



**Unified Economic  
Opportunity Commission**

# UEOC May Meeting

May 20, 2024  
10:00 AM - 12:00 PM

# **Swear in Commissioners,** Ryan Starks & Tanner Anderson



**Unified Economic  
Opportunity Commission**

# **Approval of January Minutes,** Governor Spencer J. Cox



**Unified Economic  
Opportunity Commission**



# Keepers of Utah's Flame

ECONOMIC OPPORTUNITY FOR THE NEW UTAH

**Unified Economic Opportunity Commission**

Presented by Natalie Gochnour | Kem C. Gardner Policy Institute | May 20, 2024

# The New Utah

## OLD UTAH

### Small State

Population rank **34<sup>th</sup>** (1990, 2000, 2010)

### Internal Growth (births)

**34%** of growth from migration (2000-2020)

### Less Multicultural

**9.5%** minority (1990)

### Young

**9.1%** age 65+ (2010)

### Affordable Housing

Utah **housing costs** to **wages** highly competitive

## NEW UTAH

### More Populous, Mid-Sized State

Population rank **30<sup>th</sup>** (2020)

### External Growth (migration, much lower fertility)

**61%** of growth from migration (2021 and 2022)

### Multicultural

**23.3%** minority (2022) (*30+% in 2040*)

### Older

**20.0%** age 65+ (2050)

### Unaffordable Housing

Utah **housing costs** represent **major economic risk**



Source: Kem C. Gardner Policy Institute

# What's Changed Since Last Year?

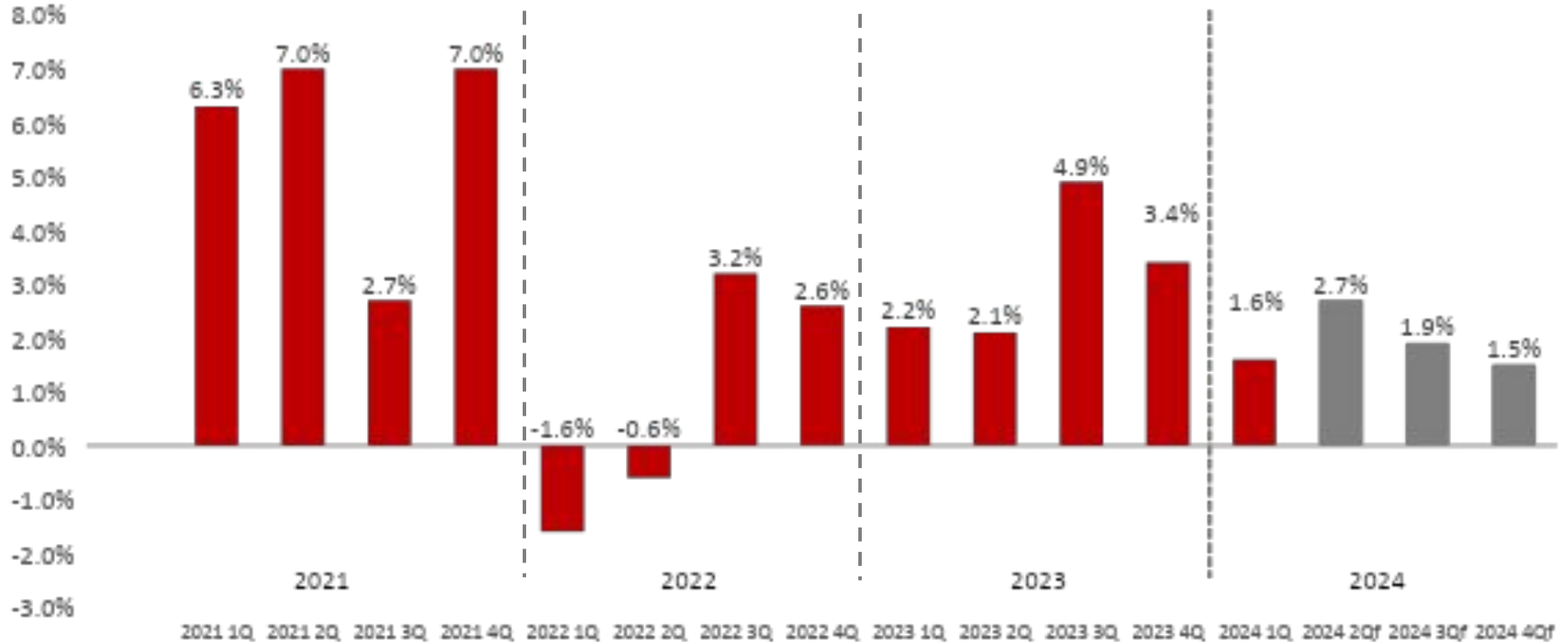
- **More people** – Utah added 56,000 more people. That's approximately 150 more Utahns each day.
- **Continued net in-migration and declining fertility** – An estimated 32,000 more people moved into Utah than moved out. That's about 88 per day. Fertility in Utah continued a 15-year slide.
- **Utah no longer the nation's top economy** – Utah now ranks 10<sup>th</sup> among states in job growth. The Utah and national economy remain resilient, but fragile.
- **Flashpoints** – Old and new flashpoints require a watchful eye and action. These include inflation, housing affordability, consumer sentiment, mental health, and socio-economic disparities.
- **Policy prescriptions** – Consider quality over quantity, be careful about sniffing our own fumes, and protect Utah's seed corn.



# Economic Outlook

# U.S. Real GDP Growth

*Quarter-over, seasonally adjusted annual rate*



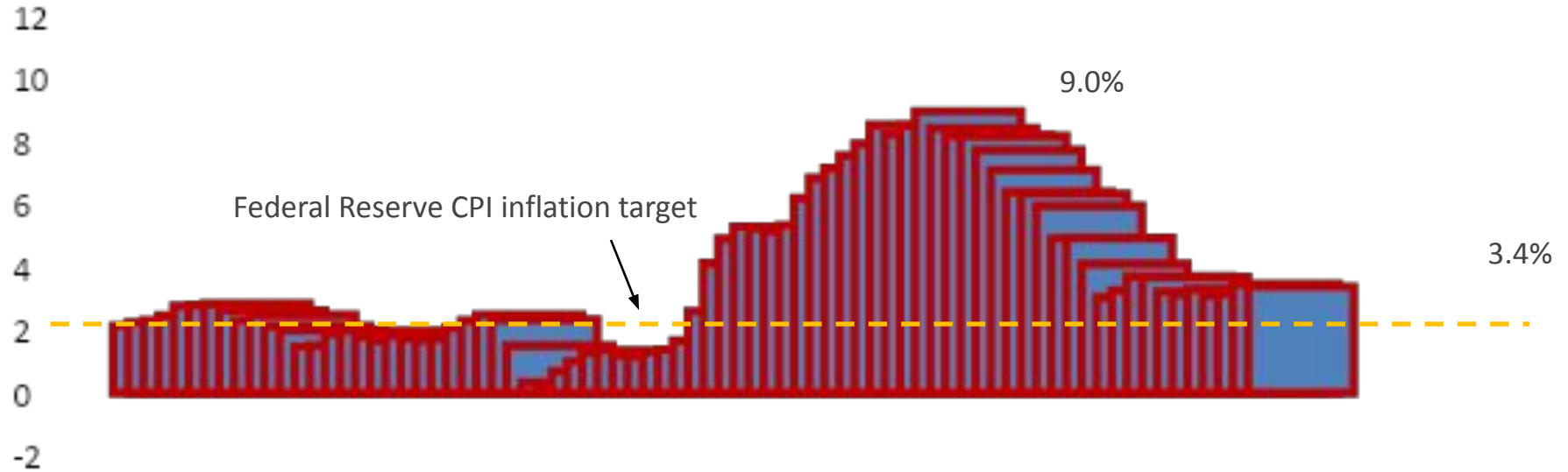
Source: Bureau of Economic Analysis and Wells Fargo Economics

*You may not be interested in  
monetary policy, but monetary  
policy is interested in you.*

