

The Nebraska Defense Breakdown Economic Impact Report

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

- Nebraska could lose 2,405 jobs.
- Nebraska’s economy could lose \$142 million in lost earnings.
- Nebraska could see a \$207 million decrease in Gross State Product (GSP).

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

- Under “Sequestration,” 1,141 **military active-duty employees** could lose their jobs.
- Under “Sequestration,” 946 **civilian DOD employees** could lose their jobs.

Nebraska 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%
Douglas	\$2,885,775,545	\$496,635,859	-\$44,697,229	-\$89,394,458
Sarpy	\$1,402,290,054	\$211,950,138	-\$19,075,513	-\$38,151,026
Lancaster	\$408,338,405	\$35,645,207	-\$3,208,069	-\$6,416,138
Madison	\$162,303,926	\$26,242,397	-\$2,361,816	-\$4,723,632
Thurston	\$70,668,444	\$17,546,507	-\$1,579,186	-\$3,158,371



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

Public data for 2010 shows Nebraska businesses earned over \$808 million supporting America’s defense:

- But under these 10-year defense cuts of at least 9%, Nebraska **annual business losses** could be greater than **\$73 million**. Nebraska businesses may have to **fire workers**.
- And at the “Sequestration” level of at least 18% in defense cuts, Nebraska **annual business losses** could be greater than **\$145 million**. Some Nebraska businesses may have to **shut down**.

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

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

- **27 minority-owned businesses**, including 8 owned by Black Americans, 9 owned by Hispanic Americans, 3 owned by Native Americans, 3 owned by Asian-Pacific Americans, and 4 owned by other minority Americans.
- **32 small businesses** including 10 “8A” and **small disadvantaged businesses** (SDB’s)
- **45 woman-owned** businesses
- **52 veteran-owned** businesses, including 23 owned by **service-disabled veterans**

Nebraska 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	27	\$85,659,957	-\$7,709,396	-\$15,418,793
Small Businesses	22	\$93,868,666	-\$8,448,180	-\$16,896,361
Small Disadvantaged	10	\$8,757,906	-\$788,212	-\$1,576,423
Veteran-Owned	29	\$12,138,610	-\$1,092,475	-\$2,184,950
Service-Disabled Veteran	23	\$46,961,252	-\$4,226,513	-\$8,453,026
Black American	8	\$30,383,472	-\$2,734,513	-\$5,469,025
Hispanic American	9	\$18,627,024	-\$1,676,432	-\$3,352,864
Asian-Pacific Owned	3	\$259,386	-\$23,345	-\$46,689
Women-Owned	45	\$17,406,483	-\$1,566,584	-\$3,133,167

