

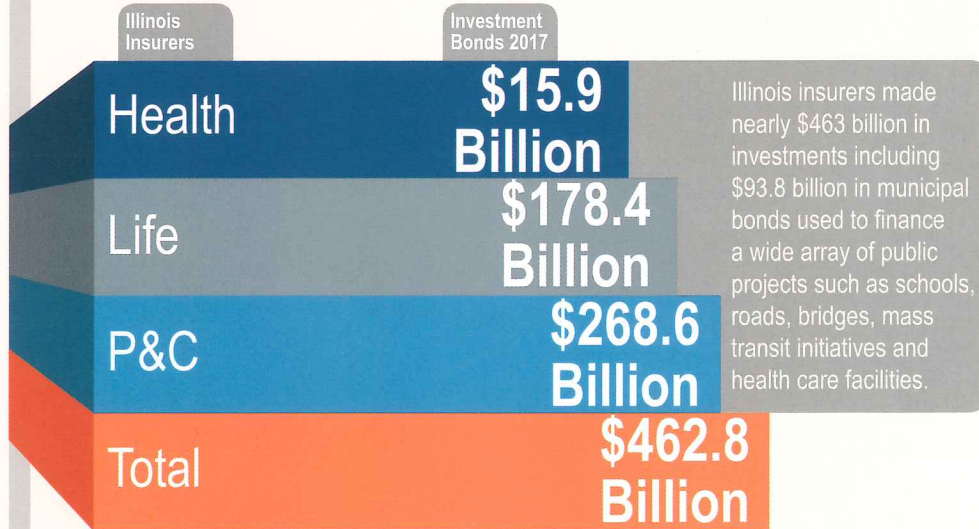
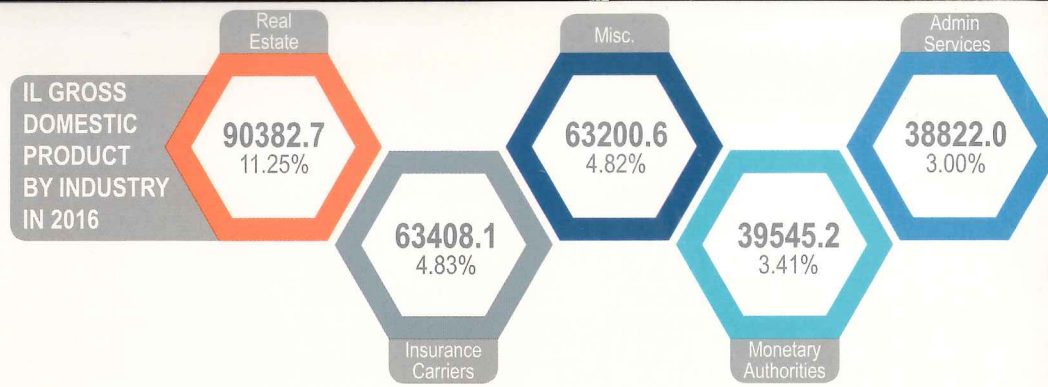


Insurance Industry
2019 Economic Impact Study
Employment - Revenue - Investment

The insurance industry in the U.S. employs over 3 million people. **In 2017, 155,757 people were employed directly by the insurance industry in Illinois.**

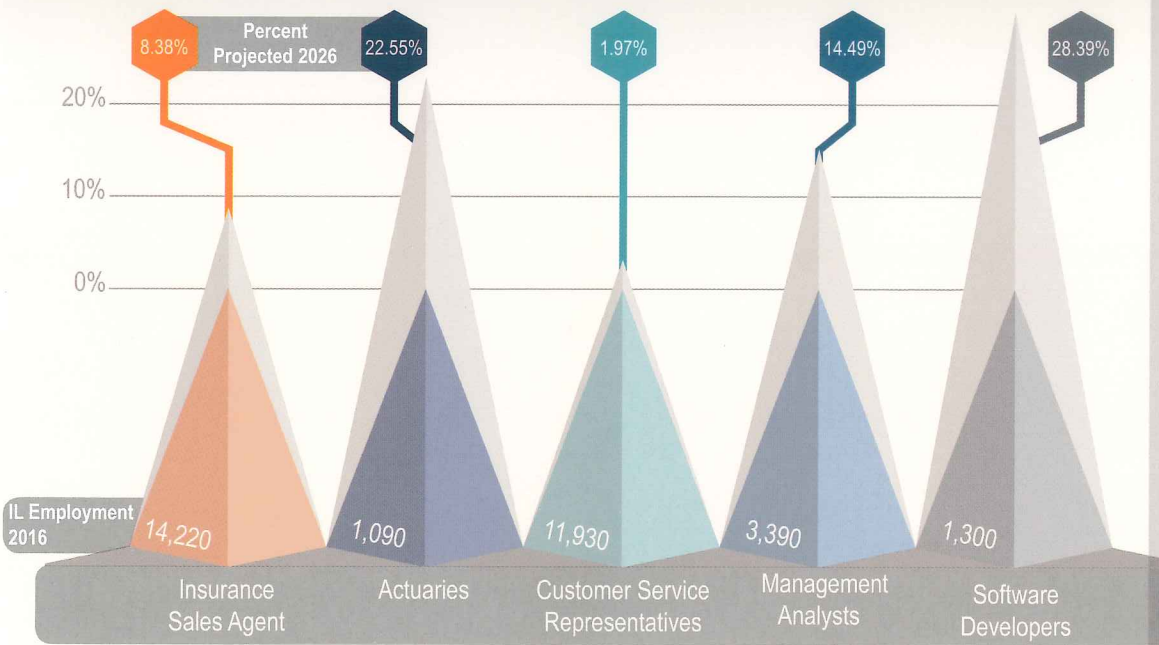
This is more than any of the surrounding states and in fact is more than twice the employment of Missouri, Indiana, or Iowa. These people work in various occupations in the insurance industry, in organizations ranging in size from large insurance companies to single person insurance agencies.

