

The Economic Profile and Impacts of Ohio's Legal Services Industry

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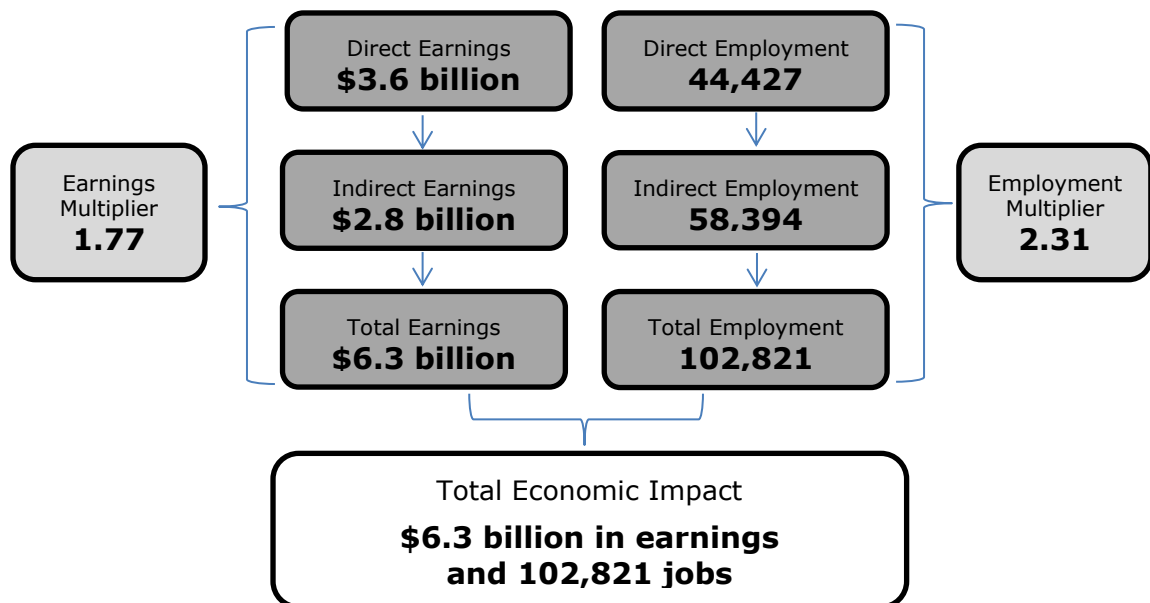
Executive Summary

The Ohio State Bar Association (OSBA) commissioned this report to update a previous report completed by the Economics Center in 2014. The OSBA is a voluntary professional association that represents members of the bench and bar in the State of Ohio. The OSBA serves its members and the public by promoting the highest standards in the practice of law and administration of justice.

This report details the economic impact of earnings and employment of the legal services industry on the State of Ohio as well as on nine regions within the State. For the purposes of this report, the legal services industry refers to establishments primarily engaged in offering legal services. The report also demonstrates the extent to which the legal profession affects and compares to major sectors of Ohio's economy.

- | The legal services industry in the State of Ohio directly employed 44,427 individuals in 2019. For every 100 people employed by the industry, an additional 131 jobs were added to the State's economy.
- | The legal services industry paid \$3.6 billion in earnings in 2019. For every \$1.0 million spent by the legal industry on earnings, an additional \$770,000 was generated in economic activity in the State.
- | Total economic impact of earnings of the legal services industry was \$6.3 billion, and the legal services industry supported 102,821 jobs, as shown in Figure 1.

Figure 1: Earnings* and Employment Impacts of the Legal Services Industry on the State of Ohio Flowchart, 2019 (2019\$)



Source: Economics Center calculations.

*Direct and indirect earnings do not sum to total earnings due to rounding.

Economic Impact

- | An economic impact analysis measures the effect of an organization or industry's expenditures on its surrounding community by demonstrating how many additional dollars circulate in an economy due to every dollar that an organization or industry spends.
- | The State of Ohio's legal services industry was a significant employer by directly employing 44,427 individuals in 2019 who received a total of \$3.6 billion in earnings. This direct economic activity generated an additional \$2.8 billion in indirect earnings and supported another 58,394 jobs. In total, the legal services industry in Ohio generated \$6.3 billion in earnings and supported 102,821 jobs
- | The economic environment of the State of Ohio is considerably different from the micro-economies of Ohio's Metropolitan Statistical Areas (MSAs) and Appalachian region. To illustrate the regional benefits of the legal services industry and to highlight the differences among impacts by region, the Economics Center examined the impact of the legal services industry on the following nine regions: Akron MSA, Canton MSA, Cincinnati MSA, Cleveland MSA, Columbus MSA, Dayton MSA, Toledo MSA, Youngstown MSA, and the 32-County Appalachia Region.¹
- | The Cleveland MSA made up the greatest share of the State's total earnings impact (32.9%) and employment impact (29.4%). The Youngstown MSA made up the smallest share of the State's total earnings impact (1.5%) and employment impact (1.8%).

Industry Interconnectivity

- | The legal services industry is highly integrated into all major industries within the State of Ohio. Measuring the amount of expenditures that other industries devote to legal services highlights the importance of legal services to these industries.
- | Finance and insurance (\$1.3 billion), manufacturing (\$1.2 billion), and health care and social assistance (\$995.7 million) were the industries that spent the greatest amount on legal services in the State of Ohio in 2019.
- | On average, 63.9 percent of the expenditures on legal services made by other industries within the State of Ohio were spent within the State.

Metropolitan and Industry Comparison

- | The average annual earnings for an employee working in the legal services industry in Ohio was \$80,315 in 2019. Of the nine regions analyzed, the Cleveland MSA had the highest average annual earnings of \$92,385.

¹ The Cincinnati MSA and Youngstown MSA include counties outside of the State of Ohio; therefore, only the Ohio portions of these MSAs were analyzed.

- | The legal services industry pays the most taxes per employee (\$24,205) compared to other professional, scientific, and technical services industries in Ohio. The legal services industry also pays more taxes per employee than five of the nine target industries identified by JobsOhio as Ohio's strongest sectors driving the State's economy.

Impact of Volunteer Activities

- | Lawyers in Ohio engage in a multitude of volunteer activities including serving on non-profit organizations' boards of trustees.
- | While the legal services industry comprises approximately 0.6 percent of the 7.1 million people employed in the State of Ohio, they are over-represented on boards of trustees for non-profits.² On average, 6.9 percent of board members in top non-profits were active registered lawyers in the State of Ohio. Therefore, a lawyer is approximately 11 times more likely to serve as a board member for a non-profit than would be expected based on their occupational representation.

² The total employment within the State of Ohio includes employees at payrolled establishments, self-employed workers, and extended proprietors.

Introduction

- | The Ohio State Bar Association (OSBA) is a voluntary professional association for individuals able to practice law in the State of Ohio. The mission of the OSBA is to promote justice and advance the legal profession. It serves its members and the public by promoting the highest standards in the practice of law and administration of justice in addition to advocating for its members and the legal profession.
- | This report communicates the economic impact of earnings and employment of the legal services industry for the State of Ohio and the metropolitan and Appalachian regions within it. The utilization of the legal services industry by other industries within the State demonstrates the essential nature of the legal services industry. The legal services industry among the regions analyzed is compared in addition to comparisons with the professional, scientific, and technical services industries and the nine target industries identified by JobsOhio.
- | The legal services industry is defined as “establishments primarily engaged in offering legal services, such as those offered by offices of lawyers, offices of notaries, and title abstract and settlement offices, and paralegal services.”³ This report does not capture the economic impact of earnings and employment for individuals in the legal profession that do not work in the legal services industry.

