

The Vermont Defense Breakdown Economic Impact Report

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

- Vermont could lose 2,164 jobs.
- Vermont’s economy could lose \$128 million in lost earnings.
- Vermont could see a \$186 million decrease in Gross State Product (GSP).

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

- Under “Sequestration,” 94 **military active-duty employees** could lose their jobs.
- Under “Sequestration,” 182 **civilian DOD employees** could lose their jobs.

Vermont 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%
Chittenden	\$5,874,015,607	\$632,940,923	-\$56,964,685	-\$113,929,371
Addison	\$588,597,108	\$140,793,014	-\$12,671,372	-\$25,342,744
Washington	\$58,887,448	\$15,791,399	-\$1,421,226	-\$2,842,452
Rutland	\$85,770,840	\$14,629,060	-\$1,316,615	-\$2,633,231
Bennington	\$16,283,211	\$9,325,561	-\$839,301	-\$1,678,601



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

Public data for 2010 shows Vermont businesses earned over \$827 million supporting America's defense:

- But under these 10-year defense cuts of at least 9%, Vermont **annual business losses** could be greater than **\$74 million**. Vermont businesses may have to **fire workers**.
- And at the "Sequestration" level of at least 18% in defense cuts, Vermont **annual business losses** could be greater than **\$149 million**. Some Vermont businesses may have to **shut down**.

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

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

- **4 minority-owned businesses**, including 1 owned by Black Americans, 1 owned by Hispanic Americans, and 2 owned by Asian-Pacific Americans.
- **3 small businesses** including 3 "8A" and **small disadvantaged businesses** (SDB's)
- **20 woman-owned** businesses
- **11 veteran-owned** businesses, including 2 owned by **service-disabled veterans**

Vermont 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	4	\$41,180	-\$3,706	-\$7,412
Small Disadvantaged	3	-\$300	\$27	\$54
Veteran-Owned	9	\$14,683,563	-\$1,321,521	-\$2,643,041
Service-Disabled Veteran	2	\$376,413	-\$33,877	-\$67,754
Black American	1	-\$300	\$27	\$54
Hispanic American	1	\$8,294	-\$746	-\$1,493
Asian-Pacific Owned	2	\$33,186	-\$2,987	-\$5,973
Women-Owned	20	\$1,771,139	-\$159,403	-\$318,805

