



Florida Defense Industry Economic Impact Analysis

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Florida Defense Industry Economic Impact Analysis

2022 Update

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Executive Summary

For more than a decade, the Florida Support Task Force (FDSTF) has monitored the economic impacts of defense spending flowing to Florida military installations, private-sector defense contractors, and the more than 1.5 million veterans and military retirees residing in Florida. To do so, the FDSTF conducts a bi-annual update to the economic impacts of the Florida defense industry. This report provides a comprehensive assessment of the updated estimates using 2020 spending data. To ensure consistency, the same econometric forecasting models and defense-related spending flows are used as in previous studies. The incredible story told by this data demonstrates the resiliency of Florida's support for defense industries that, despite economic challenges, still achieved real growth and demonstrated a "no excuses" approach to further elevating Florida's economic future.

As presented in Figure 1 on the following page, during 2020, the state experienced a 12% nominal increase in direct defense spending – growing from \$44 billion in 2018 to \$49.3 billion in 2020. As the \$49.3 billion rippled through the economy, it supported nearly 860,200 jobs and generated over \$96.6 billion in value-added economic impacts, or 8.5% of the Florida economy. While defense spending increased over 2018, because household spending shifted from brick & mortar retail and entertainment establishments during the pandemic, the number of total jobs supported decreased slightly as spending shifted to e-commerce which does not generate the levels of employment that brick & mortar household spending typically does.

However, despite the economic disruptions caused by COVID-19, the state of Florida and its defense industry charged ahead during 2020, and the Florida defense industry remains one of the largest and most productive in the nation. Given the headwinds other major industries faced during 2020, defense has proven itself a stabilizing force for Florida communities who have the honor of supporting their local military installations, defense contractors, and the veterans and military retirees who call Florida home.

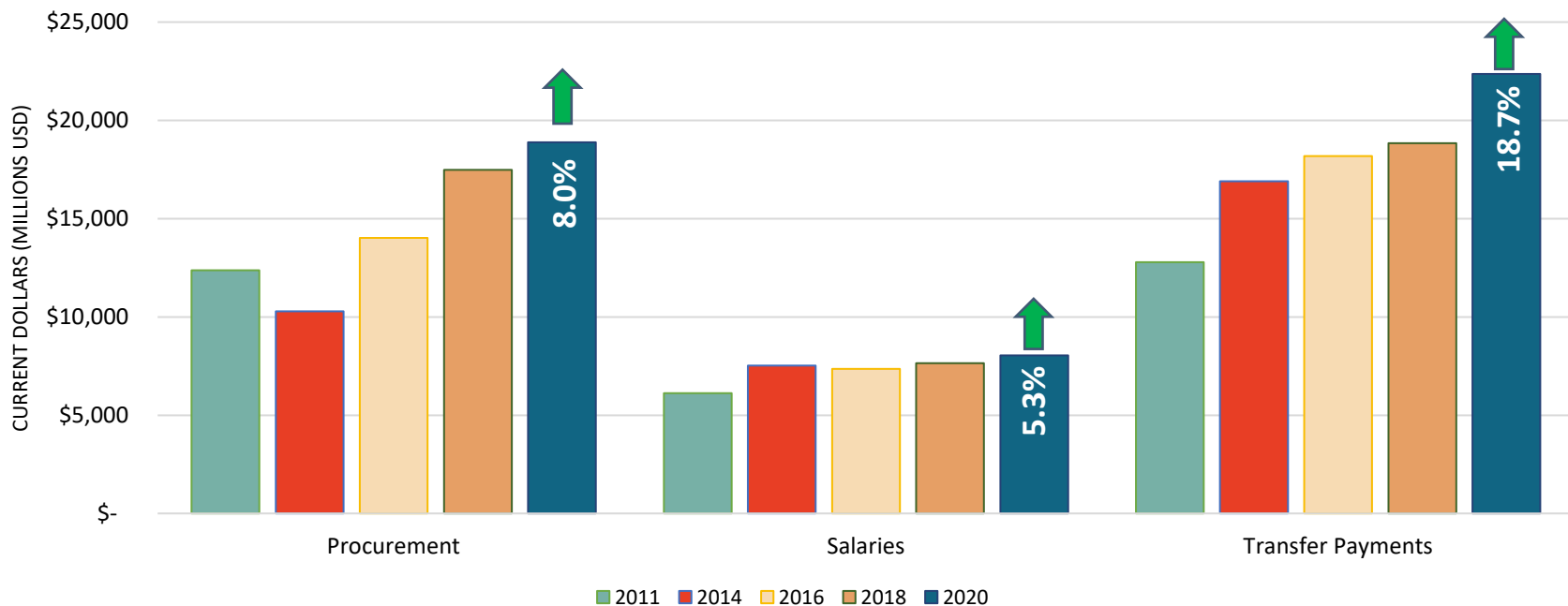
Among the key findings of the study:

- The total economic impact increased nominally by 1.7% to \$96.6 billion, or 8.5% of Florida's 2020 Gross State Product (GSP)
- Defense-related spending accounted for a just over 860,200 direct, indirect, and induced jobs.
- Although defense spending increased by 12%, or \$5.3 billion nominally, the number of total jobs supported declined from 2018 by 6%, or 55,000, as in-person household spending was temporally restricted due to COVID-19 safety protocols.
- As the largest generator of jobs in the Florida defense industry is household spending, the state's ability to retain approximately 94% of pre-COVID defense supported jobs during such economic volatility is a considerable success.

