



The Perryman Group

# The Potential Economic Impact of Legislation Restricting Voter Access on Business Activity in Texas

April 2021

Laws which restrict voter access can have substantial negative economic consequences due to lost earnings and related reductions in consumer spending. In addition, irrespective of their stated purpose, controversial laws can also lead to reductions in travel and tourism and economic development.

The Perryman Group implemented an extensive modeling process to measure economic effects of restricting voter access stemming from several primary sources. Impacts were measured for “internal losses” including potential direct earnings and employment losses and “external losses” from reduced tourism and economic development. (Additional detailed results and methodology are available in the full report.)

Research has shown that, controlling for other factors, increases (decreases) in voting access leads to higher (lower) earning over time. Lower earnings also impact workforce participation and employment. In addition, reduced earnings negatively

affect household budgets and therefore consumer spending.

External losses can occur when controversial laws result in reduced travel and tourism. Any law with the potential to reduce attendees, for example, can cause professionals who organize conferences and events to avoid that location. Because scheduling an event in a location with a law that is considered to be offensive can be interpreted as support for the policy, some organizations will choose

to avoid locations with controversial laws in order to avoid the appearance of approval of the public policy (as indicated by the recent decision to move the Major League Baseball (MLB) All-Star Game from Atlanta). Socially conscious consumers have also

been shown to avoid such areas for their business and leisure travel. Similarly, controversial laws diminish the ability to attract knowledge workers and the companies that employ them, thus

**"While there are many other important advantages to, and compelling reasons for, encouraging political participation by all eligible citizens, the economic ramifications are substantial and worthy of significant attention as restrictions on voter access are considered."**

reducing economic development prospects over time.

The Perryman Group estimates that measures restricting voter access would lead to a total decrease in business activity from lower earnings & employment losses and reduced household purchasing power in the state by 2025 of an estimated -\$14.7 billion in annual gross product and a loss of -73,249 jobs including multiplier effects. By 2045, these losses rise to a projected -\$155.8 billion in annual gross product and -594,722 jobs. Cumulatively over the 2021-45 period, measures restricting voter access could be expected to lead to total losses in gross product of just over -\$1.5 trillion as well as almost -6.9 million job-years of employment.

Measures restricting voter access could also cause a decrease in tourism and economic development in the state. The Perryman Group estimates that combined

tourism and economic development losses from these measures would lead to a total decrease in business activity in the state by 2025 of an estimated -\$16.7 billion in annual gross product and -149,644 fewer jobs including multiplier effects. By 2045, the economic losses increase to a projected -\$90.3 billion in annual gross product and -596,158 jobs. Cumulatively over the 2021-45 period, measures restricting voter access could be expected to lead to total losses in gross product of -\$1.1 trillion as well as more than -7.6 million lost job-years of employment.

Business activity generates tax revenue, and any decrease in business activity leads to a decrease in tax revenue. The economic losses associated with measures restricting voter access would generate a notable decrease in tax receipts to the State and local government entities including cities, counties, schools, and special districts. The Perryman Group estimates that the

### The Estimated Impact of Internal Losses Associated with Proposed Measures Restricting Voter Access on Business Activity in Texas

ANNUALLY AS OF		Total Expenditures	Gross Product	Personal Income	Jobs
2025	Earnings & Employment	-\$17.019 b	-\$8.672 b	-\$5.625 b	-6,335
	Consumer Spending	-\$12.622 b	-\$6.060 b	-\$3.744 b	-66,914
	<b>TOTAL, INTERNAL</b>	<b>-\$29.641 b</b>	<b>-\$14.732 b</b>	<b>-\$9.368 b</b>	<b>-73,249</b>
2045	Earnings & Employment	-\$170.871 b	-\$87.557 b	-\$63.343 b	-46,118
	Consumer Spending	-\$142.141 b	-\$68.247 b	-\$42.158 b	-548,604
	<b>TOTAL, INTERNAL</b>	<b>-\$313.012 b</b>	<b>-\$155.804 b</b>	<b>-\$105.501 b</b>	<b>-594,722</b>
CUMULATIVELY		Total Expenditures	Gross Product	Personal Income	Job-Years*
2021-2045	Earnings & Employment	-\$1,745.875 b	-\$894.107 b	-\$620.540 b	-526,346.8
	Consumer Spending	-\$1,392.486 b	-\$668.585 b	-\$413.005 b	-6,343,977.2
	<b>TOTAL, INTERNAL</b>	<b>-\$3,138.360 b</b>	<b>-\$1,562.692 b</b>	<b>-\$1,033.545 b</b>	<b>-6,870,324.0</b>

