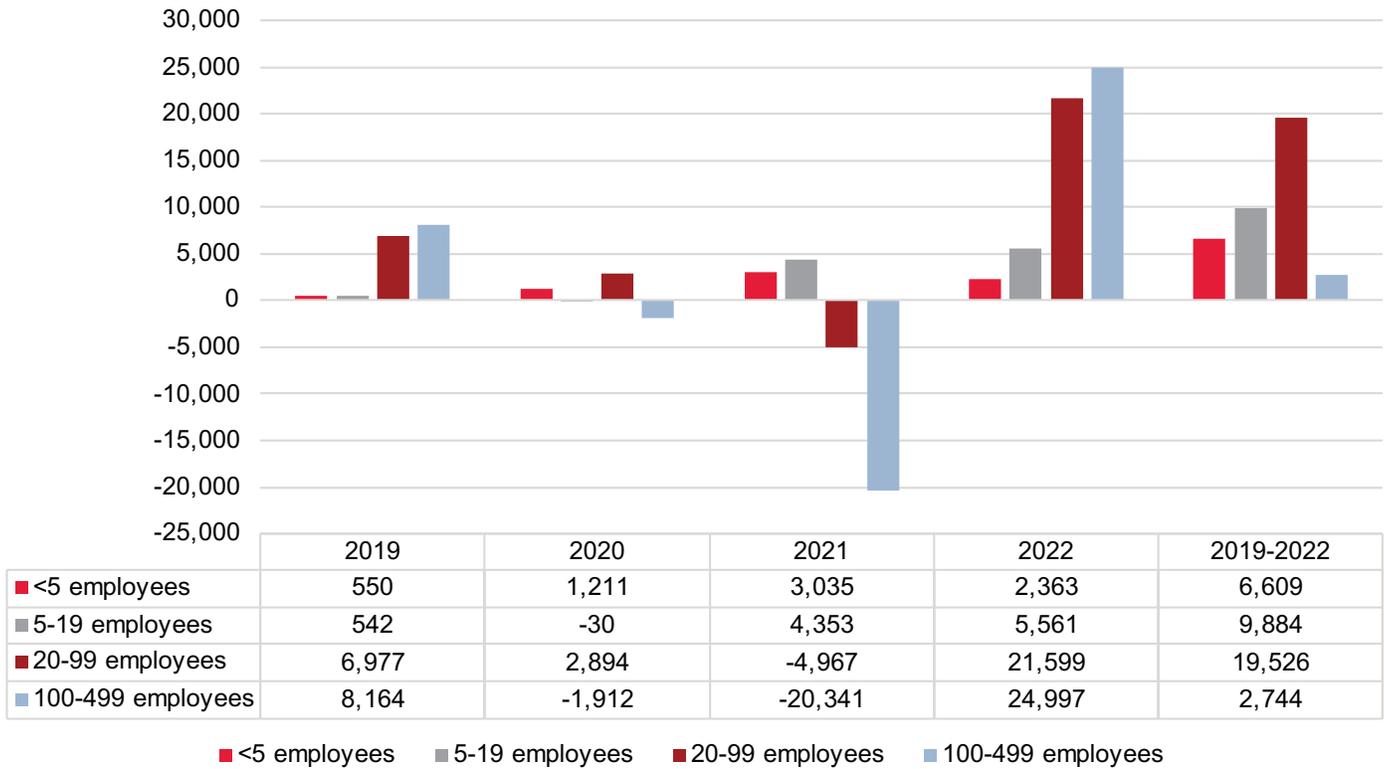
Source: Statistics of U.S. Businesses, US Census

Note: The data reflect activity during the week of March 12 in the corresponding years.

The largest contributor by firm size among Nevada’s small employer firms after COVID-19 was those with 20-99 employees (Figure 13). Employment in this group increased by 10.1 percent, adding 19,526 jobs from 2019 to 2022, and accounted for 50.4 percent of net job gains among small employer businesses in the state (Figure 14). Firms with fewer than five employees posted the highest growth rate, expanding by 14.3 percent or adding 6,609 jobs from 2019 to 2022. These firms accounted for 17.0 percent of net job gains among small employers.

At the national level, the largest contributor was firms with 5-19 employees, which added 339,914 jobs from 2019 to 2022, representing 61.1 percent of job gains by small employer firms (Figure 14). Firms with fewer than five employees experienced the highest growth rate of 4.9 percent from 2019 to 2022, adding 291,845 jobs, which accounted for 52.4 percent of small employer job gains. By contrast, firms with 100-499 employees remained below the 2019 employment level by 288,949 jobs (-1.6 percent), consistent with the 1.7 percent decline in business counts for this size category over the same period.

Figure 13. Net Employment Change by Small Firm Size Category in Nevada, 2018-2022

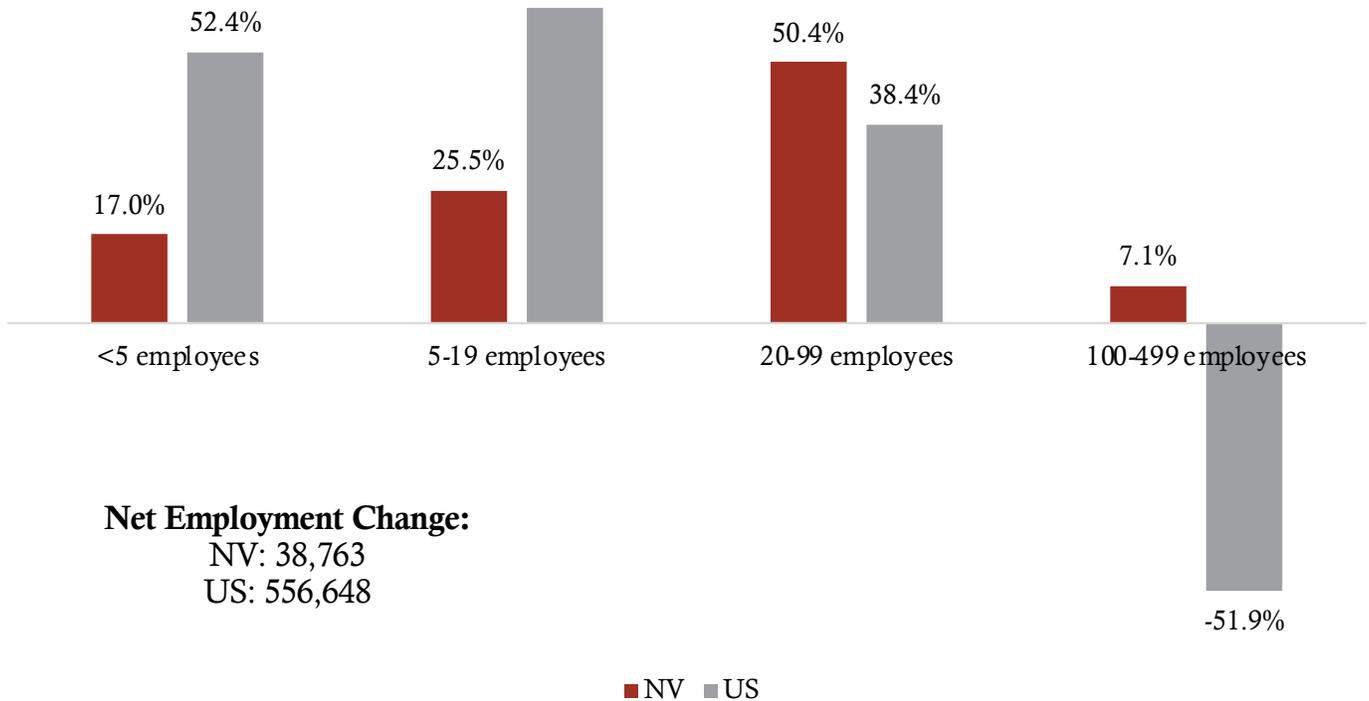


Source: Statistics of U.S. Businesses, US Census

Note: The data reflect activity during the week of March 12 in the corresponding years and represent the number of employees hired by enterprises classified by employment size. Refer to Table A3 in the appendix for employment levels.

Small employer businesses played a key role in Nevada’s economic recovery when larger firms were hit harder by the COVID-19 recession. Employment growth across all small firm size categories suggests that the recovery was supported not only by the creation of new firms but also by the expansion of existing ones during and after the pandemic. For larger firms with 500 employees or more, business counts increased by 5.8 percent from 2019 to 2022, but employment levels had not returned to the pre-pandemic level in 2022.

**Figure 14. Contribution to Net Employment Changes by Small Employer Firms and Firm Size, 2019-2022: Nevada vs. the United States**



**Source:** Statistics of U.S. Businesses, US Census; CBER’s calculations

**Note:** Firm counts reflect activity during the week of March 12 in the corresponding years and represent the number of firms owned by enterprises classified by employment size. Refer to Table A3 in Appendix for employment levels.