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- As defense outpaced total state growth, the sector acted as a stabilizing force to counter those industries that applied downward pressure on overall state performance during the pandemic.
- Of the \$49.3 billion spent in Florida during 2020, approximately \$18.9 billion was for procurement, \$8 billion for salaries and wages, and \$22.4 billion for transfers (military retiree pensions and veteran’s benefits).
- Much of this spending shifted to e-commerce resulting in fewer total jobs. Adding to this phenomenon were increased productivity levels leading to greater production per job.

Figure 1 Defense Spending in Florida, 2011 - 2020



Note: All dollar values are in current USD.

Source: US Department of Treasury; US Bureau of Economic Analysis; US Department of Veterans Affairs



Table 2 below presents the total economic impacts resulting from the direct spending presented in Figure 1. At the data below demonstrates, these spending flows generated \$96.6 billion in economic impacts (gross state product) and supported roughly 860,000 jobs across the state. Installations (inside the fence operations) are responsible for 50% of these impacts with procurement contracts (outside the fence) and transfer payments generating 26% and 24% of statewide impacts respectively.

Table 1. Total Economic Impacts of Defense Spending, 2020

Impact Type	Economic Impact (Billions USD)	Total Jobs Supported	% of Total
Total	\$96.6	860,221	100%
<i>Installation Footprint (Salaries and Base Support Contracts)</i>	<i>\$48.0</i>	<i>354,782</i>	<i>50%</i>
<i>Procurement (Contracts performed off-installation)</i>	<i>\$25.3</i>	<i>247,964</i>	<i>26%</i>
<i>Transfers (Veterans Benefits & Military Pensions)</i>	<i>\$23.3</i>	<i>257,484</i>	<i>24%</i>

Source: REMI PI+ Version 2.5.0 (build 5955)

Columns may not sum due to rounding.

Additionally, the impacts from defense spending are distributed across the entire state. Table 2, on the following page, provides the distribution of impacts across the eight (8) regions in our study. While all eight regions receive some level of impact, the top five regions drive 95% of all impacts – Northwest, East Central, Tampa Bay, Southeast, and Northeast regions. In other words, nearly every Florida county is impacted, either directly and indirectly, by Florida’s role in defending our nation. While not all residents can see military jets on maneuver or feel the earth shaking from bombing exercises being conducted at one of Florida ranges, many are employed and earn income – either directly or indirectly – from Florida’s Defense Economy.

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Table 2. Regional Distribution of Defense-related Impacts
(Current USD)

Region	2018 Economic Impact (Billions USD)	2020 Economic Impact (Billions USD)	Nominal Change	2018 Total Jobs Supported	2020 Total Jobs Supported	Nominal Change
Northwest	\$22.7	\$21.8	-4.0%	209,622	186,689	-10.9%
East Central	\$18.4	\$21.1	14.7%	190,366	196,858	3.4%
Tampa Bay	\$19.3	\$20.2	4.7%	183,942	175,108	-4.8%
Southeast	\$16.1	\$14.6	-9.3%	155,355	130,484	-16.0%
Northeast	\$14.2	\$14.4	1.4%	124,437	122,056	-1.9%
Southwest	\$2.3	\$2.4	4.3%	25,346	24,558	-3.1%
North Central	\$1.8	\$1.9	5.6%	21,928	20,435	-6.8%
South Central	\$0.3	\$0.3	0.0%	3,790	4,033	6.4%
Total	\$94.9	\$96.6	1.7%	914,787	860,221	-6.0%

Source: REMI Pi+ Version 2.5.0 (build 5955)

Columns may not sum to state totals due to rounding.

Please see next page.

Introduction

The Florida Defense Support Taskforce (FDSTF) commissioned the Matrix Design Group to conduct the 2020 update to the Florida Defense Industry Economic Impact Analysis. Like previous iterations, the purpose of this study is to illustrate the economic impact of defense spending within Florida. Defense spending, or what is referred to as the Defense Economy, is predominately realized by way of three federal spending flows:¹

1. Personnel Compensation
2. Procurement (Contracts and Grants)
3. Transfer Payments

With more than 20 military installations, nearly 140,000 Department of Defense (DoD) and U.S. Coast Guard personnel, thousands of defense contractors, and more than 1.5 million veterans and military retirees, Florida contributes quite substantially to our nation’s defense. The federal dollars associated with supporting installation footprints, private-sector defense contractors, and providing well-earned benefits from the state’s veterans and military retirees sum to nearly \$50 billion in direct defense spending. Known as the multiplier effect, these spending flows ripple through the state economy to create additional second (indirect) and third (induced) order impacts. The objective of this study is to measure the sum of these impacts to understand the far-reaching affects tied to the Florida Defense Economy.

