



OHIO CHAMBER OF COMMERCE
RESEARCH FOUNDATION



THE ECONOMIC AND FISCAL IMPACT OF THE FINANCIAL SERVICES SECTOR ON THE STATE OF OHIO IN 2022

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RESEARCHED BY:

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Research and Consulting*

EXECUTIVE SUMMARY

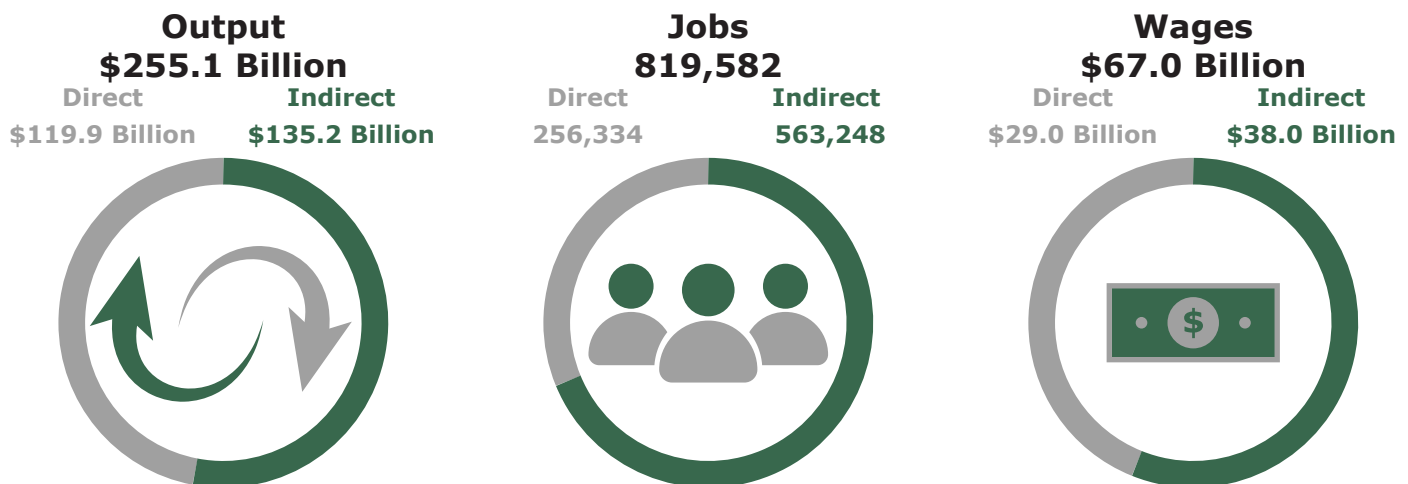
Ohio's financial services industry is a powerhouse, fueling economic growth, job creation, and tax revenue across the state. Banks, investment firms, and insurance companies don't just manage money—they support Ohioans in reaching their financial goals, from home ownership to business expansion. This report highlights the impressive reach of the sector:

- **Economic Engine:** In 2022, financial services generated **\$255.1 billion** in sales, directly employed **256,334 Ohioans**, and supported an additional **563,248 jobs across** various industries.
- **Supporting Communities:** The industry paid **\$67.0 billion** in wages, and employees contributed nearly **\$3.0 billion** in income and sales taxes, bolstering Ohio's economy.
- **Empowering Consumers and Businesses:** Ohio's financial institutions provided more than **\$32.0 billion** in home mortgages, **\$10.7 billion** in small business loans, and **\$300.0 million** to support Ohio's farms.

These numbers illustrate the critical role played by financial services in Ohio. It is essential to support this thriving sector to ensure its continued growth and positive impact on the state's economy and the lives of Ohioans.

The graphic below displays the total economic impact of the operations of the financial services sector in Ohio in 2022. The sector itself had nearly **\$119.9 billion** in sales, which generated a further **\$135.2 billion** in indirect sales for a total impact on sales of **\$255.1 billion**. The industry employed **256,334** full-time equivalent workers in 2022 which led to **563,248 indirect jobs** for a total impact of **819,582 jobs**. The jobs were paid **\$67.0 billion** in earnings, of which **\$29.0 billion** was paid to those directly employed by the financial services sector, and nearly **\$38.0 billion** was paid to the indirect jobs supported by the financial services sector.

