The Economic Impact of Texas State University

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Texas State's Economic Impact

Executive Summary

Spending by Texas State University, its employees, students, and visitors to the university has a significant impact on the local, regional, and state economies. During FY20[1], this spending resulted in over $2.0 billion in total economic activity in the State of Texas and the creation of nearly 16,000 jobs.

This study's findings were derived from the IMPLAN Input-Output model. The fundamental concept of an input-output model is that spending by one entity, like Texas State, is income for another entity, like an employee. That employee spends their pay on goods and services, which results in income for local merchants. The merchants use these funds to hire workers, who in turn spend their wages on goods and services. These ripple effects continue throughout the economy.

This study examines spending in the following areas related to Texas State: 1) University payroll expenditures, 2) University operating expenditures, 3) University construction spending, 4) University student spending, and 5) University visitor spending. The total economic impact is calculated for Hays County, Williamson County, the region[2], and the State of Texas.

Spending by Texas State, its faculty, staff, students, and visitors has a significant economic impact. Over 90% of the University's economic impact occurs in the region, with over

[1] The fiscal year that ended on August 31, 2020.

[2] The region is defined as Hays County, Williamson County, and the contiguous surrounding counties of Bastrop, Bell, Blanco, Burnet, Caldwell, Comal, Guadalupe, Lee, Milam, and Travis.

half concentrated in Hays County. The largest economic impact at the local, regional and state levels is a direct result of the wages & salaries paid to university employees, followed by student spending.

Table 1: Summary of Texas State's Economic Impact

	Hays County		
	Jobs Created		Total Economic Impact
Wages & Salaries	3,193	$	319,845,575
University Operations	806	$	251,383,878
Construction	733	$	97,189,021
Student Spending	2,546	$	335,275,475
Visitor Spending	2,274	$	121,488,542
Total	9,552	$	1,125,182,491
	Williamson County		
	Jobs Created		Total Economic Impact
Wages & Salaries	340	$	38,358,622
University Operations	16	$	4,892,449
Construction	140	$	20,322,585
Student Spending	163	$	24,524,183
Visitor Spending	-	$	-
Total	659	$	88,097,839
	Region		
	Jobs Created		Total Economic Impact
Wages & Salaries	6,413	$	723,254,920
University Operations	892	$	270,645,843
Construction	955	$	133,632,969
Student Spending	3,912	$	572,533,996
Visitor Spending	2,356	$	137,306,468
Total	14,529	$	1,837,374,195
	Texas		
	Jobs Created		Total Economic Impact
Wages & Salaries	7,025	$	792,832,112
University Operations	985	$	289,373,996
Construction	1,028	$	150,199,695
Student Spending	4,214	$	620,405,854
Visitor Spending	2,438	$	154,550,497
Total	15,690	$	2,007,362,153

I. Introduction

The purpose of this study is to examine the economic impact of Texas State University. Since its establishment in 1899, the university has contributed to the local, regional, and state economies. Today, Texas State enrolls approximately 38,000 students at the original campus in San Marcos and at the Round Rock campus. In FY20, Texas State spent over $600 million on operating expenses, wages & salaries, and construction. However, the total economic impact of this spending is much larger. In addition to the university's expenditures, spending by Texas State students and visitors contributes to the area's economic activity. The ripple effect of this spending throughout the economy created nearly 16,000 FTE[3] jobs and more than $2.0 billion of economic impact in the 2019-2020 academic year.

The economic impact analysis is broken down into the following areas:

1. Spending by Texas State employees,
2. Spending by Texas State on operating expenditures,
3. Spending by Texas State on construction projects,
4. Spending by Texas State students,
5. Spending by visitors to Texas State University.

The analysis estimates the economic impact in Hays County (home of the San Marcos campus), Williamson County (home of the Round Rock campus), the region (Hays County, Williamson County, and the contiguous surrounding counties of Bastrop, Bell, Blanco, Burnet, Caldwell, Comal, Guadalupe, Lee, Milam, and Travis), and the State of Texas. This report does

[3] Full-time equivalent

not consider the value of higher future earnings students will receive as a result of their education. Nor does this report consider the value of Texas State's social and cultural contributions. Any economic impact outside Texas is not considered in this analysis.

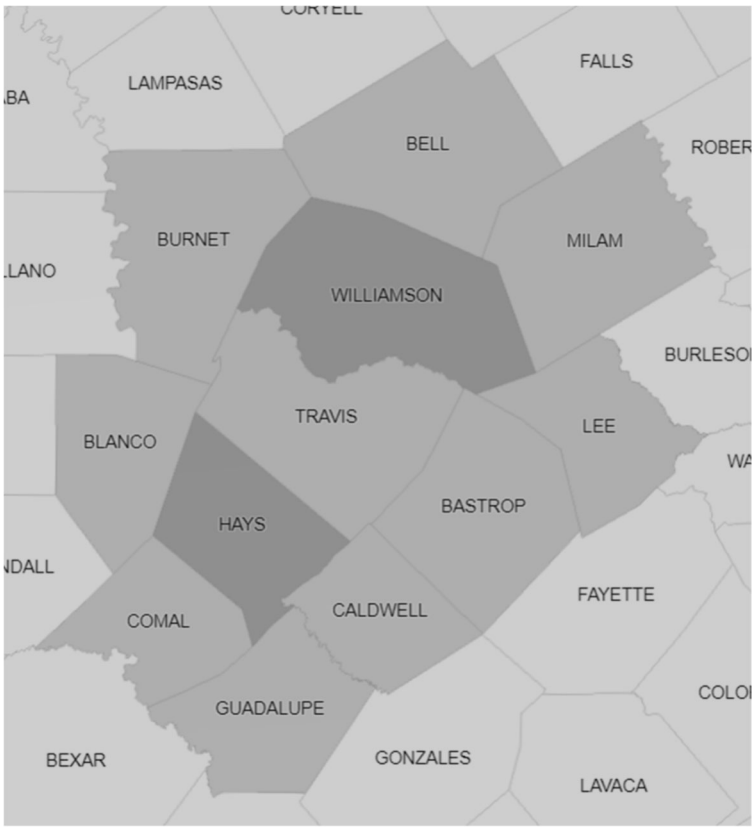

Figure 1: Hays, Williamson, and Contiguous Surrounding Counties

II. Input-Output Analysis

The findings of this study are the result of input-output analysis. IMPLAN, a software and economic & demographic database package, was used for the analysis. The underlying concept in input-output analysis is that "… all industries, households, and government in the economy are connected through buy-sell relationships .." [4] and that spending by a university, for example, creates additional economic activity throughout the local, regional, and state economies. Input-output models capture the impact of these ripple effects on spending across multiple industries.

For each impacted industry, the input-output model calculates the direct, indirect, and induced effects. The economic impact is defined as the total output of these effects. In this report, direct effects include the initial spending by the university, its employees, its students, and its visitors. The purchase of concrete for the construction of a new campus building is an example of a direct effect. Indirect effects are the result of business-to-business purchases caused by the direct effects. The purchase of the ingredients to produce concrete, like sand and gravel, would be considered an indirect effect. The induced effects reflect the consumer-to-business spending generated by the wages paid to workers in the direct and indirect activities.[5] For example, spending from wages paid to a concrete mixer driver would be an induced effect.

[4] https://support.implan.com/hc/en-us/articles/360038285254-How-IMPLAN-Works

[5] In this analysis, the impact of wages and salaries paid to Texas State employees is reported separately from the impact of other university spending.

As described above, total output is the sum of the direct, indirect and induced effects. Output is defined as "the value of Industry production, which is equal to sales plus net inventory change."[6] This is easiest to see for manufacturing sectors. For service sectors, output is equal to just sales, as these sectors do not carry inventory. Although wholesale and retail sectors carry inventory, output is defined as the gross margin, not sales. Thus, a dollar spent on professional services generates $1 in direct output. However, that same dollar spent at a retail convenience store would only generate $0.22 in direct output as the average margin for retail convenience stores in Texas is about 22%.