How much economic activity in Florida is attributable to defense spending? An accurate calculation of defense-related economic impacts requires an accurate accounting of the magnitude of defense spending flowing into Florida and an accurate mapping (both geographically and by industry sector) of this spending as it flows through local economies within the state. To achieve comparable estimates across time, it is necessary to apply consistent data sources and analytical methods as those used in past updates.

FIGURE 2. COMPONENTS OF THE DEFENSE ECONOMY



¹ Federal spending within the Defense Economy is comprised of expenditures from the US Department of Defense, US Department of Veterans Affairs, US Department of Homeland Security.



As was noted in previous updates, the scope of this study is limited to measures of economic activity. The value of defense personnel to Florida extends well beyond this singular dimension. Military men and women and their spouses, as well as veterans and military retirees, all make positive intangible contributions to the communities in which they reside. However, to remain consistent, these contributions were not considered in our estimates. Rather, economic data were compiled primarily from secondary sources – such as DoD reports and other federal databases – with the objective of identifying all defense-related expenditures occurring in Florida for the most recent annual period (2020). These federal expenditures provide for the military (active-duty / civilian), National Guard / Reserve, and the U.S. Coast Guard and include the following spending flows:

- Installation Footprint = military and civilian personnel earnings & base operating support contracts (construction, utilities, supplies, etc.)
- Defense-related Procurement Contracts = private-sector defense-related contracts (weapons development, manufacturing, modeling and simulation, RDT&E, etc.) and defense-related grants
- Transfer Payments = military retiree pensions and veterans benefits

Sources for each of these expenditures include the following:

- Installation Footprint = U.S. Department of Defense, Florida National Guard, U.S. Bureau of Economic Analysis, U.S. Department of Treasury (USAspending.gov)
- Defense-related Procurement Contracts and Grants = U.S. Department of Treasury (USAspending.gov)
- Transfer Payments = U.S. Department of Defense, U.S. Department of Veterans Affairs

Sources for supplemental economic data include the following:

- Military Earnings = Remi PI+ v2.5.0 (build 5955)
- Military Employment = REMI PI+ v2.5.0 (build 5955)
- Demographics = REMI PI+ v2.5.0 (build 5955)
- Industry Employment and Earnings (bubble charts) = REMI PI+ v2.5.0 (build 5955)

These expenditures are collected at the county and/or ZIP code levels and constitute what is known as **direct** defense spending. Direct spending across the state has first order economic impacts – meaning they generate the first round of employment, income, and Gross Regional Product (GRP) impacts. For instance, the nearly \$19 billion in procurement contracts performed in-state during 2020 generated over 75,300 direct jobs. However, as these expenditures flow through the economy, they multiply as they induce further rounds of spending. Returning to the procurement example, once the \$19 billion in contracts are realized, in order to perform these contracts, contractors must purchase intermediate inputs from

suppliers (indirect effect). Contractors must also hire the necessary labor to carry-out their contractual obligations. As this labor spends their income in the local economy, these expenditures create a third order (induced effect) of spending impacts. Together – direct, indirect, and induced spending – create what is referred to as the total economic impact of a particular spending flow – in this case procurement contracts. In order to estimate these impacts, an econometric model is used at the appropriate industry and geographic (county) level.

The Regional Economic Models, Inc. Policy Insight Plus (REMI PI+) economic simulation model was used to evaluate the economic impact of these direct spending flows. A regional baseline forecast extending through the year 2020 for each of the 67 Florida counties was constructed. The differences between the baseline forecast and a forecast where military spending has been removed comprise the results. The resulting change in GRP resulting from the absence of defense-related spending flows is the measure of economic impact reported. The measure of economic impact used throughout the report is change in GRP. While results could be reported in terms of total sales, as personal income, or other measures, GRP is the local analogue to the widely understood national level concept of Gross Domestic Product (GDP). Gross Regional Product reporting follows the structure of the National Income and Product Accounts (NIPA), which contain the primary measures used for tracking changes in the national economy. This conceptual framework for organizing economic activity recognizes that the dollar value of all final goods and services produced (the GDP) can be measured by the following equation:

$$\text{GRP} = \text{C} + \text{I} + \text{G} + (\text{X}-\text{M})$$

- **C**onsumption spending by individuals on goods and services
- **I**nvestment expenditures by businesses and individuals
- **G**overnment spending
- **E**xports (gross value)
- **I**mports (gross value)

The results reported, which are the changes in GRP attributable to defense-related spending, are composed of the same elements as would be found in the national-level GDP. For the reader’s convenience, this report is organized into three separate sections. Section 1 (here) presents information on the national defense budget and Florida’s defense presence relative to other key states. It includes an analysis of defense spending in Florida along with statewide economic impact estimates. In Section 2, the state-level impacts are parsed into eight geographical regions (as identified by Enterprise Florida) and spending for each region is analyzed. Each regional spending pattern is accompanied by regional economic impact estimates. Finally, in Section 3, spending analysis is provided for those counties in which defense spending is most pronounced. As in past



updates, personal income demographics for each county are discussed along with military employment trends and comparisons. Defense spending inputs are also presented and discussed as well as economic impact estimates for each county.