- Adapted from Leon  
Trotsky

# U.S. Consumer Price Inflation

% change yr. ago



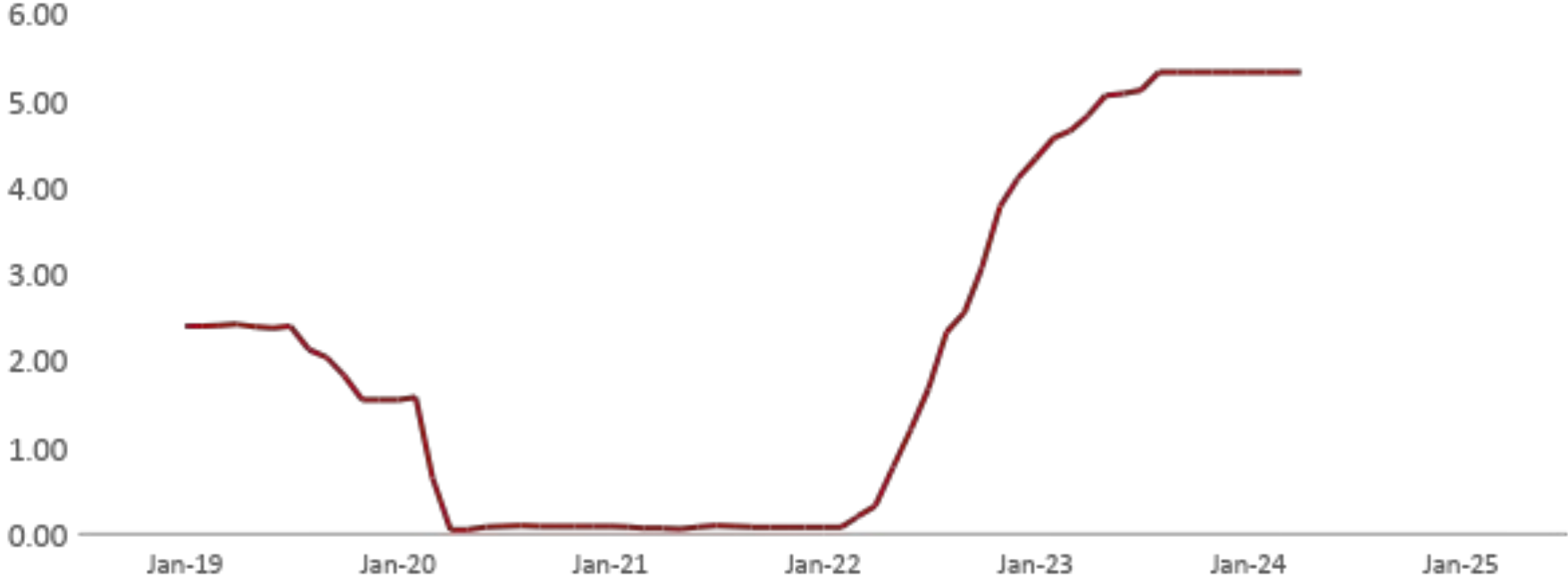
Source: U.S. Bureau of Labor Statistics

*"We are navigating by the **stars**  
under **cloudy skies.**"*

- Jerome Powell, August 2023 FED Statement

# Effective Federal Funds Rate

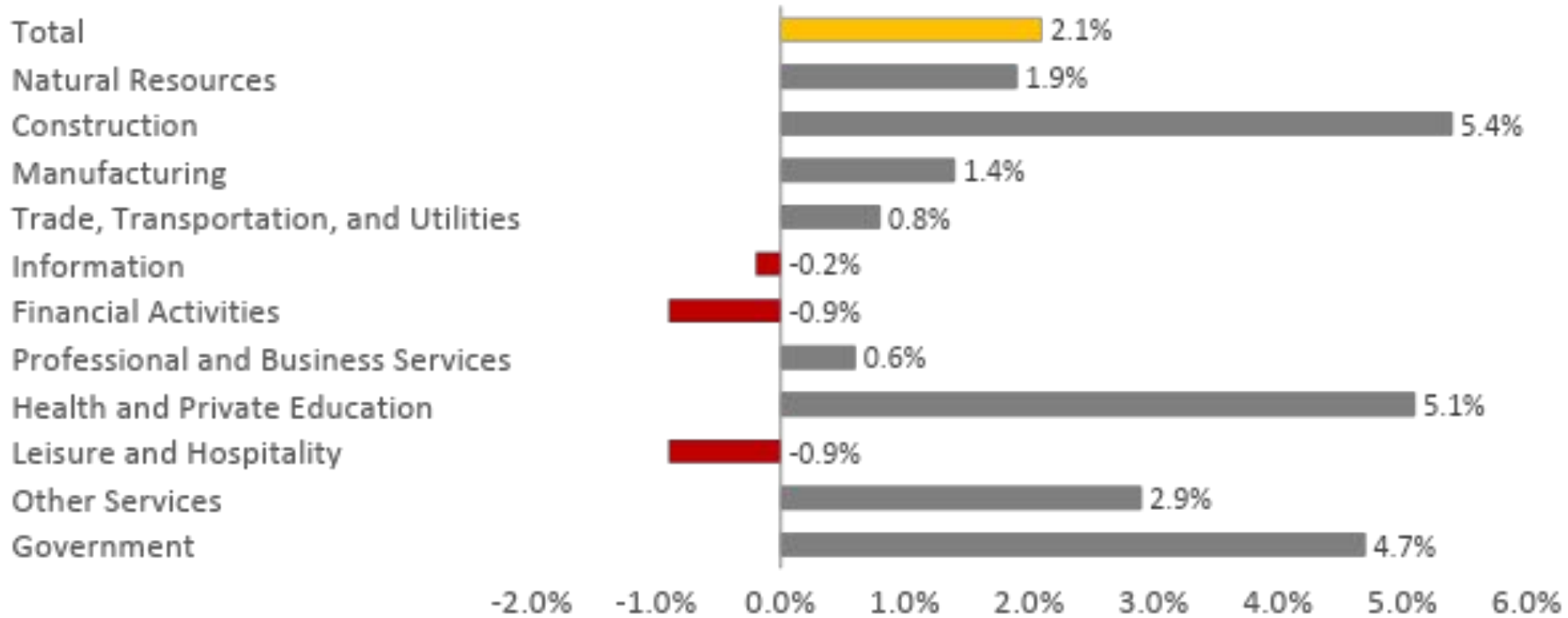
*Percent, Not Seasonally Adjusted*



Source: Federal Reserve

# Utah Job Growth

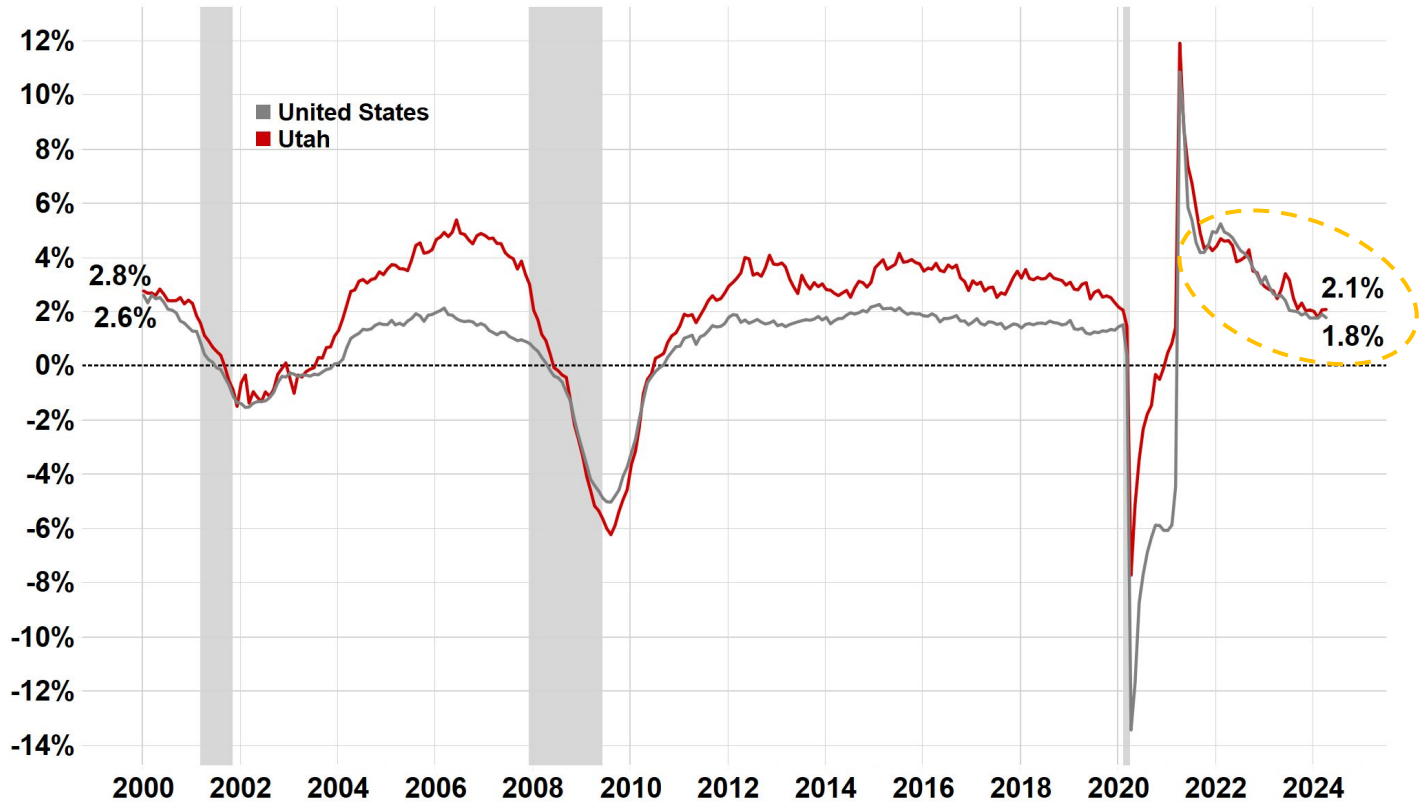
*Year-over percent change, April 2024*



Source: U.S. Bureau of Labor Statistics

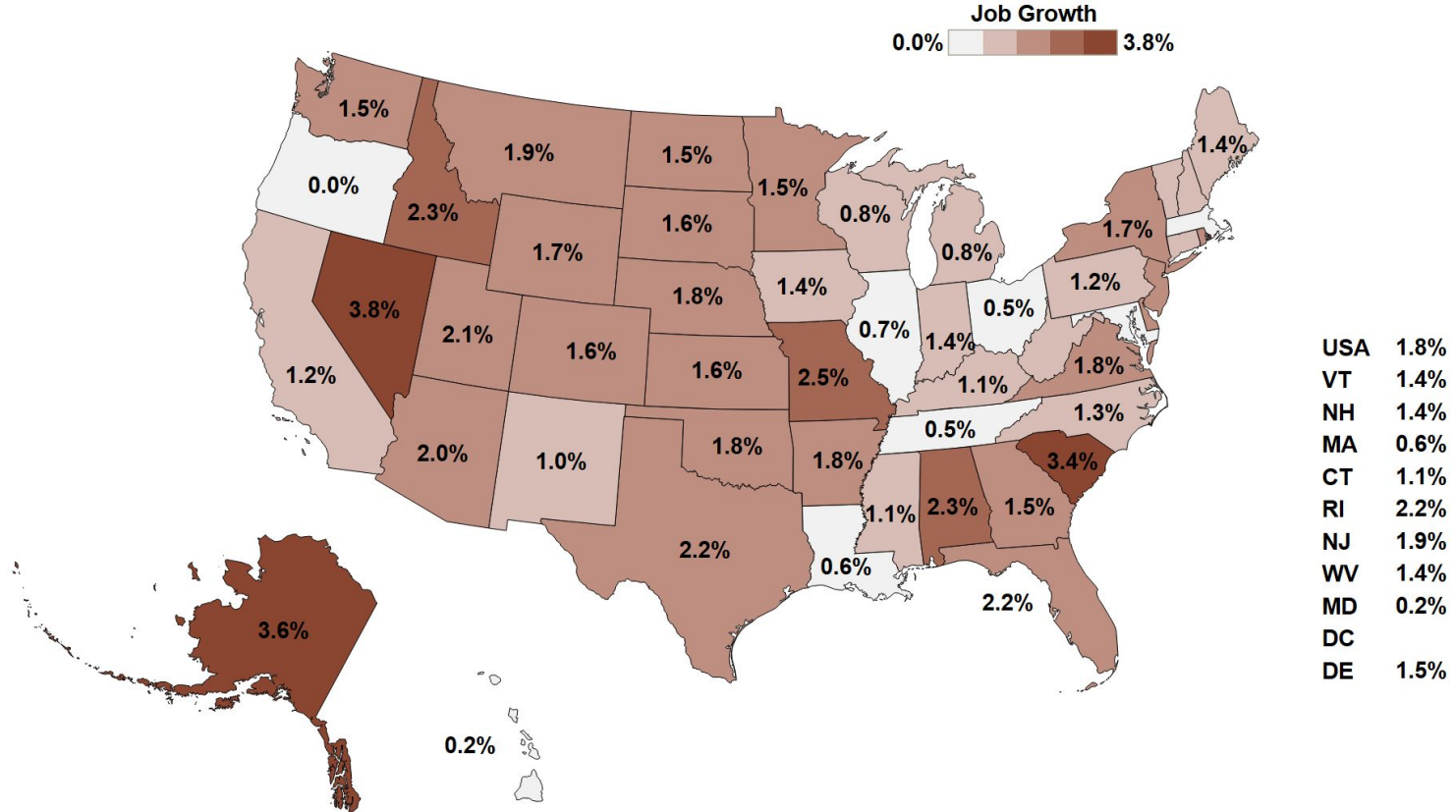
# U.S. and Utah Monthly Job Growth

*Year-Over Percent Change, Seasonally Adjusted*



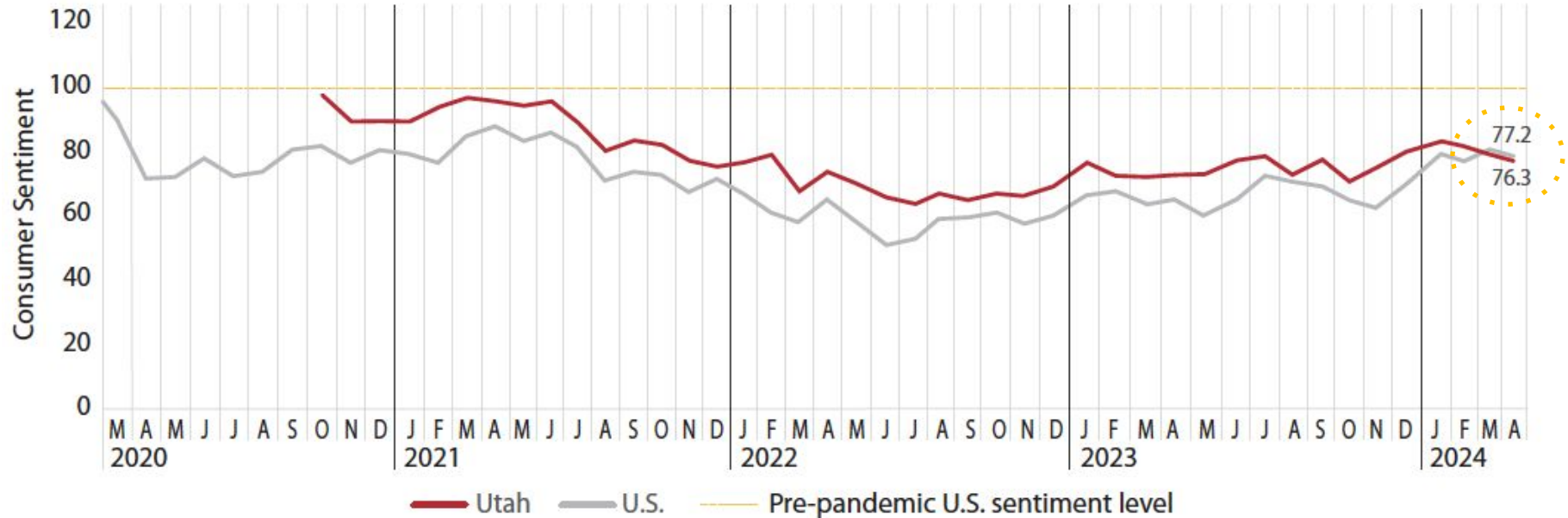
Source: U.S. Bureau of Labor Statistics

# Year-Over Percent Change in Job Growth, April 2024



Source: U.S. Bureau of Labor Statistics

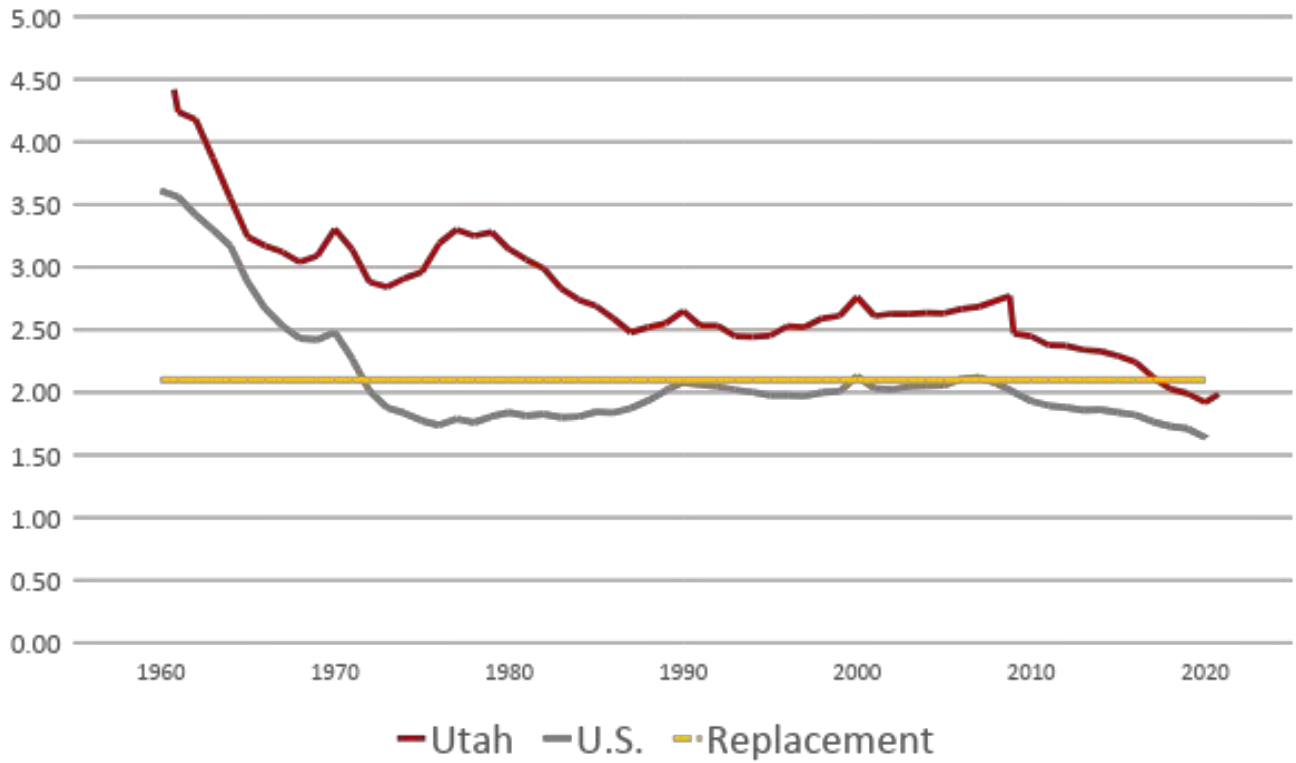
# Consumer Sentiment



Source: Kem C. Gardner Policy Institute and University of Michigan

# Total Fertility Rate

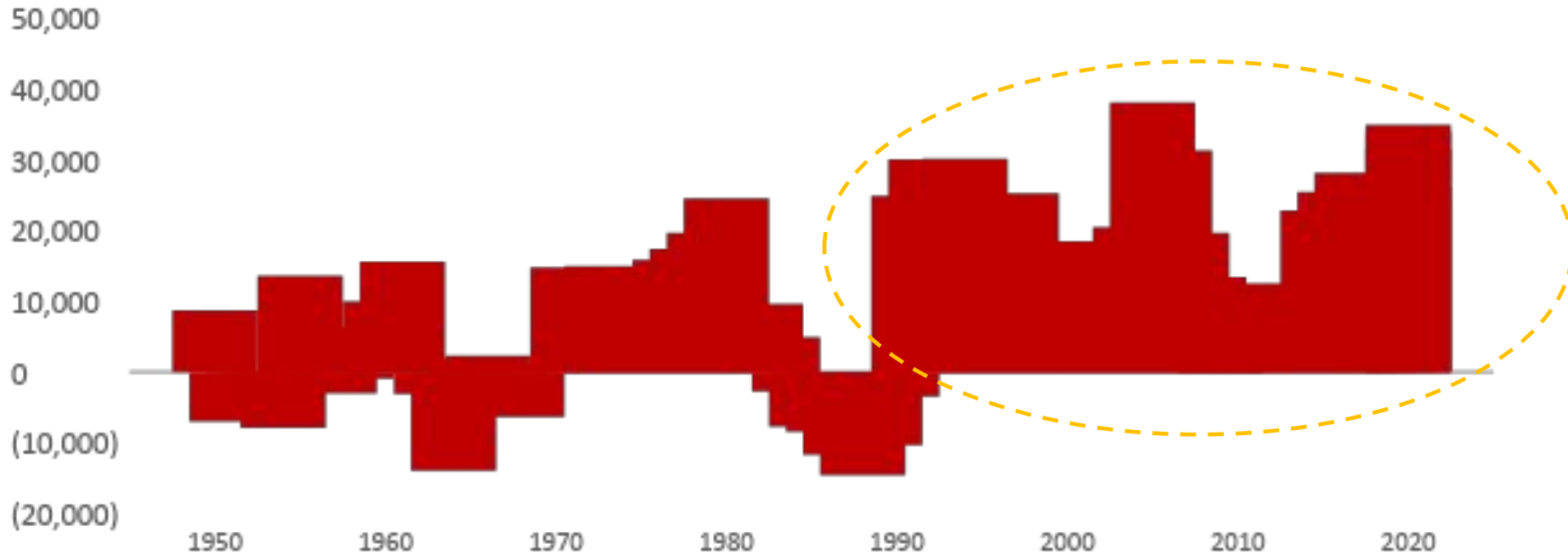