Economic Impact

- | The Economics Center calculated the legal services industry’s economic impact on the State of Ohio and nine of its metropolitan or Appalachian regions using an input-output model. The legal services industry encompasses the offices of lawyers industry, title abstract and settlement offices industry, and all other legal services industry.
- | An economic impact analysis measures the effect of an organization or industry’s expenditures on its surrounding community. The total economic impact represents the total dollar amount of economic transactions that occur because of an organization or industry’s expenditures. It demonstrates how many additional dollars circulate in an economy due to every dollar that an organization or industry spends.
- | This section utilizes 2019 employment and earnings data from Emsi due to the robust data currently available. Emsi is leading provider of labor market data, which is pulled from multiple sources to give a complete and current view of the labor market. The previous report utilized data from the U.S. Bureau of Labor Statistics’ Quarterly Census of Employment and Wages (QCEW). The most prominent difference in the two data sources is the type of workers included in the data. QCEW data, or payrolled establishments, represents approximately 95 percent of jobs in the United States, but excludes some workers such as self-employed workers, proprietors, elected officials, and some federal employees, among others. Emsi

³ (U.S. Census Bureau 2016)

data covers approximately 99 percent of workers by including self-employed individuals and extended proprietors. Extended proprietors represent individuals with miscellaneous income from a job not considered the primary job. For comparison purposes to the previous report, payrolled establishment employees should be examined in this section. This represents workers receiving their income from an establishment, or physical location of a business. In all subsequent sections of the report, earnings and employment data is based on all employees in the legal services industry. Therefore, direct comparisons with the previous report will be misrepresentative.

- | The total economic impact is the sum of the direct impact and the indirect impact. In this analysis, the direct impact is the amount spent directly by the legal services industry within the State or region on wages and benefits. These expenditures also affect other industries by increasing demand, jobs, and income for the suppliers of the legal services industry. This is the indirect impact, or the additional economic impact that is a result of inter-industry linkages. Direct impacts have ripple effects, or induced impacts, due to increases in household income and spending.⁴
- | Multipliers are used to determine the total economic impact when applied to the direct impact. These multipliers are industry and location specific and were obtained from Emsi. Emsi multipliers are derived from the input-output accounts and regional purchase coefficients from the U.S. Bureau of Economic Analysis (BEA). For example, the offices of lawyers industry in the State of Ohio has an earnings multiplier of 2.33. This means that, on average, every \$1 spent by the offices of lawyers industry on earnings results in a total of \$2.33 in earnings in the State of Ohio. The offices of lawyers industry also has an employment multiplier of 1.77. This indicates that, for every person employed by the offices of lawyers industry, an additional 0.77 jobs are supported in the State of Ohio's economy in other industries.
- | The economic impact of earnings and employment analyzes the legal services industry as a whole, not just lawyers. If lawyers were the only focus, the impact of the support staff would not be captured. According to Emsi, the legal services industry in the State of Ohio directly employed 44,427 individuals in 2019. Lawyers represented 47.3 percent of employees in the legal services industry. Paralegals and legal assistants represented 16.6 percent of the employees, while legal secretaries represented an additional 8.8 percent of employees in the legal services industry.

State of Ohio

- | The State of Ohio's legal services industry was a significant employer by directly employing 44,427 individuals and paying \$3.6 billion in earnings in 2019, as shown in Table 1. Payrolled establishments directly employed 31,650 employees, while an additional 12,777 employees were self-employed or extended proprietors.

⁴ Induced impacts are reported within indirect impacts for the entirety of this report.

Employees at payrolled establishments earned \$2.8 billion in earnings, while the remaining employees in the industry earned \$811.7 million.

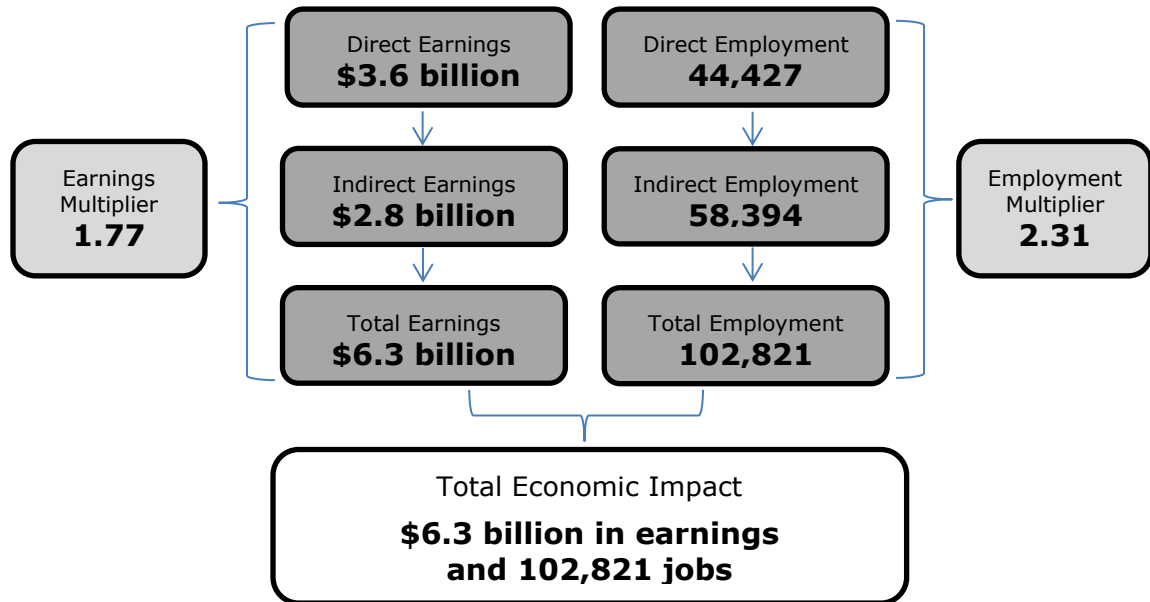
- | Spillover effects were felt by the State's economy due to the industry's employment and earnings. An additional 58,394 jobs were supported due to the industry's direct employment, and an additional \$2.8 billion in indirect earnings were generated due to the industry's direct expenditures on earnings. Payrolled establishments generated an additional \$2.1 billion in earnings and indirectly supported 41,553 individuals. Self-employed individuals and extended proprietors supported 16,841 jobs indirectly and generated an additional \$627.2 million in earnings.
- | Overall, the direct and indirect impacts resulted in a total economic impact of more than \$6.3 billion in household earnings and the creation of 102,821 jobs, as shown in Figure 2.

Table 1: Earnings and Employment Impacts of the Legal Services Industry on the State of Ohio, 2019 (2019\$)

Impact Type	Earnings	Employment
Payrolled Establishments		
Direct	\$2,756,700,536	31,650
Indirect	\$2,130,568,359	41,553
<i>Total</i>	<i>\$4,887,268,895</i>	<i>73,203</i>
Self-Employed and Extended Proprietors		
Direct	\$811,653,967	12,777
Indirect	\$627,217,586	16,841
<i>Total</i>	<i>\$1,438,871,553</i>	<i>29,618</i>
Total		
Direct	\$3,568,354,503	44,427
Indirect	\$2,757,785,945	58,394
<i>Total</i>	<i>\$6,326,140,448</i>	<i>102,821</i>

Source: Economics Center calculations.

