Bond Case Briefs

Municipal Finance Law Since 1971

S&P: Tourism-Dependent U.S. States Could Face Credit Pressure From COVID-19's Outsized Effects On The Industry

Table of Contents

- Nevada And Hawaii Are Expected To Be Most Affected Based On Their Significant Tourism Concentration
- Other States With Tourism Sectors Are Also Facing Pressure
- The Already Projected Significant Economic Contraction In The U.S. Is Magnified In The Tourism Sector
- The Effects On State Ratings Will Depend On Concentration And Financial Management In Tough Times
- Sector Size Matters, But Proportion Relative To The State Matters More

Key Takeaways

- With most of the U.S. under COVID-19 containment guidelines, tourism–both domestic and international–is one of the hardest-hit economic sectors.
- States most dependent on tourism are likely see credit pressures due to loss of revenue, spikes in unemployment, and reduced economic activity and may face a significant lag during the recovery.
- We consider Nevada and Hawaii to be the most severely affected states based on tourism’s share of their economies.

Continue reading.

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com