1960-2022



Source: National Center for Health Statistics

# Utah Net Migration

*Utah experienced net migration in 32 of the past 33 years*



Source: Kem C. Gardner Policy Institute, and Utah Population Committee

# Utah Housing Shortage, 2011-2024(f)



Source: Kem C. Gardner Policy Institute



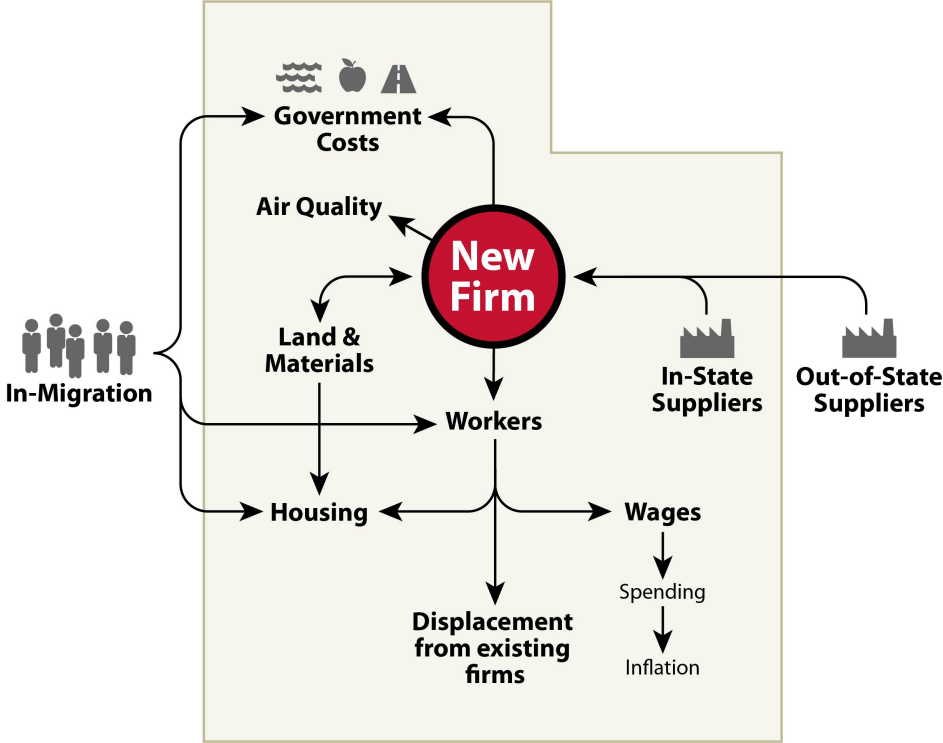
# Public Policy Backdrop

# Three Economic Development Axioms

1. **Quality over quantity** – Consider enacting much more strategic economic development policies.
2. **Fume sniffing** – Complacency is a huge risk for any successful enterprise. Consider doing more to address Utah's flashpoints, particularly mental health.
3. **Don't eat our seed corn** – Consider making investment in people and infrastructure Utah's top economic development priority.

# Quality Over Quantity

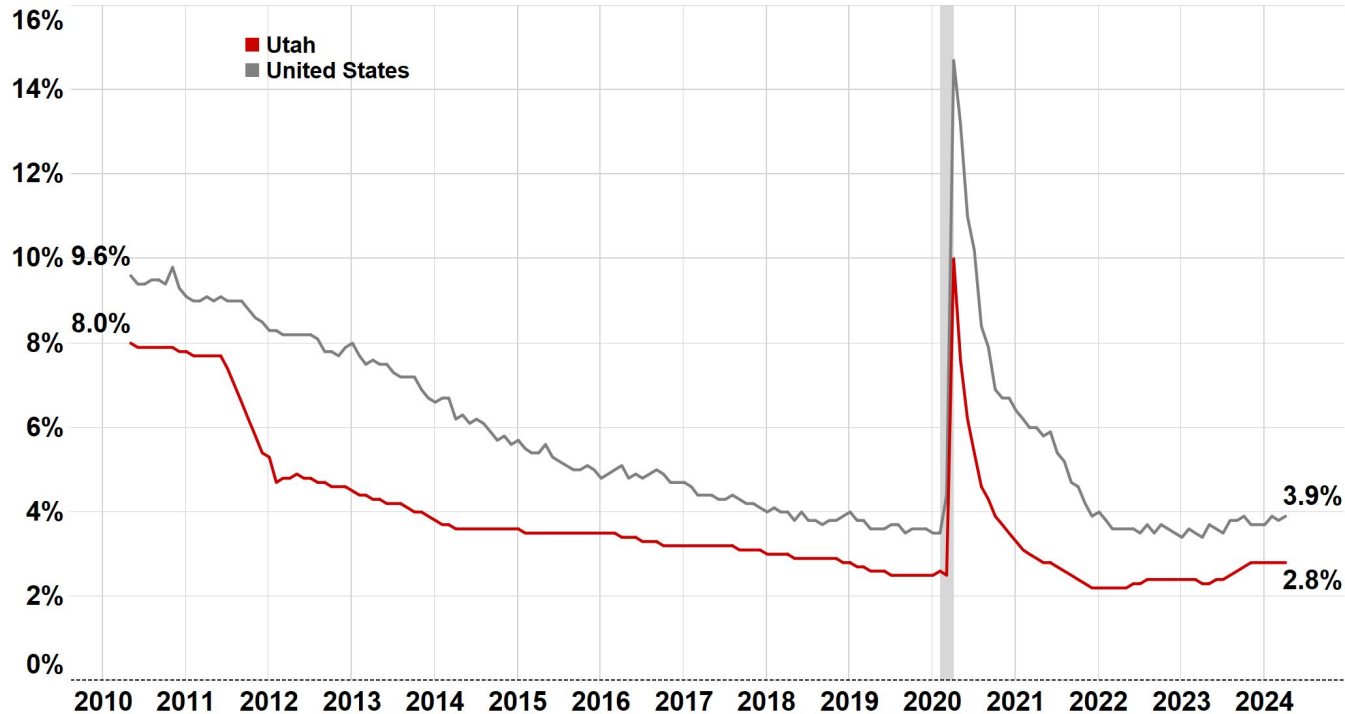
## *Economic Development Policies*



Source: Kem C. Gardner Policy Institute

# Unemployment Rate

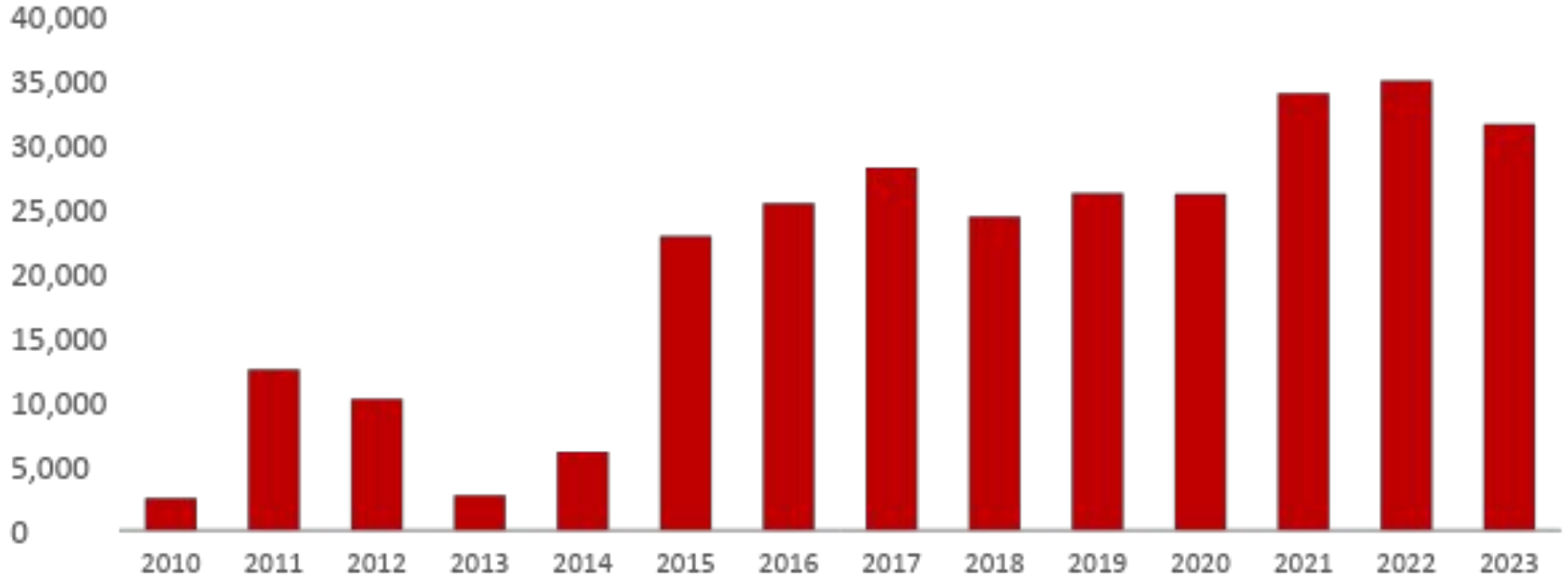
*U.S. and Utah, Not Seasonally Adjusted*