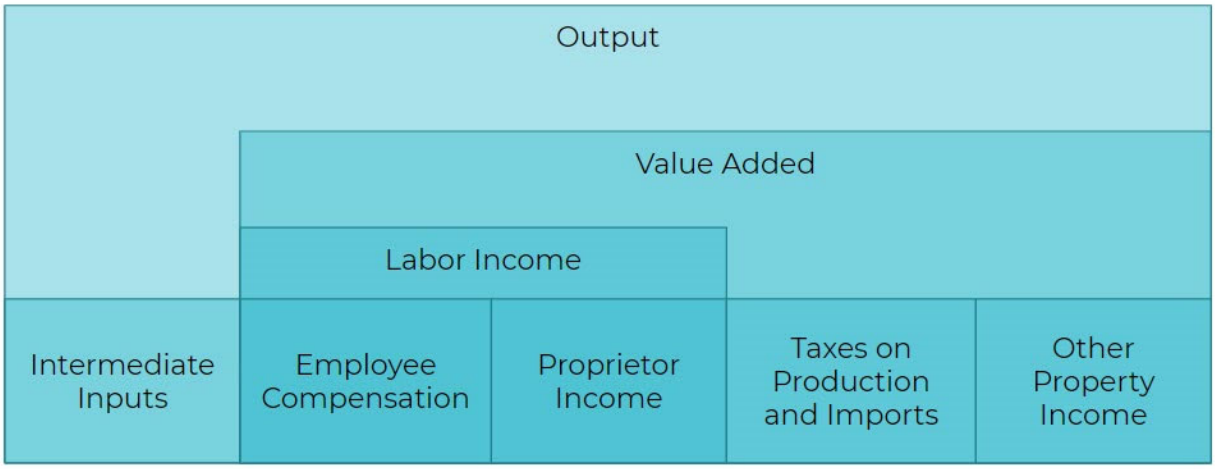

Figure 2: Components of Output[7]

As shown in Figure 2, included in output is value added, which includes labor income, taxes, and other types of income (e.g., dividends and royalties.) Value added can be thought of as "equivalent to the Industry's contribution to GDP."[8] This report estimates the number of jobs,

[6] https://support.implan.com/hc/en-us/articles/115009668388-Output

[7] https://support.implan.com/hc/en-us/articles/360035998833-Understanding-Output

[8] https://support.implan.com/hc/en-us/articles/360017144753-Understanding-Value-Added-VA-

labor income, taxes, value added, and output directly created, indirectly created, and induced by Texas State University, its employees, students, and visitors.

III. Economic Impact of Spending by Texas State's Employees

At the beginning of FY20, Texas State employed approximately 5,550 faculty, staff, doctoral & graduate assistants, and student workers. Salaries, wages, and payroll related costs (including benefits and taxes) totaled over $384.7 million[9] and accounted for more than half of the university's Total Operating Expenses. Spending by Texas State employees is extremely important to the local, regional, and state economies. Their spending at local stores and restaurants, for example, leads to the creation of jobs at those local stores and restaurants. Those store and restaurant workers then spend their pay at other stores and restaurants, which leads to the creation of additional jobs and economic activity.

To model the economic impact of employee spending, it was necessary to know where employees live since that is where they will spend most of their income. The Input-Output model assumes that most of an individual's spending will be in the county in which they reside. The zip code for each Texas State employee's home address was matched to its corresponding county. Of the 5,550 employees, all but 108, or 2%, live in Texas. Approximately 5,000 of Texas State employees, or 90%, live in the 12-county region, with 50% residing in Hays County and 4% residing in Williamson County. The remaining 8% of employees live in one of 65 other Texas counties.

[9] https://gato-docs.its.txstate.edu/jcr:1187c3de-4c4f-4f4c-b747-ee0c83ea7959/(754)%20Texas%20State%20University%202020%20Annual%20Financial%20Report%20FINAL.pdf

Although the Texas State employee headcount is 5,550, they are not all full-time employees. To adjust for this, the number of Full-Time Equivalent (FTE) employees is used in this report's analysis. At the beginning of FY20, there were 4,532 FTE, or about 81.7% of the employee headcount. To determine the FTE in each county, the employee headcount in each county was multiplied by 81.7%. For example, the employee headcount in Hays County was 2,755. Multiplying by 81.7% yields an FTE estimate of 2,250 for Hays County. This process was repeated for Williamson County, the 12-county region, the State of Texas[10], and those living out of state. The amount of the university's $384.7 million in payroll distributed in any particular county was assumed to be in proportion to the number of FTE. For Hays County, this was calculated as $384.7 million multiplied by 49.6%, resulting in a payroll allocation of $191 million. These results are shown in Table 2.

Table 2: Geographic Distribution of Salaries, Wages, and Payroll-Related Costs

	Employee Headcount	FTE	% of FTE	Payroll Allocation
Hays County	2,755	2,250	49.6%	$ 190,983,584
Williamson County	238	194	4.3%	$ 16,498,763
Hays, Williamson, and Region	4,985	4,071	89.8%	$ 345,572,837
State of Texas	5,442	4,444	98.1%	$ 377,253,236
Out-of-State	108	88	1.9%	$ 7,486,834
Total	5,550	4,532	100.0%	$ 384,740,069

[10] Due to limitations in the number of geographic areas that IMPLAN can process in a single model, employees living in one of the 65 Texas counties outside the local 12-county region (as shown in Figure 1) were grouped into five areas: North, South, East, West, and Panhandle. Counties included in the North were Bowie, Collin, Dallas, Denton, Ellis, Erath, Fannin, Gregg, Parker, Smith, Tarrant, and Wichita. Counties included the South were Atascosa, Bandera, Bexar, Cameron, Gillespie, Hidalgo, Karnes, Kendall, Kerr, Llano, Mason, Medina, Midland, Nueces, Webb, and Wilson. Counties included the East were Angelina, Aransas, Austin, Bosque, Brazoria, Brazos, Burleson, Calhoun, Colorado, Coryell, Fayette, Fort Bend, Galveston, Gonzales, Harris, Lampasas, Lavaca, Leon, Liberty, McLennan, Montgomery, Polk, Refugio, Rusk, Victoria, Waller, and Wharton. Counties included in the West were Brewster, Ector, El Paso, Frio, Jeff Davis, Jim Wells, Tom Green, and Val Verde. Counties included in the Panhandle were Bailey and Lubbock. Results for the 12-county region were combined with the results for the North, South, East, West, and Panhandle to determine the results for the State of Texas.

The $7.5 million that is paid to out-of-state employees is considered a leakage as spending by out-of-state employees does not directly impact the Texas economy. Thus, of the $384.7 million in employee payroll, only the $377.3 million paid to employees that reside in Texas is relevant for this analysis. In Table 3, the State of Texas panel demonstrates this by showing that Texas State's spending on payroll directly created 4,444 FTE jobs with Labor Income of $377.3 million. The spending by these 4,444 FTE employees had the indirect effect of creating 816 additional jobs and the induced effect of creating 1,765 additional jobs in Texas. Indirect effects are the result of spending by university employees, for a total of 7,025 jobs created. For example, eating at a local restaurant by university employees might cause that restaurant to hire additional workers as well as purchase milk and cheese from a local dairy. Induced effects are the result of spending by employees in the supply chain. In this example, spending by the diary employee would be an induced effect.

Labor Income is the total value paid to those holding the jobs created. This includes salaries, wages, benefits, and taxes. Taxes represent city & county, state, and federal taxes that are generated as a result of the increased economic activity. Value added is the difference between output and any intermediate inputs and represents the value created. Output is the total economic impact generated.

The economic impact generated by the university's in-state payroll of $377.3 million is estimated to be $792.8 million for the State of Texas. This includes $496.4 million in labor income, $117.8 million in additional tax revenue[11] that is generated, and $669.5 million in

[11] A breakdown of the taxes generated at the City & County, State, and Federal levels are in the appendix.

value added. Approximately 40% of the economic impact occurs in Hays County and over 91% of the economic effect occurs in the region. On average, every dollar of Texas State payroll generates $2.06 in total economic activity across the state.