The Illinois insurance industry is exceptionally robust and competitive. As of 2017, there were 191 property and casualty insurers, 38 life insurers, and 43 health insurers domiciled in Illinois. **In fact, one out of every five dollars of property and casualty insurance premium in the U.S. is underwritten by Illinois insurance companies.**



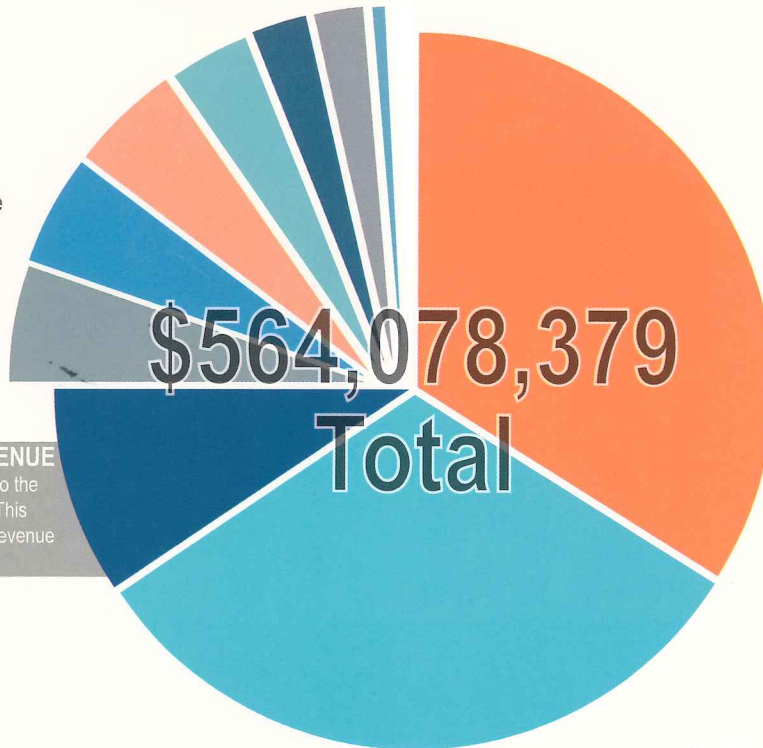
	Overall	P&C	Life	Health
IL	1	1	14	2
NY	2	7	2	3
CT	3	3	1	32
OH	4	2	8	7
TX	5	6	9	6

RANKING OF STATES INSURANCE PREMIUMS WRITTEN
 This graph illustrates the extent to which the Illinois insurance industry dominates the property and casualty (P&C) industry writing \$113 billion of the total \$558.4 billion national P&C sector. This represents a remarkable 20.8 percent of the entire P&C insurance sector!



The industry is a major contributor to charitable causes. The Insurance Industry Charitable Foundation (IICF) and McKinsey and Co. have said that the insurance industry increased charitable giving by an average of 15 percent per year since 2011 for a total of **\$575 million in 2015**. As of November, 2017, the insurance industry contributed over \$28.7 million in local community grants.

- Privilege Tax - Insurance
- Retaliatory Tax
- Surplus Line Tax Insurance
- Insurance Producer Licenses
- Fire Marshal Tax
- Ind Comm Oper Fund Surcharge
- Miscellaneous
- 1/2% Comp Pd Employer
- Independent Procurement Tax
- Insurance User Fees
- Interest on Late Filing Fees



HALF A BILLION IN STATE REVENUE

The Illinois insurance industry contributes to the state of Illinois revenues in several areas. This chart shows the breakdown of sources of revenue for the state of Illinois in 2018.

What is perhaps most striking is that the U.S. economy as a whole is a beneficiary of insurers in Illinois, which are significantly non-life property and casualty losses. In 2017, Illinois property and casualty insurance paid out over \$69 billion to policyholders in the U.S for losses to homes, autos, and businesses. That represents 21 percent of all property and casualty claims made in the entire country.



The insurance industry favorably affects the local economy through both direct and indirect economic activity. Typical direct contributions expected by any business, include contribution to the local economy's GDP, employment of workers, and payment of corporate taxes. Insurance also has some unique direct economic impacts both through its role as protector of economic loss, and through its role as institutional investor in government and business.

Individuals and businesses who are insured against a variety of potentially losses, are then enabled to engage in activities that produce or preserve wealth, create jobs, and foster investment, innovation and entrepreneurship. As individuals and businesses have greater security to protect themselves from loss they need to hold less capital which means people and business have more to consume and invest in things like human capital and technology, making state economies more competitive and robust.



**KATIE SCHOOL
OF INSURANCE AND
RISK MANAGEMENT**
Illinois State University

About this Study:

This study was conducted by the Katie School of Insurance at Illinois State University and was sponsored by the independent Insurance Agents of Illinois, the Illinois Insurance Association and the National Association of Insurance and financial Advisors Illinois. Copies of this study, along with all of the supporting documentation can be found at www.katieschoolstudies.org.