Figure 2: Earnings and Employment Impacts of the Legal Services Industry on the State of Ohio Flowchart*, 2019 (2019\$)



Source: Economics Center calculations.

*Earnings and employment impacts include payrolled employees, self-employed individuals, and extended proprietors. Direct and indirect earnings do not sum to total earnings due to rounding.

Metropolitan and Appalachian Regions

The economic environment of Ohio is considerably different from the micro-economies of Ohio's Metropolitan Statistical Areas (MSAs) and the Appalachian region. These regions have different multiplier effects that generate varying economic impacts as a result of spending and employment by the legal services industry. Looking at only the legal services industry's impact on the State of Ohio conceals some important differences among the regions. To illustrate the regional benefits of the industry, the Economics Center examined the impact of the legal services industry on the following nine regions: Akron MSA, Canton MSA, Cincinnati MSA, Cleveland MSA, Columbus MSA, Dayton MSA, Toledo MSA, Youngstown MSA, and the 32-County Appalachia Region, as shown in Table 2.⁵ The counties included in each region are detailed in the Appendix.

⁵ The Cincinnati MSA and Youngstown MSA include counties outside of the State of Ohio; therefore, only the Ohio portions of these MSAs were analyzed.

Table 2: Earnings and Employment Impacts Comparison of the Legal Services Industry by Region*, 2019 (2019\$)

Region	Total Earnings Impact	Share of State Impact	Total Employment Impact	Share of State Impact
Akron MSA	\$343,980,422	5.4%	5,321	5.2%
Canton MSA	\$119,757,307	1.9%	2,061	2.0%
Cincinnati MSA	\$934,049,094	14.8%	13,898	13.5%
Cleveland MSA	\$2,081,887,567	32.9%	30,207	29.4%
Columbus MSA	\$1,283,589,742	20.3%	19,721	19.2%
Dayton MSA	\$302,398,904	4.8%	4,793	4.7%
Toledo MSA	\$216,648,978	3.4%	3,813	3.7%
Youngstown MSA	\$93,667,928	1.5%	1,822	1.8%
Appalachia Region	\$251,135,289	4.0%	4,914	4.8%
State of Ohio	\$6,326,140,448	100.0%	102,821	100.0%

Source: Economics Center calculations.

*Earnings and employment impacts include payrolled employees, self-employed individuals, and extended proprietors. The total earnings and employment impacts of the regions due not sum to the total for the State of Ohio. The nine regions analyzed do not encompass all counties in the State of Ohio, and the Appalachian region encompasses seven counties included in other metropolitan areas analyzed.

Akron MSA

- | The legal services industry supported a total of 5,321 jobs within the Akron MSA and \$344.0 million in household earnings in 2019, as shown in Table 3.
- | The industry directly spent \$229.9 million on earnings and supported 2,851 employees. Payrolled establishments employed 1,872 employees, while an additional 979 employees were self-employed and extended proprietors. Employees at payrolled establishments earned \$163.6 million in earnings, while the remaining employees in the industry earned \$66.3 million.
- | This economic activity generated an additional \$114.1 million in household earnings and supported 2,470 jobs indirectly within the Akron MSA. Payrolled establishments generated an additional \$81.2 million in earnings and indirectly supported 1,620 individuals. Self-employed individuals and extended proprietors supported 850 jobs indirectly which generated an additional \$32.9 million in earnings.
- | The Akron MSA accounted for 5.4 percent of the legal services industry's total earnings impact and 5.2 percent of the total employment impact on the State of Ohio.

Table 3: Earnings and Employment Impacts of the Legal Services Industry on the Akron MSA, 2019 (2019\$)

Impact Type	Earnings	Employment
Payrolled Establishments		
Direct	\$163,614,547	1,872
Indirect	\$81,207,389	1,620
<i>Total</i>	<i>\$244,821,936</i>	<i>3,492</i>
Self-Employed and Extended Proprietors		
Direct	\$66,265,463	979
Indirect	\$32,893,023	850
<i>Total</i>	<i>\$99,158,486</i>	<i>1,829</i>
Total		
Direct	\$229,880,010	2,851
Indirect	\$114,100,412	2,470
<i>Total</i>	<i>\$343,980,422</i>	<i>5,321</i>

Source: Economics Center calculations.

Canton MSA

- | The legal services industry accounted for a total of 2,061 jobs within the Canton MSA and \$119.8 million in household earnings in 2019, as shown in Table 4.
- | The industry directly spent \$86.2 million on earnings and supported 1,226 employees. Payrolled establishments employed 885 individuals and paid \$65.2 million in earnings. An additional 341 individuals earning \$21.0 million were self-employed or extended proprietors.
- | This economic activity produced an additional \$33.5 million in household earnings and supported 835 jobs within the Canton MSA. Payrolled establishments generated an additional \$25.3 million in earnings and indirectly supported 602 individuals. Self-employed individuals and extended proprietors in the legal services industry indirectly supported 233 jobs and generated an additional \$8.2 million in earnings.
- | The Canton MSA accounted for 1.9 percent of the legal services industry's total earnings impact and 2.0 percent of the total employment impact on the State of Ohio.

Table 4: Earnings and Employment Impacts of the Legal Services Industry on the Canton MSA, 2019 (2019\$)

Impact Type	Earnings	Employment
Payrolled Establishments		
Direct	\$65,234,934	885
Indirect	\$25,343,902	602
<i>Total</i>	<i>\$90,578,836</i>	<i>1,487</i>
Self-Employed and Extended Proprietors		
Direct	\$21,011,926	341
Indirect	\$8,166,545	233
<i>Total</i>	<i>\$29,178,471</i>	<i>574</i>
Total		
Direct	\$86,246,860	1,226
Indirect	\$33,510,447	835
<i>Total</i>	<i>\$119,757,307</i>	<i>2,061</i>

Source: Economics Center calculations.

Cincinnati MSA

- | The legal services industry accounted for a total of 13,898 jobs within the Cincinnati MSA and \$934.0 million in household earnings in 2019.
- | The industry directly spent \$576.7 million on earnings and supported 6,967 employees, as shown in Table 5. Payrolled establishments directly employed 5,111 individuals and paid \$462.2 million in household earnings. An additional 1,856 individuals earning \$114.5 million were self-employed or extended proprietors.
- | This economic activity generated an additional \$357.3 million in household earnings and supported 6,931 jobs within the MSA. Payrolled establishments generated an additional \$286.4 million in earnings and indirectly supported 5,088 individuals. Self-employed individuals and extended proprietors supported 1,843 jobs indirectly and generated an additional \$70.9 million in earnings.
- | The Cincinnati MSA accounted for 14.8 percent of the earnings impact and 13.5 percent of the employment impact of the legal services industry on the State of Ohio.

Table 5: Earnings and Employment Impacts of the Legal Services Industry on the Cincinnati MSA, 2019 (2019\$)

Impact Type	Earnings	Employment
Payrolled Establishments		
Direct	\$462,215,099	5,111
Indirect	\$286,438,168	5,088
<i>Total</i>	<i>\$748,653,267</i>	<i>10,199</i>
Self-Employed and Extended Proprietors		
Direct	\$114,531,173	1,856
Indirect	\$70,864,654	1,843
<i>Total</i>	<i>\$185,395,827</i>	<i>3,699</i>
Total		
Direct	\$576,746,272	6,967
Indirect	\$357,302,822	6,931
<i>Total</i>	<i>\$934,049,094</i>	<i>13,898</i>

Source: Economics Center calculations.

