

## Appendix A.11 Economic Benefits

These tables represent the California State Rail Plan, including **all** projects. They should be analyzed in the same manner as those in the previous report.

### Findings:

In Table A.32: Direct Expenditures for All California State Rail Plan Projects (000s, \$2018) below we report the direct construction expenditures associated with California State Rail projects as an aggregate, all in constant \$2018 values. By 2040 these projects are expected to total just over \$181 billion.

**Table A.32: Direct Expenditures for All California State Rail Plan Projects (000s, \$2018)**

Direct Expenditure	2022	2027	2040	Total
Total by Period	\$ 28,498,345	\$ 77,659,538	\$ 75,212,582	\$ 181,370,465

**As shown, the direct expenditures associated with the California State Rail Plan result in total output for the California economy of over \$344 billion – a multiplier effect of 1.9<sup>17</sup>.**

Resulting in a total employment impact across affected industries of over 2 million person-years of employment, and labor income of over \$126 billion.

The IMPLAN model also calculates tax revenues associated with this economic activity, in terms of State and local and Federal taxes. The tax impacts here are for taxes for which revenues can be directly inferred from economic expenditures, such as sales or income taxes.

The total tax revenues anticipated from the expenditures are close to **\$9 billion** for State and local and close to **\$24 billion** for Federal taxes by 2040.

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<sup>17</sup> Total output includes the initial direct expenditures. It also includes all labor income in terms of wages and salaries.

**Table A.33: Total Economic Impacts: Employment, Income, and Total Expenditures (000s, \$2018)**

Impact Summary	2022	2027	2040	Total
Direct Expenditure Impacts (A):				
Employment (Person Years)	\$ 180,656	\$ 492,298	\$ 476,786	\$ 1,149,740
Labor Income (\$)	\$ 11,154,666	\$ 30,397,070	\$ 29,439,296	\$ 70,991,032
Output (\$)	\$ 28,478,301	\$ 77,604,918	\$ 75,159,683	\$ 181,242,902
Indirect Expenditure Impacts (B):				
Employment (Person Years)	\$ 57,498	\$ 156,685	\$ 151,748	\$ 365,931
Labor Income (\$)	\$ 3,990,015	\$ 10,873,007	\$ 10,530,412	\$ 25,393,434
Output (\$)	\$ 11,972,622	\$ 32,626,045	\$ 31,598,038	\$ 76,196,705
Induced Expenditure Impacts (C):				
Employment (Person Years)	\$ 85,342	\$ 232,561	\$ 225,234	\$ 543,137
Labor Income (\$)	\$ 4,655,404	\$ 12,686,230	\$ 12,286,502	\$ 29,628,136
Output (\$)	\$ 13,679,629	\$ 37,277,732	\$ 36,103,157	\$ 87,060,518
Total Impacts (A + B + C):				
Employment (Person Years)	\$ 323,496	\$ 881,544	\$ 853,768	\$ 2,058,808
Labor Income (\$)	\$ 19,800,085	\$ 53,956,307	\$ 52,256,210	\$ 126,012,602
Output (\$)	\$ 54,130,552	\$ 147,508,695	\$ 142,860,878	\$ 344,500,125

**Table A.34: Tax Revenue Impacts (000s, \$2018)**

<b>Tax Summary</b>	<b>2022</b>	<b>2027</b>	<b>2040</b>	<b>Total</b>
<i>State and Local</i>				
Sales Tax	\$ 679,895	\$ 1,852,751	\$ 1,794,373	\$ 4,327,019
Income Tax	\$ 640,383	\$ 1,745,079	\$ 1,690,094	\$ 4,075,556
Social Security	\$ 49,245	\$ 134,195	\$ 129,966	\$ 313,406
<b>Total</b>	<b>\$ 1,369,523</b>	<b>\$ 3,732,025</b>	<b>\$ 3,614,433</b>	<b>\$ 8,715,981</b>
<i>Federal</i>				
Excise Taxes	\$ 124,297	\$ 338,715	\$ 328,043	\$ 791,055
Income Tax	\$ 1,812,387	\$ 4,938,852	\$ 4,783,235	\$ 11,534,474
Social Security	\$ 1,822,988	\$ 4,967,742	\$ 4,811,214	\$ 11,601,944
<b>Total</b>	<b>\$ 3,759,672</b>	<b>\$ 10,245,309</b>	<b>\$ 9,922,492</b>	<b>\$ 23,927,473</b>