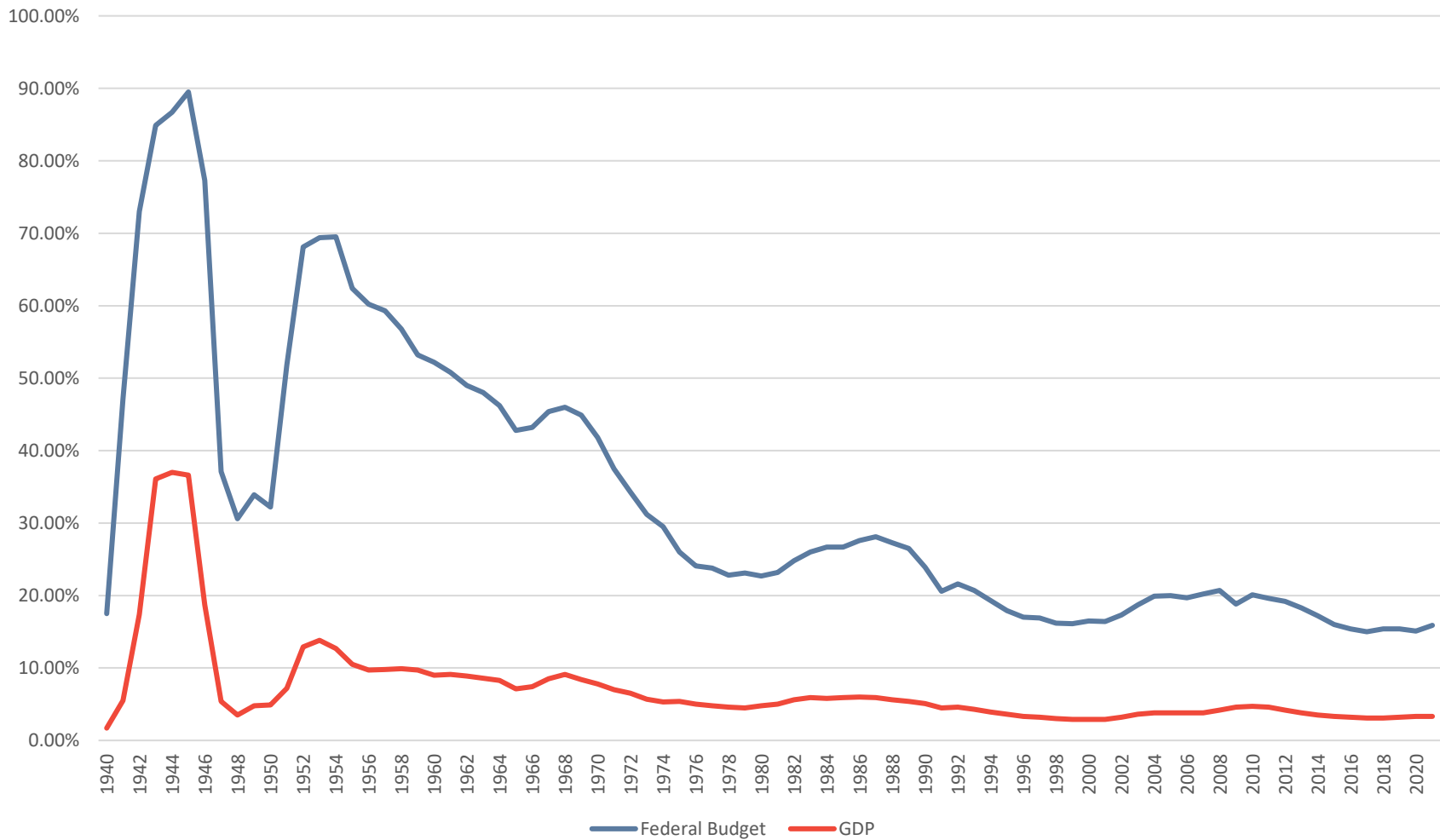
Trends in National Defense Spending

Before we discuss what defense spending means to Florida, it's important to understand national spending trends. As can be seen in Figure 2 on the following page, national defense spending has varied significantly since the end of World War II. As the data indicate, during the war, national defense spending consumed nearly 90% of all federal spending and almost 40% of the country's GDP. This declined considerably in the years between the end of World War II and the start of the Korean War—when defense spending spiked once again to nearly 15% of GDP. Since that time, spending—relative to the overall size of the federal budget and GDP— has declined dramatically. By the end of the Cold War, defense spending fell below 4% of the country's GDP and consumed less than 20% of the federal budget. While many factors have influenced these variations, one primary reason is U.S. economic growth (and thus the growth of the overall federal budget) has outpaced the growth in both real and nominal defense expenditures – leading to a lower share of both the federal budget and the overall economy.