Cleveland MSA

- | Shown in Table 6, the legal services industry accounted for a total of 30,207 jobs within the Cleveland MSA and \$2.1 billion in household earnings in 2019.
- | The industry directly spent \$1.2 billion on earnings and supported 13,408 employees. Payrolled establishments directly employed 9,921 employees, while an additional 3,487 employees were self-employed or extended proprietors. Employees at payrolled establishments earned \$1.0 billion in earnings, while the remaining employees in the industry earned \$220.1 million.
- | This economic activity produced an additional \$837.1 million in household earnings and supported 16,799 jobs within the Cleveland MSA. Payrolled establishments generated an additional \$689.0 million in earnings and indirectly supported 12,404 individuals. Self-employed individuals and extended proprietors in the legal services industry indirectly supported 4,395 jobs and generated an additional \$148.1 million in earnings.
- | The Cleveland MSA accounted for 32.9 percent of the earnings impact and 29.4 percent of the employment impact of the legal services industry on the State of Ohio.

Table 6: Earnings and Employment Impacts of the Legal Services Industry on the Cleveland MSA, 2019 (2019\$)

Impact Type	Earnings	Employment
Payrolled Establishments		
Direct	\$1,024,668,019	9,921
Indirect	\$689,022,528	12,404
<i>Total</i>	<i>\$1,713,690,547</i>	<i>22,325</i>
Self-Employed and Extended Proprietors		
Direct	\$220,140,593	3,487
Indirect	\$148,056,427	4,395
<i>Total</i>	<i>\$368,197,020</i>	<i>7,882</i>
Total		
Direct	\$1,244,808,612	13,408
Indirect	\$837,078,955	16,799
<i>Total</i>	<i>\$2,081,887,567</i>	<i>30,207</i>

Source: Economics Center calculations.

Columbus MSA

- | The legal services industry accounted for a total of 19,721 jobs within the Columbus MSA and \$1.3 billion in household earnings in 2019, as shown in Table 7.
- | The industry directly spent \$767.6 million on earnings and supported 9,466 employees. Payrolled establishments directly employed 6,612 individuals and paid \$595.1 million in household earnings. An additional 2,854 individuals earning \$172.5 million were self-employed or extended proprietors.
- | This economic activity generated an additional \$516.0 million in household earnings and supported 10,255 jobs within the Columbus MSA. Payrolled establishments indirectly supported 7,159 individuals and generated an additional \$400.0 million in earnings. Self-employed individuals and extended proprietors in the legal services industry indirectly supported 3,096 jobs and generated an additional \$116.0 million in earnings.
- | The Columbus MSA accounted for 20.3 percent of the legal services industry's total earnings impact and 19.2 percent of the industry's total employment impact on the State of Ohio.

Table 7: Earnings and Employment Impacts of the Legal Services Industry on the Columbus MSA, 2019 (2019\$)

Impact Type	Earnings	Employment
Payrolled Establishments		
Direct	\$595,076,172	6,612
Indirect	\$400,034,362	7,159
<i>Total</i>	<i>\$995,110,534</i>	<i>13,771</i>
Self-Employed and Extended Proprietors		
Direct	\$172,516,373	2,854
Indirect	\$115,962,835	3,096
<i>Total</i>	<i>\$288,479,208</i>	<i>5,950</i>
Total		
Direct	\$767,592,545	9,466
Indirect	\$515,997,197	10,255
<i>Total</i>	<i>\$1,283,589,742</i>	<i>19,721</i>

Source: Economics Center calculations.

Dayton MSA

- | Shown in Table 8, the legal services industry accounted for a total of 4,793 jobs within the Dayton MSA and \$302.4 million in household earnings in 2019.
- | The industry directly spent \$202.2 million on earnings and supported 2,593 employees. Payrolled establishments directly employed 1,964 individuals and paid \$160.9 million in household earnings. An additional 629 individuals earning \$41.4 million were self-employed or extended proprietors.
- | This economic activity produced an additional \$100.2 million in household earnings and supported 2,200 jobs within the Dayton MSA. Payrolled establishments generated an additional \$79.7 million in earnings and indirectly supported 1,670 individuals. Self-employed individuals and extended proprietors in the legal services industry indirectly supported 530 jobs and generated an additional \$20.5 million in earnings.
- | The Dayton MSA accounted for 4.8 percent of the legal services industry's total earnings impact and 4.7 percent of the legal services industry's total employment impact on the State of Ohio.

Table 8: Earnings and Employment Impacts of the Legal Services Industry on the Dayton MSA, 2019 (2019\$)

Impact Type	Earnings	Employment
Payrolled Establishments		
Direct	\$160,859,210	1,964
Indirect	\$79,734,428	1,670
<i>Total</i>	<i>\$240,593,638</i>	<i>3,634</i>
Self-Employed and Extended Proprietors		
Direct	\$41,355,057	629
Indirect	\$20,450,209	530
<i>Total</i>	<i>\$61,805,266</i>	<i>1,159</i>
Total		
Direct	\$202,214,267	2,593
Indirect	\$100,184,637	2,200
<i>Total</i>	<i>\$302,398,904</i>	<i>4,793</i>

Source: Economics Center calculations.

Toledo MSA

- | The legal services industry accounted for a total of 3,813 jobs within the Toledo MSA and \$216.6 million in household earnings in 2019.
- | The industry directly spent \$153.6 million on earnings and supported 2,331 employees, as shown in Table 9. Payrolled establishments directly employed 1,506 employees, while an additional 825 employees were self-employed or extended proprietors. Employees at payrolled establishments earned \$99.4 million in earnings, while the remaining employees in the industry earned \$54.2 million.
- | This economic activity generated an additional \$63.0 million in household earnings and supported 1,482 jobs within the MSA. Payrolled establishments generated an additional \$40.8 million in earnings and indirectly supported 958 individuals. Self-employed individuals and extended proprietors supported 524 jobs indirectly which generated an additional \$22.2 million in earnings.
- | The Toledo MSA accounted for 3.4 percent of the earnings impact and 3.7 percent of the employment impact of the legal services industry on the State of Ohio.

Table 9: Earnings and Employment Impacts of the Legal Services Industry on the Toledo MSA, 2019 (2019\$)

Impact Type	Earnings	Employment
Payrolled Establishments		
Direct	\$99,444,108	1,506
Indirect	\$40,797,995	958
<i>Total</i>	<i>\$140,242,103</i>	<i>2,464</i>
Self-Employed and Extended Proprietors		
Direct	\$54,181,744	825
Indirect	\$22,225,131	524
<i>Total</i>	<i>\$76,406,875</i>	<i>1,349</i>
Total		
Direct	\$153,625,852	2,331
Indirect	\$63,023,126	1,482
<i>Total</i>	<i>\$216,648,978</i>	<i>3,813</i>

Source: Economics Center calculations.

Youngstown MSA

- | The legal services industry accounted for a total of 1,822 jobs within the Youngstown MSA and \$93.7 million in household earnings in 2019.
- | The industry directly spent \$66.3 million on earnings and supported 1,105 employees. Payrolled establishments employed 754 individuals and paid \$43.5 million in earnings. An additional 351 individuals earning \$22.8 million were self-employed or an extended proprietor.
- | This economic activity generated an additional \$27.4 million in household earnings and supported 717 jobs within the Youngstown MSA, as shown in Table 10. Payrolled establishments generated an additional \$18.0 million in earnings and indirectly supported 489 individuals. Self-employed individuals and extended proprietors in the legal services industry indirectly supported 228 employees and generated an additional \$9.4 million in earnings.
- | The Youngstown MSA accounted for 1.5 percent of the legal services industry's total earnings impact and 1.8 percent of the industry's employment impact upon the State of Ohio.

