

The Maine Defense Breakdown Economic Impact Report

Go to www.forthecommondefense.org/reports to view detailed reports on Maine 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 Maine counties, cities and industries. This report shows how “National Average” defense budget reductions of at least **9% and 18% could affect Maine, using actual 2010 Maine 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 Maine could lose thousands of jobs and hundreds of millions of dollars under the “Sequestration” law:

- Maine could lose 4,055 jobs.
- Maine’s economy could lose \$239 million in lost earnings.
- Maine could see a \$348 million decrease in Gross State Product (GSP).

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

- Under “Sequestration,” 122 **military active-duty employees** could lose their jobs.
- Under “Sequestration,” 1,737 **civilian DOD employees** could lose their jobs.

Maine 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%
Sagadahoc	\$7,895,689,607	\$647,314,389	-\$58,258,297	-\$116,516,595
Cumberland	\$1,700,064,599	\$254,716,460	-\$22,924,482	-\$45,848,965
Penobscot	\$559,272,703	\$134,697,641	-\$12,122,788	-\$24,245,576
Waldo	\$505,908,919	\$45,891,959	-\$4,130,276	-\$8,260,553
Somerset	\$62,117,880	\$38,876,696	-\$3,498,903	-\$6,997,806



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

Public data for 2010 shows Maine businesses earned over \$1.22 billion supporting America's defense:

- But under these 10-year defense cuts of at least 9%, Maine **annual business losses** could be greater than **\$110 million**. Maine businesses may have to **fire workers**.
- And at the "Sequestration" level of at least 18% in defense cuts, Maine **annual business losses** could be greater than **\$220 million**. Some Maine businesses may have to **shut down**.

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

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

- **9 minority-owned businesses**, including 1 owned by Hispanic Americans, 2 owned by Native Americans, 2 owned by Asian-Pacific Americans, and 4 owned by other minority Americans.
- **14 small businesses** including 8 "8A" and **small disadvantaged businesses** (SDB's)
- **26 woman-owned** businesses
- **41 veteran-owned** businesses, including 12 owned by **service-disabled veterans**

Maine 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	9	\$161,198,965	-\$14,507,907	-\$29,015,815
Small Businesses	6	\$156,792,206	-\$14,111,299	-\$28,222,598
Small Disadvantaged	8	\$8,311,628	-\$748,047	-\$1,496,093
Veteran-Owned	29	\$3,467,986	-\$312,119	-\$624,238
Service-Disabled Veteran	12	\$5,735,522	-\$516,197	-\$1,032,394
Hispanic American	1	\$536,119	-\$48,251	-\$96,501
Asian-Pacific Owned	2	\$29,400	-\$2,646	-\$5,292
Women-Owned	26	\$16,420,425	-\$1,477,838	-\$2,955,677