Table 3: Economic Impact of Spending by Texas State Employees

Hays County					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Output
Direct	2,250.0	$ 190,983,584	$ 38,567,439	$ 230,657,427	$ 190,983,584
Indirect	341.1	$ 10,529,310	$ 3,724,912	$ 18,601,414	$ 50,208,015
Induced	602.1	$ 21,659,942	$ 9,107,605	$ 42,357,999	$ 78,653,975
Total	3,193.2	$ 223,172,836	$ 51,399,956	$ 291,616,840	$ 319,845,575
Williamson County					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Output
Direct	194.0	$ 16,498,763	$ 3,327,830	$ 19,502,666	$ 16,498,763
Indirect	32.2	$ 1,320,970	$ 424,550	$ 2,249,557	$ 5,464,515
Induced	113.6	$ 4,872,735	$ 1,873,536	$ 9,252,821	$ 16,395,344
Total	339.7	$ 22,692,468	$ 5,625,915	$ 31,005,045	$ 38,358,622
Region					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Output
Direct	4,071.0	$ 345,572,837	$ 69,379,259	$ 417,588,064	$ 345,572,837
Indirect	766.3	$ 33,383,892	$ 10,583,091	$ 58,680,147	$ 137,810,453
Induced	1,575.8	$ 74,266,628	$ 26,633,849	$ 134,151,152	$ 239,871,630
Total	6,413.1	$ 453,223,357	$ 106,596,199	$ 610,419,364	$ 723,254,920
State of Texas					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Output
Direct	4,444.0	$ 377,253,236	$ 76,456,161	$ 456,737,889	$ 377,253,236
Indirect	815.9	$ 35,694,669	$ 11,347,920	$ 62,743,165	$ 146,952,544
Induced	1,765.3	$ 83,424,496	$ 29,975,988	$ 150,035,389	$ 268,626,332
Total	7,025.2	$ 496,372,401	$ 117,780,070	$ 669,516,443	$ 792,832,112

IV. Economic Impact of Texas State's Operating Expenditures

Texas State's total operating expenditures (excluding salaries, wages, and payroll related costs) totaled $297.9 million in FY20[12].

Table 4: Texas State's FY20 Operating Expenses

Operating Expenses for Year Ended August 31, 2020		
Cost of Goods Sold	$	336,223
Professional Fees and Services	$	40,383,833
Federal Grant Pass-Through Expense	$	856,156
State Grant Pass-Through Expense	$	2,756
Travel	$	6,640,831
Materials and Supplies	$	52,269,446
Communication and Utilities	$	21,350,013
Repairs and Maintenance	$	8,504,156
Rentals and Leases	$	1,422,639
Printing and Reproduction	$	2,402,508
Depreciation and Amortization	$	67,665,347
Interest	$	19,834
Scholarships	$	91,046,798
Claims and Judgements	$	4,266,989
Other Operating Expenses	$	693,208
Total Operating Expenses	$	297,860,738

However, not all of these accounting expenses represent actual spending by the university. For example, the expense for Depreciation and Amortization was $67.7 million. However, since Depreciation and Amortization is not a cash expense, Texas State did not actually "spend" these funds.[13] Therefore, this $67.7 million should not be considered an operating expense for the purpose of calculating the economic impact of Texas State's spending.

[12] https://gato-docs.its.txstate.edu/jcr:1187c3de-4c4f-4f4c-b747-ee0c83ea7959/(754)%20Texas%20State%20University%202020%20Annual%20Financial%20Report%20FINAL.pdf

[13] Although Depreciation and Amortization are sometimes used as a proxy for construction spending, this report uses Texas State's actual construction spending.

To avoid double-counting, the $91 million expense for Scholarships should not be included in the university's operating expenses for this report's analysis. As these funds are typically awarded to students in the form of reduced tuition, this expense does not represent actual university spending. The $858,912 in Federal and State Grant Pass-Through Expenses should also be disregarded. After making these adjustments, the total relevant operating expenditures for FY20 are $138.3 million, as shown in Table 5.

Table 5: Texas State's FY20 Relevant Operating Expenses

Relevant Operating Expenses for Year Ended August 31, 2020	
Cost of Goods Sold	$ 336,223
Professional Fees and Services	$ 40,383,833
Travel	$ 6,640,831
Materials and Supplies	$ 52,269,446
Communication and Utilities	$ 21,350,013
Repairs and Maintenance	$ 8,504,156
Rentals and Leases	$ 1,422,639
Printing and Reproduction	$ 2,402,508
Interest	$ 19,834
Claims and Judgements	$ 4,266,989
Other Operating Expenses	$ 693,208
Total Operating Expenses	$ 138,289,681

Industry Spending Pattern Approach

The economic impact of a university's spending on operations is modeled in two ways in this report. The first is modeled using an Industry Spending Pattern approach. With an Industry Spending Pattern, IMPLAN allocates the operating expenditures using averages for the industry being examined. For Texas State, the relevant industry is *481-Junior Colleges, Colleges, Universities, and Professional Schools*. For this industry, operating expenditures are assigned to one of numerous expense categories with each category weighted by the average for the

industry in a particular geographic area. For example, Water & Sewage expenses have a weight of 5.78% while Electricity expenses have a weight of only 0.87%. These are the average percentages of total operating expenditures that colleges and universities spend on these categories of expenses.

Table 6: Economic Impact Using Industry Spending Pattern Model

Hays County					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Output
Direct					$ 136,142,627
Indirect	814.7	$ 25,054,262	$ 8,883,103	$ 44,315,017	$ 119,836,509
Induced	82.1	$ 2,943,508	$ 1,236,488	$ 5,759,901	$ 10,700,724
Total	896.8	$ 27,997,770	$ 10,119,591	$ 50,074,918	$ 266,679,860
Williamson County					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Output
Direct					$ 2,147,054
Indirect	11.8	$ 488,653	$ 170,440	$ 904,725	$ 2,220,826
Induced	5.0	$ 222,407	$ 84,188	$ 417,445	$ 743,296
Total	16.8	$ 711,060	$ 254,628	$ 1,322,169	$ 5,111,176
Region					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Output
Direct					$ 138,289,681
Indirect	861.1	$ 28,531,445	$ 9,805,494	$ 49,646,938	$ 130,481,792
Induced	127.6	$ 5,466,549	$ 2,058,256	$ 10,122,771	$ 18,274,915
Total	988.8	$ 33,997,994	$ 11,863,750	$ 59,769,709	$ 287,046,387
State of Texas					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Output
Direct					$ 138,289,681
Indirect	928.4	$ 32,922,391	$ 11,259,731	$ 57,345,555	$ 146,106,054
Induced	163.2	$ 7,298,237	$ 2,704,813	$ 13,283,826	$ 24,077,040
Total	1091.6	$ 40,220,628	$ 13,964,544	$ 70,629,381	$ 308,472,775

With the Industry Spending Pattern approach, approximately $136.1 million of Texas State's operating expenses were modeled as originating in Hays County in support of the San

Marcos campus, while $2.1 million was allocated to Williamson County, reflecting expenses at the Round Rock campus. As shown in Table 6[14], the combined operating expenses of $138.3 million created nearly 1,100 additional jobs in Texas along with $308.5 million in added economic output. This increased economic activity generated nearly $14 million in additional tax revenue and $70.6 million in value added. Over 82% of the jobs and nearly 86% of the economic impact created are in Hays County.

Bill of Goods Approach

The second model used to measure the economic impact of Texas State's spending on operations uses a Bill of Goods approach. In the Bill of Goods approach, rather than using the industry average spent on various categories, the university's actual expenditures are used. For example, in FY20, Texas State's actual Electricity costs were $9.4 million, or about 6.77% of the university's total operating expenditures. Water & Sewage costs were about $2.4 million and accounted for 1.70% of operating expenditures. These percentages differ significantly from the percentages used in the Industry Spending Plan model (Water & Sewage, 5.78% and Electricity, 0.87%).