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Based on the range of preliminary damage estimates currently available and The Perryman Group's measurement of associated multiplier effects across the economy. Monetary values given in billions of 2020 dollars. A job-year is one person working for one year, though it could be multiple individuals working partial years.

total annual fiscal losses associated with measures restricting voter access due to decreased earnings & employment and household purchasing power losses would be **-\$832.0 million** to the State and about **-\$454.6 million** to local government entities by 2025, rising to over **-\$9.1 billion** to the State and almost **-\$4.2 billion** to local entities by 2045.

Access to voting improves earnings, consumer spending, tourism, and economic development. On the other hand, laws which restrict access or have the appearance of discrimination can lead to substantial economic and fiscal losses over time. While there are many other important advantages to, and compelling reasons for, encouraging political participation by all eligible citizens, the economic ramifications are substantial and worthy of significant attention as restrictions on voter access are considered.

### The Estimated Fiscal Impact of Losses Associated with Proposed Measures Restricting Voter Access on Business Activity in Texas

INTERNAL CAUSES, ANNUALLY AS OF		State Gov.	Local Gov.
2025	Earnings & Employment	-\$0.235 b	-\$0.070 b
	Consumer Spending	-\$0.597 b	-\$0.384 b
	<b>TOTAL, INTERNAL</b>	<b>-\$0.832 b</b>	<b>-\$0.455 b</b>

2045	Earnings & Employment	-\$2.421 b	-\$0.649 b
	Consumer Spending	-\$6.722 b	-\$3.535 b
	<b>TOTAL, INTERNAL</b>	<b>-\$9.143 b</b>	<b>-\$4.184 b</b>

EXTERNAL CAUSES, ANNUALLY AS OF		State Gov.	Local Gov.
2025	Tourism	-\$0.507 b	-\$0.344 b
	Economic Development	-\$0.520 b	-\$0.459 b
	<b>TOTAL, EXTERNAL</b>	<b>-\$1.027 b</b>	<b>-\$0.802 b</b>

2045	Tourism	-\$0.913 b	-\$0.526 b
	Economic Development	-\$4.018 b	-\$2.838 b
	<b>TOTAL, EXTERNAL</b>	<b>-\$4.930 b</b>	<b>-\$3.364 b</b>

Source: US Multi-Regional Impact Assessment System, The Perryman Group  
 Notes: Based on the range of preliminary damage estimates currently available and The Perryman Group's measurement of associated multiplier effects across the economy. Monetary values given in billions of 2020 dollars.

### The Estimated Impact of External Losses Associated with Proposed Measures Restricting Voter Access on Business Activity in Texas

ANNUALLY AS OF		Total Expenditures	Gross Product	Personal Income	Jobs
2025	Tourism	-\$12.646 b	-\$6.611 b	-\$4.080 b	-60,375
	Economic Development	-\$21.241 b	-\$10.137 b	-\$6.253 b	-89,269
	<b>TOTAL, EXTERNAL</b>	<b>-\$33.887 b</b>	<b>-\$16.747 b</b>	<b>-\$10.333 b</b>	<b>-149,644</b>

2045	Tourism	-\$22.743 b	-\$11.889 b	-\$7.337 b	-85,242
	Economic Development	-\$164.273 b	-\$78.393 b	-\$48.356 b	-510,916
	<b>TOTAL, EXTERNAL</b>	<b>-\$187.016 b</b>	<b>-\$90.282 b</b>	<b>-\$55.693 b</b>	<b>-596,158</b>

