

The Texas Defense Breakdown Economic Impact Report

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

- Texas could lose 91,575 jobs.
- Texas’ economy could lose \$5.44 billion in lost earnings.
- Texas could see a \$7.92 billion decrease in Gross State Product (GSP).

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

- Under “Sequestration,” 21,925 **military active-duty employees** could lose their jobs.
- Under “Sequestration,” 12,014 **civilian DOD employees** could lose their jobs.

Texas 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%
Tarrant	\$108,376,257,479	\$12,038,299,092	-\$1,083,446,961	-\$2,166,893,923
Harris	\$63,830,313,769	\$5,546,715,808	-\$499,204,443	-\$998,408,885
Dallas	\$28,728,926,944	\$3,919,222,710	-\$352,730,058	-\$705,460,116
Bexar	\$27,701,876,869	\$3,275,834,568	-\$294,825,123	-\$589,650,246
Potter	\$15,312,173,039	\$2,787,094,593	-\$250,838,523	-\$501,677,047



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

Public data for 2010 shows Texas businesses earned over \$35.31 billion supporting America's defense:

- But under these 10-year defense cuts of at least 9%, Texas **annual business losses** could be greater than **\$3.18 billion**. Texas businesses may have to **fire workers**.
- And at the "Sequestration" level of at least 18% in defense cuts, Texas **annual business losses** could be greater than **\$6.36 billion**. Some Texas businesses may have to **shut down**.

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

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

- **1,026 minority-owned businesses**, including 223 owned by Black Americans, 562 owned by Hispanic Americans, 37 owned by Native Americans, 87 owned by Asian-Pacific Americans, and 117 owned by other minority Americans.
- **810 small businesses** including 401 "8A" and **small disadvantaged businesses (SDB's)**
- **987 woman-owned** businesses
- **721 veteran-owned** businesses, including 267 owned by **service-disabled veterans**

Texas 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	1,026	\$2,205,789,099	-\$198,521,027	-\$397,042,054
Small Businesses	409	\$8,570,149,424	-\$771,313,479	-\$1,542,626,958
Small Disadvantaged	401	\$469,380,331	-\$42,244,231	-\$84,488,463
Veteran-Owned	454	\$844,249,110	-\$75,982,423	-\$151,964,846
Service-Disabled Veteran	267	\$747,866,264	-\$67,307,966	-\$134,615,933
Black American	223	\$152,663,917	-\$13,739,753	-\$27,479,506
Hispanic American	562	\$1,276,548,658	-\$114,889,384	-\$229,778,768
Asian-Pacific Owned	87	\$340,375,780	-\$30,633,821	-\$61,267,643
Women-Owned	987	\$901,760,348	-\$81,158,435	-\$162,316,869