Theoretically, using the actual values should provide a more accurate estimate of the university's economic impact compared to using the Industry Spending Pattern averages. In some cases, matching the university's expense accounts with one of IMPLAN's 546 pre-defined categories was simple. For example, in FY20, the university spent on $0.6 million on advertising

[14] Jobs Created represents the number of jobs created by Texas State operating expenditures. This is in addition to the number that are directly employed by Texas State University.

services. This matches with the IMPLAN category Advertising, Public Relations, and Related Services. Unfortunately, in other cases, the match was not as straightforward. Because of this, some judgements had to be made. For example, Texas State spent $5.5 million on Furniture & Equipment. The closest IMPLAN category is Office Furniture, Except Wood. Although not a perfect match, Furniture & Equipment expenses were assigned to this category.

Table 7: Economic Impact Using Bill of Goods Model

Hays County					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Output
Direct					$ 136,142,627
Indirect	637.2	$ 24,274,245	$ 7,372,827	$ 37,903,763	$ 89,700,158
Induced	78.6	$ 2,818,319	$ 1,184,047	$ 5,514,996	$ 10,245,111
Total	715.7	$ 27,092,564	$ 8,556,874	$ 43,418,759	$ 236,087,896

Williamson County					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Output
Direct					$ 2,147,054
Indirect	10.4	$ 533,495	$ 153,967	$ 847,724	$ 1,820,673
Induced	4.8	$ 211,145	$ 79,998	$ 396,609	$ 705,994
Total	15.2	$ 744,639	$ 233,964	$ 1,244,333	$ 4,673,722

Region					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Output
Direct					$ 138,289,681
Indirect	674.2	$ 27,255,771	$ 8,151,186	$ 42,405,358	$ 98,629,446
Induced	121.2	$ 5,176,713	$ 1,952,391	$ 9,593,584	$ 17,326,170
Total	795.4	$ 32,432,484	$ 10,103,577	$ 51,998,942	$ 254,245,298

State of Texas					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Output
Direct					$ 138,289,681
Indirect	728.0	$ 30,636,353	$ 9,233,083	$ 48,133,140	$ 109,801,836
Induced	150.3	$ 6,717,598	$ 2,490,610	$ 12,249,395	$ 22,183,698
Total	878.3	$ 37,353,951	$ 11,723,693	$ 60,382,535	$ 270,275,216

With the Bill of Goods approach, it is estimated that Texas State's FY20 spending on operating expenses created approximately 878 jobs and $270.3 million in economic output in Texas, as detailed in Table 7. This includes $37.4 million in labor income, $12.8 million in tax revenue, and $65.5 million in value added. These results are consistent with those found using the Industry Spending Pattern approach, although the estimates are slightly lower. Again, the vast majority of the jobs and economic impact and activity are concentrated in Hays County.

Average Approach

The Industry Spending Pattern and Bill of Goods approaches are both acceptable methods to estimate the economic impact of Texas State's spending on operations. As both approaches also have advantages and drawbacks, an average of the two estimation methods is used to determine the university's economic impact. Using this average approach, as detailed in Table 8, it is estimated that Texas State's FY20 operating expenditures of $138.3 million led to the creation of 985 jobs and $289.4 million in economic output in Texas. This includes $38.8 million in labor income, $12.8 million in new tax revenue, and $65.5 million in value added. On average, each dollar Texas State spends on operating expenditures generates $2.09 in economic activity. For the remainder of this study, these average results will be used when referencing the economic impact of Texas State's spending on operating expenditures.

Table 8: Average Economic Impact of Texas State FY20 Operating Expenditures

Hays County					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Output
Direct					$ 136,142,627
Indirect	725.9	$ 24,664,253	$ 8,127,965	$ 41,109,390	$ 104,768,334
Induced	80.3	$ 2,880,914	$ 1,210,268	$ 5,637,448	$ 10,472,918
Total	806.2	$ 27,545,167	$ 9,338,233	$ 46,746,838	$ 251,383,878

Williamson County					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Output
Direct					$ 2,147,054
Indirect	11.1	$ 511,074	$ 162,203	$ 876,224	$ 2,020,750
Induced	4.9	$ 216,776	$ 82,093	$ 407,027	$ 724,645
Total	16.0	$ 727,850	$ 244,296	$ 1,283,251	$ 4,892,449

Region					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Output
Direct					$ 138,289,681
Indirect	767.7	$ 27,893,608	$ 8,978,340	$ 46,026,148	$ 114,555,619
Induced	124.4	$ 5,321,631	$ 2,005,324	$ 9,858,178	$ 17,800,543
Total	892.1	$ 33,215,239	$ 10,983,663	$ 55,884,325	$ 270,645,843

State of Texas					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Output
Direct					$ 138,289,681
Indirect	828.2	$ 31,779,372	$ 10,246,407	$ 52,739,347	$ 127,953,945
Induced	156.8	$ 7,007,917	$ 2,597,711	$ 12,766,611	$ 23,130,369
Total	985.0	$ 38,787,289	$ 12,844,118	$ 65,505,958	$ 289,373,996

V. Economic Impact of Texas State's Construction Expenditures

Between 2010 and 2020, Texas State completed 70 construction projects at a total cost of over $947 million, for an average of about $86 million per year. There is currently $574 million budgeted for 35 campus construction projects that are in-progress or planned to begin between 2021 and 2027. Thus, the annual budgeted construction expenditures should average about $82 million per year for the next several years, with $68 million per year allocated to the San Marcos campus and $14 million per year for construction at the Round Rock Campus.

For construction projects, IMPLAN can specifically model the economic impact of the construction of new educational structures. The model was run assuming $68 million in construction spending per year occurs in Hays County and $14 million per year takes place in Williamson County. As shown in Table 9, it is estimated that $150.2 million in economic impact is created in Texas as a result of the university's construction projects. This includes about 1,028 jobs with a combined payroll of $63.9 million. Of the new jobs created, 633 are working directly on the construction projects. The 141 indirectly created jobs are within industries that support construction, like lumber yards. Finally, nearly 254 induced jobs are created in the broader economy as a result of the spending by workers in the directly and indirectly created jobs. Texas State construction spending led to the generation of $15.1 million in additional tax revenue and $87.7 million in value added in the state. For each $1 million in university construction expenditures, approximately 12.5 jobs are created in Texas, with more than 10 of those jobs located in Hays or Williamson counties. Each dollar in Texas State construction expenditures generates about $1.83 of economic impact at the state level.

Table 9: Average Economic Impact of Texas State Construction Expenditures

Hays County					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Output
Direct	533.9	$ 35,991,438	$ 6,720,811	$ 43,243,101	$ 68,000,000
Indirect	67.5	$ 3,458,861	$ 1,109,859	$ 5,605,931	$ 12,083,126
Induced	131.2	$ 4,704,938	$ 1,975,429	$ 9,206,479	$ 17,105,896
Total	732.6	$ 44,155,237	$ 9,806,099	$ 58,055,511	$ 97,189,021

Williamson County					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Output
Direct	99.5	$ 7,879,113	$ 1,456,293	$ 9,388,364	$ 14,000,000
Indirect	10.8	$ 613,064	$ 188,369	$ 1,066,403	$ 2,040,159
Induced	30.1	$ 1,260,996	$ 492,349	$ 2,429,120	$ 4,282,426
Total	140.4	$ 9,753,173	$ 2,137,011	$ 12,883,887	$ 20,322,585

Region					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Output
Direct	633.4	$ 43,870,551	$ 8,177,104	$ 52,631,465	$ 82,000,000
Indirect	102.0	$ 6,096,801	$ 1,801,235	$ 9,807,752	$ 20,270,955
Induced	219.6	$ 9,314,739	$ 3,527,506	$ 17,336,624	$ 31,362,014
Total	955.0	$ 59,282,092	$ 13,505,845	$ 79,775,841	$ 133,632,969

State of Texas					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Output
Direct	633.4	$ 43,870,551	$ 8,177,104	$ 52,631,465	$ 82,000,000
Indirect	140.7	$ 8,895,343	$ 2,779,357	$ 14,606,033	$ 30,966,201
Induced	253.5	$ 11,156,470	$ 4,161,657	$ 20,505,387	$ 37,233,493
Total	1027.6	$ 63,922,364	$ 15,118,118	$ 87,742,885	$ 150,199,695

VI. Economic Impact of Texas State Student Spending

Spending by Texas State's 38,000 students has a sizeable effect on the local economy. The magnitude of this impact is dependent on a student's living arrangements, as this has a significant impact on their cost of attendance. To model the economic impact of student spending, their living arrangements are classified into one of three categories: On-Campus, Living with Parents, or Off-Campus. Table 10 lists the estimated cost of attendance at the university for Texas-resident students[15]. For those living On-Campus or Off-Campus, their cost of attendance is about $27,000 per year while those student's Living with Parents have a cost of attendance of about $22,000. These costs are based on a 9-month academic year. For students that attend summer school, these costs are one-third higher.