CUMULATIVELY		Total Expenditures	Gross Product	Personal Income	Job-Years*
2021-2045	Tourism	-\$417.110 b	-\$218.045 b	-\$134.569 b	-1,767,197.8
	Economic Development	-\$1,891.174 b	-\$902.495 b	-\$556.695 b	-5,881,878.9
	<b>TOTAL, EXTERNAL</b>	<b>-\$2,308.284 b</b>	<b>-\$1,120.540 b</b>	<b>-\$691.263 b</b>	<b>-7,649,076.7</b>

Source: US Multi-Regional Impact Assessment System, The Perryman Group  
 Notes: Based on the range of preliminary damage estimates currently available and The Perryman Group's measurement of associated multiplier effects across the economy. Monetary values given in billions of 2020 dollars. A job-year is one person working for one year, though it could be multiple individuals working partial years.

## The Estimated Impact of Potential Internal Losses (Earnings & Employment and Consumer Spending) Associated with Proposed Measures Restricting Voter Access on Business Activity in Texas

Annually by Industry as of 2025

Industry Sector	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$0.357 b	-\$0.117 b	-\$0.071 b	-641
Mining	-\$1.937 b	-\$0.764 b	-\$0.332 b	-262
Utilities	-\$1.714 b	-\$0.373 b	-\$0.170 b	-358
Construction	-\$1.296 b	-\$0.696 b	-\$0.566 b	-2,012
Manufacturing	-\$5.054 b	-\$1.652 b	-\$1.032 b	-3,913
Wholesale Trade	-\$1.262 b	-\$0.958 b	-\$0.575 b	-1,727
Retail Trade*	-\$4.253 b	-\$3.248 b	-\$1.912 b	-39,545
Transportation & Warehousing	-\$0.977 b	-\$0.633 b	-\$0.423 b	-2,210
Information	-\$0.801 b	-\$0.535 b	-\$0.242 b	-826
Financial Activities*	-\$6.169 b	-\$1.857 b	-\$0.689 b	-1,849
Business Services	-\$2.403 b	-\$1.716 b	-\$1.539 b	-3,685
Health Services	-\$1.446 b	-\$1.135 b	-\$0.967 b	-6,377
Other Services	-\$1.970 b	-\$1.048 b	-\$0.850 b	-9,843
<b>Total, All Industries</b>	<b>-\$29.641 b</b>	<b>-\$14.732 b</b>	<b>-\$9.368 b</b>	<b>-73,249</b>

Annually by Industry as of 2045

Industry Sector	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$3.488 b	-\$1.108 b	-\$0.714 b	-5,167
Mining	-\$21.875 b	-\$8.632 b	-\$4.141 b	-2,016
Utilities	-\$15.675 b	-\$3.436 b	-\$1.617 b	-2,831
Construction	-\$11.336 b	-\$6.059 b	-\$5.346 b	-15,654
Manufacturing	-\$57.571 b	-\$19.045 b	-\$12.975 b	-31,353
Wholesale Trade	-\$13.229 b	-\$10.006 b	-\$6.512 b	-13,911
Retail Trade*	-\$47.296 b	-\$36.053 b	-\$21.715 b	-323,250
Transportation & Warehousing	-\$9.430 b	-\$6.162 b	-\$4.402 b	-17,757
Information	-\$8.840 b	-\$5.896 b	-\$2.848 b	-6,580
Financial Activities*	-\$63.495 b	-\$18.778 b	-\$7.739 b	-14,540
Business Services	-\$24.875 b	-\$17.695 b	-\$17.388 b	-29,120
Health Services	-\$15.531 b	-\$12.160 b	-\$11.054 b	-52,080
Other Services	-\$20.372 b	-\$10.775 b	-\$9.050 b	-80,462
<b>Total, All Industries</b>	<b>-\$313.012 b</b>	<b>-\$155.804 b</b>	<b>-\$105.501 b</b>	<b>-594,722</b>