## VI. Nevada’s Small Businesses by Industry: Nonemployer and Employer Firms, 2019-2022

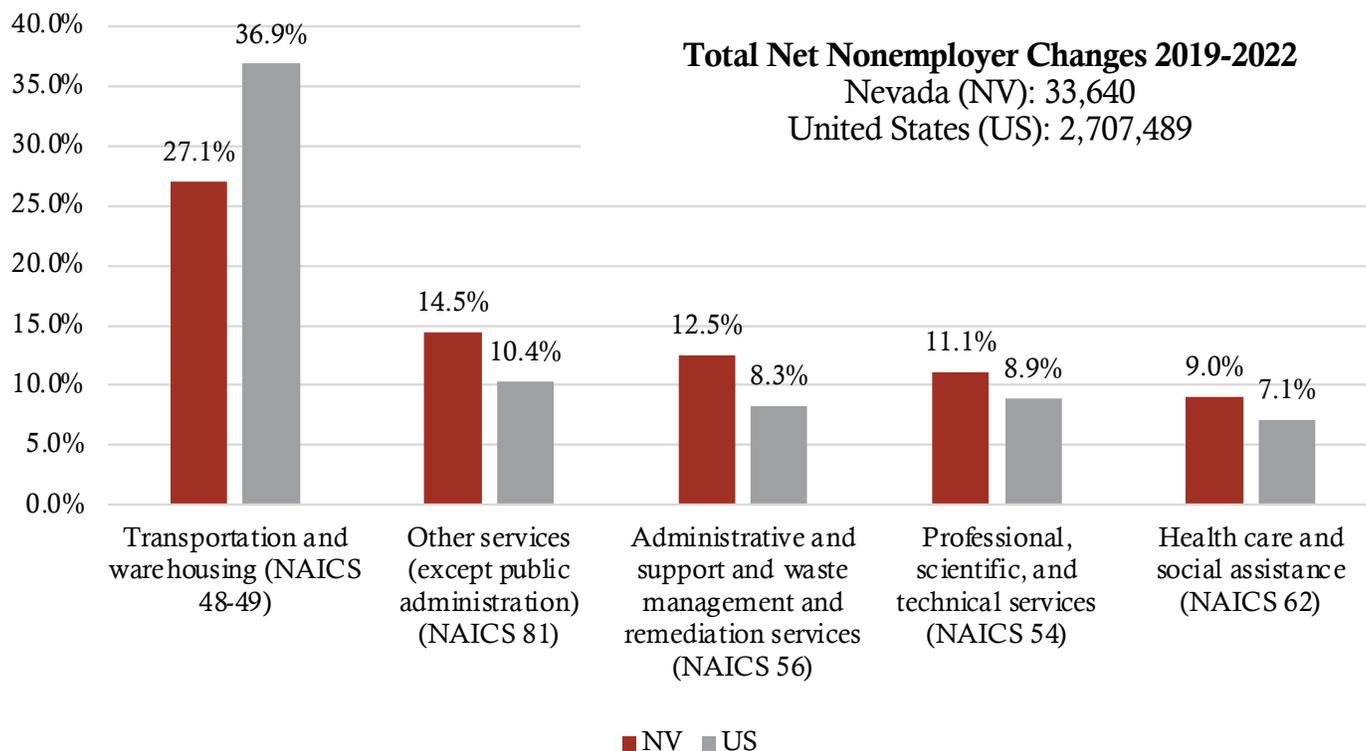
Small businesses in Nevada grew rapidly during and after the COVID-19 pandemic, according to Section III: Nevada Small Business Trends. This section analyzes the industries that contributed most to the rapid growth between 2019 and 2022.

### i. Nonemployer Firms

Nonemployer business expansion during and after the COVID-19 pandemic was concentrated mainly in five sectors in Nevada. From 2019 to 2022, the state added 33,640 nonemployer businesses. Of these, 27.1 percent (9,104) were in Transportation and Warehousing; 14.5 percent (4,866) in Other Services; 12.5 percent (4,219) in Administrative and Support and Waste Management and Remediation Services; 11.1 percent (3,727) in Professional, Scientific, and Technical Services; and 9.0 percent (3,030) in Health Care and Social Assistance. Together, these five sectors accounted for 74.2 percent of the net increase in nonemployer businesses between 2019 and 2022. These five sectors accounted for a slightly smaller proportion of the total net changes (2.7 million) in the United States, representing 71.5 percent. The top five

sectors were mostly similar for the United States, as the top four sectors with the largest gains between 2019 and 2022 were the same at the national level. In the U.S., Real Estate and Rental and Leasing was among the top five instead of Health Care and Social Assistance.

**Figure 15. Shares of Total Net Change of Top Five Sectors with Largest Increases in Nonemployer Firms in Nevada (2019-2022) Compared to the United States**



**Source:** Nonemployer Statistics, US Census

**Note:** The number of nonemployer firms in the sectors listed above can be estimated by multiplying each sector’s share by the total net change in nonemployer firms. For example, the net change in Nevada’s transportation and warehousing sector between 2019 and 2022 was approximately 9,104, calculated as  $33,640 \times 27.1\%$ . The exact values may differ slightly because the shares above are rounded and do not display all decimal places. Nonemployer firms include companies without employees that filed tax returns with the Internal Revenue Service (IRS) and had at least \$1,000 in annual business receipts in the respective years. Nonemployer data are available for 18 sectors, and the top five accounted for 74.2 percent of the net change between 2019 and 2022. For more detailed information, see Tables A4 and A5 in the appendix.

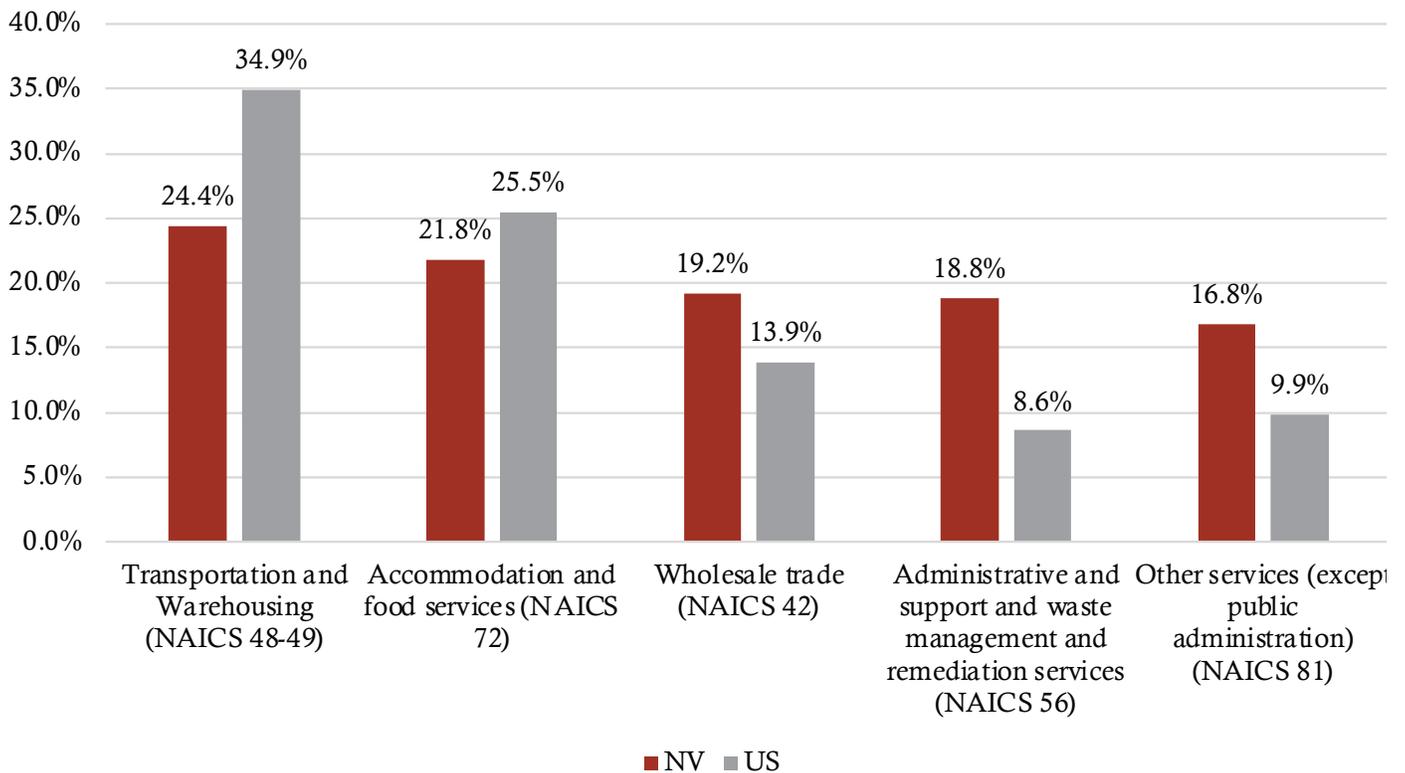
Transportation and Warehousing experienced a strong gain, moving up from the third-largest nonemployer sector in 2019 to the second-largest in 2022 at the national level, ranking just behind Professional, Scientific, and Technical Services, and ahead of Real Estate and Rental and Leasing. In 2019, Real Estate and Rental and Leasing was the second-largest nonemployer sector. In Nevada, however, transportation and warehousing remained the largest sector in 2022, followed by Professional, Scientific, and Technical Services, and Other Services, the same ranking as in 2019.