Source: U.S. Bureau of Labor Statistics

# Utah Net Migration

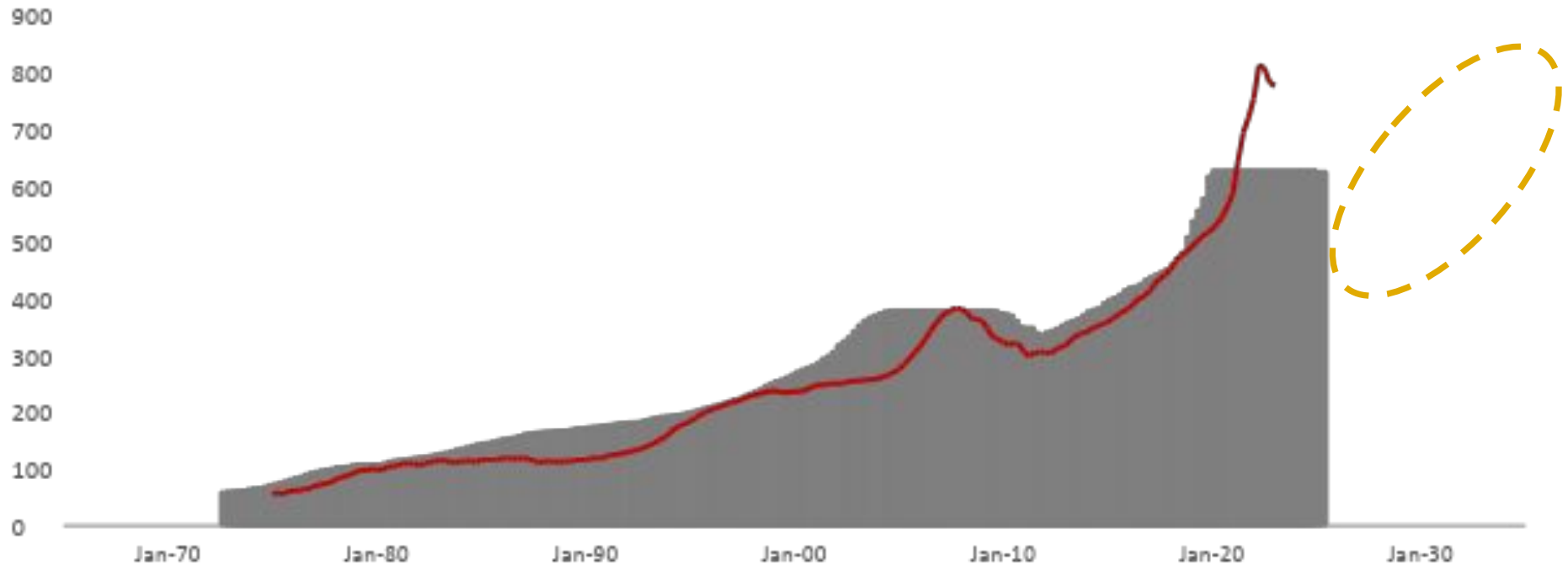
## *Economic Development Policies*



Source: Utah Population Committee

# Housing Price Index

## *Utah and U.S., All Transactions*



Source: U.S. Federal Housing Finance Agency

# Sniffing Our Own Fumes

*Success breeds complacency, pay attention to flashpoints*

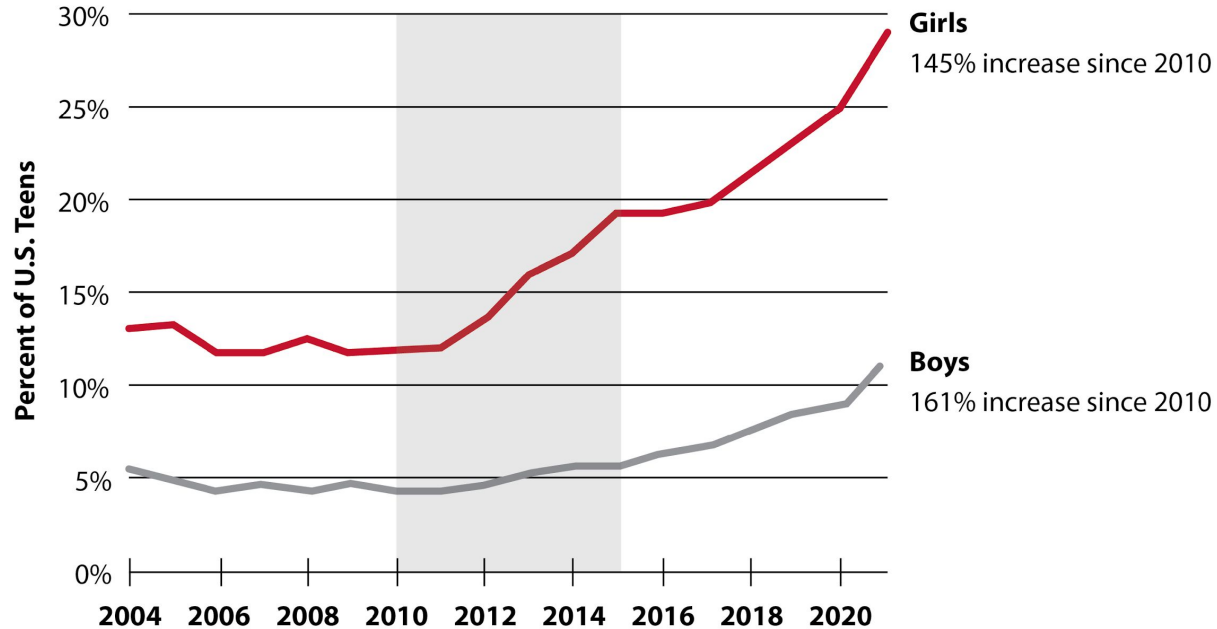
## UTAH ACCOLADES

- **Hottest Job Market in America**
  - Wall Street Journal
- **Best State & Best Economy**
  - U.S. News & World Report
- **Best Economic Outlook**
  - Rich States Poor States
- **Best State for Middle Class**
  - SmartAssest
- **Top State for Social Mobility**
  - Archbridge Institute
- **Best State to Start a Business**
  - WalletHub
- **Best Performing Cities**
  - Milken Institute

*The danger of success is  
complacency. It comes in two  
forms: arrogance and  
inflexibility.*

- Anonymous

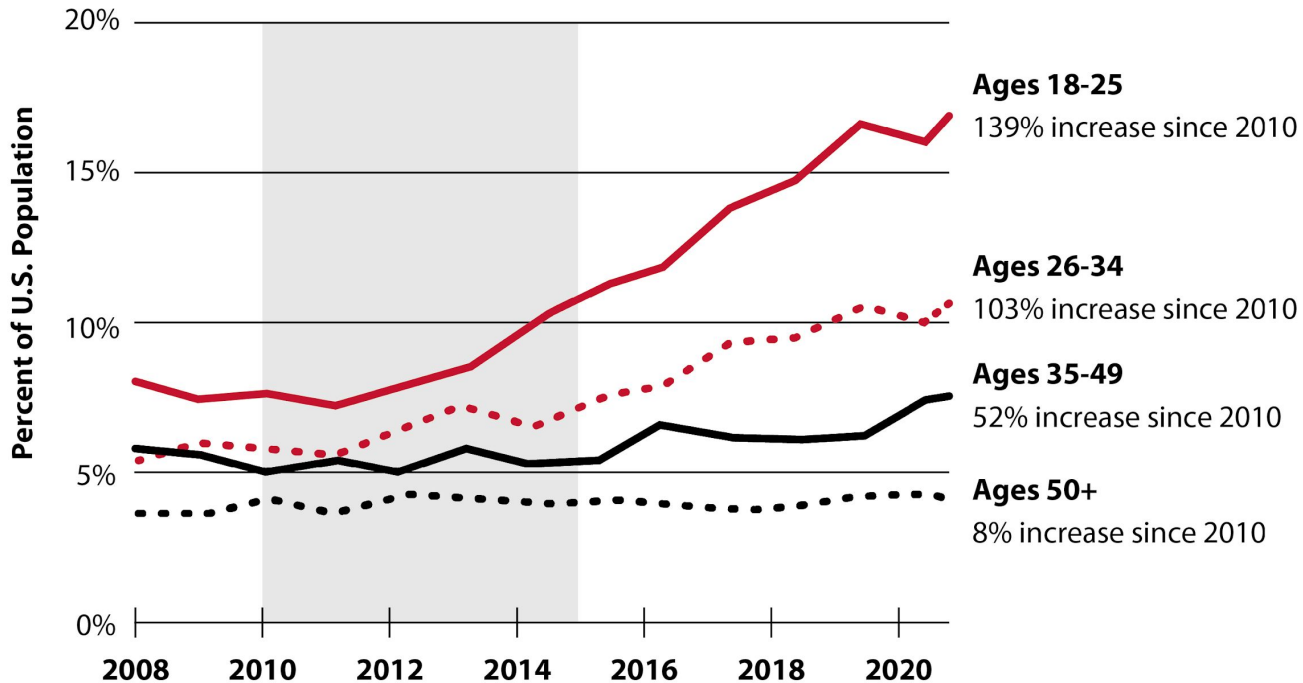
# Major Depression Among Teens, U.S.



Note: Percent of U.S. teens (ages 12-17) who had at least one major depressive episode in the past year, by self-report based on a symptom checklist. This was figure 7.1 in *The Coddling of the American Mind* now updated with data beyond 2016.

Source: U.S. National Survey on Drug Use and Health

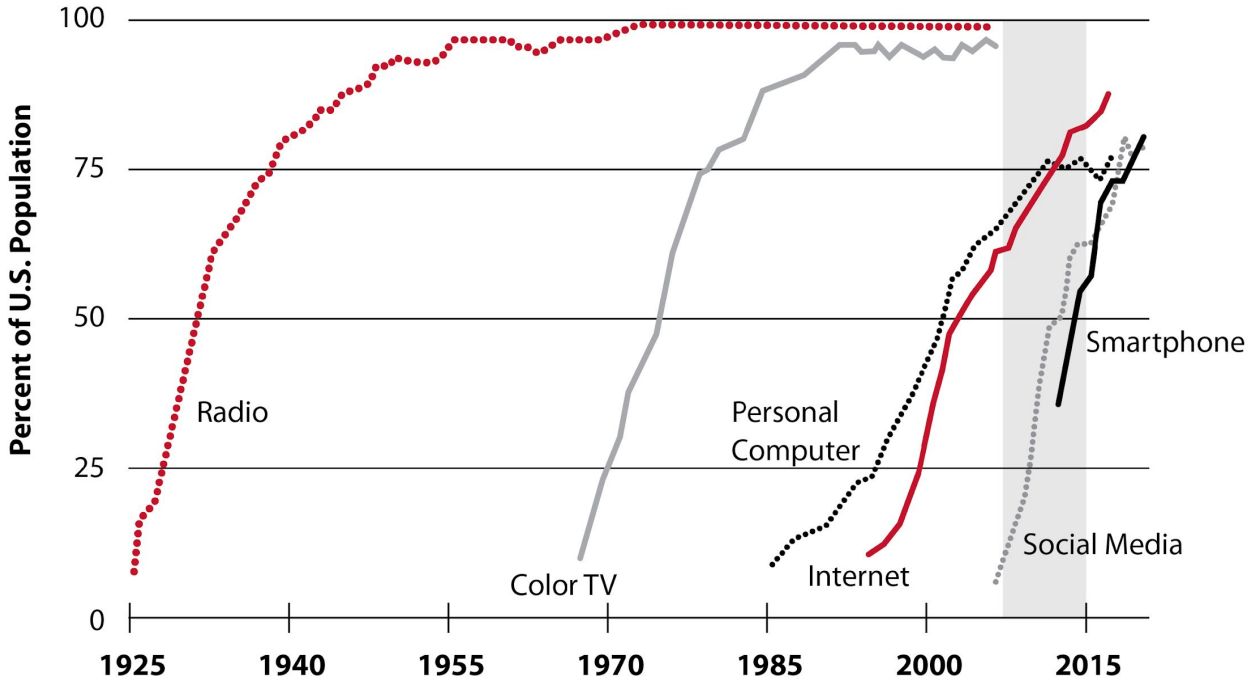
# Anxiety Prevalence by Age, U.S.



Note: Percent of U.S. adults reporting high levels of anxiety by age group.

