

The Kansas Defense Breakdown Economic Impact Report

Go to www.forthecommondefense.org/reports to view detailed reports on Kansas counties, cities, Congressional Districts, industries, small businesses and information on sources and methodology.

- **9%:** In 2012, President Obama limited U.S. military capability to fighting one “regional conflict” and one “holding action.” Defense budgets for 2013-2021 were cut **\$487 billion – a 9% cut, at a minimum.**
- **18%:** “Sequestration,” required by law in 2011, mandates **\$500 billion** more in 2013-2021 defense cuts – **an 18% cut, at a minimum.** President Obama said he will veto any changes Congress makes.
- **Be Prepared:** In 2013 **these cuts in defense jobs and businesses** will hit Kansas counties, cities and industries. This report shows how “National Average” defense budget reductions of at least **9% and 18% could affect Kansas, using actual 2010 Kansas data.**
- **Ask Questions:** In 2012, Congress and President Obama will decide on the specific defense budget cuts. In the next 6 months, find out if these defense cuts affect your community more – or less – than this national average. See www.forthecommondefense.org/reports for reports on cities, counties, industries and more.

A 2011 nationwide economic impact study from the Center for Regional Analysis predicts that Kansas could lose thousands of jobs and hundreds of millions of dollars under the “Sequestration” law:

- Kansas could lose 5,897 jobs.
- Kansas’ economy could lose \$348 million in lost earnings.
- Kansas could see a \$507 million decrease in Gross State Product (GSP).

Congressional experts estimate Kansas could lose DOD military active-duty and DOD civilian jobs:

- Under “Sequestration,” 4,247 **military active-duty employees** could lose their jobs.
- Under “Sequestration,” 1,950 **civilian DOD employees** could lose their jobs.

Kansas Top 5 Counties Projected Revenue Reductions Based On National Average

County Name	2000-2010 Revenue	2010 Revenue (Baseline)	2013-2021 Annual Revenue Reduced By At Least 9%	Under Sequestration: 2013-2021 Annual Revenue Reduced By At Least 18%
Sedgwick	\$11,722,985,130	\$1,104,653,247	-\$99,418,796	-\$198,837,592
Johnson	\$2,050,556,396	\$277,654,816	-\$24,988,934	-\$49,977,869
Shawnee	\$431,195,026	\$60,084,020	-\$5,407,562	-\$10,815,124
Crawford	\$429,098,482	\$27,987,659	-\$2,518,889	-\$5,037,779
Geary	\$231,522,277	\$27,183,104	-\$2,446,479	-\$4,892,959



Kansas businesses will not escape the 9% and 18% cuts.

Public data for 2010 shows Kansas businesses earned over \$1.61 billion supporting America's defense:

- But under these 10-year defense cuts of at least 9%, Kansas **annual business losses** could be greater than **\$145 million**. Kansas businesses may have to **fire workers**.
- And at the "Sequestration" level of at least 18% in defense cuts, Kansas **annual business losses** could be greater than **\$290 million**. Some Kansas businesses may have to **shut down**.

With at least 9% or 18% in planned budget cuts, Kansas' small businesses will suffer.

From 2000-2010, {TotalBusinesses} Kansas businesses provided goods and services for America's national defense:

- **90 minority-owned businesses**, including 39 owned by Black Americans, 10 owned by Hispanic Americans, 5 owned by Native Americans, 17 owned by Asian-Pacific Americans, and 19 owned by other minority Americans.
- **81 small businesses** including 52 "8A" and **small disadvantaged businesses** (SDB's)
- **132 woman-owned** businesses
- **95 veteran-owned** businesses, including 33 owned by **service-disabled veterans**

Kansas Businesses Projected Revenue Reductions Based On National Average

Type of Business	Numbers of This Business Type 2000-2010	Revenue for This Business Type 2010	Revenue Losses for Business Type 2010 - at Least 9% Reduction	Revenue Losses for Business Type 2010 - at Least 18% Reduction
Minority Owned	90	\$142,771,334	-\$12,849,421	-\$25,698,841
Small Businesses	29	\$672,503,783	-\$60,525,343	-\$121,050,686
Small Disadvantaged	52	\$77,765,675	-\$6,998,911	-\$13,997,822
Veteran-Owned	62	\$20,754,934	-\$1,867,944	-\$3,735,888
Service-Disabled Veteran	33	\$45,714,752	-\$4,114,328	-\$8,228,656
Black American	39	\$99,117,300	-\$8,920,557	-\$17,841,115
Hispanic American	10	\$2,929,138	-\$263,622	-\$527,245
Asian-Pacific Owned	17	\$7,870,394	-\$708,335	-\$1,416,671
Women-Owned	132	\$82,542,861	-\$7,428,858	-\$14,857,716