In terms of raw growth rates, Nevada’s top five fastest-growing sectors were similar to those of the United States, except for the fourth sector (Figure 16). Transportation and Warehousing again ranked first in

both Nevada and the United States, up by 24.4 and 36.9 percent, respectively, between 2019 and 2022. These are notably high growth rates given that the sector already had a larger base than most others, as it was the largest in Nevada and the second largest nationally. Accommodation and Food Services ranked second in both Nevada and the United States. Between 2019 and 2022, Accommodation and Food Services grew by 21.8 percent in Nevada and 25.5 percent nationally. The higher national growth rates for these sectors compared to Nevada may partly reflect a shift in preferences toward less-crowded alternatives to traditional resort destinations.<sup>24</sup>

Wholesale Trade and Other Services ranked third and fifth, respectively, both in Nevada and the United States. Between 2019 and 2022, Wholesale Trade grew by 19.2 percent in Nevada, while Other Services increased by 16.8 percent. The fourth-fastest growing sector, however, differed between Nevada and the U.S. In Nevada, Administrative and Support and Waste Management and Remediation Services ranked fourth, expanding by 18.8 percent. In the United States, Manufacturing ranked fourth, with a gain of 12.3 percent over the same period.

**Figure 16. Top Five Fastest-Growing Nonemployer Sectors in Nevada, 2019-2022, with the U.S. Benchmarks**



**Source:** Nonemployer Statistics, US Census

**Note:** Nonemployer firms include companies without employees that filed tax returns with the Internal Revenue Service (IRS) and had at least \$1,000 in annual business receipts in the respective years. Among 18 nonemployer sectors, Agriculture (NAICS 11), Mining (NAICS 21), and Utilities (NAICS 22) were excluded from the fastest-growing rankings because of their low bases. For more detailed information, see Tables A4 and A5 in the appendix.

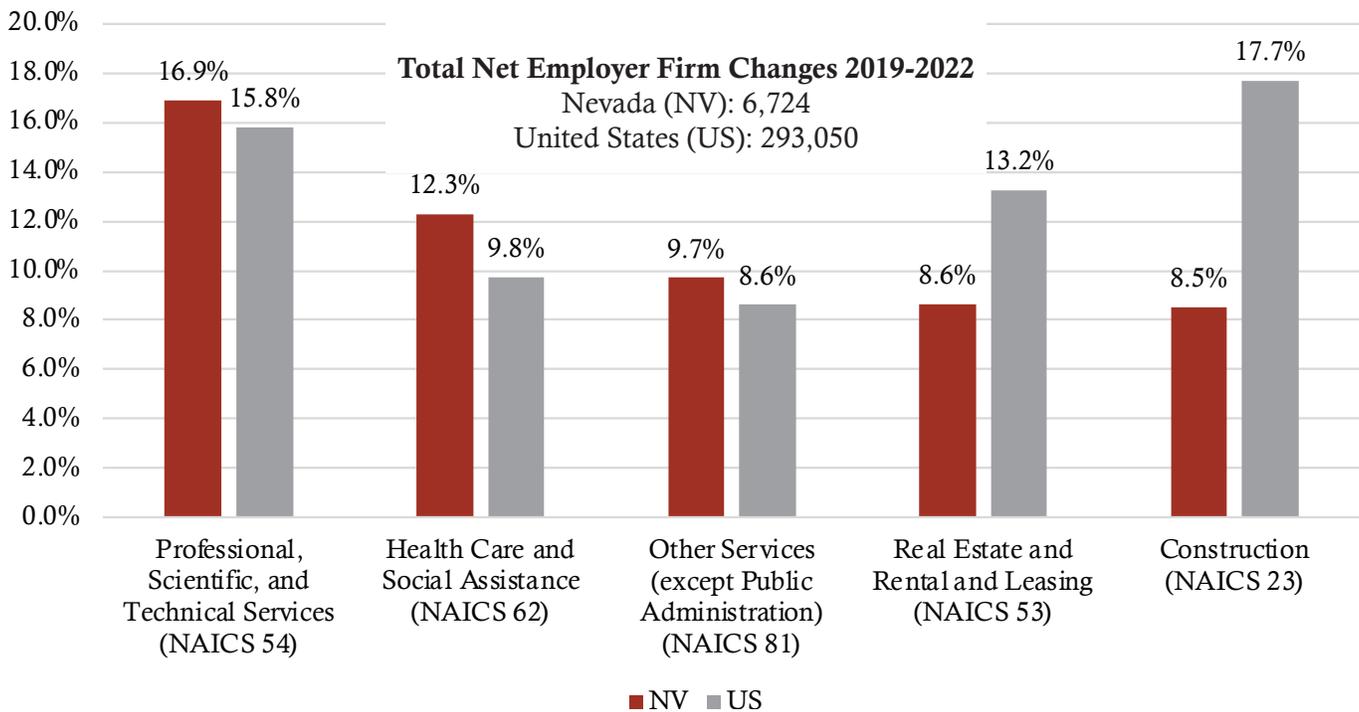
<sup>24</sup> Bielska, Anna, Andrzej Szymon Borkowski, Adrianna Czarnecka, Maciej Delnicki, Jolanta Kwiatkowska-Malina, and Monika Piotrkowska. November 2022. Evaluating the Potential of Suburban and Rural Areas for Tourism and Recreation, Including Individual Short-Term Tourism under Pandemic Conditions. Scientific Reports. <https://www.nature.com/articles/s41598-022-24503-z>.

In conclusion, the top sectors with nonemployer business expansions in Nevada between 2019 and 2022 were similar to those at the national level. This implies that Nevada’s growth in nonemployer businesses largely reflected the national trend.

**ii. Employer Firms**

Nevada’s post-pandemic small employer business expansion was broad-based, with every major industry adding firms. Nevada added 6,724 small employer businesses between 2019 and 2022 (Figure 17). The largest contributors by count were Professional, Scientific and Technical Services (up 1,138; 16.9 percent of the net increase); Health Care and Social Assistance (up 826; 12.3 percent); Other Services (up 653; 9.7 percent); Real Estate and Rental and Leasing (up 580; 8.6 percent); and Construction (up 573; 8.5 percent) as shown in Figure 17. These sectors explained 56.1 percent of the total net change.

**Figure 17. Shares of Total Net Change of Top Five Sectors with Largest Increases in Small Employer Firms in Nevada (2019-2022) Compared to the United States**



**Source:** Statistics and Statistics of U.S. Businesses, US Census

**Note:** The number of small employer firms in the sectors listed above can be estimated by multiplying each sector’s share by the total net change in small employer firms. For example, the net change in Nevada’s professional, scientific, and technical services sector between 2019 and 2022 was 1,138, calculated as  $6,724 \times 16.9\%$ . The exact values may differ slightly because the shares above are rounded and do not display all decimal places. The employer firm data reflect activity during the week of March 12 in the corresponding years. The employer firm count represents the number of firms owned by enterprises with fewer than 500 employees. Employer firm data cover 20 sectors: the 18 included in the nonemployer data, plus Management of Companies and Enterprises (NAICS 55) and Industries Not Classified (NAICS 99). For more detailed information, see Tables A6 and A7 in the appendix.

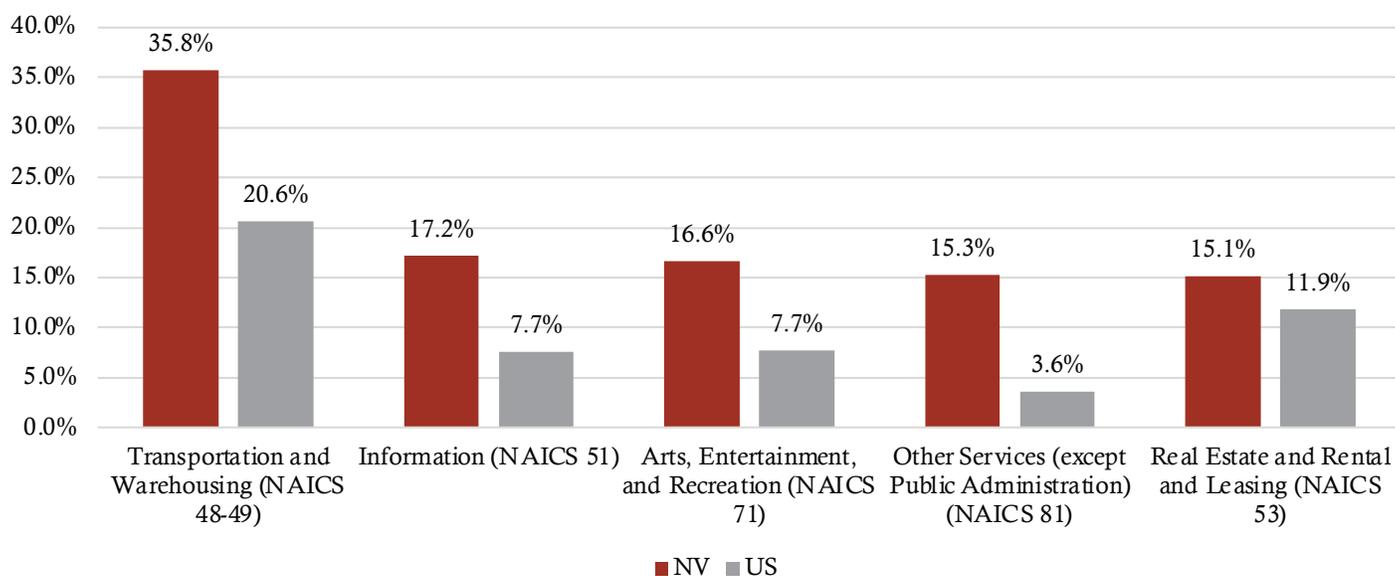
Nationally, the top five sectors between 2019 and 2022 were similar to Nevada's, except Transportation and Warehousing replaced Other Services. Between 2019 and 2022, the United States added 293,050 small employer businesses, with top five sectors accounting for 70.2 percent of the net increase. This contrasts with Nevada, where growth was more evenly distributed across sectors. Nationally, Construction contributed 51,835 businesses (17.7 percent of the increase); Professional Scientific, and Technical Services added 46,348 (15.8 percent); Transportation and Warehousing 40,239 (13.7 percent); Real Estate and Rental and Leasing 38,801 (13.2 percent); and Health Care and Social assistance 28,584 (9.8 percent).