The downward pressures on the defense budget are highlighted further in Figure 3. The data in Figure 3 are comprised of DoD Green Book estimates of current and projected DoD outlays by branch of service in constant 2021 dollars (controlled for inflation). As these data indicate, spending by DoD is forecast just under \$700 billion through 2025—down from over \$800 billion in 2010. By 2025, expenditures for the Army are forecast to be \$160 billion, for the Navy \$202 billion and for the Air Force nearly \$201 billion. Compared to the 2010 high water mark of \$288 billion for the Army, \$201 billion for the Navy and up from \$192 billion for the Air Force.

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Figure 3. Defense Spending as a Share of Federal Spending and Gross Domestic Product

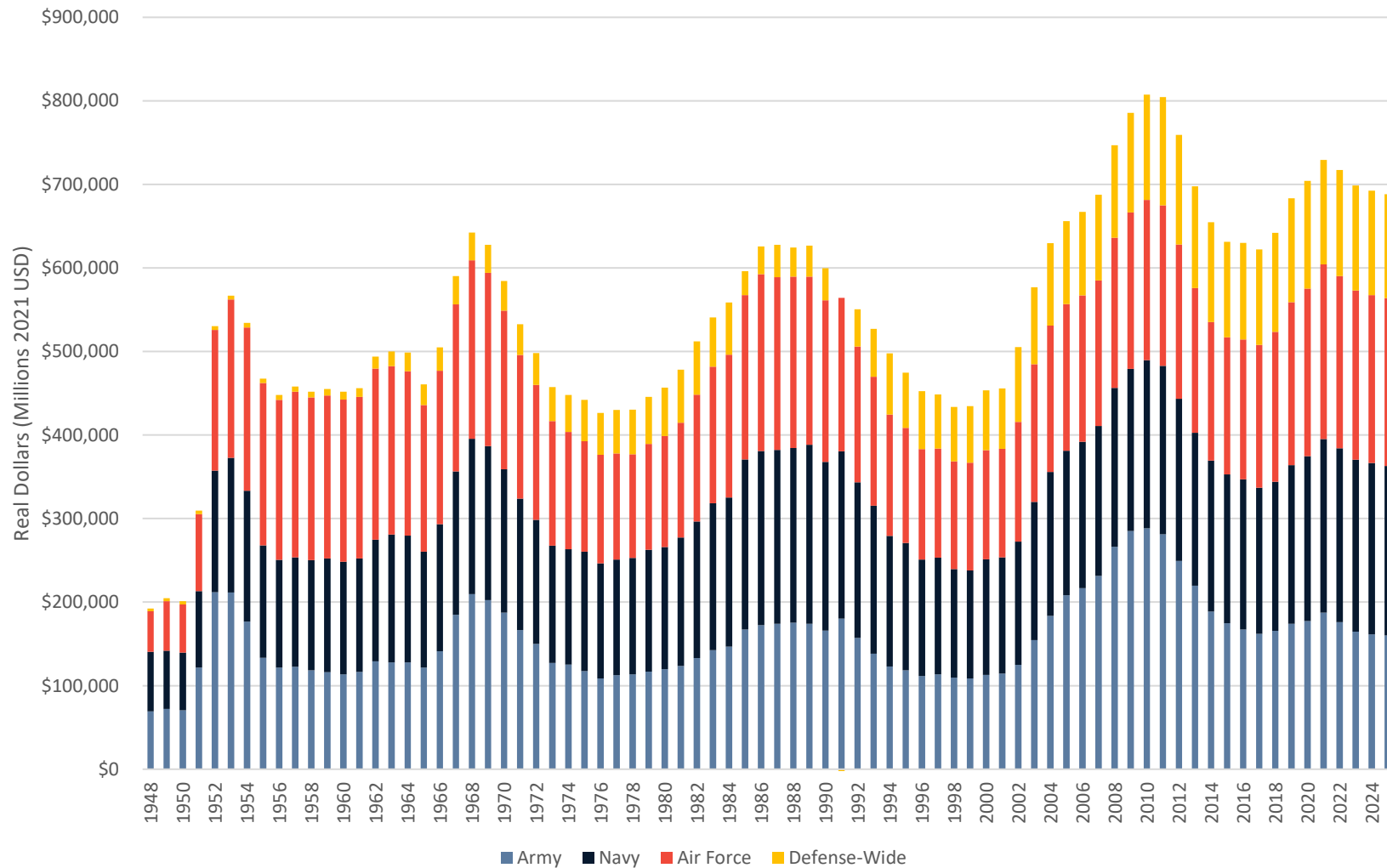


Source: US Department of Defense

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Figure 4. National Defense Spending by Service, 1948 - 2025 (adjusted for Inflation)



Overview of the Estimates

The structure of this document remains the same as in previous updates to present the reader with a seamless transition from previous studies. Each section begins by presenting the direct defense spending for that region and is provided by spending type (procurement, salaries, and transfers). It should be noted that direct personnel spending flows are converted to employment estimates at the county-level. These estimates are then used as actual inputs into the model. For federal military employment associated with DoD and Coast Guard, we rely on actual employment figures reported by the REMI model and supplemented with the federal Base Structures report.

