

ECONOMIC IMPACT ASSESSMENT · FEBRUARY 2026

Galveston ISD

By The Numbers

A comprehensive analysis of how Galveston Independent School District anchors the local economy through employment, spending, capital investment, and human capital development.

Operational Spending Drives Local Prosperity



\$53.7M

Annual Direct Labor Income

Average salary of \$52,762 across 1,018 employees, making GISD one of Galveston's largest and most stable year-round employers — a critical counterweight to seasonal tourism employment.



\$43.4M

Total Annual Employee Spending

GISD employees spend an average of \$3,552 per month across housing, groceries, dining, retail, entertainment, and personal services — generating consistent local demand throughout the year.



\$32.7M–\$35.3M

Spending Retained on Galveston Island

GISD employees show a 75.4% local spending preference — well above typical communities. Excluding groceries, that preference rises to 81.3%, amplifying the local multiplier effect.



\$20–25M

Annual Local Vendor Spending

GISD procures from local contractors, food suppliers, transportation vendors, IT firms, and professional services — supporting jobs in construction, retail, and professional service sectors.

MULTIPLIER EFFECTS

Every Dollar Spent Multiplies Through Galveston

\$43.4M
DIRECT EMPLOYEE
HOUSEHOLD SPENDING



\$69.4M
INDUCED OUTPUT
(RIMS-II × 1.6)



\$29.6M
VENDOR SUPPLY CHAIN
OUTPUT



~\$99M
TOTAL SECONDARY
ECONOMIC OUTPUT

~\$410,000

Annual local sales tax
revenue from employee spending

\$20.4M

Taxable retail activity
generated annually

930–1,300

Additional local jobs
supported by induced activity

\$38.1M

Estimated labor income from
indirect + induced effects

— CAPITAL INVESTMENT

\$315M Bond Program: Building Galveston's Future

Voter-approved in May 2022, this transformative bond modernizes facilities, upgrades learning environments, and strengthens the district's long-term educational competitiveness. Total economic output from the program is projected between **\$504M–\$567M**.

\$233.9M

Ball High School + Transportation Fleet

\$36.2M

Middle School Upgrades (Austin, Weiss, Central)

\$24.3M

Courville Stadium Replacement

\$16.0M

New Aquatics Center

\$4.5M

Software & Technology Modernization

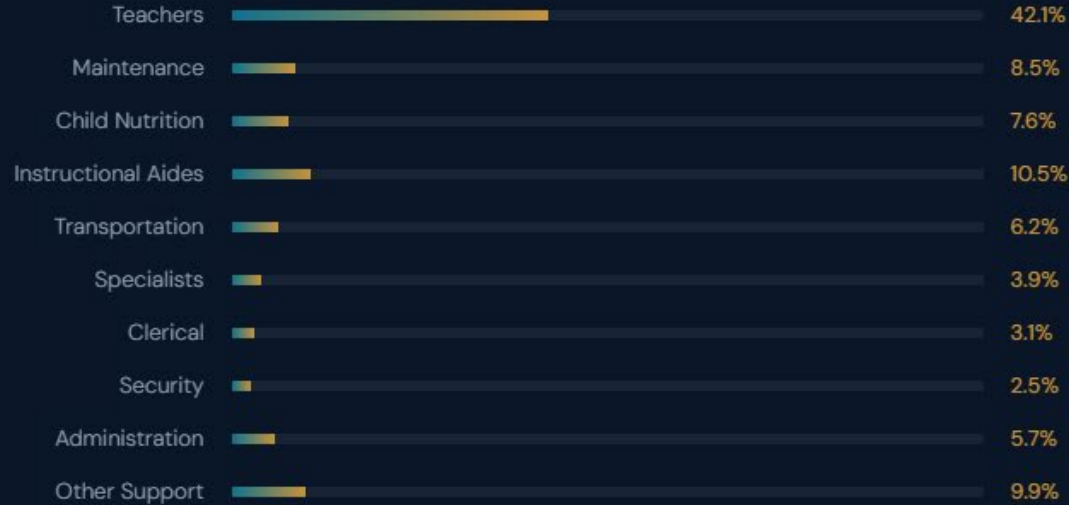
87.46%

Of all bond spending has occurred within the Houston–Galveston Region — far above the typical 20–35% local capture rate for construction projects.

\$167.5M

Spent directly in Galveston or the immediate surrounding area to date, supporting local contractors, trades, suppliers, and service firms.