Source: U.S. National Survey on Drug Use and Health

# Communication Technology Adoption, U.S.

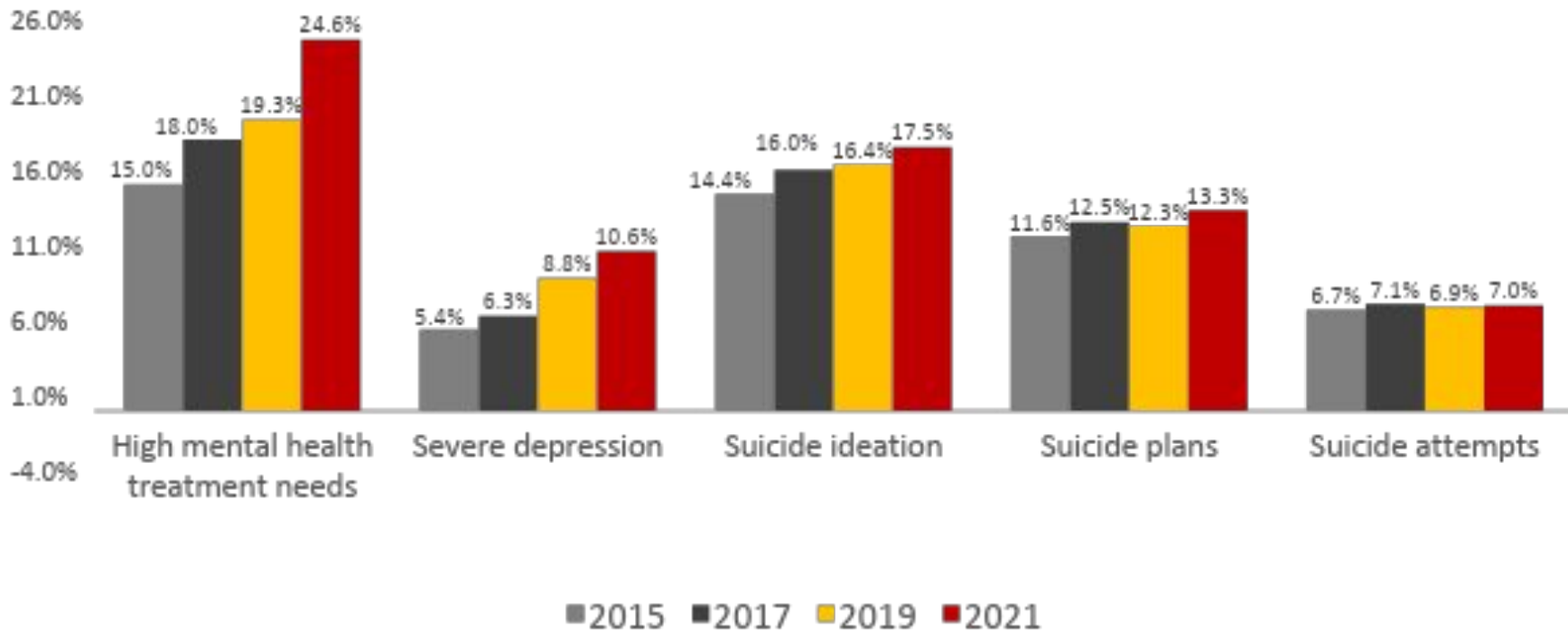


Note: The share of U.S. households using specific technologies. The smartphone was adopted faster than any other communication technology in history.

Source: Our World Data

# Utah's Youth Mental Health Indicators

*Share of Utah Middle and High School Students with Select Mental Health Needs, 2015–2021*



Note: Survey responses are from students in grades 6, 8, 10, and 12.

Source: Student Health and Risk Prevention: Prevention Needs Assessment Survey. Utah Division of Substance Abuse and Mental Health

# Don't Eat Utah's Seed Corn

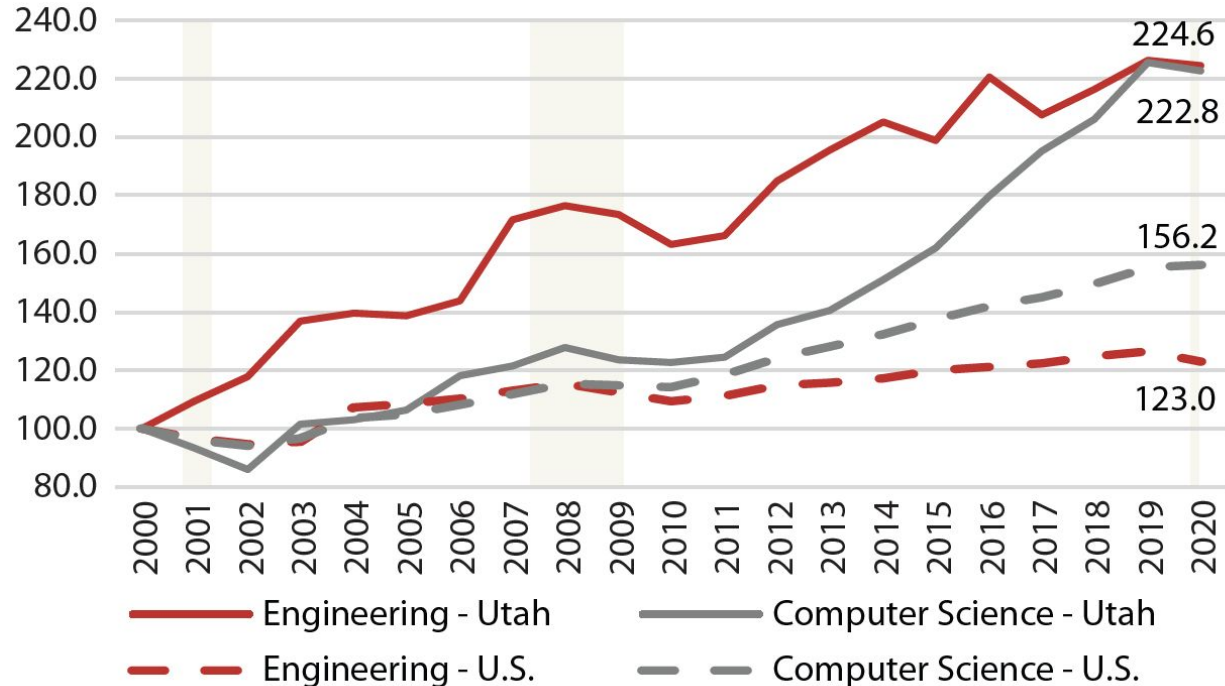
*Favor investment over present gain*

*What makes an economy grow?*



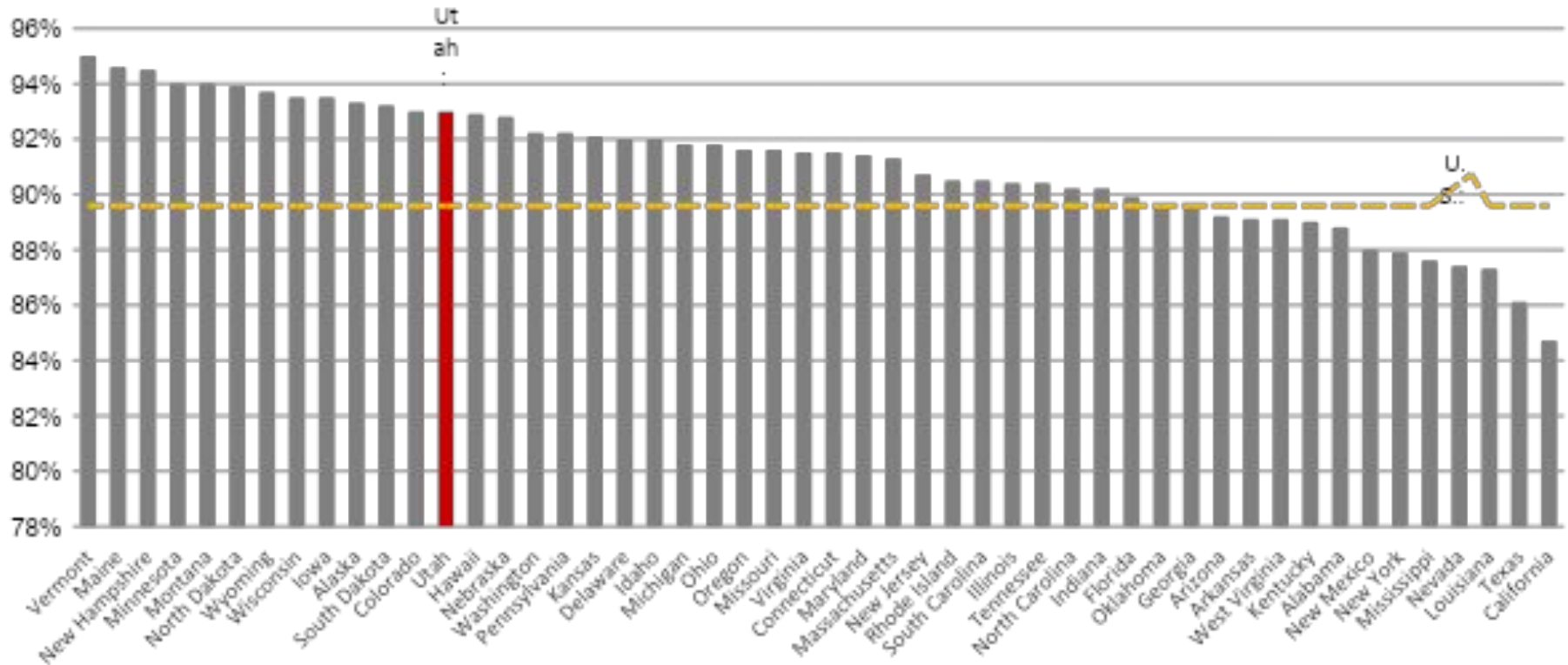
# Engineering Initiative: A Utah Success Story

*Computer Science and Engineering; 100=Number of Jobs in 2000*



Source: Compiled by Kem C. Gardner Policy Institute, based on U.S. Bureau of Labor Statistics data