In Nevada, the largest sector of small employer businesses in both 2019 and 2022 was Professional, Scientific, and Technical Services, followed by Health Care and Social Assistance and Construction. At the national level, the top sectors in both years were Professional, Scientific, and Technical Services, followed by Construction and Other Services. This suggests that the largest increases generally occurred in large sectors.

Nevada's fastest growth sectors between 2019 and 2022 were in Transportation and Warehousing (35.8 percent); Information (17.2 percent); Arts, Entertainment and Recreation (16.6 percent); Other Services (15.3 percent); and Real Estate and Rental and Leasing (15.1 percent) as presented in Figure 18. At the national level, four of the five fastest-growing sectors matched Nevada's, though the rankings varied slightly, with Construction replacing Other Services.

Notably, Wholesale Trade and Administrative and Support Services did not appear among the top employer sectors, despite ranking highly for nonemployer firms in Nevada. Wholesale Trade and Manufacturing, which had one of the fastest-growing sectors for nonemployer firms in the United States, also increased slightly by 3.7 and 5.9 percent, respectively, from 2019 to 2022 in small employer business counts in Nevada. This may suggest that nonemployer businesses in Wholesale Trade and Manufacturing are gaining competitiveness, aided by online platforms such as Amazon, Etsy, Shopify, etc.

**Figure 18. Top Five Fastest-Growing Small Employer Firm Sectors in Nevada, 2019-2022, with the U.S. Benchmarks**



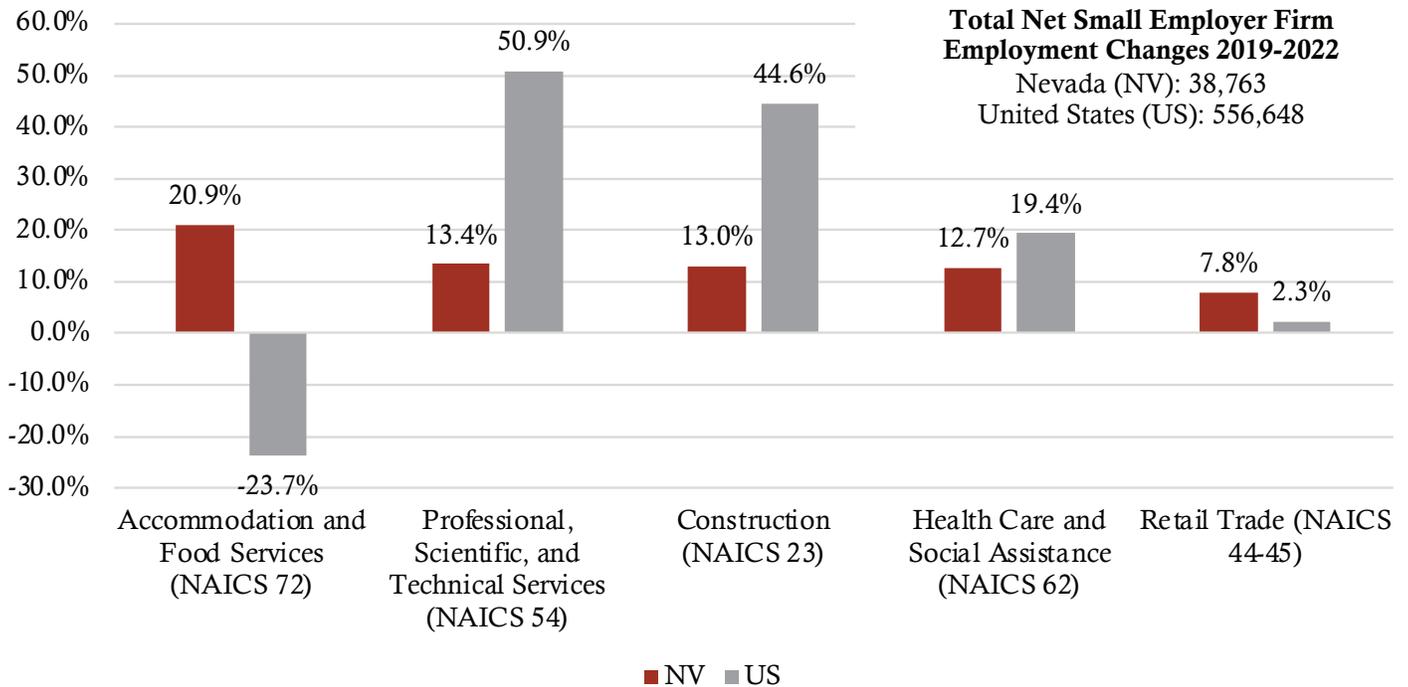
**Source:** Statistics and Statistics of U.S. Businesses, US Census

**Note:** The employer firm data reflect activity during the week of March 12 in the corresponding years. The employer firm count represents the number of firms owned by enterprises with fewer than 500 employees. Employer firm data cover 20 sectors: the 18 included in the nonemployer data, plus Management of Companies and Enterprises (NAICS 55) and Industries Not Classified (NAICS 99). For the ranking, Agriculture (NAICS 11), Mining (NAICS 21), Utilities (NAICS 22), and Industries not classified (NAICS 99) were excluded from the fastest-growing rankings because of their low bases. For more detailed information, see Tables A6 and A7 in the appendix.

Nevada small employer businesses increased hiring by 7.2 percent from 2019 to 2022, despite a 3.3 percent decrease in 2021 due to the COVID-19 pandemic. This gain was driven by a strong 10.4 percent surge in 2022 (Figure 10). The largest small-firm job gains by employment levels between 2019 and 2022 occurred in Accommodation and Food Services (up 8,101 jobs; 20.9 percent of the net job increase); Professional, Scientific & Technical Services (up 5,190, 13.4 percent); Construction (up 5,020; 13.0 percent); Health Care & Social Assistance (up 4,929; 12.7 percent); and Retail Trade (up 3,022; 7.8 percent) as exhibited in Figure 19 (page 31).

Nationally, employment growth among small employer businesses was less evenly distributed than in Nevada. That is, of the 19 sectors, nine experienced net job losses between 2019 and 2022: Manufacturing; Wholesale Trade; Information; Finance and Insurance; Management of Companies and Enterprises; Arts, Entertainment, and Recreation; Accommodation and Food Services; and Other Services. In Nevada, however, only three sectors experienced net job losses from 2019 to 2022: Utilities; Administrative and Support and Waste Management and Remediation Services; and Wholesale Trade. When combined with net gains from the other 10 sectors, the net increase totaled 1.1 million jobs in the U.S., even though the net increase across all small employer businesses was only 556,648 during this period. This partly explains why the shares for Professional, Scientific, and Technical Services and for Construction in total net job gain were substantially higher for the United States than for Nevada in Figure 19.