Table 10: Texas State Estimated Cost of Attendance

	On-Campus	Off-Campus	Live with Parents
Tuition and Fees	$11,860	$11,860	$11,860
Books and Supplies	$800	$800	$800
Room and Board	$10,930	$10,200	$3,800
Personal and Misc.	$2,200	$2,200	$2,200
Travel	$1,300	$2,000	$3,600
Total	$27,090	$27,060	$22,260

To estimate the impact of Texas State student spending, it must be determined where the 38,000 students live. It is known that approximately 6,900 students live in a Texas State University student housing facility and thus reside in Hays County. Determining where the remaining 27,000 undergraduate and over 4,000 graduate students live is more challenging as

[15] Although Tuition and Fees are higher for out-of-state and international students, these costs are not included in student spending, as discussed below. Thus, student spending is assumed to be the same for Texas-resident and non-resident students.

the vast majority do not have an up-to-date local address on file with the university. It is also necessary to estimate what percentage of these students live with their parents and what percentage live off-campus.

As a proxy for where students that are not in university housing are living, the distribution of university employees is used, as detailed in Table 2: Geographic Distribution of Salaries, Wages, and Payroll-Related Costs. Thus, it is estimated that approximately 50% of Texas State students not living on-campus live in Hays County, 4% in Williamson County, 90% in the 12-county region (including Hays and Williamson), 8% live elsewhere in Texas and 2% live out-of-state. A previous university economic impact study estimated that 10% of Texas State students not living on-campus lived with their parents or close relatives. This study uses this assumption to estimate that of the 27,000 undergraduate students that do not live on-campus, approximately 2,700 live with their parents.

Combining what is known about and assumptions of students living arrangements (on-campus, off-campus, or living with parents) with where the students live, Table 11 lists the estimated totals of the cross-section of the two characteristics. When calculating student spending, it is important not to double-count spending that is already reflected at the university level. For example, although Tuition and Fees is a cost of a student's attendance, this amount has already been captured in Texas State University's spending. Likewise, room and board for on-campus students is also already reflected in the university's spending. Thus, these amounts are not used in the analysis of student spending. Table 12 reflects these adjustments and details the student spending used in this analysis. In addition, based on previous enrollment data, it is assumed that one-third of students attend summer school. For these students, the

costs in Table 12 are 33.3% higher. Based on Tables 11 and 12, total student spending is estimated to be nearly $547 million.

Table 11: Estimated Geographic Dispersion of Student Living Arrangements

	Number of Students		
Living Arrangements	**Undergraduate**	**Graduate**	**Total**
Hays On-Campus	6,900		6,900
Hays Off-Campus	12,150	2,150	14,300
Hays Live with Parents	1,350		1,350
Williamson Off-Campus	972	172	1,144
Williamson Live with Parents	108		108
Region Off-Campus	8,748	1,548	10,296
Region Live with Parents	972		972
Rest of State Off-Campus	1,944	344	2,288
Rest of State Live with Parents	216		216
Out of State	540	86	626
Total	33,900	4,300	38,200

Table 12: Student Spending after Eliminating "Double Counting"

	On-Campus	Off-Campus	Live with Parents
Tuition and Fees			
Books and Supplies	$800	$800	$800
Room and Board		$10,200	$3,800
Personal and Misc.	$2,200	$2,200	$2,200
Travel	$1,300	$2,000	$3,600
Total	$4,300	$15,200	$10,400

As can be seen in Table 13, this spending by Texas State students has a significant economic impact, second in magnitude to only the effect of spending by Texas State employees. For the State of Texas, student spending generated $620.4 million in economic impact with over 4,200 jobs created with a combined labor income of $133.8 million. In Hays County, the total economic impact from university student spending is $335.3 million with over 2,500 jobs created. Each dollar of student spending generates $1.13 of economic impact at the state level.

Table 13: Economic Impact of Texas State Student Spending

Hays County					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Output
Direct	1,812.5	$ 36,603,952	$ 44,918,862	$ 153,789,356	$ 218,062,047
Indirect	441.7	$ 22,740,851	$ 6,289,594	$ 33,089,165	$ 74,491,175
Induced	291.8	$ 12,846,983	$ 4,788,800	$ 23,546,190	$ 42,722,253
Total	2,546.0	$ 72,191,786	$ 55,997,255	$ 210,424,711	$ 335,275,475

Williamson County					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Output
Direct	115.1	$ 2,595,401	$ 3,245,446	$ 11,902,875	$ 16,291,724
Indirect	28.1	$ 1,720,693	$ 453,013	$ 2,469,011	$ 5,178,894
Induced	19.8	$ 942,429	$ 338,292	$ 1,721,036	$ 3,053,565
Total	163.1	$ 5,258,523	$ 4,036,751	$ 16,092,921	$ 24,524,183

Region					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Output
Direct	2,756.7	$ 63,418,262	$ 71,683,764	$ 282,061,612	$ 380,979,289
Indirect	663.6	$ 36,948,990	$ 9,980,160	$ 53,818,079	$ 116,727,744
Induced	491.9	$ 23,278,114	$ 8,329,817	$ 41,941,617	$ 74,826,963
Total	3,912.2	$ 123,645,366	$ 89,993,741	$ 377,821,309	$ 572,533,996

State of Texas					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Output
Direct	2,965.9	$ 68,594,990	$ 77,519,402	$ 307,003,747	$ 413,562,738
Indirect	710.8	$ 39,682,102	$ 10,763,455	$ 57,796,140	$ 125,114,214
Induced	537.3	$ 25,487,590	$ 9,131,235	$ 45,769,560	$ 81,728,902
Total	4,214.0	$ 133,764,682	$ 97,414,092	$ 410,569,447	$ 620,405,854

VII. Economic Impact of Texas State Visitor Spending

It is estimated that approximately 550,000 individuals visit the San Marcos campus of Texas State University annually. Visitors come to watch university sporting events, attend Texas State and area high school commencement ceremonies, visit with students, and enjoy theatrical performances, in addition to numerous other activities. While in San Marcos, many will eat at local restaurants and shop at local stores. Some of these visitors will spend the just the day in town while others will stay overnight at local hotels. All of this spending by Texas State University visitors has a significant impact on the local economy[16].

Typically, economic impact studies will rely on surveys of visitors about their local spending. Unfortunately, the most recent survey of Texas State visitors' spending is from 1997 - 1998. At that time, it was estimated that visitor spending totaled $25 million. Since there is no recent visitor spending data, current averages compiled by the state are used to estimate today's visitor spending.

Estimating Total Visitor Spending

The method for calculating visitor spending utilizes estimates of the number of Texas State visitors and the average amount each visitor spends. Attendance records for 2018 - 2019[17] indicate that approximately 550,000 people came to events at university facilities. It is estimated that approximately 15%, or 82,500 visitors, stayed overnight while 60%, or 330,000

[16] It is assumed all visits occur in Hays County, thus no estimates for Williamson County were generated.