Table 10: Earnings and Employment Impacts of the Legal Services Industry on the Youngstown MSA, 2019 (2019\$)

Impact Type	Earnings	Employment
Payrolled Establishments		
Direct	\$43,490,824	754
Indirect	\$17,976,952	489
<i>Total</i>	<i>\$61,467,776</i>	<i>1,243</i>
Self-Employed and Extended Proprietors		
Direct	\$22,783,946	351
Indirect	\$9,416,206	228
<i>Total</i>	<i>\$32,200,152</i>	<i>579</i>
Total		
Direct	\$66,274,770	1,105
Indirect	\$27,393,158	717
<i>Total</i>	<i>\$93,667,928</i>	<i>1,822</i>

Source: Economics Center calculations.

Appalachia Region⁶

- | Shown in Table 11, the legal services industry accounted for a total of 4,914 jobs within the 32-County Appalachia Region in Ohio and \$251.1 million in household earnings in 2019.
- | The industry directly spent \$192.0 million on earnings and supported 3,318 employees. Payrolled establishments employed 2,094 individuals and paid \$108.9 million in earnings. An additional 1,224 individuals with earnings of \$83.0 million were self-employed or an extended proprietor.
- | This economic activity generated an additional \$59.2 million in household earnings and supported 1,596 jobs within the 32-County Appalachia Region in Ohio. Payrolled establishments generated an additional \$33.6 million in earnings and indirectly supported 1,008 individuals. Self-employed individuals and extended proprietors in the legal services industry indirectly supported 588 employees which generated an additional \$25.6 million in earnings.
- | The 32-County Appalachia Region in Ohio accounted for 4.0 percent of the earnings impact and 4.8 percent of the employment impact of the legal services industry on the State of Ohio.

Table 11: Earnings and Employment Impacts of the Legal Services Industry on the 32-County Appalachia Region, 2019 (2019\$)

Impact Type	Earnings	Employment
Payrolled Establishments		
Direct	\$108,938,324	2,094
Indirect	\$33,571,259	1,008
<i>Total</i>	<i>\$142,509,583</i>	<i>3,102</i>
Self-Employed and Extended Proprietors		
Direct	\$83,040,387	1,224
Indirect	\$25,585,319	588
<i>Total</i>	<i>\$108,625,706</i>	<i>1,812</i>
Total		
Direct	\$191,978,711	3,318
Indirect	\$59,156,578	1,596
<i>Total</i>	<i>\$251,135,289</i>	<i>4,914</i>

Source: Economics Center calculations.

⁶ The 32-County Appalachia Region in Ohio includes seven counties included in other Ohio MSAs evaluated. These counties include Brown, Carroll, Clermont, Hocking, Mahoning, Perry, and Trumbull.

Industry Interconnectivity

- | The legal services industry is highly integrated into all major industries. Measuring the amount of expenditures that other industries devote to legal services highlights how essential legal services are to other industries.
- | The Economics Center utilized state-level industry data from Emsi for the State of Ohio in this section of the report. Emsi utilizes Make and Use Tables from the U.S. Bureau of Economic Analysis (BEA) to model the industry purchases of all industries. These data reveal how much each industry spends on legal services.
- | Other industries in the State of Ohio spent \$7.0 billion on legal services in 2019 compared to nearly \$5.0 billion in 2012. This represents an increase of 41.7 percent, or 5.1 percent per year between 2012 and 2019.
- | Finance and insurance (\$1.3 billion), manufacturing (\$1.2 billion), and health care and social assistance (\$995.7 million) were the industries that spent the greatest amount on legal services in the State of Ohio, as shown in Table 12.
- | Overall, the majority (63.9%) of the expenditures on legal services by other industries were spent within the State. This indicates low-leakage and low-outsourcing of legal services in general. In-state versus out-of-state spending was driven by the nature of the industry itself.
- | If Ohio's sales tax rate of 5.75 percent were to be applied to purchases of legal services, industries in Ohio would have paid \$251.5 million in sales tax on legal services in 2019.⁷

⁷ This assumes that in-state spending patterns would not change if a tax were applied.

Table 12: Industry Spending on Legal Services in Ohio, 2019 (2019\$)

NAICS	Industry Description	Total Purchases of Legal Services	Share Spent In-State	Share Spent Out-of-State	Sales Tax Increase for Ohio Businesses and Consumers
11	Agriculture, Forestry, Fishing & Hunting	\$8,175,125	31.8%	68.2%	\$149,713
21	Mining, Quarrying, & Oil & Gas Extraction	\$82,785,616	38.2%	61.8%	\$1,818,086
22	Utilities	\$97,505,534	53.9%	46.1%	\$3,020,733
23	Construction	\$156,622,245	56.8%	43.2%	\$5,113,366
31	Manufacturing	\$1,188,678,408	51.3%	48.7%	\$35,083,351
42	Wholesale Trade	\$484,354,134	64.3%	35.7%	\$17,919,397
44	Retail Trade	\$167,138,073	55.9%	44.1%	\$5,372,974
48	Transportation & Warehousing	\$86,736,338	54.6%	45.4%	\$2,724,045
51	Information	\$193,487,972	68.7%	31.3%	\$7,643,196
52	Finance & Insurance	\$1,331,798,973	71.7%	28.3%	\$54,933,497
53	Real Estate & Rental & Leasing	\$459,521,530	65.4%	34.6%	\$17,278,768
54	Professional, Scientific, & Technical Services	\$469,828,845	67.6%	32.4%	\$18,271,259
55	Management of Companies & Enterprises	\$484,351,015	69.6%	30.4%	\$19,380,456
56	Administrative, Support, Waste Management, & Remediation Services	\$254,597,927	65.0%	35.0%	\$9,520,349
61	Educational Services	\$9,207,847	65.6%	34.4%	\$347,361
62	Health Care & Social Assistance	\$995,745,282	68.5%	31.5%	\$39,200,102
71	Arts, Entertainment, & Recreation	\$129,325,860	73.6%	26.4%	\$5,473,143
72	Accommodation & Food Services	\$116,274,929	60.1%	39.9%	\$4,020,718
81	Other Services (except Public Administration)	\$119,838,197	61.3%	38.7%	\$4,221,434
90	Government	\$181,939,621	62.3%	37.7%	N/A
Total		\$7,017,913,471	63.9%	36.1%	\$251,491,948

Source: Emsi.

Occupational Comparison

- | The legal services industry is comprised of individuals in a variety of occupations. This section describes the top occupations within the legal services industry in the State of Ohio.
- | According to state-level data from Emsi⁸, approximately two thirds of individuals in the legal services industry in the State of Ohio were employed in legal occupations in 2019. Lawyers comprised 47.3 percent of employees, while paralegals and legal assistants comprised an additional 16.6 percent.
- | Among the top occupations in the legal services industry, lawyers and paralegals and legal assistants were the only occupations that experienced an increase in employment from 2012 to 2019, as shown in Table 13.
- | A 2019 survey of 362 law firms in the United States found that 48 percent of law firms surveyed replaced human resources with technology to increase efficiency.⁹
- | McKinsey Global Institute estimated that 39.2 percent of legal occupations and 64.0 percent of office and administrative support occupations can be automated, on average.¹⁰ Among legal occupations, the automation potential is 23.5 percent for lawyers, 69.2 percent for paralegals and legal assistants, and 54.2 percent for title examiners, abstractors, and searchers.