**Figure 19. Shares of Total Net Change of Top Five Sectors with Largest Employment Increases for Small Employer Firms in Nevada (2019-2022) Compared to the United States**



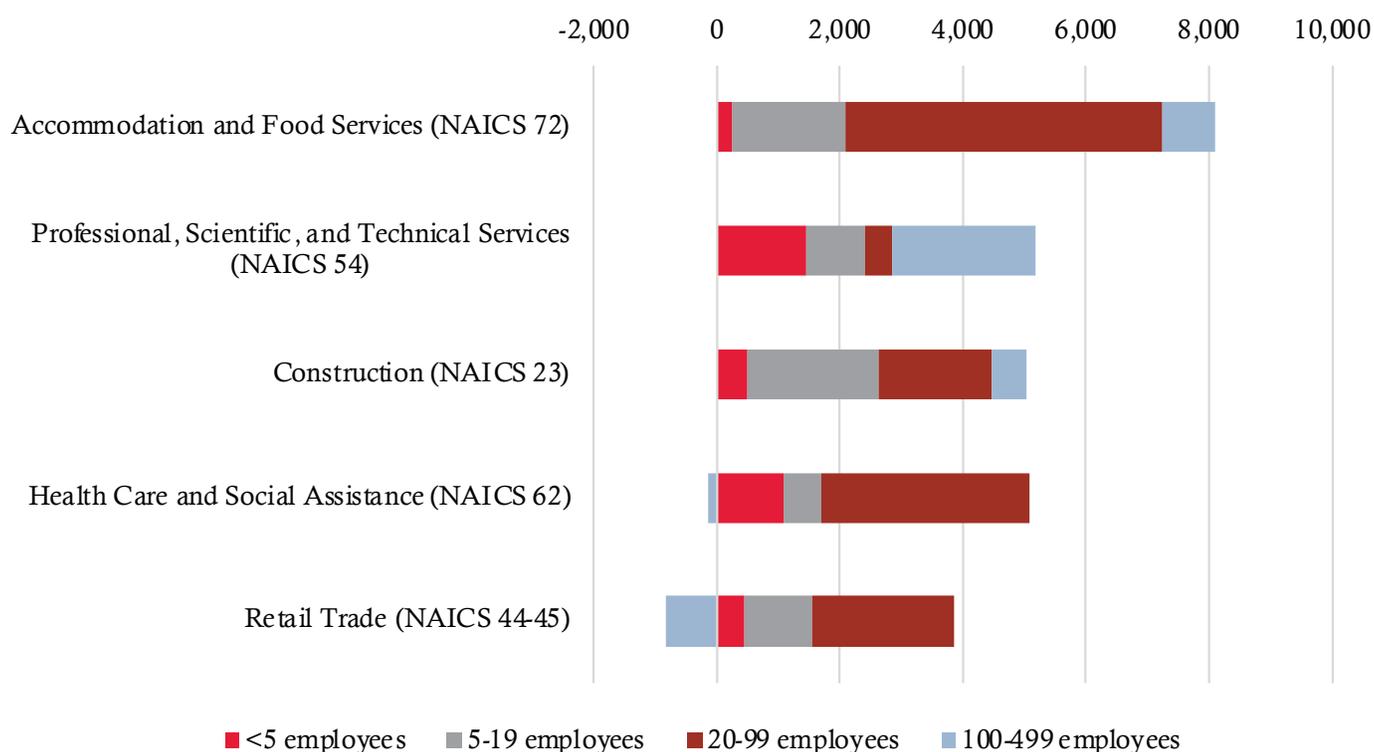
**Source:** Statistics and Statistics of U.S. Businesses, US Census

**Note:** The number of employees hired by small employer firms in the sectors listed above can be estimated by multiplying each sector’s share by the total net employment change in small employer firms. For example, the net change in Nevada’s accommodation and food services sector between 2019 and 2022 was 8,101, calculated as 38,763 × 20.9%. The exact values may differ slightly because the shares above are rounded and do not display all decimal places. The data reflect activity during the week of March 12 in the corresponding years and represent the number of employees hired by enterprises with fewer than 500 employees. The data cover 20 sectors: the 18 included in the nonemployer data, plus Management of Companies and Enterprises (NAICS 55) and Industries Not Classified (NAICS 99). For more detailed information, see Tables A8 and A9 in the appendix.

In Nevada, hiring in Accommodation and Food Services spanned all sizes of small enterprises but was most concentrated among firms with 20-99 employees (up 5,144 jobs) as shown in Figure 20. By contrast, larger Accommodation and Food Services enterprises with 500 or more employees still employed 42,382 fewer workers in 2022 than in 2019. Health Care and Social Assistance and Retail Trade also recorded large net job gains from firms with 20-99 employees, while firms with 100-499 employees experienced net job losses compared to 2019 levels. In Professional, Scientific, and Technical Services, the largest job gains came from firms with 100-499 employees, although employer firms with fewer than 5 employees also posted notable growth. Across these sectors, employment gains were generally stronger for small businesses than for large firms with 500 or more employees. In Retail Trade, however, large firms added 5,996 employees from 2019 to 2022, outpacing the 3,022 jobs gained by small firms with fewer than 500 employees.

It is worth noting that most sectors gained employment in 2022 compared with 2019, except Utilities, Wholesale Trade, and Administrative and Support Services in Nevada. Wholesale Trade and Administrative and Support Services, however, were among the fastest-growing sectors for nonemployer businesses in Nevada. This may suggest that individuals laid off in these sectors during the pandemic turned to self-employment and new business creation, supported by government programs. In addition, the rise of online platforms likely made it easier for these entrepreneurs to connect with individuals or businesses.

**Figure 20. Top Five Sectors Net Employment Gains by Employment Size Among Small Employer Firms in Nevada, 2019–2022**



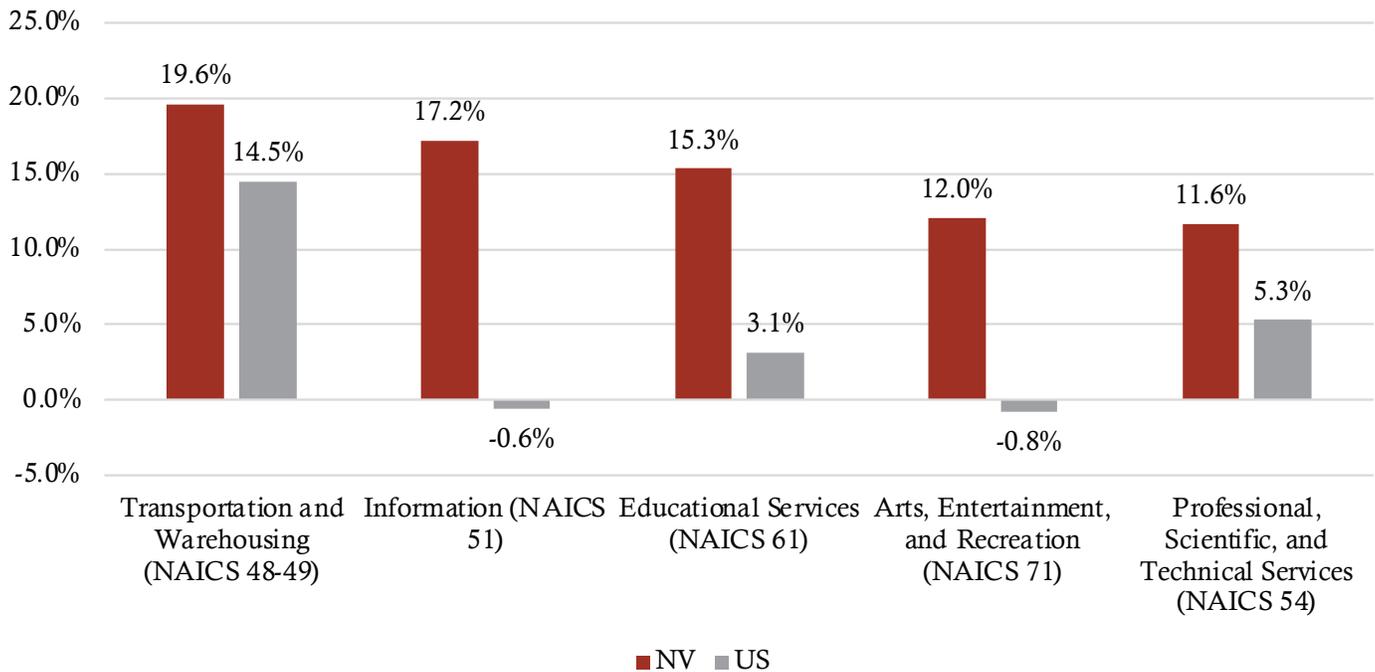
**Source:** Statistics and Statistics of U.S. Businesses, US Census

**Note:** Health Care and Social Assistance and Retail Trade show negative net employment gains for employer firms with 100-499 employees, meaning that firms in this size category experienced overall net employment losses from 2019 to 2022. The data reflect activity during the week of March 12 in the corresponding years and represent the number of employees hired by enterprises classified by employment size. Employer firm data cover 20 sectors: the 18 included in the nonemployer data, plus Management of Companies and Enterprises (NAICS 55) and Industries Not Classified (NAICS 99).

Considering the raw growth rates, the top five fastest-growing small employer business sectors differed from those with the largest job gains (Figure 21). In Nevada, the fastest-growing sectors from 2019 to 2022 were Transportation and Warehousing; Information; Educational Services; Arts, Entertainment and Recreation; and Professional, Scientific, and Technical Services. Most of these sectors had relatively small employment bases, with the exception of Professional, Scientific, and Technical Services, which ranked sixth in 2019. Thanks to its strong growth, this sector moved up to fourth place in employment size among all sectors in 2022.

