


Economic Recovery Following a Earthquake or other Disaster

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Is the State of Utah prepared financially for an earthquake or other disaster?

- Significant amount of reserves
 - Disaster Recovery Fund: \$20.5 million
 - General Rainy Day Fund: \$141.2 million
 - Nonlapsing Balances: \$259.5 million
 - Cash Funded Buildings: \$313.8 million
 - Cash Funded Roads: \$163 million
 - Bonding Capacity: \$1.8 billion
 - Unemployment Insurance: \$16 million


What industries would be impacted?

NONAGRICULTURAL EMPLOYMENT BY INDUSTRY SALT LAKE CITY MSA (thousands)

	March		Percent Change	February 2016(r)	January 2016(r)
	2016(p)	2015			
Total Nonagricultural Employment	685.8	668.3	2.6	682.7	677.4
Natural Resources, Mining, Construction	35.7	35.4	0.8	35.3	35.5
Manufacturing	55.5	54.5	1.8	55.2	54.9
Durable Goods	37.4	36.5	2.5	37.1	37.0
Non-durable Goods	18.1	18.0	0.6	18.1	17.9
Wholesale Trade	31.5	31.3	0.6	31.5	31.0
Retail Trade	71.8	69.5	3.3	71.8	71.6
Transportation, Warehousing, Utilities	33.6	32.8	2.4	33.8	33.8
Information	18.0	17.8	1.1	18.1	17.9
Financial Activities	56.1	52.4	7.1	55.4	55.1
Professional and Business Services	116.9	115.1	1.6	116.2	115.8
Educational and Health Services	80.6	76.5	5.4	80.6	79.1
Leisure and Hospitality	58.8	57.0	3.2	58.2	57.2
Other Services	20.4	21.4	-4.7	20.6	20.3
Government	106.9	104.6	2.2	106.0	105.2
Federal Government	12.7	12.1	5.0	12.7	12.6
State Government	47.0	45.5	3.3	46.5	46.1
Local Government	47.2	47.0	0.4	46.8	46.5
Private Sector	578.9	563.7	2.7	576.7	572.2

Note: The Salt Lake City Metropolitan Statistical Area (MSA) is comprised of Salt Lake, Tooele, and Summit counties.

Source: U.S. Bureau of Labor Statistics, Current Employment Statistics 4/15/16 p = preliminary r = revised

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- Downtown Salt Lake is predominately service/finance/retail based.
 - Construction industry would actually get a boost following disaster.
 - Will natural resources be impacted?
 - Impact to tourism?
 - Diverse economy in Utah should lessen impact and help recovery.

Mitigation Strategies

- Tax incentives
 - Income and corporate taxation
 - Accelerated depreciation
- Temporary housing support
 - Need to retain workforce
- Business loans
 - Small businesses will have most difficulty
- Speed up permitting process
 - Rebuild as fast as possible
- Tourism marketing
 - Need individuals to keep traveling to Utah



What are steps following a disaster?

1. Post disaster economic impact study
2. Post disaster economic recovery process
3. Establish workgroups to gather data and information
4. Comprehensive economic analysis
5. Create plan with action strategy