[17] The 2018-2019 attendance period was used to eliminate the temporary impact of the Covid-19 pandemic on attendance. 2019-2020 attendance figures dropped significantly beginning in March 2020 as the university moved to on-line delivery of courses in response to the pandemic.

visitors, stayed for just the day.[18] The average expenditures per person per day is estimated to be $185 for day visitors and $275 for overnight visitors.[19] Thus, the total estimated expenditures by Texas State visitors are just under $84 million.[20]

The percentages of travel dollars spent in Texas across various industries are used as a proxy for how travelers to Texas State spent their funds locally. In 2019[21], visitors to Texas spent 23.1% of their travel dollars on food services, 20.3% on accommodations, 20.2% on local transportation and gasoline, 13.8% on retail sales, 9.9% on arts, entertainment, and recreation, and 4.2% on food stores. To calculate the amount Texas State visitors spent on hotel accommodations, the $84 million of total spending was multiplied by 20.3%, yielding a value of $17.1 million. The process was repeated for the remaining spending categories.

The estimates of the economic impact are given in Table 14. It is projected that $154.6 million in economic impact is created in Texas as a result of university visitor spending. This includes about 2,438 jobs with a combined payroll of $53.6 million, $16.9 million in tax revenue, and $76.7 million in value added in Texas. Each dollar in Texas State visitor spending creates about $1.83 of economic impact at the state level. Not surprisingly, the vast majority of the

[18] The remaining 25% are assumed to be either students or individuals living in San Marcos. This is consistent with College of Fine Arts and Communication records that show approximately 28% of ticket purchasers had a San Marcos zip code.

[19] 2020 Texas Domestic Segment Visitor Profiles, prepared for The Office of the Governor, Economic Development & Tourism Division by D. K. Shifflet & Associates, Ltd.

[20] This estimate is consistent with adjusting the $25 million in visitor spending from 1997 - 1998 for inflation and the growth in student enrollment. Since 1998, the university's enrollment has increased by approximately 68% while the general level of prices has increased about 78%. Adjusting for both of these effects suggests that visitor spending would around $75 million today.

[21] https://www.travelstats.com/dashboard/texas

economic impact occurred in Hays County, including the creation of nearly 2,300 jobs with a combined payroll of $43.5 million.

Table 14: Economic Impact of Texas State Visitor Spending

Hays County					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Output
Direct	1,952.9	$ 31,724,234	$ 9,235,711	$ 39,339,272	$ 77,105,544
Indirect	200.0	$ 7,397,230	$ 2,444,981	$ 11,558,536	$ 28,631,361
Induced	120.7	$ 4,334,184	$ 1,822,240	$ 8,481,679	$ 15,751,636
Total	2,273.6	$ 43,455,648	$ 13,502,932	$ 59,379,487	$ 121,488,542
Region					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Output
Direct	1,952.9	$ 31,724,234	$ 9,235,711	$ 39,339,272	$ 77,105,544
Indirect	222.6	$ 9,249,411	$ 2,951,443	$ 14,409,604	$ 34,396,145
Induced	180.9	$ 7,699,712	$ 2,912,996	$ 14,282,934	$ 25,804,779
Total	2,356.4	$ 48,673,358	$ 15,100,150	$ 68,031,810	$ 137,306,468
State of Texas					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Output
Direct	1,952.9	$ 31,724,234	$ 9,235,711	$ 39,339,272	$ 77,105,544
Indirect	270.4	$ 12,397,508	$ 4,145,370	$ 20,043,335	$ 46,012,277
Induced	214.5	$ 9,468,381	$ 3,529,918	$ 17,331,158	$ 31,432,677
Total	2,437.8	$ 53,590,123	$ 16,910,999	$ 76,713,766	$ 154,550,497

VIII. The Total Economic Impact of Texas State University

Texas State University, its employees, students, and visitors spend over a combined $1.2 billion each year. To estimate the total economic impact associated with this spending, the impacts created by wages & salaries paid to university employees, university spending on operating expenditures and construction, and spending by university students and visitors are combined. As shown in Table 15, the total economic impact of the university in Texas is over $2.0 billion. This includes the creation of nearly 15,700 jobs with a combined payroll of $786.4 million, $260.1 million in taxes, and $1.3 billion in value added. More than 90% of the jobs and total economic impact created by Texas State are in the 12-county region, with the vast majority of that benefiting Hays County.

Table 16 details the same economic impact, including the number of jobs created, by the source of the spending. The single largest factor, accounting for $792.8 million or about 40% of the economic impact, is created by the wages and salaries paid to Texas State employees. As shown in Table 17, each dollar paid to university employees multiplies to $2.06 in economic output. The next largest economic impact by magnitude results from student spending, which leads to the creation of over 4,200 jobs and $620.4 million in economic impact in Texas. However, student spending has the lowest multiplier, with each dollar of student spending leading to $1.13 in economic impact. On average, each dollar spent by Texas State, its employees, students, and visitors generates about $1.62 in economic impact and each $1 million in average spending leads to the creation of about 13 jobs in Texas.

Table 15: Total Economic Impact of Texas State

Hays County					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Total Output
Direct	6,549.3	$ 295,303,209	$ 99,442,823	$ 467,029,156	$ 690,293,802
Indirect	1,776.2	$ 68,790,505	$ 21,697,311	$ 109,964,435	$ 270,182,011
Induced	1,226.1	$ 46,426,960	$ 18,904,341	$ 89,229,796	$ 164,706,678
Total	9,551.6	$ 410,520,674	$ 140,044,475	$ 666,223,387	$ 1,125,182,491

Williamson County					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Total Output
Direct	408.6	$ 26,973,277	$ 8,029,569	$ 40,793,905	$ 48,937,541
Indirect	82.1	$ 4,165,801	$ 1,228,136	$ 6,661,196	$ 14,704,317
Induced	168.4	$ 7,292,936	$ 2,786,270	$ 13,810,004	$ 24,455,980
Total	659.1	$ 38,432,014	$ 12,043,975	$ 61,265,105	$ 88,097,839

Region					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Total Output
Direct	9,414.0	$ 484,585,885	$ 158,475,838	$ 791,620,414	$ 1,023,947,351
Indirect	2,522.2	$ 113,572,702	$ 34,294,268	$ 182,741,731	$ 423,760,916
Induced	2,592.6	$ 119,880,824	$ 43,409,492	$ 217,570,504	$ 389,665,928
Total	14,528.7	$ 718,039,412	$ 236,179,598	$ 1,191,932,649	$ 1,837,374,195

State of Texas					
Impact	Jobs Created	Labor Income	Taxes	Value Added	Total Output
Direct	9,996.2	$ 521,443,012	$ 171,388,379	$ 855,712,373	$ 1,088,211,199
Indirect	2,766.0	$ 128,448,993	$ 39,282,509	$ 207,928,021	$ 476,999,181
Induced	2,927.3	$ 136,544,854	$ 49,396,510	$ 246,408,105	$ 442,151,773
Total	15,689.5	$ 786,436,860	$ 260,067,397	$ 1,310,048,499	$ 2,007,362,153

Table 16: Total Economic Impact of Texas State by Spending Source

Hays County					
	Jobs Created	Labor Income	Taxes	Value Added	Total Output
Wages & Salaries	3,193	$ 223,172,836	$ 51,399,956	$ 291,616,840	$ 319,845,575
University Operations	806	$ 27,545,167	$ 9,338,233	$ 46,746,838	$ 251,383,878
Construction	733	$ 44,155,237	$ 9,806,099	$ 58,055,511	$ 97,189,021
Student Spending	2,546	$ 72,191,786	$ 55,997,255	$ 210,424,711	$ 335,275,475
Visitor Spending	2,274	$ 43,455,648	$ 13,502,932	$ 59,379,487	$ 121,488,542
Total	9,552	$ 410,520,674	$ 140,044,475	$ 666,223,387	$ 1,125,182,491