⁸ The previous report utilized data from the U.S. Bureau of Labor Statistics' Occupational Employment Statistics (OES). Emsi data was utilized for this report due to the robust data currently available. Earnings and employment data are based on payrolled establishment employees, self-employed individuals, and extended proprietors.

⁹ (Clay and Seeger 2019)

¹⁰ (McKinsey Global Institute 2018)

Table 13: Occupational Statistics of the Legal Services Industry in the State of Ohio for Occupations Comprising at least One Percent of Total Employment*, 2019 (2019\$)

Occupation Code	Occupation Title	2019 Jobs	Percent Change in Jobs 2012-2019	Median Hourly Earnings	Average Hourly Earnings	Median Annual Earnings
23-1011	Lawyers	21,002	0.9%	\$44.05	\$58.67	\$91,626
23-2011	Paralegals & Legal Assistants	7,380	9.6%	\$21.55	\$23.70	\$44,832
43-6012	Legal Secretaries	3,929	-29.7%	\$21.54	\$22.12	\$44,800
43-9061	Office Clerks, General	1,445	-14.4%	\$15.72	\$16.98	\$32,704
43-6014	Secretaries & Administrative Assistants, Except Legal, Medical, & Executive	1,256	-19.6%	\$16.96	\$17.67	\$35,270
23-2093	Title Examiners, Abstractors, & Searchers	890	-6.6%	\$22.35	\$25.59	\$46,479
43-4171	Receptionists & Information Clerks	751	-11.5%	\$12.79	\$13.55	\$26,601
43-3031	Bookkeeping, Accounting, & Auditing Clerks	743	-12.2%	\$18.40	\$19.73	\$38,262

Source: Emsi.

*Earnings and employment estimates include payrolled employees, self-employed individuals, and extended proprietors.

Metropolitan and Industry Comparisons

Local Legal Services Characteristics

- This section benchmarks the presence of the legal services industry in the same nine regions for which economic impacts were calculated. This analysis is performed in recognition of the fact that the impacts of the legal services industry are distributed unevenly across the State of Ohio and allows a description of the legal services industry at the local level.

- According to Emsi data¹¹, the average annual earnings for an employee working in the legal services industry in the State of Ohio was \$80,315 in 2019.¹² The average annual earnings in the State of Ohio for all industries was \$55,846, or approximately \$24,469 less than the average annual earnings of the legal services industry.
- Of the nine regions analyzed, the Cleveland MSA had the highest average annual earnings in the legal services industry of \$92,385 followed by \$82,414 for the Cincinnati MSA, as shown in Table 14. The Appalachia region reported the lowest average annual earnings for the legal services industry of \$57,645.

Table 14: Average Annual Earnings Comparison by Region*, 2019 (2019\$)

Region	Average Annual Earnings of the Legal Services Industry	Average Annual Earnings of All Industries
Akron MSA	\$80,301	\$53,306
Canton MSA	\$69,968	\$46,776
Cincinnati MSA	\$82,414	\$62,347
Cleveland MSA	\$92,385	\$58,590
Columbus MSA	\$80,698	\$59,174
Dayton MSA	\$77,397	\$54,916
Toledo MSA	\$65,646	\$53,506
Youngstown MSA	\$59,681	\$44,193
Appalachia Region	\$57,645	\$44,332
State of Ohio	\$80,315	\$55,846

Source: Emsi.

*Average annual earnings based on payrolled establishment employees, self-employed individuals, and extended proprietors.

- A location quotient (LQ) indicates how concentrated an industry is in a region as compared to a larger area (either a state or the nation). It also compares relative employment levels. According to the Bureau of Labor Statistics, "If an LQ is equal to 1, then the industry has the same share of its area employment as it does in the nation. An LQ greater than 1 indicates an industry with a greater share of the local area employment than is the case nationwide."¹³ An LQ above or below one demonstrates that an industry is uniquely over- or under-represented in an area.

¹¹ The previous report utilized data from the U.S. Bureau of Labor Statistics' Quarterly Census of Employment and Wages (QCEW). Emsi data was utilized for this report due to the robust data currently available. Earnings and employment data are based on payrolled establishment employees, self-employed individuals, and extended proprietors.

¹² Average annual earnings include wages, salaries, profits, benefits, and other compensation.

¹³ (U.S. Bureau of Labor Statistics 2016)

- Compared to the U.S. as a whole, the legal services industry in the State of Ohio had an LQ of 0.81 in 2019. This indicates that the legal services industry made up a smaller share of the total employment in Ohio than it did for the U.S. overall.
- As shown in Table 15, when the nine regions analyzed were compared to the State of Ohio, the legal services industry in the Akron MSA (1.08), Cincinnati MSA (LQ of 1.03), Cleveland MSA (LQ of 1.60), and Columbus MSA (LQ of 1.10) had a larger share of the total employment in their respective MSAs than for the State overall.
- When the nine regions were compared to the U.S., the Cleveland MSA (LQ of 1.30) was the only region in Ohio analyzed in which the legal services industry had a larger share of employment compared to the U.S. overall.

Table 15: Average Annual Employment and Industry Concentration Comparison by Region*, 2019

Region	Average Annual Employment of the Legal Services Industry	Legal Services Industry as Percent of Total Employment	OH LQ	U.S. LQ
Akron MSA	2,851	0.7%	1.08	0.88
Canton MSA	1,227	0.6%	0.90	0.73
Cincinnati MSA	6,967	0.6%	1.03	0.83
Cleveland MSA	13,407	1.0%	1.60	1.30
Columbus MSA	9,466	0.7%	1.10	0.89
Dayton MSA	2,592	0.5%	0.86	0.70
Toledo MSA	2,331	0.6%	0.95	0.77
Youngstown MSA	1,105	0.5%	0.81	0.65
Appalachia Region	3,317	0.4%	0.59	0.48
State of Ohio	44,427	0.6%	-	0.81

Source: Emsi and Economics Center calculations.

*Average annual employment includes payrolled employees, self-employed individuals, and extended proprietors. The employment of the regions due not sum to the total for the State of Ohio. The nine regions analyzed do not encompass all counties in the State of Ohio, and the Appalachian region encompasses seven counties included in other metropolitan areas analyzed.

Professional, Scientific, and Technical Services Comparison

- Legal services (NAICS 5411) is an industry group that falls within the broader sector of Professional, Scientific, and Technical Services (NAICS 54). Using data from Emsi¹⁴, this section compares the number of establishments, jobs, average annual

¹⁴ The previous report utilized the U.S. Bureau of Labor Statistics' Quarterly Census of Employment and Wages (QCEW) for average annual earnings and employment data. Emsi data was utilized for this report due to the robust data currently available. Earnings and employment data are based on payrolled establishment employees, self-employed individuals, and extended proprietors.

earnings, and taxes paid per employee¹⁵ in the legal services industry to its peer industry groups that fall within the broader sector.

