

The Utah Defense Breakdown Economic Impact Report

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

- Utah could lose 7,658 jobs.
- Utah’s economy could lose \$452 million in lost earnings.
- Utah could see a \$658 million decrease in Gross State Product (GSP).

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

- Under “Sequestration,” 1,040 **military active-duty employees** could lose their jobs.
- Under “Sequestration,” 3,705 **civilian DOD employees** could lose their jobs.

Utah 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%
Salt Lake	\$7,103,326,244	\$1,332,626,254	-\$119,936,368	-\$239,872,735
Davis	\$8,329,369,726	\$665,244,114	-\$59,871,973	-\$119,743,945
Tooele	\$1,348,194,382	\$278,603,658	-\$25,074,330	-\$50,148,660
Weber	\$928,858,927	\$121,123,076	-\$10,901,077	-\$21,802,155
Box Elder	\$689,959,435	\$104,791,986	-\$9,431,279	-\$18,862,558



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

Public data for 2010 shows Utah businesses earned over \$2.66 billion supporting America's defense:

- But under these 10-year defense cuts of at least 9%, Utah **annual business losses** could be greater than **\$239 million**. Utah businesses may have to **fire workers**.
- And at the "Sequestration" level of at least 18% in defense cuts, Utah **annual business losses** could be greater than **\$478 million**. Some Utah businesses may have to **shut down**.

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

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

- **82 minority-owned businesses**, including 2 owned by Black Americans, 25 owned by Hispanic Americans, 6 owned by Native Americans, 33 owned by Asian-Pacific Americans, and 16 owned by other minority Americans.
- **87 small businesses** including 42 "8A" and **small disadvantaged businesses** (SDB's)
- **104 woman-owned** businesses
- **74 veteran-owned** businesses, including 24 owned by **service-disabled veterans**

Utah 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	82	\$240,789,765	-\$21,671,080	-\$43,342,159
Small Businesses	45	\$187,849,863	-\$16,906,488	-\$33,812,977
Small Disadvantaged	42	\$97,268,376	-\$8,754,154	-\$17,508,308
Veteran-Owned	50	\$47,277,465	-\$4,254,972	-\$8,509,944
Service-Disabled Veteran	24	\$3,361,792	-\$302,561	-\$605,123
Black American	2	\$15,071	-\$1,356	-\$2,713
Hispanic American	25	\$81,247,415	-\$7,312,268	-\$14,624,535
Asian-Pacific Owned	33	\$72,370,283	-\$6,513,326	-\$13,026,651
Women-Owned	104	\$87,959,095	-\$7,916,319	-\$15,832,638