Nationally, the top five fastest-growing sectors were similar to Nevada’s, except Construction and Real Estate and Rental and Leasing replaced Information and Arts, Entertainment, and Recreation. With the exception of Construction and Professional, Scientific, and Technical Services, these sectors also had smaller employment bases. Construction ranked third in both 2019 and 2022, while Professional, Scientific, and Technical Services rose from fifth in 2019 to fourth in 2022 in employment size among all sectors, supported by 5.3 percent growth over the period.

**Figure 21. Top Five Nevada Small Employer Sectors with the Fastest Employment Growth, 2019–2022, with the U.S. Benchmarks**



**Source:** Statistics and Statistics of U.S. Businesses, US Census

**Note:** The data reflect activity during the week of March 12 in the corresponding years and represent the number of employees hired by enterprises with fewer than 500 employees. The data cover 20 sectors: the 18 included in the nonemployer data, plus Management of Companies and Enterprises (NAICS 55) and Industries Not Classified (NAICS 99). For the ranking, Agriculture (NAICS 11), Mining (NAICS 21), Utilities (NAICS 22), and Industries not classified (NAICS 99) were excluded from the fastest-growing rankings because of their low bases. For more detailed information, see Tables A8 and A9 in the appendix.

While Nevada’s economy overall is viewed as less diversified and dominated by large firms such as mega-casinos, the small business sector exhibits a different picture, as its expansion was spread more evenly across industries rather than concentrated in just a few top sectors. As mentioned earlier, Wholesale Trade and Administrative and Support Services, which experienced declines in employment, were among the fastest-growing sectors for nonemployer businesses in Nevada. This may suggest that individuals laid off in these sectors during the pandemic turned into self-employment and new business creation, supported by government programs meant to stabilize the economy. The growth of internet platforms connecting

While Nevada's economy overall is viewed as less diversified and dominated by large firms such as mega-casinos, the small business sector exhibits a different picture, as its expansion was spread more evenly across industries rather than concentrated in just a few top sectors. As mentioned earlier, Wholesale Trade and Administrative and Support Services, which experienced declines in employment, were among the fastest-growing sectors for nonemployer businesses in Nevada. This may suggest that individuals laid off in these sectors during the pandemic turned into self-employment and new business creation, supported by government programs meant to stabilize the economy. The growth of internet platforms connecting businesses and individuals, along with preferences for flexible hours (Stacker 2023), may also have contributed to the expansion of these nonemployer sectors between 2019 and 2022.<sup>25</sup>

## VII. Conclusion

New business creations in Nevada increased sharply immediately after the COVID-19 recession, which differed from what occurred following the Great Recession. COVID-19 triggered a surge in new business formations that lasted beyond the pandemic, and which had been relatively steady prior to 2020. Nonemployer businesses in Nevada experienced stronger growth after COVID-19 compared to the pre-COVID period. Growth in Nevada exceeded the U.S. average, with 8.3 additional nonemployer businesses per 1,000 residents from 2019 to 2022, compared to 7.2 for the United States. This pattern is also reflected in Nevada's ranking in nonemployer businesses per 1,000 residents, which improved from 13th among the 50 states in 2019 to 11th in 2022. For small employer firms, Nevada recorded the third-fastest growth in employer businesses per 1,000 residents from 2019 to 2022, resulting in a substantial improvement in its ranking for small employer firm count. As a result, the state's ranking for employer businesses per 1,000 residents rose sharply from 38th in 2019 to 27th in 2022. In addition, small businesses with employees drove economic recovery and expansion in Nevada. Small firms with paid employees in Nevada supported 45.0 percent of total private jobs in 2022, up from 42.8 percent in 2019, while large firms lagged in reaching their pre-pandemic employment levels.

The top sectors with nonemployer business expansions in Nevada between 2019 and 2022 were similar to those at the national level, which implies that Nevada's growth largely reflected the national trend. Nevada's small employer business growth, however, was more diversified than in the U.S., both in terms of business counts and employment gains although Nevada's broader economy is viewed as less diversified and dominated by large firms such as large resort casinos. This concludes part 1 of our two white papers on small business creation in Nevada after the Pandemic. We will release a modified version of this white paper in the next 2-4 months with an analysis of small business creation by gender and demographic information.

<sup>25</sup> Stacker. December 2023. The 10 most common industries for businesses with no employees. Corridor Careers. <https://www.corridorcareers.com/job-tips/blog-industries-for-businesses-with-no-employees>.

Appendix: Detailed Statistics

Table A1. Nonemployer Business per 1,000 Residents by State (2019-2022)

State	Nonemployer Business per 1,000 residents				Growth per Capita
	2019	2020	2021	2022	2019-2022
Alabama	70.3	69.6	74.1	76.9	6.6
Alaska	78.9	75.4	80.3	82.3	3.4
Arizona	72.8	74.7	77.1	79.3	6.6
Arkansas	71.1	72.6	76.1	79.3	8.1
California	87.7	84.7	87.5	89.5	1.8
Colorado	95.6	93.8	98.0	99.8	4.2
Connecticut	81.9	80.1	82.6	86.4	4.5
Delaware	75.7	77.9	81.8	86.7	11.1
Florida	116.7	122.8	126.9	132.6	15.9
Georgia	94.1	96.5	104.5	107.5	13.4
Hawaii	82.5	75.5	79.8	83.1	0.6
Idaho	79.8	79.1	81.4	82.8	2.9
Illinois	78.5	78.7	83.7	87.2	8.7
Indiana	63.6	63.4	67.6	70.3	6.7
Iowa	67.2	66.3	69.0	71.2	4.0
Kansas	69.8	68.6	71.8	73.9	4.1
Kentucky	67.0	66.3	69.9	72.6	5.6
Louisiana	84.2	82.9	90.2	93.7	9.5
Maine	87.6	85.3	89.3	90.5	2.9
Maryland	87.1	86.2	90.5	94.7	7.6
Massachusetts	83.6	79.7	83.0	87.2	3.6
Michigan	74.3	73.4	77.1	80.5	6.3
Minnesota	74.1	71.7	75.1	77.3	3.2
Mississippi	76.6	75.8	81.5	85.4	8.8
Missouri	69.9	70.9	75.3	76.9	7.0

State	Nonemployer Business per 1,000 residents				Growth per Capita
	2019	2020	2021	2022	2019-2022
Montana	90.2	89.7	92.9	94.4	4.2
Nebraska	72.7	71.1	74.2	76.1	3.4
Nevada	84.4	83.0	87.8	92.7	8.3
New Hampshire	79.8	77.7	81.2	82.3	2.4
New Jersey	85.7	82.2	84.9	92.2	6.5
New Mexico	61.5	59.4	63.0	65.5	4.0
New York	92.8	87.3	89.7	97.6	4.8
North Carolina	77.7	79.2	81.9	85.4	7.7
North Dakota	73.8	70.7	73.6	75.7	1.8
Ohio	69.9	68.7	73.9	76.3	6.4
Oklahoma	74.8	75.9	77.9	80.2	5.4
Oregon	73.1	71.4	73.8	75.5	2.4
Pennsylvania	68.2	65.9	69.4	72.3	4.1
Rhode Island	80.4	75.1	78.8	84.0	3.6
South Carolina	73.8	77.0	80.9	83.2	9.4
South Dakota	77.6	76.8	80.5	81.4	3.8
Tennessee	81.3	81.8	87.5	90.2	8.9
Texas	91.7	92.3	96.9	100.4	8.7
Utah	80.1	79.9	83.2	86.9	6.9
Vermont	99.2	93.6	98.1	100.2	1.0
Virginia	75.3	77.1	80.6	83.2	7.9
Washington	65.8	63.3	66.2	68.5	2.7
West Virginia	48.4	47.5	51.0	52.8	4.4
Wisconsin	61.2	59.8	63.7	66.0	4.8
Wyoming	93.6	95.9	101.9	107.8	14.2

**Source:** Nonemployer Statistics and Population and Housing Unit Estimates, US Census; CBER's calculations

**Note:** Nonemployer firms include companies without employees that filed tax returns with the Internal Revenue Service (IRS) and had at least \$1,000 in annual business receipts in the respective years.