- | The U.S. Bureau of Labor Statistics describes the sector as follows: “The Professional, Scientific, and Technical Services sector comprises establishments that specialize in performing professional, scientific, and technical activities for others. These activities require a high degree of expertise and training. The establishments in this sector specialize according to expertise and provide these services to clients in a variety of industries and, in some cases, to households.”¹⁶
- | The taxes paid per employee include State of Ohio income taxes, Social Security taxes, Medicare taxes, federal unemployment taxes, state unemployment taxes, Ohio commercial activity taxes (CAT), and production and import taxes. State of Ohio income taxes, Social Security taxes, Medicare taxes, federal unemployment taxes, and state unemployment taxes were calculated based on the average annual earnings within the industry retrieved from Emsi. The average state unemployment rate of 2.3 percent in 2019 was utilized.¹⁷ The Ohio Department of Taxation reported the fiscal year 2019 CAT tax collections after tax credits by broad industry classification, which were divided by the total jobs in the respective industry. The production and import taxes were retrieved from Emsi and divided by the total jobs in the respective industry. The production and import taxes included non-personal property taxes, licenses, sales and gross receipts taxes, and federal excise taxes on goods and services.
- | The legal services industry had 5,187 establishments, employed 44,427 individuals who earned an average of \$80,315. The computer systems design and related services industry had the most establishments (8,959) and employed the most people (76,253), while the scientific research and development services industry had the highest average annual earnings (\$103,582).
- | In comparison to the other professional, scientific, and technical services industries in the State of Ohio, the legal services industry paid the most taxes per employee in 2019 at an average of \$24,205, as shown in Table 16. The computer systems design and related services industry paid \$21,170 in taxes per employee. The two lowest tax-paying (per employee) industries in the sector were accounting and bookkeeping services (\$13,267) and other professional, scientific, and technical services (\$7,820).

¹⁵ The previous report utilized estimates of taxes paid per employee from Bizminer’s industry financial reports. The taxes paid estimates detailed in this report were calculated from data retrieved from Emsi and the Ohio Department of Taxation.

¹⁶ (U.S. Bureau of Labor Statistics 2020)

¹⁷ (U.S. Department of Labor, Employment and Training Administration 2019)

Table 16: Professional, Scientific, and Technical Industries Comparison in the State of Ohio*, 2019 (2019\$)

NAICS	Industry Description	Establishments	Jobs	Average Annual Earnings	Taxes Paid per Employee
5411	Legal Services	5,187	44,427	\$80,315	\$24,205
5412	Accounting & Bookkeeping Services	4,103	45,080	\$64,264	\$13,267
5413	Architectural & Engineering Services	3,875	52,249	\$84,765	\$17,419
5414	Specialized Design Services	949	16,108	\$57,784	\$13,991
5415	Computer Systems Design & Related Services	8,959	76,253	\$100,662	\$21,170
5416	Management & Technical Consulting Services	6,143	67,650	\$71,692	\$14,207
5417	Scientific Research & Development Services	781	19,979	\$103,582	\$20,857
5418	Advertising, PR, & Related Services	1,620	19,424	\$62,443	\$13,877
5419	Other Professional & Technical Services	2,137	65,000	\$36,767	\$7,820

Source: Emsi and Economics Center calculations.

*Earnings and employment data and the taxes paid per employee calculations are based on payrolled employees, self-employed individuals, and extended proprietors.

- | A breakdown of taxes paid per employee is also detailed for the nine regions analyzed in Ohio by industry. Within the legal services industry, the region that paid the greatest amount of taxes per employee was the Cleveland MSA (\$27,964), and the region that paid the least per employee was the 32-county Appalachia region (\$17,348), as shown in Table 17.

Table 17: Taxes Paid per Employee for Professional, Scientific, and Technical Services Industries by Region*, 2019 (2019\$)

Industry Description	Akron MSA	Canton MSA	Cincinnati MSA	Cleveland MSA	Columbus MSA	Dayton MSA	Toledo MSA	Youngstown MSA	Appalachia Region
Legal Services	\$24,235	\$21,155	\$24,894	\$27,964	\$24,386	\$23,429	\$19,756	\$17,993	\$17,348
Accounting & Bookkeeping Services	\$12,395	\$9,432	\$16,346	\$14,893	\$13,251	\$13,147	\$11,006	\$9,181	\$8,423
Architectural & Engineering Services	\$17,206	\$12,596	\$18,330	\$17,363	\$17,968	\$19,400	\$16,815	\$13,999	\$14,381
Specialized Design Services	\$8,692	\$38,136	\$13,437	\$10,357	\$16,124	\$13,429	\$8,896	\$6,215	\$7,698
Computer Systems Design & Related Services	\$17,956	\$14,543	\$21,354	\$19,642	\$23,061	\$21,832	\$17,560	\$14,568	\$16,033
Management & Technical Consulting Services	\$11,287	\$10,308	\$16,087	\$15,368	\$14,434	\$14,050	\$12,698	\$9,118	\$9,789
Scientific Research & Development Services	\$20,825	\$23,809	\$20,829	\$20,641	\$22,148	\$21,000	\$18,752	\$6,345	\$10,329
Advertising, PR, & Related Services	\$14,606	\$12,919	\$16,285	\$15,415	\$17,328	\$14,500	\$16,968	\$10,979	\$13,873
Other Professional & Technical Services	\$6,977	\$6,559	\$9,151	\$7,531	\$7,991	\$6,524	\$7,840	\$6,638	\$6,781

Source: Economics Center calculations.

*Taxes paid calculations are based on payrolled employees, self-employed individuals, and extended proprietors.

JobsOhio Industry Cluster Comparison

- | This section compares the number of establishments, jobs, average annual earnings, and taxes paid per employee in the legal services industry and the nine target industries identified by JobsOhio using data from Emsi.¹⁸ Taxes paid per employee calculations are the same as the previous section except for the financial services industry. The taxes paid calculations account for the financial institutions that are required to pay the Ohio financial institutions tax instead of the CAT tax.
- | Among the nine target industries for JobsOhio and the legal services industry, the financial services industry had the most establishments (11,654) and employed the most individuals (283,264). The aerospace and aviation industry had the highest average annual earnings (\$120,181) and paid the most taxes per employee (\$44,478).
- | The legal services industry paid \$24,205 in taxes per employee. As shown in Table 18, this was the fifth highest paying industry after aerospace and aviation (\$44,478), energy and chemicals (\$43,618), financial services (\$27,474), and biohealth (\$26,215).

Table 18: JobsOhio and Legal Services Industries Comparison*, 2019 (2019\$)

JobsOhio Industry	Establishments	Jobs	Average Annual Earnings	Taxes Paid per Employee
Advanced Manufacturing	1,809	124,035	\$85,181	\$21,072
Aerospace and Aviation	628	42,693	\$120,181	\$44,478
Automotive	683	112,204	\$78,927	\$19,667
BioHealth	465	17,889	\$92,251	\$26,215
Energy and Chemicals	3,668	169,773	\$92,442	\$43,618
Financial Services	11,654	283,264	\$83,786	\$27,474
Food Processing	1,411	74,163	\$63,025	\$21,346
Information Technology	11,295	104,509	\$98,624	\$21,703
Legal Services	5,187	44,428	\$80,315	\$24,205
Logistics	8,078	248,130	\$53,493	\$11,445

Source: Emsi and Economics Center calculations.

*Earnings and employment data and the taxes paid per employee calculations are based on payrolled employees, self-employed individuals, and extended proprietors.

¹⁸ The previous report utilized estimates of taxes paid per employee from Bizminer's industry financial report and establishment data from Bizminer's industry market report. The taxes paid estimates detailed in this report were calculated from data retrieved from Emsi and the Ohio Department of Taxation, while establishment data was also retrieved from Emsi.