Cumulatively by Industry over 2021-2045

Industry Sector	Total Expenditures	Gross Product	Personal Income	Job-Years*
Agriculture	-\$36.736 b	-\$11.848 b	-\$7.483 b	-60,080.7
Mining	-\$212.900 b	-\$83.976 b	-\$38.783 b	-23,410.3
Utilities	-\$171.656 b	-\$37.444 b	-\$17.535 b	-33,209.5
Construction	-\$126.146 b	-\$67.569 b	-\$57.851 b	-182,719.1
Manufacturing	-\$543.644 b	-\$178.861 b	-\$117.831 b	-364,067.5
Wholesale Trade	-\$133.292 b	-\$100.958 b	-\$63.678 b	-160,336.3
Retail Trade*	-\$465.317 b	-\$355.009 b	-\$211.921 b	-3,736,008.2
Transportation & Warehousing	-\$100.299 b	-\$65.165 b	-\$45.443 b	-204,998.3
Information	-\$86.819 b	-\$57.916 b	-\$27.247 b	-76,756.0
Financial Activities*	-\$644.518 b	-\$191.255 b	-\$74.962 b	-169,416.6
Business Services	-\$253.265 b	-\$180.505 b	-\$171.193 b	-335,615.1
Health Services	-\$154.826 b	-\$121.287 b	-\$107.486 b	-597,270.8
Other Services	-\$208.943 b	-\$110.898 b	-\$92.132 b	-926,435.6
<b>Total, All Industries</b>	<b>-\$3138.360 b</b>	<b>-\$1562.692 b</b>	<b>-\$1033.545 b</b>	<b>-6,870,324.0</b>

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in billions of 2020 US dollars. A job-year is equivalent to one person working for one year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate. Governmental activity is allocated across sectors based on functionality.

## The Estimated Impact of Potential External Losses (Tourism and Economic Development) Associated with Proposed Measures Restricting Voter Access on Business Activity in Texas

Annually by Industry as of 2025

Industry Sector	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$0.689 b	-\$0.182 b	-\$0.120 b	-1,511
Mining	-\$0.728 b	-\$0.167 b	-\$0.087 b	-392
Utilities	-\$1.381 b	-\$0.315 b	-\$0.137 b	-467
Construction	-\$0.582 b	-\$0.316 b	-\$0.260 b	-2,946
Manufacturing	-\$11.106 b	-\$4.546 b	-\$2.783 b	-31,407
Wholesale Trade	-\$1.295 b	-\$0.876 b	-\$0.505 b	-4,680
Retail Trade*	-\$5.233 b	-\$3.887 b	-\$2.253 b	-54,862
Transportation & Warehousing	-\$1.943 b	-\$1.380 b	-\$0.913 b	-9,375
Information	-\$1.104 b	-\$0.683 b	-\$0.292 b	-2,168
Financial Activities*	-\$4.112 b	-\$1.078 b	-\$0.421 b	-3,510
Business Services	-\$1.371 b	-\$0.871 b	-\$0.710 b	-7,081
Health Services	-\$0.905 b	-\$0.633 b	-\$0.535 b	-7,130
Other Services	-\$3.439 b	-\$1.813 b	-\$1.316 b	-24,117
<b>Total, All Industries</b>	<b>-\$33.887 b</b>	<b>-\$16.747 b</b>	<b>-\$10.333 b</b>	<b>-149,644</b>

