

The Montana Defense Breakdown Economic Impact Report

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

- Montana could lose 950 jobs.
- Montana’s economy could lose \$56 million in lost earnings.
- Montana could see a \$82 million decrease in Gross State Product (GSP).

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

- Under “Sequestration,” 604 **military active-duty employees** could lose their jobs.
- Under “Sequestration,” 399 **civilian DOD employees** could lose their jobs.

Montana 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%
Roosevelt	\$208,011,738	\$65,703,695	-\$5,913,333	-\$11,826,666
Cascade	\$557,095,091	\$62,397,350	-\$5,615,762	-\$11,231,523
Lake	\$543,900,461	\$60,468,826	-\$5,442,195	-\$10,884,389
Yellowstone	\$119,525,069	\$25,854,347	-\$2,326,891	-\$4,653,783
Gallatin	\$122,276,863	\$19,890,247	-\$1,790,122	-\$3,580,245



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

Public data for 2010 shows Montana businesses earned over \$294 million supporting America's defense:

- But under these 10-year defense cuts of at least 9%, Montana **annual business losses** could be greater than **\$26 million**. Montana businesses may have to **fire workers**.
- And at the "Sequestration" level of at least 18% in defense cuts, Montana **annual business losses** could be greater than **\$53 million**. Some Montana businesses may have to **shut down**.

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

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

- **25 minority-owned businesses**, including 3 owned by Hispanic Americans, 12 owned by Native Americans, 2 owned by Asian-Pacific Americans, and 8 owned by other minority Americans.
- **33 small businesses** including 19 "8A" and **small disadvantaged businesses** (SDB's)
- **65 woman-owned** businesses
- **36 veteran-owned** businesses, including 12 owned by **service-disabled veterans**

Montana 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	25	\$128,842,575	-\$11,595,832	-\$23,191,664
Small Businesses	14	\$65,104,781	-\$5,859,431	-\$11,718,861
Small Disadvantaged	19	\$69,604,240	-\$6,264,382	-\$12,528,764
Veteran-Owned	24	\$18,699,626	-\$1,682,966	-\$3,365,933
Service-Disabled Veteran	12	\$11,523,386	-\$1,037,105	-\$2,074,210
Hispanic American	3	\$2,220,894	-\$199,880	-\$399,761
Asian-Pacific Owned	2	\$423,897	-\$38,151	-\$76,301
Women-Owned	65	\$43,472,692	-\$3,912,542	-\$7,825,085