For the National Guard figures, we rely on the state report on National Guard spending in Florida and calculate associated employment totals utilizing those figures and then distribute those spending flows per the BEA estimates on employment and compensation. However, these data are not parsed by federal workers, who are associated with the military/National Guard/Coast Guard, etc. To obtain those figures, we utilized a ratio of federal military salaries to federal civilian salaries and federal military payrolls to military and civilian employees in order to calculate the share of federal workers in a particular region that is associated with the DoD. For the Coast Guard, much like with the federal military, we rely on REMI employment and compensation estimates and their respective distributions. To estimate the impacts, we impute employment data, not salary data. Salary data are, however, a good benchmark for the employment totals.

On the procurement side, we obtained data from the USAspending.gov (maintained by the U.S. Department of Treasury), which hosts every contract for DoD and DHS. We separate DoD expenditures for the National Guard and “other” to get procurement totals for National Guard and federal military. We then utilize Coast Guard procurement flows through DHS to estimate Coast Guard procurements that flowed into the state. Those data are available for each contract at the individual contract level. We aggregate those dollar values up to the county level by NAICS (North American Industry Classification System) code to get the dollar values that flow into each industry sector in each county. We then converted those dollar values into employment totals and utilized a matrix, which allowed us to calculate jobs based on spending in each six-digit industry sector. Then, we aggregate those job totals up to the two-digit NAICS sector. To ensure that the data were comparable with the employment data utilized previously, we utilized direct job impacts in each sector at the county level. For transfer payments, we calculated those totals at the county level for each county in the State of Florida for the Coast Guard, National Guard, and military. Those data include retirement payments to military retirees, inclusive of the National Guard.

Also included were Coast Guard retirement payments, medical benefits, etc. We include, in this category, payments made through the DVA to disabled veterans for pensions, health care, etc. We then enter those data into the REMI PI+ model for every county in the State of Florida and for each segment of impacts, yielding a 3x3 matrix of impact outputs. We detailed impacts for military, National Guard, and Coast Guard for salaries



and wages and base operating support contracts (encompasses the total installation operational footprint), off-base procurement contracts, and transfer payments. Those, in turn, are summed together to estimate the total economic impact across the various types of spending and for “defense activities” as a whole. We reported this as the impact on employment (including direct, indirect, and induced impacts) and economic impact (which is the impact on GDP or Gross Domestic Product, or at the state level, Gross State Product and at the regional/county level, Gross Regional Product). Strictly speaking, we modeled the simulated effects of “removing” defense activities from the Florida economy. We thus took out defense activities and saw how large of a hole that left in the model of Florida’s economy. Thus, our impact estimates, at the county level, measured the impact on County “X” of removing defense activities from the entire Florida economy. Because county economies were interlinked in the model just as they are in the real world, that gave us a slightly larger impact figure than if we had simply removed defense activities from each county separately and reported the results. The same is true at the regional level. Moreover, different types of spending had different impacts. The largest total impacts came from direct federal employment in the military, National Guard, and Coast Guard. Thus, a region that had fewer dollars spent in salaries would show higher impacts than a region that had more dollars in procurement or transfer payments. Further, county-to-county linkages and the presence of large military economies in neighboring counties magnified the impacts in an interconnected county versus a county that was more isolated but had a large military presence. Thus, in these models, the whole may well appear to be greater than the sum of the parts. Each of the impact sections that follow were laid out in roughly the same manner with impacts for the given area under consideration reported on the first page with supporting facts and figures reported on the pages following.