Total Economic Impact of Financial Services in Ohio (2022)



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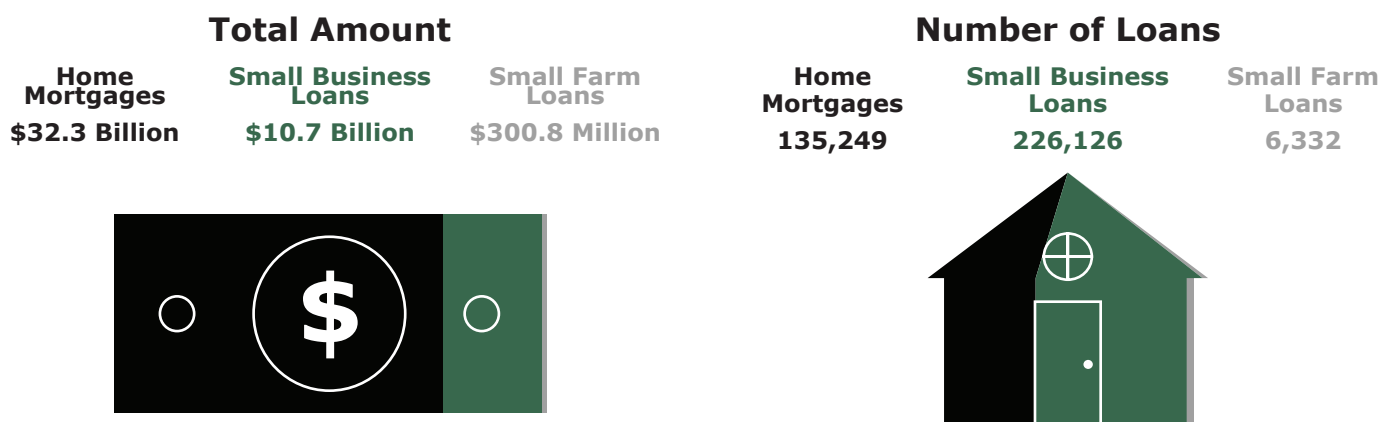
In addition to their contributions to output, jobs, and wages, financial services firms also contribute to Ohio's economic well-being through taxes. The largest tax contributions come through the income and sales tax paid by financial services employees. The graphic below gives the total income tax and sales tax estimates for the financial services sector as well as those that result from the indirect economic activity associated with the financial services sector. In total, financial services employees contributed **\$1.4 billion** in both income and sales tax in 2022, and for the indirect jobs associated with the financial services industry, **\$1.6 billion** was paid between income and sales tax. In total, the financial services industry generated nearly **\$3.0 billion** in taxes through its employment as well as the indirect employment it supports.

Fiscal Impact of Financial Services in Ohio (2022)



The graphic below presents lending statistics for Ohio in 2022. Using data from the Consumer Financial Protection Bureau's Home Mortgage Disclosure Act dataset, mortgage lending was narrowed down to the total amount lent out for home mortgages, which totaled **\$32.3 billion** over **135,249 different loans**. The median size of a home mortgage was **\$205,000**, and the average was higher at **\$239,051**. Using the FDIC's Community Reinvestment Act data, the Economics Center was able to tally up lending to small businesses and small farms in Ohio. In 2022, Ohio banks made **226,126 loans** to small businesses totaling **\$10.7 billion**. There were **6,332 loans** made to small farms totaling **\$300.8 million**.

Lending Activity of Depository Institutions, 2022



In addition, the Economics Center compiled statistics about the balance sheets of Ohio banks using Federal Deposit Insurance Corporation (FDIC) call data. The total amount of loans for agricultural purposes was **\$3.1 billion**, while the total amount of loans on banks' balance sheets for businesses of all sizes totaled **\$439.1 billion**. Auto loans comprised a small, yet sizable, portion of the balance sheet at **\$106.4 billion**. Ohio depository institutions also owned a nontrivial amount of loans to municipal governments at **\$40.9 billion**.



OHIO CHAMBER OF COMMERCE RESEARCH FOUNDATION

The Ohio Chamber of Commerce Research Foundation (The Chamber) champions economic growth and a thriving business environment for all Ohioans. Understanding the vital role played by key economic sectors is essential to achieving this mission. This report delves into the significant impact of Ohio's financial services industry, a cornerstone of our state's economy. Banks, investment firms, and insurance companies provide the resources and expertise that help Ohio businesses expand, families achieve financial security, and communities prosper. By analyzing the sector's economic footprint, The Chamber can better serve its members and empower local communities across the state.



The OBL is the trade association for the Ohio banking industry – and is Ohio's only organization focused on meeting the needs of *all banks and thrifts* in the Buckeye State. The OBL is the voice of the Ohio banking industry fostering a cooperation that has made it one of the strongest and most reputable financial trade associations in the country.



ECONOMICS CENTER RESEARCH AND CONSULTING

The Research and Consulting division of the Alpaugh Family Economics Center provides tools to help clients make better financial, policy, and economic and workforce development decisions. Our dynamic approach and critical data analyses empower business and civic leaders to respond to changing economic conditions, strengthen local economies, and improve the quality of life for their communities.



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