1,018 Employees Across Every Corner of Education



\$52,762

Average annual salary across all GISD employees, supported by competitive benefits including TRS enrollment and district health coverage.

52.6%

Of all GISD personnel are directly engaged in student learning (teachers + instructional aides) — ensuring educational investment remains central to district spending.

Year-Round

GISD employment provides stable, non-seasonal income in a city whose economy otherwise fluctuates heavily with tourism cycles.

Educating Galveston's Future Workforce

96.7%

Graduation & Continuation Rate

GISD's combined 4-year graduation, continuation, and equivalency rate. High completion rates translate directly into a more employable adult workforce, a stronger tax base, and lower long-term public costs.

856

Dual Credit Enrollments (2024–25)

Students enrolled in college classes through GISD's partnership with Galveston College. 50 students graduated with associate degrees and 28 with certificates — saving families up to \$65,000 in future tuition costs.

\$65.9^M

Lifetime Earnings Premium Per Class

A graduating class of 467 will earn a combined \$65.9M more over their lifetime than non-graduates. Associate degree holders earn \$846K more individually over 47 working years.

CTE & INDUSTRY PARTNERSHIPS

Healthcare (UTMB)

Maritime (TAMUG)

Tourism & Hospitality

Welding & Construction

Cybersecurity & IT

Culinary Arts

STEM Programs

Port Operations

\$504M–\$567M

TOTAL BOND PROGRAM ECONOMIC OUTPUT

~\$99M

TOTAL SECONDARY ECONOMIC OUTPUT (INDIRECT + INDUCED)

842–1,209

JOBS SUPPORTED BY SECONDARY ECONOMIC EFFECTS

75.4%

LOCAL SPENDING PREFERENCE OF GISD EMPLOYEES

Total Annual Economic Output

The report doesn't present a single consolidated "total" figure, but the components add up to roughly \$220–230 million in annual recurring economic activity:

- \$53.7M in direct labor income (payroll)
- \$20–25M in local vendor/procurement spending
- \$69.4M in induced household economic activity (RIMS-II multiplied)
- \$29.6M in indirect vendor supply chain output
- \$20.4M in taxable retail activity

On top of that recurring annual footprint, the \$315M bond program is generating a one-time capital wave projected to produce \$504M–\$567M in total economic output over its construction lifecycle — one of the largest public-sector investments in Galveston's recent



Suggestions for Increasing Local Economic Impact

- The report itself identifies five strategic priorities, which I'd frame this way:
- **1. Deepen local vendor engagement.** Right now, the analysis assumes only about 40% of non-payroll spending goes to local vendors — a conservative estimate the report acknowledges could be raised. Actively auditing the vendor list, setting local procurement targets, and giving preference to Galveston-area suppliers in bidding processes would push more of that \$52.9M in non-payroll spending into the local economy.
- **2. Expand workforce-aligned CTE pathways.** The report highlights healthcare, maritime, hospitality, engineering, and IT as Galveston's growth sectors. Deepening partnerships with UTMB, TAMUG, and the Port of Galveston — and increasing the number of students earning industry-recognized certifications — would accelerate the pipeline of job-ready graduates staying and working locally, which strengthens the long-term consumer and tax base.
- **3. Strengthen teacher recruitment and retention.** The current average salary of \$52,762 drives the entire induced spending calculation. Raising teacher pay and reducing turnover would directly increase both the payroll injection and the downstream household spending multiplier — and would help stabilize the workforce the report identifies as a core economic anchor.
- **4. Grow the dual-credit / associate degree program.** In 2024–25, 856 students enrolled in college courses and 50 graduated with associate degrees. Scaling this keeps more higher-earning graduates in Galveston by reducing the financial pressure to leave the island for college, and the report estimates associate degree holders earn \$846,000 more over a lifetime than non-graduates — wealth that ultimately recirculates locally.
- **5. Invest in better data tracking.** The report notes the employee consumption survey may have oversampled higher-salaried staff, and that the 40% local procurement assumption is a rough estimate. Stratified surveys by job classification and a formal vendor locality audit would sharpen these numbers — and likely reveal that the true local impact is even larger than currently measured. Better data also enables more targeted decision-making about where to direct spending for maximum local recirculation.

The throughline across all five is the same: GISD already captures an unusually high share of its economic activity locally (75.4% employee spending preference vs. a typical near-50/50 split), so the leverage is in expanding the base — more local hires, more local contracts, more credentialed graduates staying on the island — rather than in changing behavior that's already strong.