Impact of Volunteer Activities

- | Lawyers in the State of Ohio engage in a multitude of volunteer activities, especially serving on non-profit organizations' boards of trustees. The impact of these contributions follows.
- | For this analysis, the U.S. Internal Revenue Service's (IRS) exempt organizations business master file (EO BMF) was compared to the IRS's statistics of income (SOI) annual extract of tax-exempt organization financial data for 2018 to identify active non-profits.¹⁹ The top non-profit organizations in three OSBA districts were identified according to total assets and gross receipts.²⁰ IRS Form 990s (Return of Organization Exempt from Income Tax) were retrieved for the top non-profits to identify their board members. The data on board members were then matched to attorneys registered with the Supreme Court of Ohio. Based upon the matches, the percentage of the top non-profit boards that were comprised of attorneys was determined.
- | While the legal services industry comprises approximately 0.6 percent of the 7.1 million people employed in the State of Ohio, they are over-represented on boards of directors/trustees for non-profits.²¹ On average, 6.9 percent of board members in top non-profits were active registered lawyers in the State of Ohio. In urban OSBA districts, 8.4 percent of board members for top non-profits were active registered lawyers. For rural OSBA districts, 5.9 percent of board members for top non-profits were active registered lawyers. In OSBA districts that contain a combination of urban and rural counties, approximately 4.1 percent of board members were active registered lawyers.
- | Therefore, a lawyer in the State of Ohio is approximately 11 times more likely to serve as a board member for a non-profit than would be expected based on their occupational representation. In 2012, lawyers were four to eight times more likely to serve as a board member for a non-profit.
- | According to self-reported survey data of OSBA's membership reported in *The Economics of Law Practice in Ohio in 2019*, OSBA attorneys from around the state are actively participating on non-profit boards.
- | OSBA attorneys in the three largest metropolitan areas in Ohio reported similar participation on non-profit boards. In the Cincinnati MSA, 39.7 percent of OSBA attorneys reported participation on non-profit boards making them more active compared to OSBA attorneys in Cleveland and Columbus.

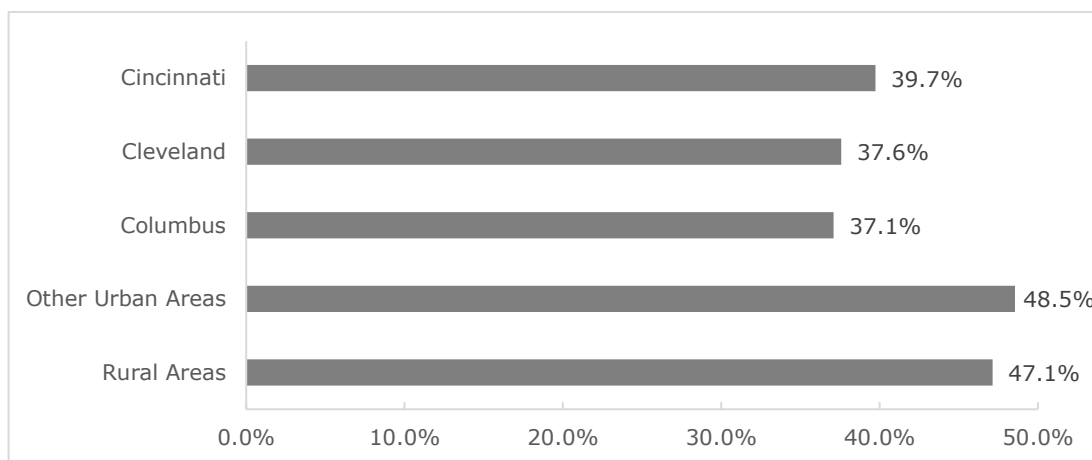
¹⁹ (U.S. Internal Revenue Service 2020a); (U.S. Internal Revenue Service 2020b)

²⁰ Top non-profit organization were identified as the top 50 non-profits in rural OSBA districts and the top 100 non-profits in urban OSBA districts according to total assets and gross receipts.

²¹ The total employment within the State of Ohio includes employees at payrolled establishments, self-employed workers, and extended proprietors.

- In other urban areas in Ohio, 48.5 percent of OSBA attorneys reported participation on non-profit boards, while 47.1 percent of OSBA lawyers in rural areas reported participation on non-profit boards, as shown in Figure 3.

Figure 3: Non-Profit Board Participation Among OSBA Attorneys by Region



Source: Ohio State Bar Association.

Comparison with 2014 Report

- This report is an update to a report completed for the OSBA in 2014 using 2012 data. The methodology is consistent with the previous report except for the comparison of taxes paid for the professional, scientific, and technical services industry and the JobsOhio industries. The data for this report utilizes earnings and employment data from Emsi, whereas the previous report utilized data from the Quarterly Census of Employment and Wages (QCEW) produced by the U.S. Bureau of Labor Statistics. QCEW data covers approximately 95 percent of the employed workforce, while Emsi data supplements the QCEW data to attempt to analyze the complete set of employed workers in the United States. For the taxes paid comparisons, the previous report utilized establishment and taxes paid per employee data from Bizminer's industry market and financial reports. Industry establishment data was retrieved from Emsi for this report, and the taxes paid estimates detailed in this report were calculated from data retrieved from Emsi and the Ohio Department of Taxation. Due to the robust data available, this report consistently utilizes earnings, employment, and industry data from Emsi. Additionally, the data for this report is based on payrolled establishment employees, self-employed workers, and extended proprietors. Therefore, direct comparisons with the previous report will be misrepresentative.

Conclusion

- The State of Ohio's legal services industry was a significant employer by directly employing 44,427 individuals in 2019 who received a total of \$3.6 billion in earnings. This economic activity generated an additional \$2.7 billion in earnings.

and supported 58,394 jobs, indirectly. The legal services industry in Ohio generated more than \$6.3 billion in earnings and supported a total of 102,821 jobs

- | The legal services industry comprised 0.6 percent of the total employment in the State of Ohio in 2019. The average annual earnings for an employee working in the legal services industry was \$80,315 in 2019. Of the nine regions analyzed, the Cleveland MSA had the highest average annual earnings of \$92,385. The average annual earnings in the State of Ohio for all industries was \$55,846.
- | The legal services industry is highly integrated into all major industries within the State of Ohio with other industries spending a combined \$7.0 billion on legal services in 2019.
- | The legal services industry paid an average of \$24,205 in taxes per employee. This was the most compared to other professional, scientific, and technical services industries and the fifth most compared to the JobsOhio target industries.
- | A lawyer is approximately 11 times more likely to serve as a board member for a non-profit than would be expected based on their occupational representation.

Appendix

Table 19: Counties Included in Ohio Regions

Region	Ohio Counties
Akron MSA	Portage, Summit
Canton MSA	Carroll, Stark
Cincinnati MSA	Brown, Butler, Clermont, Hamilton, Warren
Cleveland MSA	Cuyahoga, Geauga, Lake, Lorain, Medina
Columbus MSA	Delaware, Fairfield, Franklin, Hocking, Licking, Madison, Morrow, Perry, Pickaway, Union
Dayton MSA	Greene, Miami, Montgomery
Toledo MSA	Fulton, Lucas, Ottawa, Wood
Youngstown MSA	Mahoning, Trumbull
Appalachian Region	Adams, Ashtabula, Athens, Belmont, Brown, Carroll, Clermont, Columbiana, Coshocton, Gallia, Guernsey, Harrison, Highland, Hocking, Holmes, Jackson, Jefferson, Lawrence, Mahoning, Meigs, Monroe, Morgan, Muskingum, Noble, Perry, Pike, Ross, Scioto, Trumbull, Tuscarawas, Vinton, and Washington

Source: U.S. Office of Management and Budget and Appalachian Regional Commission.

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