Annually by Industry as of 2045

Industry Sector	Total Expenditures	Gross Product	Personal Income	Jobs
Agriculture	-\$3.731 b	-\$0.974 b	-\$0.644 b	-6,355
Mining	-\$4.618 b	-\$1.058 b	-\$0.544 b	-1,858
Utilities	-\$7.242 b	-\$1.643 b	-\$0.717 b	-1,903
Construction	-\$3.141 b	-\$1.718 b	-\$1.416 b	-12,572
Manufacturing	-\$75.632 b	-\$32.101 b	-\$19.832 b	-165,784
Wholesale Trade	-\$7.464 b	-\$5.050 b	-\$2.912 b	-21,006
Retail Trade*	-\$23.839 b	-\$17.806 b	-\$10.338 b	-199,688
Transportation & Warehousing	-\$7.093 b	-\$4.910 b	-\$3.248 b	-27,073
Information	-\$7.007 b	-\$4.342 b	-\$1.854 b	-10,566
Financial Activities*	-\$22.072 b	-\$5.738 b	-\$2.242 b	-14,650
Business Services	-\$8.039 b	-\$5.129 b	-\$4.184 b	-32,377
Health Services	-\$4.909 b	-\$3.436 b	-\$2.905 b	-30,364
Other Services	-\$12.228 b	-\$6.378 b	-\$4.860 b	-71,962
<b>Total, All Industries</b>	<b>-\$187.016 b</b>	<b>-\$90.282 b</b>	<b>-\$55.693 b</b>	<b>-596,158</b>

Cumulatively by Industry over 2021-2045

Industry Sector	Total Expenditures	Gross Product	Personal Income	Job-Years*
Agriculture	-\$46.261 b	-\$12.119 b	-\$7.999 b	-80,076.9
Mining	-\$55.265 b	-\$12.667 b	-\$6.527 b	-22,556.4
Utilities	-\$90.481 b	-\$20.555 b	-\$8.969 b	-24,229.9
Construction	-\$38.975 b	-\$21.274 b	-\$17.531 b	-157,687.5
Manufacturing	-\$891.928 b	-\$375.877 b	-\$231.808 b	-1,950,743.4
Wholesale Trade	-\$91.205 b	-\$61.709 b	-\$35.582 b	-259,273.2
Retail Trade*	-\$308.847 b	-\$230.348 b	-\$133.674 b	-2,643,965.7
Transportation & Warehousing	-\$98.071 b	-\$68.452 b	-\$45.272 b	-391,921.6
Information	-\$83.831 b	-\$51.932 b	-\$22.171 b	-127,205.6
Financial Activities*	-\$274.235 b	-\$71.433 b	-\$27.906 b	-185,080.3
Business Services	-\$97.853 b	-\$62.363 b	-\$50.872 b	-397,335.6
Health Services	-\$60.837 b	-\$42.576 b	-\$35.999 b	-381,094.5
Other Services	-\$170.496 b	-\$89.237 b	-\$66.955 b	-1,027,905.9
<b>Total, All Industries</b>	<b>-\$2,308.284 b</b>	<b>-\$1,120.540 b</b>	<b>-\$691.263 b</b>	<b>-7,649,076.7</b>

Source: US Multi-Regional Impact Assessment System, The Perryman Group

Notes: Monetary values given in billions of 2020 US dollars. A job-year is equivalent to one person working for one year. Components may not sum due to rounding. Retail Trade includes Restaurants, Financial Activities includes Real Estate. Governmental activity is allocated across sectors based on functionality.



## THE PERRYMAN GROUP



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### M. RAY PERRYMAN, PH.D.

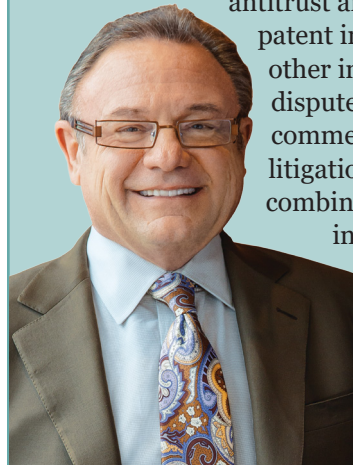
Dr. Perryman is the President and CEO of the Perryman Group and Distinguished Professor of Economic Theory and Method at the International Institute for Advanced Studies. Over the past 40 years, Dr. Perryman has helped recruit corporations providing tens of thousands of jobs through economic development work, resolved billion-dollar legal issues, and revamped public policy through impact assessments and other studies. His firm has measured economic impacts for corporate locations and expansions involving billions in investments, and his economic forecasts are used by corporations and government agencies alike.

He has provided economic analysis and expert testimony for civil litigation across a wide range of practice areas including antitrust and competition,

patent infringement and other intellectual property disputes, securities, and commercial and complex litigation. His work

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