# Share of Adults 25+ with a High School Diploma or Higher by State, 2022



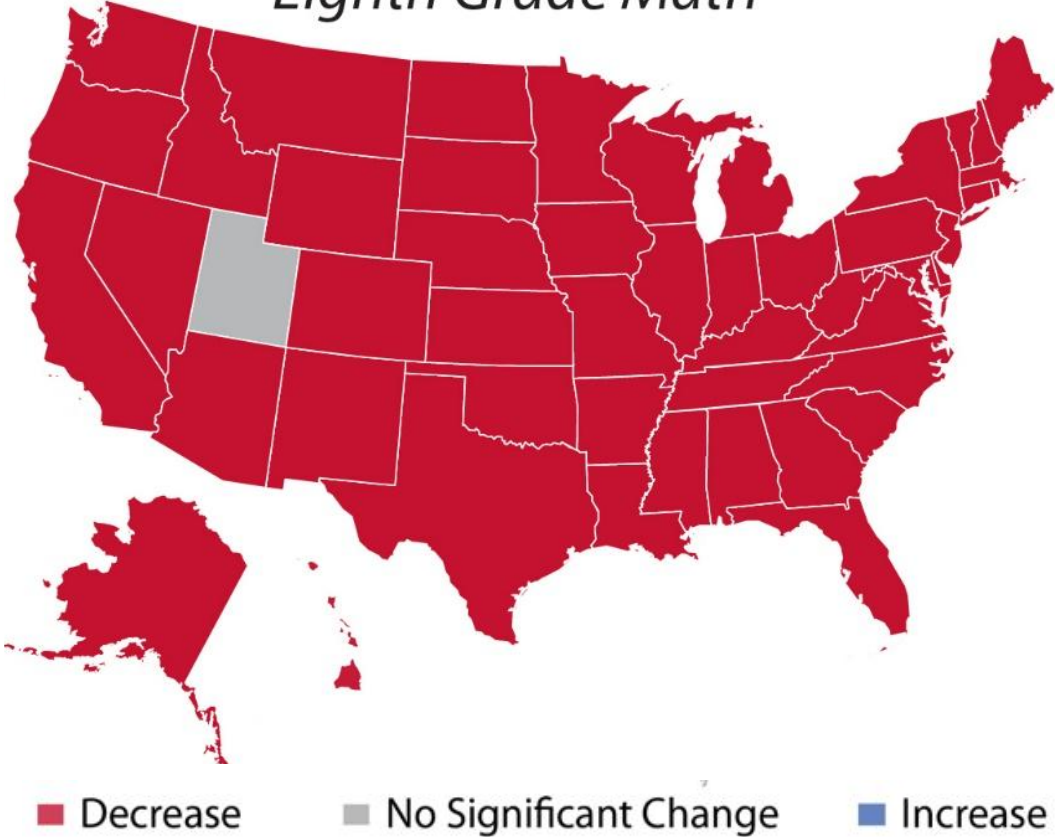
Note: Includes high school equivalency

Source: U.S. Census Bureau American Community Survey 2022 1-Year Estimates

# *Eighth Grade Math*

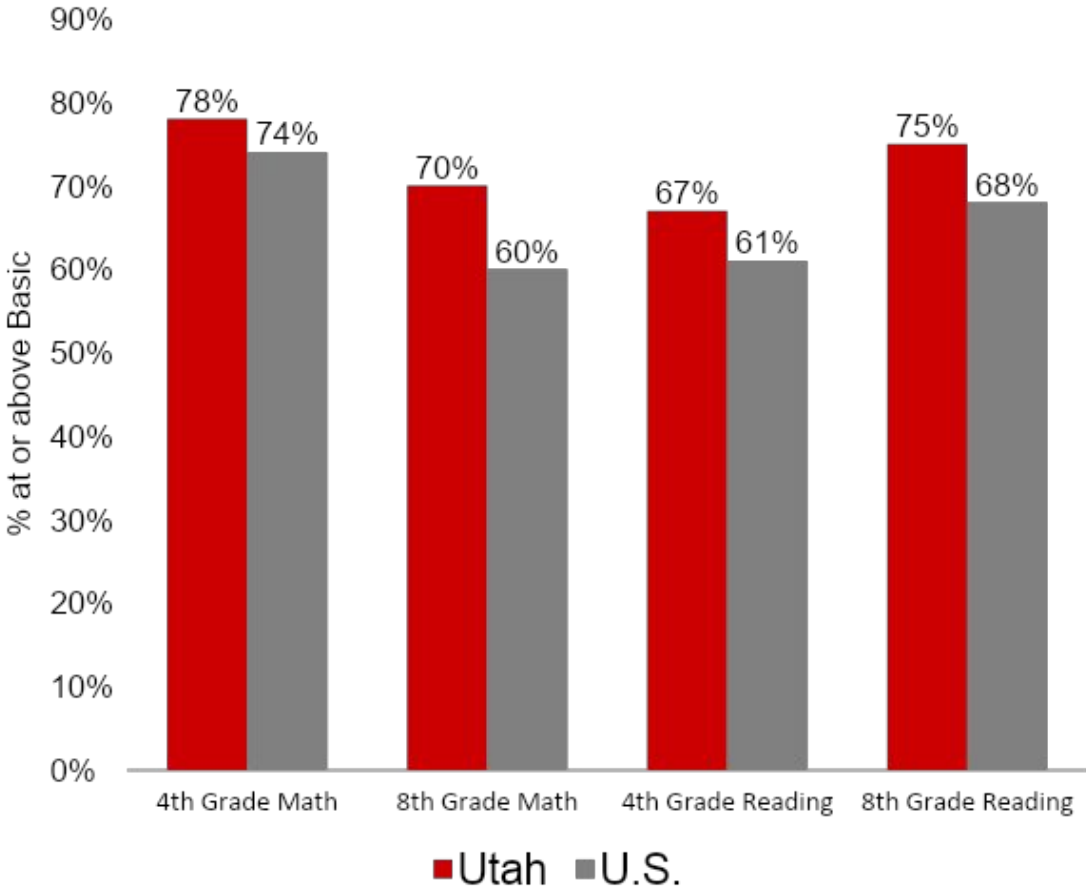
## **Change in Average Scores between 2019 and 2022 for Public School Students**

Source: The Nation’s Report Card National Assessment of Educational Progress (NAEP)

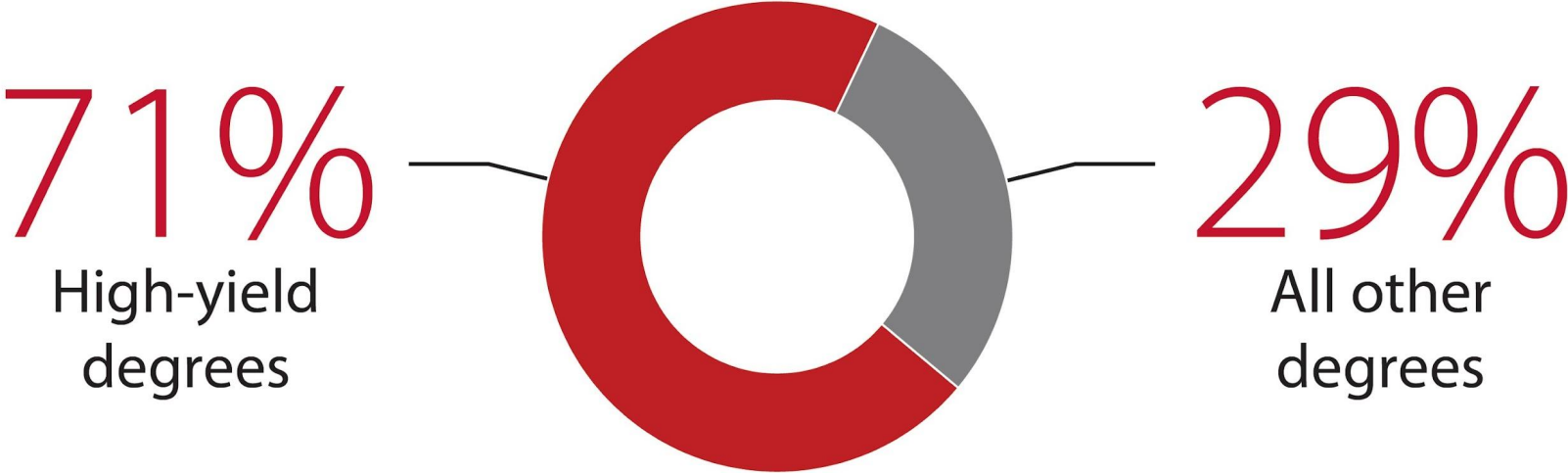


# Share of Students at or Above Basic in Reading and Math in Utah and the U.S., 2022

Source: The Nation's Report Card National Assessment of Educational Progress (NAEP)

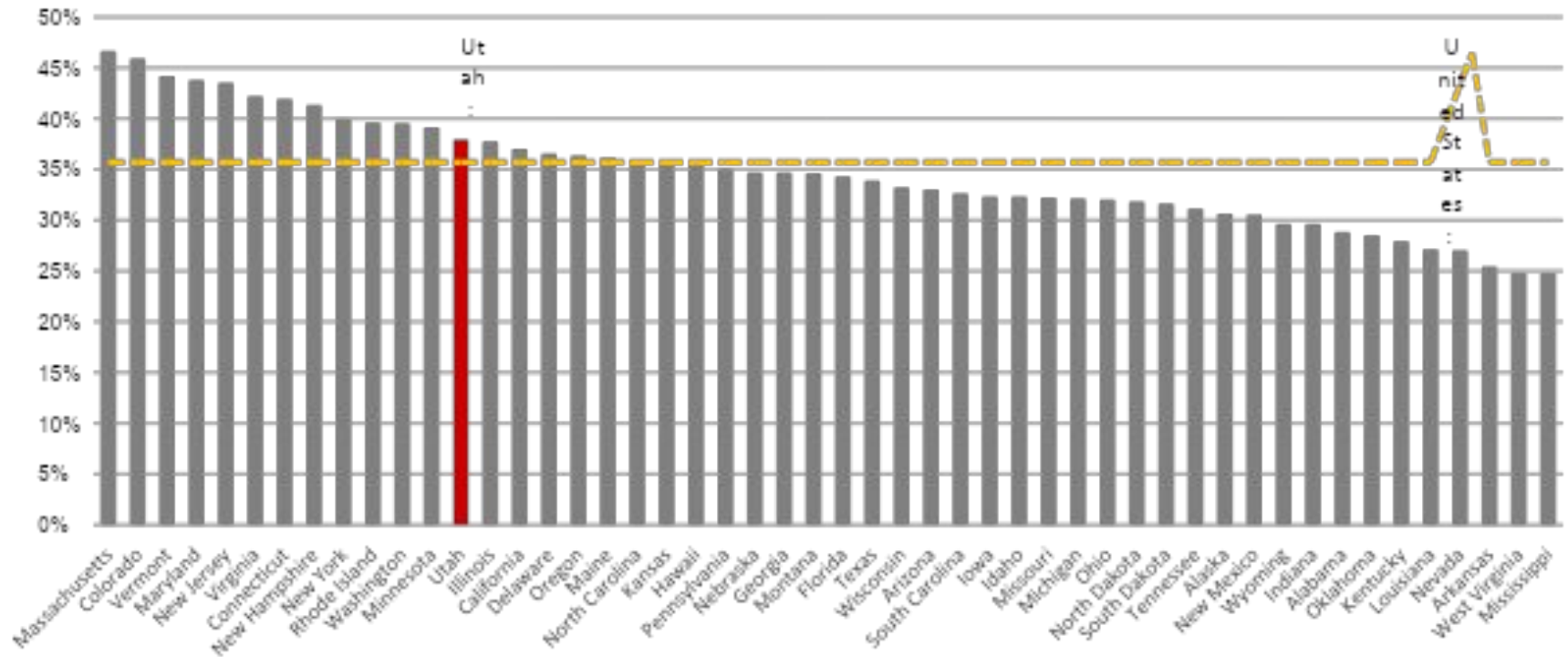


# Share of High-yield Degrees Awarded to USHE Graduates, 2022



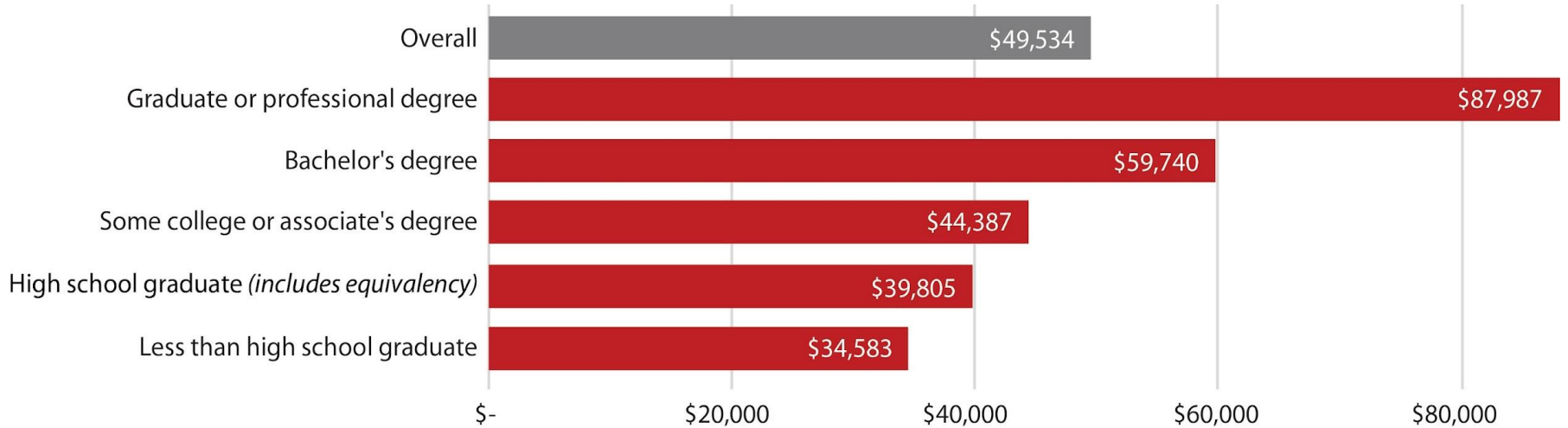
Note: High-yield degrees are degrees or awards that map to high-wage/high-demand jobs as defined by DWS' biennial four-and-five-star jobs publication.  
Source: Utah System of Higher Education

# Share of Adults 25+ with a Bachelor's Degree or Higher by State, 2022



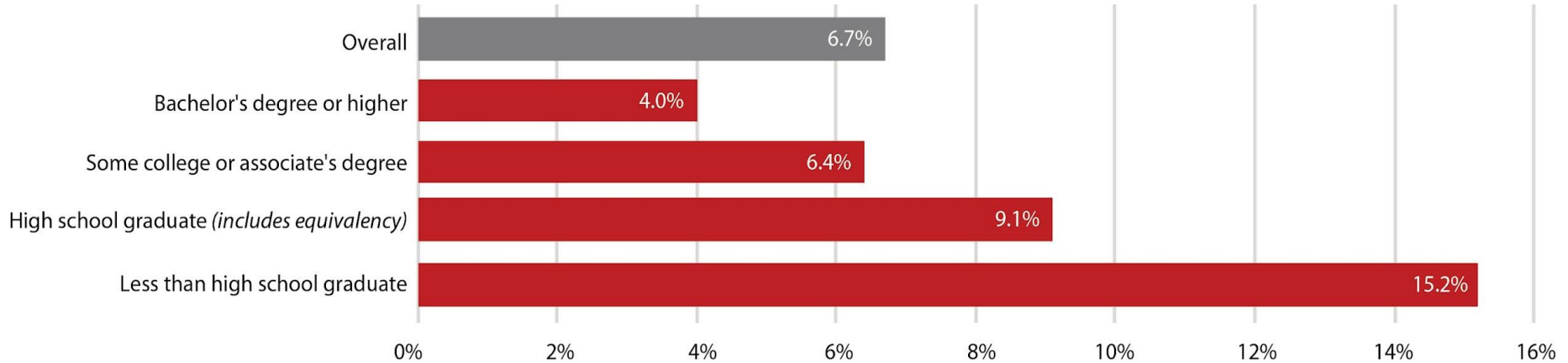
Source: U.S. Census Bureau American Community Survey 2022 1-Year Estimates