Williamson					
	Jobs Created	Labor Income	Taxes	Value Added	Total Output
Wages & Salaries	340	$ 22,692,468	$ 5,625,915	$ 31,005,045	$ 38,358,622
University Operations	16	$ 727,850	$ 244,296	$ 1,283,251	$ 4,892,449
Construction	140	$ 9,753,173	$ 2,137,011	$ 12,883,887	$ 20,322,585
Student Spending	163	$ 5,258,523	$ 4,036,751	$ 16,092,921	$ 24,524,183
Visitor Spending	-	$ -	$ -	$ -	$ -
Total	659	$ 38,432,014	$ 12,043,975	$ 61,265,105	$ 88,097,839

Region					
	Jobs Created	Labor Income	Taxes	Value Added	Total Output
Wages & Salaries	6,413	$ 453,223,357	$ 106,596,199	$ 610,419,364	$ 723,254,920
University Operations	892	$ 33,215,239	$ 10,983,663	$ 55,884,325	$ 270,645,843
Construction	955	$ 59,282,092	$ 13,505,845	$ 79,775,841	$ 133,632,969
Student Spending	3,912	$ 123,645,366	$ 89,993,741	$ 377,821,309	$ 572,533,996
Visitor Spending	2,356	$ 48,673,358	$ 15,100,150	$ 68,031,810	$ 137,306,468
Total	14,529	$ 718,039,412	$ 236,179,598	$ 1,191,932,649	$ 1,837,374,195

State of Texas					
	Jobs Created	Labor Income	Taxes	Value Added	Total Output
Wages & Salaries	7,025	$ 496,372,401	$ 117,780,070	$ 669,516,443	$ 792,832,112
University Operations	985	$ 38,787,289	$ 12,844,118	$ 65,505,958	$ 289,373,996
Construction	1,028	$ 63,922,364	$ 15,118,118	$ 87,742,885	$ 150,199,695
Student Spending	4,214	$ 133,764,682	$ 97,414,092	$ 410,569,447	$ 620,405,854
Visitor Spending	2,438	$ 53,590,123	$ 16,910,999	$ 76,713,766	$ 154,550,497
Total	15,690	$ 786,436,860	$ 260,067,397	$ 1,310,048,499	$ 2,007,362,153

Table 17: Effective Multipliers for the State of Texas

	Total Output	Direct Spending	Multiplier
Wages & Salaries	$ 792,832,112	$ 384,740,069	2.06
University Operations	$ 289,373,996	$ 138,289,681	2.09
Construction	$ 150,199,695	$ 82,000,000	1.83
Student Spending	$ 620,405,854	$ 547,422,141	1.13
Visitor Spending	$ 154,550,497	$ 84,000,000	1.84
Total	$ 2,007,362,153	$ 1,236,451,891	1.62

Appendix: Detail of Additional Taxes Generated[22]

Table 18: Additional Taxes Generated by Texas State Employee Spending

Hays County				
Impact	City & County	State	Federal	Total
Direct	$ 1,849,453	$ 2,232,995	$ 34,484,991	$ 38,567,439
Indirect	$ 813,019	$ 868,960	$ 2,042,932	$ 3,724,912
Induced	$ 2,283,184	$ 2,431,928	$ 4,392,493	$ 9,107,605
Total	$ 4,945,656	$ 5,533,883	$ 40,920,416	$ 51,399,956
Williamson County				
Impact	City & County	State	Federal	Total
Direct	$ 193,054	$ 184,747	$ 2,950,029	$ 3,327,830
Indirect	$ 94,104	$ 78,964	$ 251,481	$ 424,550
Induced	$ 494,651	$ 412,380	$ 966,505	$ 1,873,536
Total	$ 781,809	$ 676,092	$ 4,168,015	$ 5,625,915
Region				
Impact	City & County	State	Federal	Total
Direct	$ 3,447,989	$ 3,922,840	$ 62,008,430	$ 69,379,259
Indirect	$ 2,016,137	$ 1,978,457	$ 6,588,497	$ 10,583,091
Induced	$ 6,004,171	$ 5,833,551	$ 14,796,127	$ 26,633,849
Total	$ 11,468,297	$ 11,734,849	$ 83,393,053	$ 106,596,199
State of Texas				
Impact	City & County	State	Federal	Total
Direct	$ 3,743,867	$ 4,249,900	$ 68,462,394	$ 76,456,161
Indirect	$ 2,155,641	$ 2,109,502	$ 7,082,778	$ 11,347,920
Induced	$ 6,708,535	$ 6,486,967	$ 16,780,486	$ 29,975,988
Total	$ 12,608,043	$ 12,846,369	$ 92,325,658	$ 117,780,070

[22] City & County represents taxes collected within a county, including city and other municipal taxes. State and Federal are the amounts of taxes collected at the state and federal levels, respectively.

Table 19: Additional Taxes Generated by Texas State Operating Expenditures Using Industry Spending Pattern Model[23].

Hays County				
Impact	City & County	State	Federal	Total
Direct				
Indirect	$ 1,943,213	$ 2,076,767	$ 4,863,123	$ 8,883,103
Induced	$ 309,653	$ 329,834	$ 597,001	$ 1,236,488
Total	$ 2,252,866	$ 2,406,601	$ 5,460,124	$ 10,119,591

Williamson County				
Impact	City & County	State	Federal	Total
Direct				
Indirect	$ 40,809	$34,131.50	$95,499.22	$170,440.15
Induced	$ 21,916	$18,281.27	$43,991.13	$84,188.29
Total	$ 62,725	$52,412.77	$139,490.35	$254,628.43

Region				
Impact	City & County	State	Federal	Total
Direct				
Indirect	$ 2,088,706	$ 2,210,497	$ 5,506,291	$ 9,805,494
Induced	$ 483,398	$ 489,577	$ 1,085,280	$ 2,058,256
Total	$ 2,572,104	$ 2,700,075	$ 6,591,571	$ 11,863,750

State of Texas				
Impact	City & County	State	Federal	Total
Direct				
Indirect	$ 2,351,866	$ 2,447,818	$ 6,460,047	$ 11,259,731
Induced	$ 614,817	$ 608,637	$ 1,481,360	$ 2,704,813
Total	$ 2,966,683	$ 3,056,455	$ 7,941,407	$ 13,964,544

[23] Since Texas State university is not subject to sales, property, or income taxes, there are no direct tax effects.

Table 20: Additional Taxes Generated by Texas State Operating Expenditures Using Bill of Goods Model

Hays County				
Impact	City & County	State	Federal	Total
Direct				
Indirect	$ 1,369,049	$ 1,471,818	$ 4,531,960	$ 7,372,827
Induced	$ 296,552	$ 315,879	$ 571,616	$ 1,184,047
Total	$ 1,665,602	$ 1,787,696	$ 5,103,576	$ 8,556,874
Williamson County				
Impact	City & County	State	Federal	Total
Direct				
Indirect	$ 29,428	$24,878.91	$99,660.12	$153,966.67
Induced	$ 20,841	$17,384.47	$41,771.84	$79,997.78
Total	$ 50,269	$42,263.38	$141,431.96	$233,964.46
Hays, Williamson, and Region				
Impact	City & County	State	Federal	Total
Direct				
Indirect	$ 1,488,162	$ 1,581,833	$ 5,081,191	$ 8,151,186
Induced	$ 459,078	$ 465,273	$ 1,028,041	$ 1,952,391
Total	$ 1,947,240	$ 2,047,106	$ 6,109,231	$ 10,103,577
State of Texas				
Impact	City & County	State	Federal	Total
Direct				
Indirect	$ 1,679,040	$ 1,751,129	$ 5,802,914	$ 9,233,083
Induced	$ 567,553	$ 562,730	$ 1,360,326	$ 2,490,610
Total	$ 2,246,593	$ 2,313,860	$ 7,163,240	$ 11,723,693

Table 21: Average Additional Taxes Generated by FY20 Texas State Operating Expenditures