Table A2. Employer Business per 1,000 Residents by State (2019-2022)

State	Employer Business per 1,000 residents				Growth per Capita
	2019	2020	2021	2022	2019-2022
Alabama	14.7	14.3	14.8	14.9	0.2
Alaska	22.8	22.5	23.1	23.6	0.9
Arizona	15.1	15.7	16.2	16.5	1.3
Arkansas	16.3	16.4	16.7	16.8	0.4
California	19.9	20.2	20.9	21.4	1.5
Colorado	24.4	24.5	25.1	25.1	0.7
Connecticut	19.1	18.8	18.9	18.9	-0.2
Delaware	20.2	21.2	22.1	22.4	2.1
Florida	21.7	22.2	23.2	23.1	1.5
Georgia	17.1	17.4	18.2	18.2	1.2
Hawaii	17.4	16.8	16.9	17.2	-0.3
Idaho	23.0	22.9	23.7	24.0	1.0
Illinois	19.8	19.5	19.9	20.1	0.2
Indiana	15.8	15.7	16.0	16.2	0.3
Iowa	19.4	19.0	19.3	19.3	-0.1
Kansas	18.9	18.7	19.0	19.2	0.3
Kentucky	14.5	14.2	14.4	14.6	0.1
Louisiana	17.0	17.0	17.4	17.6	0.6
Maine	24.7	24.2	24.6	24.7	-0.1
Maryland	17.7	17.4	17.7	17.8	0.1
Massachusetts	20.6	20.1	20.3	20.5	-0.1
Michigan	17.1	16.8	17.1	17.3	0.2
Minnesota	20.6	20.3	20.6	20.6	0.0
Mississippi	14.2	14.3	14.7	14.8	0.6
Missouri	18.5	18.3	18.5	18.6	0.1
Montana	30.5	30.4	30.9	31.3	0.8

State	Employer Business per 1,000 residents				Growth per Capita
	2019	2020	2021	2022	2019-2022
Nebraska	21.8	21.4	21.9	22.0	0.2
Nevada	16.9	17.4	18.1	18.6	1.7
New Hampshire	21.7	21.3	21.6	21.8	0.1
New Jersey	21.5	20.5	20.7	21.0	-0.5
New Mexico	15.6	15.3	15.6	15.9	0.3
New York	23.7	22.5	22.7	23.1	-0.6
North Carolina	17.0	17.3	17.8	18.0	1.0
North Dakota	24.7	24.0	24.5	24.5	-0.2
Ohio	15.3	15.1	15.4	15.5	0.2
Oklahoma	17.9	17.9	18.0	18.0	0.1
Oregon	22.4	22.2	22.6	22.8	0.4
Pennsylvania	17.7	17.3	17.5	17.7	0.0
Rhode Island	22.0	21.0	21.4	21.6	-0.3
South Carolina	16.1	16.4	16.9	17.1	1.0
South Dakota	24.2	24.2	24.7	25.0	0.8
Tennessee	14.2	14.2	14.6	14.7	0.5
Texas	15.6	15.8	16.2	16.4	0.8
Utah	21.3	21.7	22.3	22.6	1.3
Vermont	27.2	26.0	26.1	26.3	-0.9
Virginia	17.7	17.6	18.0	18.2	0.5
Washington	20.6	20.2	20.7	20.8	0.2
West Virginia	13.8	13.5	13.6	13.7	0.0
Wisconsin	18.2	17.8	18.1	18.2	0.1
Wyoming	30.6	31.1	32.2	32.9	2.3

**Source:** Statistics of U.S. Businesses and Population and Housing Unit Estimates, US Census; CBER's calculations

**Note:** The employer firm data reflect activity during the week of March 12 in the corresponding years. The employer firm count represents the number of firms owned by enterprises with fewer than 500 employees.

**Table A3. Employees Hired by Small Employer Firms by Employee Size (2017-2022): Nevada vs. United States**

Year	Nevada			
	<5 Employees	5-19 Employees	20-99 Employees	100-499 Employees
2019	46,312	130,708	192,501	170,483
2020	47,523	130,678	195,395	168,571
2021	50,558	135,031	190,428	148,230
2022	52,921	140,592	212,027	173,227
	United States			
	<5 Employees	5-19 Employees	20-99 Employees	100-499 Employees
2019	6,003,770	15,314,655	21,762,863	18,612,620
2020	6,018,364	15,223,577	21,706,889	18,660,155
2021	6,178,498	15,285,162	20,219,046	17,268,572
2022	6,295,615	15,654,569	21,976,701	18,323,671

**Source:** Statistics of U.S. Businesses, US Census

**Note:** The employer firm data reflect activity during the week of March 12 in the corresponding years. The employer firm count represents the number of firms owned by enterprises with fewer than 500 employees.

**Table A4. Nevada Nonemployer Business Count by Industry (2019-2022)**

NAICS Code	Meaning of NAICS Code	2019	2020	2021	2022	2019-2022 Level change	2019-2022 Percentage growth
0	Total for all sectors	260,889	258,560	276,559	294,529	33,640	12.9%
11	Agriculture, forestry, fishing & hunting	855	885	911	1,000	145	17.0%
21	Mining, quarrying, & oil & gas extraction	342	335	340	350	8	2.3%
22	Utilities	108	107	105	110	2	1.9%
23	Construction	14,221	14,569	14,893	15,979	1,758	12.4%
31-33	Manufacturing	2,948	2,922	2,969	3,170	222	7.5%
42	Wholesale trade	3,760	3,743	3,639	4,482	722	19.2%
44-45	Retail trade	21,334	22,337	23,468	21,349	15	0.1%
48-49	Transportation & warehousing	37,349	36,919	42,321	46,453	9,104	24.4%
51	Information	3,967	3,805	4,406	4,580	613	15.5%
52	Finance & insurance	8,324	8,478	8,659	9,106	782	9.4%
53	Real estate & rental & leasing	31,569	31,956	32,808	32,996	1,427	4.5%
54	Professional, scientific, & technical services	36,852	36,709	38,202	40,579	3,727	10.1%
56	Administrative & support & waste management & remediation services	22,384	21,993	23,014	26,603	4,219	18.8%
61	Educational services	5,796	5,078	5,333	6,153	357	6.2%
62	Health care & social assistance	18,433	18,287	20,580	21,463	3,030	16.4%
71	Arts, entertainment, & recreation	19,080	16,546	18,341	20,721	1,641	8.6%
72	Accommodation & food services	4,604	4,381	5,149	5,606	1,002	21.8%
81	Other services (except public administration)	28,963	29,510	31,421	33,829	4,866	16.8%

**Source:** Nonemployer Statistics, US Census; CBER's calculations

**Note:** Nonemployer firms include companies without employees that filed tax returns with the Internal Revenue Service (IRS) and had at least \$1,000 in annual business receipts in the respective years.

Table A5. US Nonemployer Business Count by Industry (2019-2022)

NAICS Code	Meaning of NAICS Code	2019	2020	2021	2022	2019-2022 Level change	2019-2022 Percentage growth
0	Total For All Sectors	27,104,006	27,151,987	28,477,518	29,811,495	2,707,489	10.0%
11	Agriculture, Forestry, Fishing & Hunting	255,354	255,956	255,679	263,748	8,394	3.3%
21	Mining, Quarrying, & Oil & Gas Extraction	78,854	67,754	72,952	77,387	-1,467	-1.9%
22	Utilities	14,279	14,989	15,053	17,263	2,984	20.9%
23	Construction	2,753,720	2,879,156	2,786,790	2,875,590	121,870	4.4%
31-33	Manufacturing	354,198	356,971	368,417	397,797	43,599	12.3%
42	Wholesale Trade	391,670	393,682	387,165	445,919	54,249	13.9%
44-45	Retail Trade	2,100,019	2,256,913	2,369,980	2,170,322	70,303	3.3%
48-49	Transportation & Warehousing	2,856,417	3,189,090	3,599,732	3,854,720	998,303	34.9%
51	Information	363,625	334,717	387,598	396,260	32,635	9.0%
52	Finance & Insurance	755,320	758,239	760,888	782,618	27,298	3.6%
53	Real Estate & Rental & Leasing	2,942,243	2,988,448	3,074,482	3,145,367	203,124	6.9%
54	Professional, Scientific, & Technical Services	3,772,571	3,689,878	3,831,558	4,013,209	240,638	6.4%
56	Administrative & Support & Waste Management & Remediation Services	2,595,841	2,554,511	2,608,000	2,819,562	223,721	8.6%
61	Educational Services	894,698	760,552	814,716	859,958	-34,740	-3.9%
62	Health Care & Social Assistance	2,062,908	2,008,189	2,124,050	2,256,042	193,134	9.4%
71	Arts, Entertainment, & Recreation	1,563,262	1,339,293	1,513,589	1,679,020	115,758	7.4%
72	Accommodation & Food Services	497,339	491,813	571,239	624,030	126,691	25.5%
81	Other Services (Except Public Administration)	2,851,688	2,811,836	2,935,630	3,132,683	280,995	9.9%

Source: Nonemployer Statistics, US Census; CBER's calculations

Note: Nonemployer firms include companies without employees that filed tax returns with the Internal Revenue Service (IRS) and had at least \$1,000 in annual business receipts in the respective years.