# Utah Adult Median Earnings by Educational Attainment, 2022



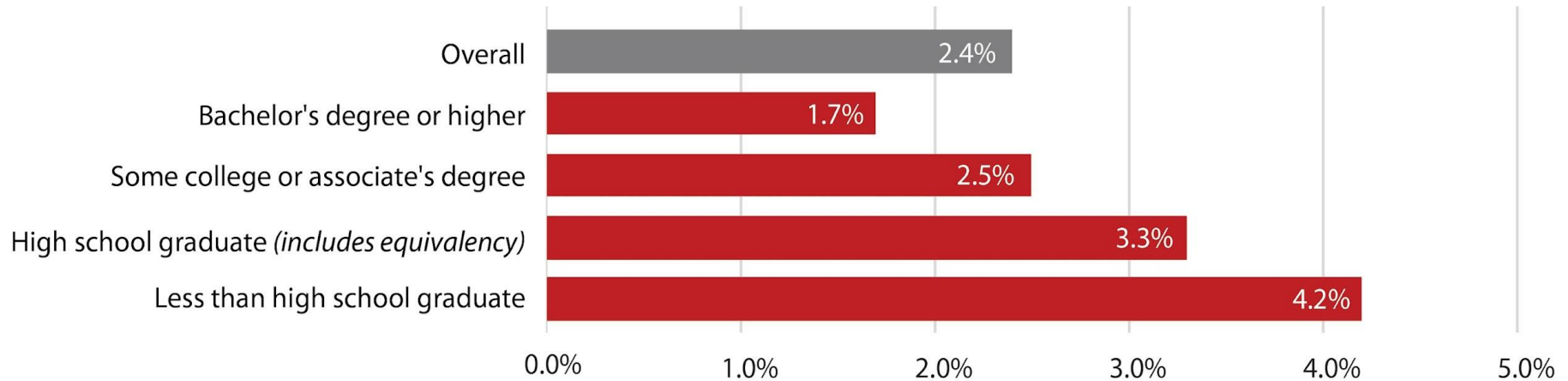
Source: U.S. Census Bureau, 2022 5-Year American Community Survey estimates

# Utah Adult Poverty Rate by Educational Attainment, 2022



Source: U.S. Census Bureau, 2022 5-Year American Community Survey estimates

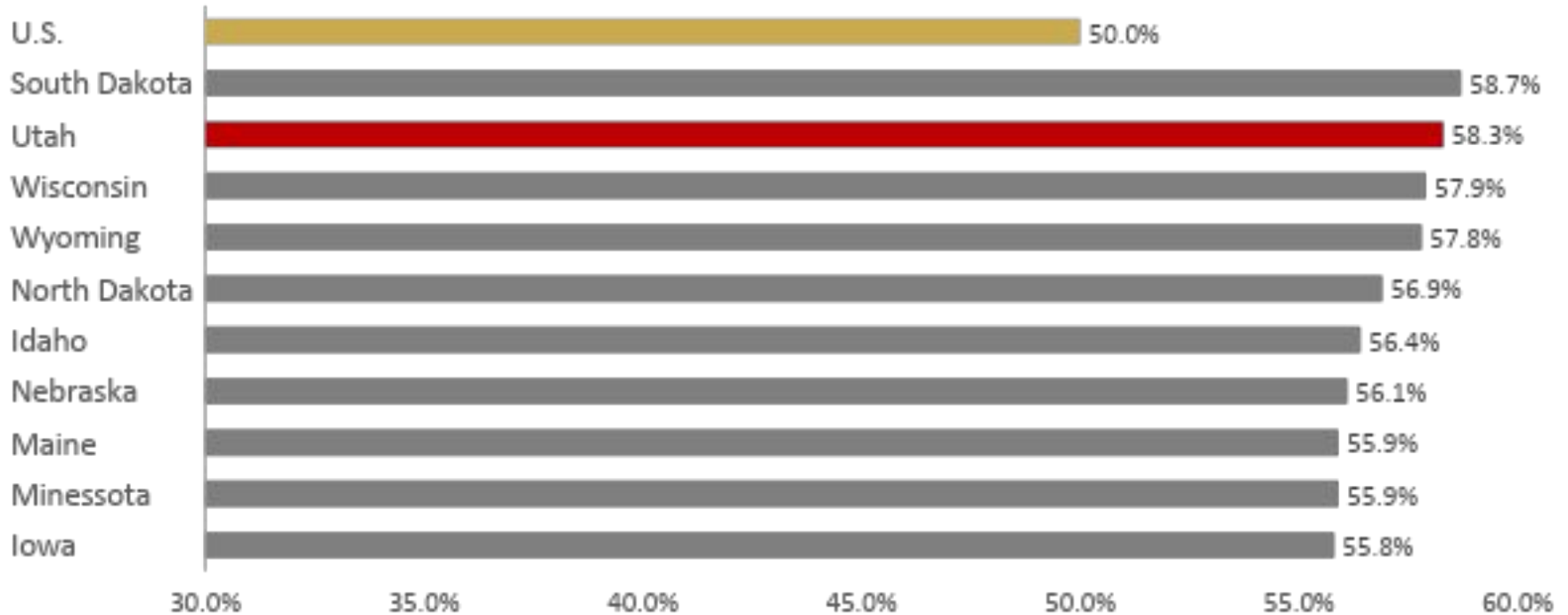
# Utah Adult Unemployment Rate by Educational Attainment, 2022



Source: U.S. Census Bureau, 2022 5-Year American Community Survey estimates

# Middle Class, Top Ten States

*Share of households that make between two-thirds or double the median household income*

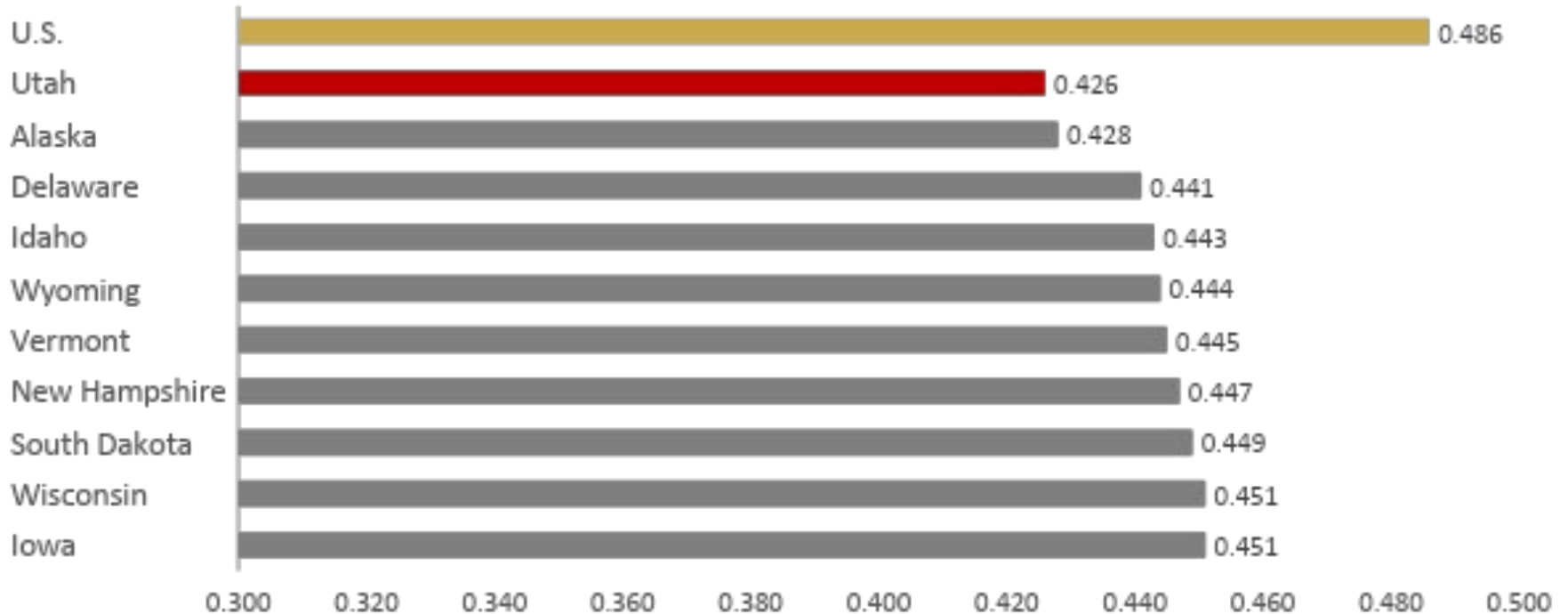


Note: Income measures adjusted for household size..

Source: Census Bureau, 1-Year, American Community Survey, 2019

# Equality of Income, Top Ten States

*Gini Coefficient, 2022*

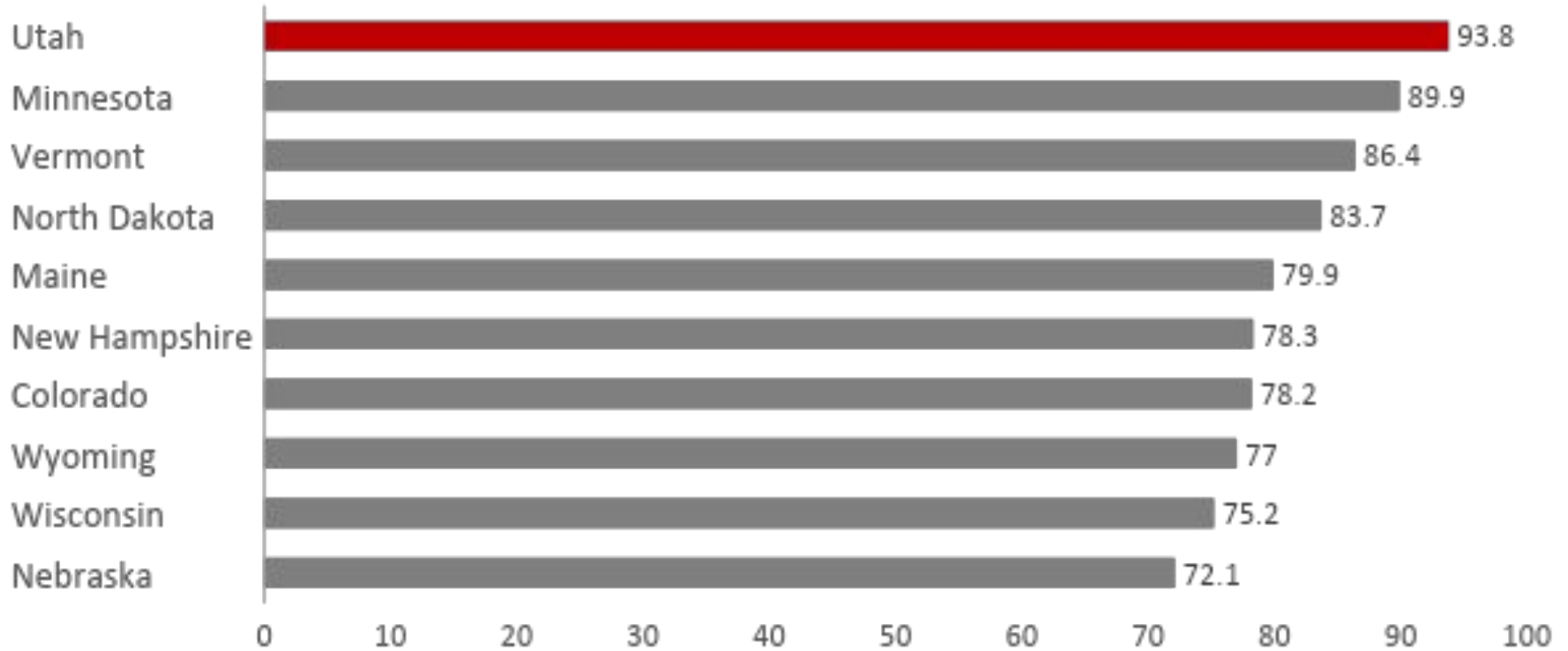


\*A higher Gini coefficient indicates greater income inequality.

Note: Axis starts at 0.3 to show differences.