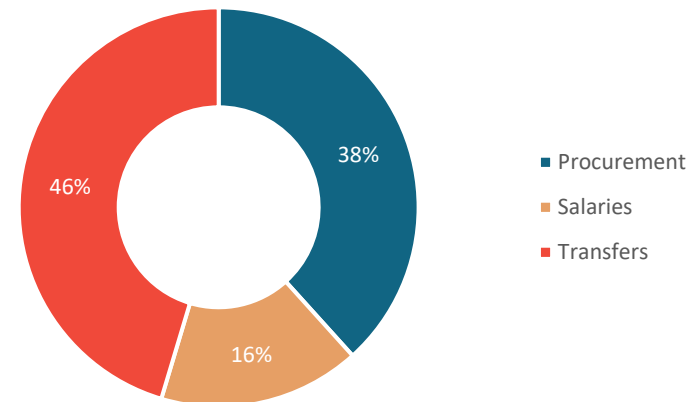
State of Florida Summary

Recognized by Enterprise Florida, the Homeland Security and Defense Cluster is incorporated as one of Florida’s target industry clusters. Constituting 8.5% of the state economy in 2020, this cluster is one of the largest in Florida. From the data observable in Table 1, we see that the state received nearly \$50 billion in direct defense spending in 2020. The data in the figure sum defense spending in procurement, compensation to military and federal civilians, and transfers to veterans/retirees to form the Combined Direct Expenditure estimate. As the data indicate, transfer payments accounted for the largest share of expenditures at \$22.4 billion (46%). Salaries brought an additional \$8 billion (16%) to Florida while procurement spending brought an additional \$18.9 billion (38%). These dollars are responsible for generating indirect and induced impacts and, when summed with total impacts, yield the estimates presented in Table 2. Overall, the military accounted for 860,231 jobs in 2020 and just over \$96 billion in total Gross State Product (GSP - total value of all goods and services produced in the state).

Table 3. State of Florida: Combined Direct Defense Expenditures

Spending Flow	Millions (Current USD)
Procurement	\$18,889.0
Salaries	\$8,048.2
Transfers	\$22,366.8
Total Combined Direct Expenditures	\$49,304.0

Figure 5. State of Florida: Distribution of Direct Defense



Florida Defense Industry Economic Impact Analysis – 2022 Update



Table 4. State of Florida: Economic Impact Forecast, 2020 – 2024

Current Millions USD

Impact Type	2020	2021	2022	2023	2024
Total Employment	860,231	852,983	863,259	880,142	897,597
Gross State Product	\$96,624.11	\$95,771.26	\$96,703.39	\$98,304.19	\$99,959.10
<i>Total Consumption</i>	\$59,370.39	\$59,752.97	\$60,980.48	\$62,545.52	\$64,168.42
<i>Investment Residential</i>	\$13,926.87	\$14,013.55	\$14,300.36	\$14,667.01	\$15,047.21
<i>Investment Non-residential</i>	\$3,491.53	\$3,456.66	\$3,507.04	\$3,589.65	\$3,675.03
<i>Producer's Durable Equipment</i>	\$2,093.93	\$2,073.14	\$2,103.46	\$2,153.10	\$2,204.40
<i>Business Inventories</i>	-\$686.09	-\$659.81	-\$664.13	-\$679.69	-\$695.67
<i>Government</i>	\$4,060.12	\$4,023.63	\$4,084.66	\$4,182.67	\$4,283.98
<i>Exports</i>	\$55,775.20	\$54,342.40	\$54,284.07	\$54,720.53	\$55,166.55
<i>Imports (subtract)</i>	\$41,407.85	\$41,231.27	\$41,892.55	\$42,874.59	\$43,890.84

Source: REMI PI+ v2.5.0 (build 5955)

Totals may not sum due to rounding.

Based on historical and actual values, 5-year forecasts are also provided in Table 2. Utilizing these trends, REMI estimates that total state-level impacts will increase slightly year over year, reaching nearly \$100 billion (GSP) in the year 2024 where defense spending is expected to support nearly 900,000 jobs. However, any drastic change to national defense spending or the underlining Florida economy (such as what happened in 2020 with the COVID-19 pandemic) in the next few years could impact this forecast either putting downward pressure by way of fiscal tightening and / or economic restrictions.

In addition to the employment and GSP estimates, Table 2 provides the constituent components of GSP. As was explained in the introduction, direct defense expenditures expended in the state generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table above. The impact categories are defined as follows:



Florida Defense Industry Economic Impact Analysis – 2022 Update

- Total Employment measures jobs generated by military activities.
- Total Consumption consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- Investment expenditures include residential and non-residential real estate, as well as investment in producers' durable equipment and business inventories.
- Government revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- Gross State Product is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.



Table 5. Total Economic Impacts by Component, (2020)

Spending Flow	Impact Type	Military	National Guard	Coast Guard	Total
Procurement	Economic Impact	\$25,161	\$38	\$113	\$25,313
	Total Jobs Support	246,441	328	1,195	247,964
Employment	Economic Impact	\$40,787	\$4,623	\$2,552	\$47,962
	Total Jobs Support	304,515	33,475	16,793	354,783
Transfers	Economic Impact	\$23,177	\$4	\$168	\$23,349
	Total Jobs Support	255,583	44	1,857	257,484
Totals	Economic Impact	\$89,125	\$4,665	\$2,833	\$96,624
	Total Jobs Support	806,539	33,847	19,845	860,231

All Dollar values are in Current Millions USD.

Totals may not sum due to rounding.