Table A6. Nevada Small Employer Business Count by Industry (2019-2022)

NAICS Code	Meaning of NAICS Code	2019	2020	2021	2022	2019-2022 Level change	2019-2022 Percentage growth
0	Total for all sectors	52,368	54,142	56,912	59,092	6,724	12.8%
11	Agriculture, Forestry, Fishing & Hunting	57	58	57	58	1	1.8%
21	Mining, Quarrying, & Oil & Gas Extraction	145	143	161	157	12	8.3%
22	Utilities	39	37	38	39	0	0.0%
23	Construction	5,037	5,176	5,442	5,610	573	11.4%
31-33	Manufacturing	1,686	1,693	1,724	1,786	100	5.9%
42	Wholesale trade	2,385	2,410	2,446	2,473	88	3.7%
44-45	Retail Trade	4,776	4,848	5,126	5,212	436	9.1%
48-49	Transportation & Warehousing	1,349	1,450	1,656	1,832	483	35.8%
51	Information	896	964	1,028	1,050	154	17.2%
52	Finance & Insurance	2,350	2,466	2,575	2,619	269	11.4%
53	Real Estate & Rental & Leasing	3,836	4,084	4,233	4,416	580	15.1%
54	Professional, Scientific, & Technical Services	8,502	8,816	9,279	9,640	1,138	13.4%
55	Management of Companies & Enterprises	215	219	231	231	16	7.4%
56	Administrative & Support & Waste Management & Remediation Services	3,930	3,974	4,164	4,377	447	11.4%
61	Educational Services	762	780	822	862	100	13.1%
62	Health Care & Social Assistance	6,124	6,410	6,724	6,950	826	13.5%
71	Arts, Entertainment, & Recreation	1,521	1,513	1,628	1,774	253	16.6%
72	Accommodation & Food Services	4,705	4,701	4,998	5,251	546	11.6%
81	Other Services (Except Public Administration)	4,267	4,499	4,736	4,920	653	15.3%
99	Industries not classified	106	206	159	153	47	44.3%

Source: Statistics of U.S. Businesses, US Census; CBER's calculations

Note: The figures represent the number of enterprises with fewer than 500 employees. Because firms may operate in multiple sectors, industry-level totals are not additive and may exceed the overall total. The employer firm data reflect activity during the week of March 12 in the corresponding years.

Table A7. US Small Employer Business Count by Industry (2019-2022)

NAICS Code	Meaning of NAICS Code	2019	2020	2021	2022	2019-2022 Level change	2019-2022 Percentage growth
0	Total for all sectors	6,081,544	6,119,657	6,274,916	6,374,594	293,050	4.8%
11	Agriculture, Forestry, Fishing & Hunting	22,036	21,958	22,486	22,498	462	2.1%
21	Mining, Qug,& Oil & Gas Extraction	18,268	17,350	16,787	17,003	-1,265	-6.9%
22	Utilities	5,897	5,976	6,302	6,566	669	11.3%
23	Construction	729,357	737,039	763,380	781,192	51,835	7.1%
31-33	Manufacturing	239,651	235,583	234,931	235,088	-4,563	-1.9%
42	Wholesale trade	284,167	278,461	277,469	274,629	-9,538	-3.4%
44-45	Retail Trade	634,285	630,467	643,586	643,115	8,830	1.4%
48-49	Transportation & Warehousing	194,924	202,381	222,539	235,163	40,239	20.6%
51	Information	81,728	83,118	86,901	87,987	6,259	7.7%
52	Finance & Insurance	236,531	239,232	243,598	242,710	6,179	2.6%
53	Real Estate & Rental & Leasing	326,521	338,508	356,018	365,322	38,801	11.9%
54	Professional, Scientific, & Technical Services	822,181	837,059	856,763	868,529	46,348	5.6%
55	Management of Companies & Enterprises	18,236	18,294	18,559	18,040	-196	-1.1%
56	Administrative & Support & Waste Management & Remediation Services	350,912	353,057	366,150	371,990	21,078	6.0%
61	Educational Services	95,775	97,273	98,983	102,016	6,241	6.5%
62	Health Care & Social Assistance	660,858	666,581	678,459	689,442	28,584	4.3%
71	Arts, Entertainment, & Recreation	136,938	137,363	142,071	147,542	10,604	7.7%
72	Accommodation & Food Services	551,228	542,873	555,280	572,464	21,236	3.9%
81	Other Services (Except Public Administration)	702,610	704,325	716,043	727,836	25,226	3.6%
99	Industries not classified	11,406	13,981	10,440	8,498	-2,908	-25.5%

Source: Statistics of U.S. Businesses, US Census; CBER's calculations

Note: The figures represent the number of enterprises with fewer than 500 employees. Because firms may operate in multiple sectors, industry-level totals are not additive and may exceed the overall total. The employer firm data reflect activity during the week of March 12 in the corresponding years.

Table A8. Employment by Small Employer Businesses in Nevada by Industry (2019-2022)

NAICS Code	Meaning of NAICS Code	2019	2020	2021	2022	2019-2022 Level change	2019-2022 Percentage growth
0	Total for all sectors	540,004	542,167	524,247	578,767	38,763	7.2%
11	Agriculture, Forestry, Fishing & Hunting	296	298	305	315	19	6.4%
21	Mining, Qug, & Oil & Gas Extraction	3,073	3,492	3,448	3,774	701	22.8%
22	Utilities	537	463	460	444	-93	-17.3%
23	Construction	70,539	71,668	70,438	75,559	5,020	7.1%
31-33	Manufacturing	27,498	26,915	26,362	28,948	1,450	5.3%
42	Wholesale trade	21,470	20,727	19,874	20,907	-563	-2.6%
44-45	Retail Trade	45,568	45,371	45,406	48,590	3,022	6.6%
48-49	Transportation & Warehousing	15,080	15,726	16,101	18,033	2,953	19.6%
51	Information	7,405	7,744	7,340	8,675	1,270	17.2%
52	Finance & Insurance	12,286	12,114	13,073	13,303	1,017	8.3%
53	Real Estate & Rental & Leasing	16,882	16,133	15,601	17,661	779	4.6%
54	Professional, Scientific, & Technical Services	44,602	43,978	46,037	49,792	5,190	11.6%
55	Management of Companies & Enterprises	2,476	2,919	3,181	2,763	287	11.6%
56	Administrative & Support & Waste Management & Remediation Services	48,042	46,228	41,129	46,738	-1,304	-2.7%
61	Educational Services	10,988	11,880	11,209	12,672	1,684	15.3%
62	Health Care & Social Assistance	69,040	70,554	73,538	73,969	4,929	7.1%
71	Arts, Entertainment, & Recreation	19,975	20,805	16,997	22,381	2,406	12.0%
72	Accommodation & Food Services	94,804	95,127	85,354	102,905	8,101	8.5%
81	Other Services (Except Public Administration)	29,353	29,858	28,190	31,175	1,822	6.2%
99	Industries not classified	90	167	204	163	73	81.1%

Source: Statistics of U.S. Businesses, US Census; CBER's calculations

Note: The figures represent the number of employees hired by enterprises with fewer than 500 employees. The employer firm data reflect activity during the week of March 12 in the corresponding years.

**Table A9. Employment by Small Employer Businesses in the United States by Industry (2019-2022)**

NAICS Code	Meaning of NAICS Code	2019	2020	2021	2022	2019-2022 Level change	2019-2022 Percentage growth
0	Total for all sectors	61,693,908	61,608,985	58,951,278	62,250,556	556,648	0.9%
11	Agriculture, Forestry, Fishing & Hunting	137,357	137,511	137,082	140,234	2,877	2.1%
21	Mining, Qug,& Oil & Gas Extraction	276,837	258,462	222,976	240,609	-36,228	-13.1%
22	Utilities	111,586	113,729	114,353	121,595	10,009	9.0%
23	Construction	5,694,355	5,804,811	5,760,866	5,942,593	248,238	4.4%
31-33	Manufacturing	5,093,618	4,993,376	4,806,794	4,984,670	-108,948	-2.1%
42	Wholesale trade	3,362,014	3,304,404	3,179,732	3,213,593	-148,421	-4.4%
44-45	Retail Trade	5,439,291	5,384,888	5,306,072	5,452,297	13,006	0.2%
48-49	Transportation & Warehousing	1,771,748	1,834,423	1,906,662	2,027,829	256,081	14.5%
51	Information	979,093	974,236	931,406	973,434	-5,659	-0.6%
52	Finance & Insurance	1,889,886	1,888,303	1,874,788	1,881,621	-8,265	-0.4%
53	Real Estate & Rental & Leasing	1,499,044	1,510,739	1,477,942	1,552,396	53,352	3.6%
54	Professional, Scientific, & Technical Services	5,339,687	5,419,235	5,406,594	5,622,799	283,112	5.3%
55	Management of Companies & Enterprises	379,728	371,998	364,519	376,887	-2,841	-0.7%
56	Administrative & Support & Waste Management & Remediation Services	3,804,585	3,812,491	3,710,444	3,891,512	86,927	2.3%
61	Educational Services	1,719,209	1,728,879	1,631,945	1,772,483	53,274	3.1%
62	Health Care & Social Assistance	9,153,169	9,220,370	9,037,964	9,260,938	107,769	1.2%
71	Arts, Entertainment, & Recreation	1,488,720	1,485,876	1,217,971	1,476,416	-12,304	-0.8%
72	Accommodation & Food Services	8,789,153	8,626,069	7,491,128	8,657,489	-131,664	-1.5%
81	Other Services (Except Public Administration)	4,750,090	4,722,015	4,357,196	4,649,309	-100,781	-2.1%
99	Industries not classified	14,738	17,170	14,844	11,852	-2,886	-19.6%

**Source:** Statistics of U.S. Businesses, US Census; CBER's calculations

**Note:** The figures represent the number of employees hired by enterprises with fewer than 500 employees. The employer firm data reflect activity during the week of March 12 in the corresponding years.