Hays County				
Impact	City & County	State	Federal	Total
Direct				
Indirect	$ 1,656,131	$ 1,774,293	$ 4,697,541	$ 8,127,965
Induced	$ 303,103	$ 322,856	$ 584,309	$ 1,210,268
Total	$ 1,959,234	$ 2,097,149	$ 5,281,850	$ 9,338,233

Williamson County				
Impact	City & County	State	Federal	Total
Direct				
Indirect	$ 35,119	$29,505.21	$97,579.67	$162,203.41
Induced	$ 21,379	$17,832.87	$42,881.49	$82,093.04
Total	$ 56,497	$47,338.08	$140,461.16	$244,296.45

Hays, Williamson, and Region				
Impact	City & County	State	Federal	Total
Direct				
Indirect	$ 1,788,434	$ 1,896,165	$ 5,293,741	$ 8,978,340
Induced	$ 471,238	$ 477,425	$ 1,056,660	$ 2,005,324
Total	$ 2,259,672	$ 2,373,590	$ 6,350,401	$ 10,983,663

State of Texas				
Impact	City & County	State	Federal	Total
Direct				
Indirect	$ 2,015,453	$ 2,099,474	$ 6,131,480	$ 10,246,407
Induced	$ 591,185	$ 585,683	$ 1,420,843	$ 2,597,711
Total	$ 2,606,638	$ 2,685,157	$ 7,552,323	$ 12,844,118

Table 22: Additional Taxes Generated by Texas State Construction Expenditures

Hays County				
Impact	City & County	State	Federal	Total
Direct	$ 123,700	$ 183,615	$ 6,413,496	$ 6,720,811
Indirect	$ 218,204	$ 234,169	$ 657,486	$ 1,109,859
Induced	$ 494,485	$ 526,718	$ 954,226	$ 1,975,429
Total	$ 836,388	$ 944,502	$ 8,025,209	$ 9,806,099

Williamson County				
Impact	City & County	State	Federal	Total
Direct	26802.56	34523.18	1394966.9	1456292.64
Indirect	$ 37,857	$31,931.65	$118,580.61	$188,369.41
Induced	$ 131,554	$109,621.92	$251,173.23	$492,349.35
Total	$ 196,214	$176,076.75	$1,764,720.74	$2,137,011.40

Region				
Impact	City & County	State	Federal	Total
Direct	$ 150,502	$ 218,138	$ 7,808,463	$ 8,177,104
Indirect	$ 321,416	$ 328,534	$ 1,151,285	$ 1,801,235
Induced	$ 840,524	$ 836,331	$ 1,850,651	$ 3,527,506
Total	$ 1,312,442	$ 1,383,004	$ 10,810,399	$ 13,505,845

State of Texas				
Impact	City & County	State	Federal	Total
Direct	$ 150,502	$ 218,138	$ 7,808,463	$ 8,177,104
Indirect	$ 523,141	$ 502,918	$ 1,753,299	$ 2,779,357
Induced	$ 965,039	$ 949,192	$ 2,247,426	$ 4,161,657
Total	$ 1,638,682	$ 1,670,249	$ 11,809,187	$ 15,118,118

Table 23: Additional Taxes Generated by Texas State Student Spending

Hays County				
	City & County	State	Federal	Total
Direct	$ 16,668,428	$17,596,655	$10,653,779	$ 44,918,862
Indirect	$ 985,574	$ 1,013,003	$ 4,291,017	$ 6,289,594
Induced	$ 1,098,164	$ 1,100,173	$ 2,590,464	$ 4,788,800
Total	$ 18,752,165	$19,709,831	$17,535,260	$ 55,997,255
Williamson County				
Direct	City & County	State	Federal	Total
Indirect	$ 1,362,922	$ 1,120,648	$ 761,876	$ 3,245,446
Induced	$ 70,035	$ 62,330	$ 320,649	$ 453,013
Total	$ 80,493	$ 70,291	$ 187,508	$ 338,292
	$ 1,513,450	$ 1,253,269	$ 1,270,032	$ 4,036,751
Region				
	City & County	State	Federal	Total
Direct	$ 8,444,540	$ 7,711,211	$ 7,363,706	$ 23,519,456
Indirect	$ 461,915	$ 436,352	$ 2,339,286	$ 3,237,553
Induced	$ 691,459	$ 637,149	$ 1,874,118	$ 3,202,726
Total	$ 9,597,914	$ 8,784,712	$11,577,109	$ 29,959,734
State of Texas				
	City & County	State	Federal	Total
Direct	$ 28,609,350	$28,372,743	$20,537,310	$ 77,519,402
Indirect	$ 1,630,527	$ 1,619,078	$ 7,513,850	$ 10,763,455
Induced	$ 2,038,344	$ 1,963,867	$ 5,129,024	$ 9,131,235
Total	$ 32,278,221	$31,955,688	$33,180,183	$ 97,414,092

Table 24: Additional Taxes Generated by Texas State Visitor Spending [24]

Hays County				
	City & County	State	Federal	Total
Direct	$ 1,665,323	$ 1,799,862	$ 5,770,527	$ 9,235,711
Indirect	$ 508,677	$ 544,941	$ 1,391,363	$ 2,444,981
Induced	$ 456,688	$ 486,443	$ 879,109	$ 1,822,240
Total	$ 2,630,688	$ 2,831,245	$ 8,040,999	$ 13,502,932

Region				
	City & County	State	Federal	Total
Direct	$ 1,665,323	$ 1,799,862	$ 5,770,527	$ 9,235,711
Indirect	$ 592,209	$ 622,910	$ 1,736,324	$ 2,951,443
Induced	$ 685,404	$ 697,657	$ 1,529,935	$ 2,912,996
Total	$ 2,942,935	$ 3,120,429	$ 9,036,786	$ 15,100,150

State of Texas				
	City & County	State	Federal	Total
Direct	$ 1,665,323	$ 1,799,862	$ 5,770,527	$ 9,235,711
Indirect	$ 864,070	$ 857,142	$ 2,424,157	$ 4,145,370
Induced	$ 808,642	$ 809,269	$ 1,912,007	$ 3,529,918
Total	$ 3,338,035	$ 3,466,273	$ 10,106,691	$ 16,910,999

[24] All direct visitor spending was assumed to occur in Hays County, thus there is not detailed tax data for Williamson County.

Table 25: Total Additional Taxes Generated by Texas State's Economic Impact

Hays County				
Impact	City & County	State	Federal	Total
Direct	$ 20,306,902	$ 21,813,127	$ 57,322,793	$ 99,442,823
Indirect	$ 4,181,605	$ 4,435,366	$ 13,080,340	$ 21,697,311
Induced	$ 4,635,624	$ 4,868,117	$ 9,400,601	$ 18,904,341
Total	$ 29,124,131	$ 31,116,610	$ 79,803,734	$ 140,044,475
Williamson County				
Impact	City & County	State	Federal	Total
Direct	$ 1,582,779	$ 1,339,918	$ 5,106,872	$ 8,029,569
Indirect	$ 237,115	$ 202,731	$ 788,290	$ 1,228,136
Induced	$ 728,077	$ 610,126	$ 1,448,067	$ 2,786,270
Total	$ 2,547,970	$ 2,152,776	$ 7,343,229	$ 12,043,975
Region				
Impact	City & County	State	Federal	Total
Direct	$ 31,739,703	$ 13,652,051	$ 82,951,126	$ 128,342,880
Indirect	$ 6,235,719	$ 6,337,752	$ 21,720,797	$ 34,294,268
Induced	$ 9,871,452	$ 9,652,577	$ 23,885,463	$ 43,409,492
Total	$ 47,846,875	$ 29,642,380	$ 128,557,385	$ 206,046,640
State of Texas				
Impact	City & County	State	Federal	Total
Direct	$ 34,169,042	$ 34,640,643	$ 102,578,694	$ 171,388,379
Indirect	$ 7,188,832	$ 7,188,114	$ 24,905,564	$ 39,282,509
Induced	$ 11,111,746	$ 10,794,979	$ 27,489,785	$ 49,396,510
Total	$ 52,469,619	$ 52,623,736	$ 154,974,042	$ 260,067,397