Source: Census Bureau, 1-Year, American Community Survey

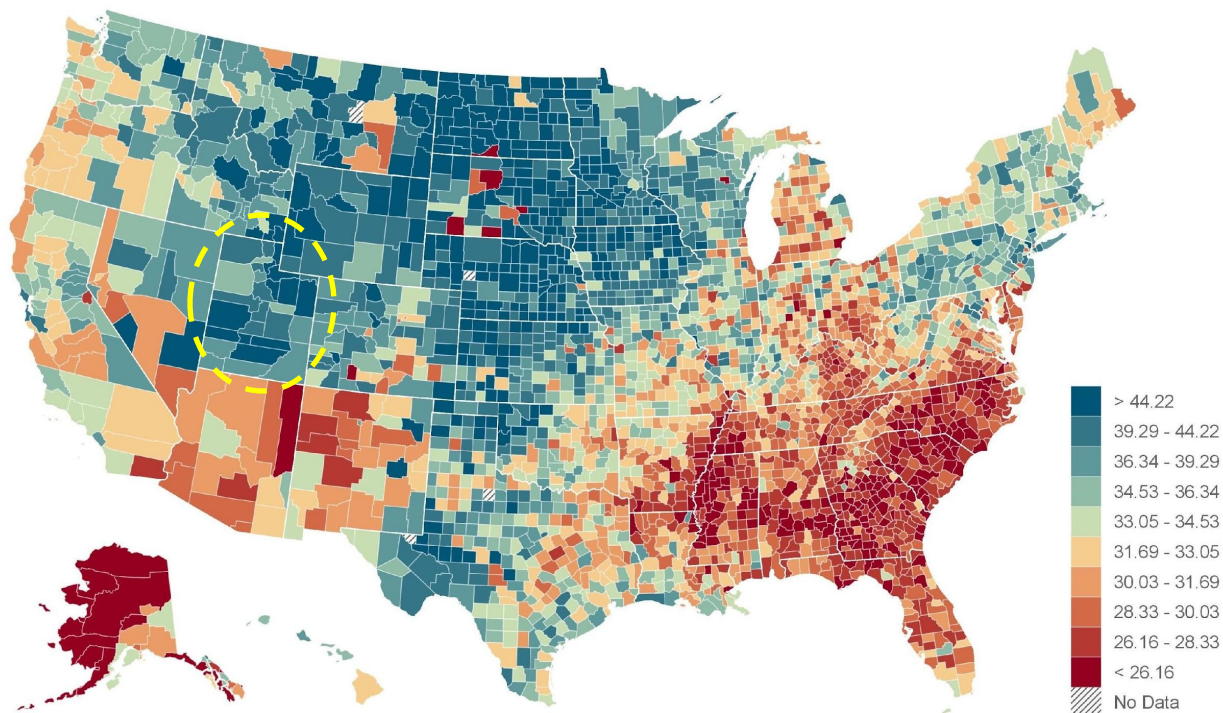
# Social Capital Index, 2021



Source: Utah Foundation

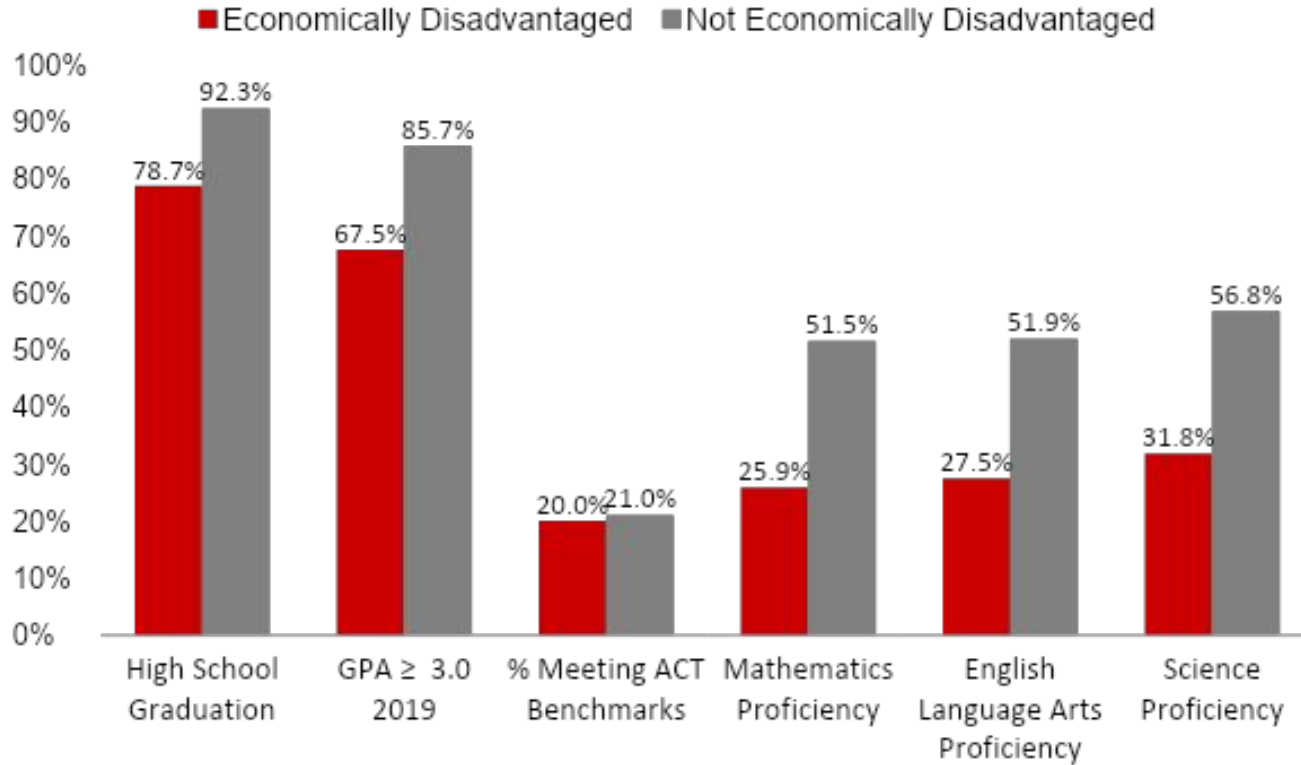
# Upward Mobility, 2018

Mean Income Rank at Age 35 for Children whose Parents Earned \$27,000



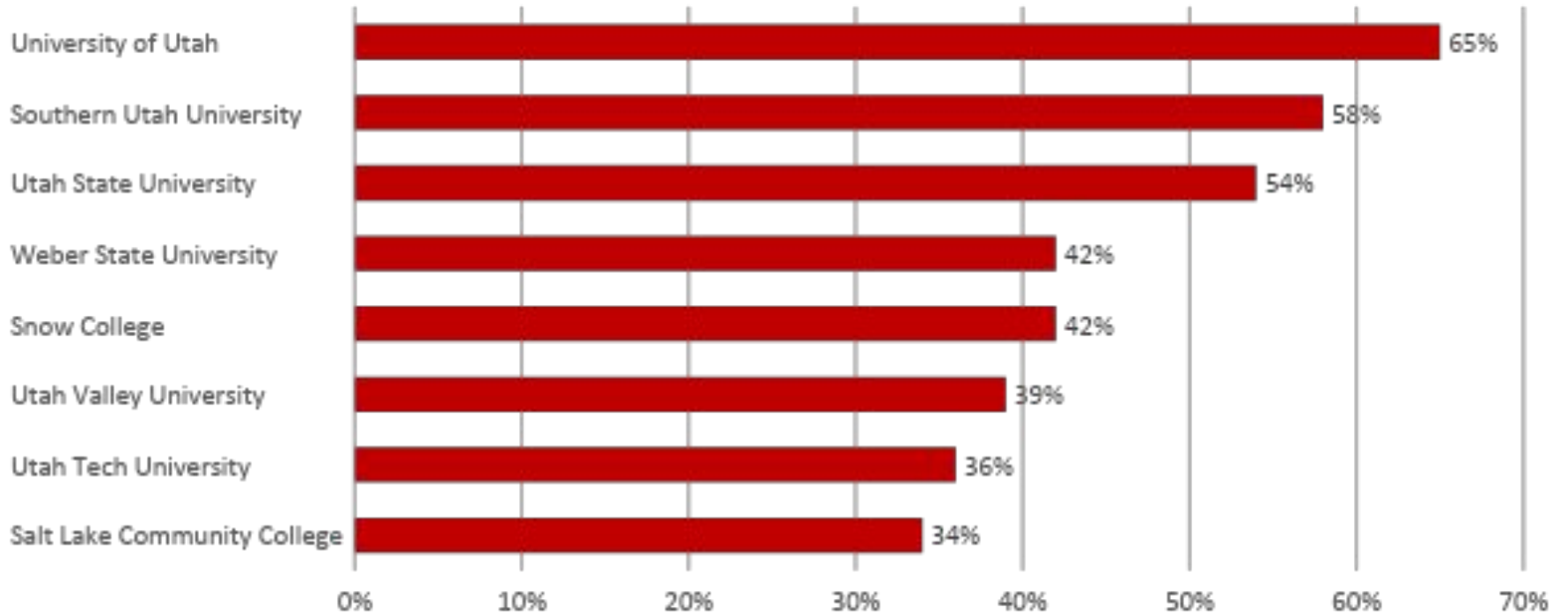
Source: Opportunity Insights (Chetty, Hendren, Jones, Porter)

# Utah K-12 Student Achievement by Economic Disadvantage, 2023



Note: The most recent GPA data is from 2019, the rest of the metrics use 2023 data. Math, ELA, and Science proficiencies as measured by the RISE test, grades 3-8. Economically disadvantaged for ACT measured as household income of \$36,000 or less, measured as qualifying for free or reduced-price lunch for the remaining metrics.  
Source: Kem C. Gardner Policy Institute analysis of Utah State Board of Education data and ACT

# Graduation Rates at USHE Degree-Granting Institutions, 2022



Source: Utah System of Higher Education

# Summary

- **Mid-size state** – Continued net in-migration and declining fertility.
- **No longer top-performing economy** – Utah now ranks 10<sup>th</sup> among states in job growth. Expect the U.S. and Utah economies to remain resilient, but fragile, with moderating growth this year.
- **Three axioms inform UEOC actions:**
  - **Quality over quantity** – Consider much more strategic economic development policies.
  - **Beware of sniffing our own fumes** – Consider doing more to address Utah's flashpoints with mental health at the top of the list.
  - **Protect our seed corn** – Consider making investment in people and infrastructure an even higher priority.

# **Review of Session & Statutory Successes,**

Ryan Starks & Abby Hunsaker



**Unified Economic  
Opportunity Commission**

**“...lead a comprehensive statewide economic development strategy”**

Creation of  
**Utah Economic Vision 2030**

2023 Statewide  
**Economic Development  
Strategy Report**

# “...develop the statewide economic strategy in view of the state water policy...”

More than  
**\$4M**  
in ongoing and  
**\$428M**  
in one-time

**10**  
bills  
**1**  
RFA

Hired  
**Tage Flint**  
as water consult for  
Corporate  
Recruitment

Utah's  
**Coordinated  
Action Plan  
for Water**

# “...establish strategies for supporting entrepreneurship and small business development...”

More than  
**\$2M**  
in ongoing and  
**\$36M**  
in one-time

**3**  
bills  
**2**  
RFAs

Hired  
**Brad Bonham**  
as GOEO  
entrepreneur-in-residence

Kicked off the 2024  
**Utah Startup  
State Initiative**

**“...analyze the state’s projected long-term population and economic growth and plan...in a manner that improves quality of life...”**

Nearly  
**\$14M**  
in ongoing and over  
**\$51M**  
in one-time

**8**  
bills  
**8**  
RFAs

GOPB’s  
**Guiding Our  
Growth  
Conversation**

Annual  
**Kem C. Gardner  
Policy Institute**  
presentation by  
Natalie Gochnour

# “...identify gaps and potential solutions related to improving infrastructure...”

More than  
**\$45M**  
in ongoing and more than  
**\$105M**  
in one-time for  
**transportation**

**7**  
Transportation  
Infrastructure bills

**9**  
Water, energy, and housing  
infrastructure bills

**“...coordinate and develop strategies that assist education providers and industry to cooperate...”**

**“..support the development of a prepared workforce...”**

Nearly  
**\$25M**  
in ongoing and nearly  
**\$34M**  
in one-time

**4**  
bills and  
**8**  
RFAs

Robust analysis on  
**talent pipeline**  
and  
**workforce needs**

**“...ensure comprehensive economic development efforts are targeted to the unique needs of rural areas of the state...”**

Nearly  
**\$7M**  
in ongoing and  
**\$3.4M**  
in one-time

**4**  
bills and  
**6**  
RFAs

Establishment of  
**REDTIF**  
and  
**Rural  
Opportunity  
Fund**

**“...ensure the commission's efforts are, to the extent practicable, data-driven and evidence based..”**

**Childcare &  
Workforce  
Strategic Plan**  
2024

**Housing Capacity,  
Infrastructure,  
& Market Analysis**  
2024-2025

Talent Ready Utah's  
**robust pairwise  
comparison**  
to determine  
state impact

**Coordinated  
Action Plan for  
Economic Vision**

**“...support an integrated international trade strategy for the state...”**

UEOC trade missions to  
**Israel & Dubai**  
and  
**France & the U.K.**

Established the  
**International  
Strategic Framework**

# UEOC 2024 Timeline

May 20

UEOC sets the vision for subcommittees and topics

July 2

Subcommittees, staff, and topic leads present initial items for consideration

Sept 16

Subcommittees, staff, and topic leads present early-action items for UEOC consideration

Any relevant policies are forwarded to be considered by Interim Committees & GOPB

Oct 23

Subcommittees, staff, and topic leads present items for UEOC consideration

Any relevant policies are forwarded to be considered by Interim Committees

Nov 14

Subcommittees, staff, and topic leads present final items for UEOC consideration

Staff works with legislators and agencies on recommendations

# Economic Visioning for the 2034 Olympics

## The role of the UEOC:

- ✗ Logistics and execution of the Olympics
- ✗ Olympic venues
- ✓ Vision for Utah
- ✓ Strategies and action for vision

# What do we want Utah to look like in 2034? How can the Olympics help us achieve that?

- 



# What do we want Utah to look like in 2034? How can the Olympics help us achieve that?

- 



# Create Strategic Plans for Targeted Industries

## Industry

Aerospace & Defense

Software & IT

Life Sciences

Financial Services

- FinTech

Adv. Manufacturing

## Lead

47G

Silicon Slopes

BioUtah

Utah Bankers Association

Governor's FinTech Advisory Council

Utah MEP



# Create Strategic Plans for Targeted Industries

## Strategic Plans to include:

- Specific & measurable “stretch” goals, which could include:
  - Growth in GDP, exports, job creation, etc.
  - Talent and workforce improvements
- At least 1 initiative per goal, which could include:
  - Changes to law or administrative rule
  - New partnerships, marketing campaigns, talent support, etc.
  - Small funding items
- A plan to reassess the Strategic Plan in future years



# **Subcommittee Goals & Focuses,**

Abby Hunsaker



**Unified Economic  
Opportunity Commission**

# **Concluding Remarks,**

Governor Cox, Speaker Schultz, President Adams



**Unified Economic  
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**Unified Economic  
Opportunity Commission**

**THANK YOU**