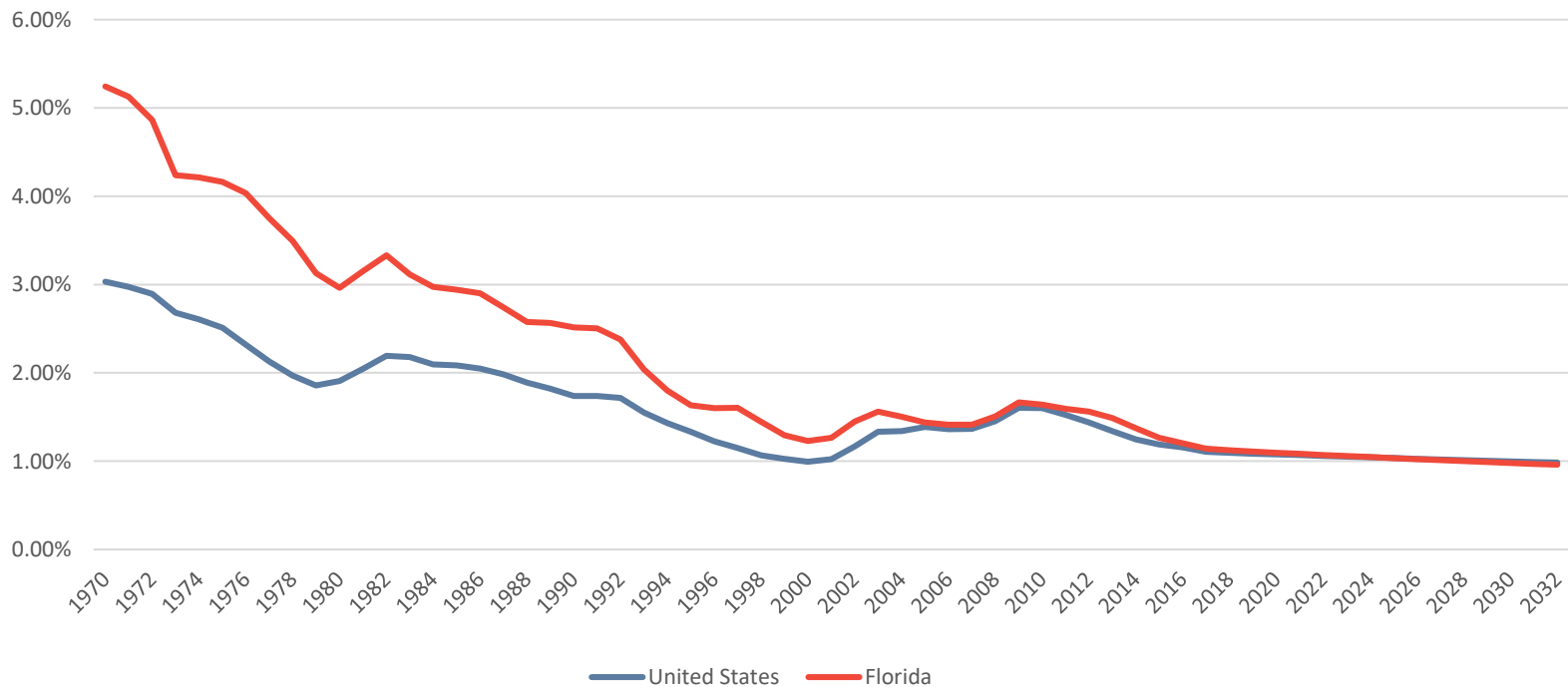
Impacts by Type

Statewide economic impacts are provided separately for federal military, National Guard, and Coast Guard. The economic impacts are also separated by component (procurement, employment, and transfers). Table 3 presents these impacts for 2020. Similar to prior updates to this study, federal military employment (as separated from federal National Guard and Coast Guard employment) accounts for the vast majority of the economic impacts—just over \$89 billion of the \$97 billion total (92%). Nearly half (\$41B) of the federal military GSP impacts are tied to employment of federal military and federal civilian workers (salaries). Procurement flows generate 246,441 jobs across Florida associated with federal military contracts, while transfer payments generate 255,583 jobs as well. The National Guard generates nearly 34,000 jobs total (direct, indirect, and induced) and \$4.6 billion in GSP, the bulk of which is associated with wages and salaries (employment). The US Coast Guard generates nearly 20,000 jobs in the State of Florida and adds roughly \$2.8 billion to Florida’s GSP. As with both federal military and the National Guard, the bulk of this is driven by employment of the federal workforce associated with Coast Guard activities.

Military Share of Total Earnings

Earnings account for the majority of income paid to employees as remuneration for their work and include wage and salary disbursements as well as supplements to wages and salaries. Earnings are therefore a proxy economic impact measure, which is inclusive of more than simply income. Figure 5 benchmarks the total share of Florida’s state income that can be attributed to the military (over time) against the U.S. As the data reflect, the military contributes to a slightly larger share of earnings at the state level than at the national level. Nevertheless, as both the U.S. and Florida continue to diversify their economies, their military share of total earnings has decreased, converging over time to approximately 1.0% of all earnings. This trend is expected to continue through 2032.

Figure 6. Military Share of Total Earnings (1970 – 2032)

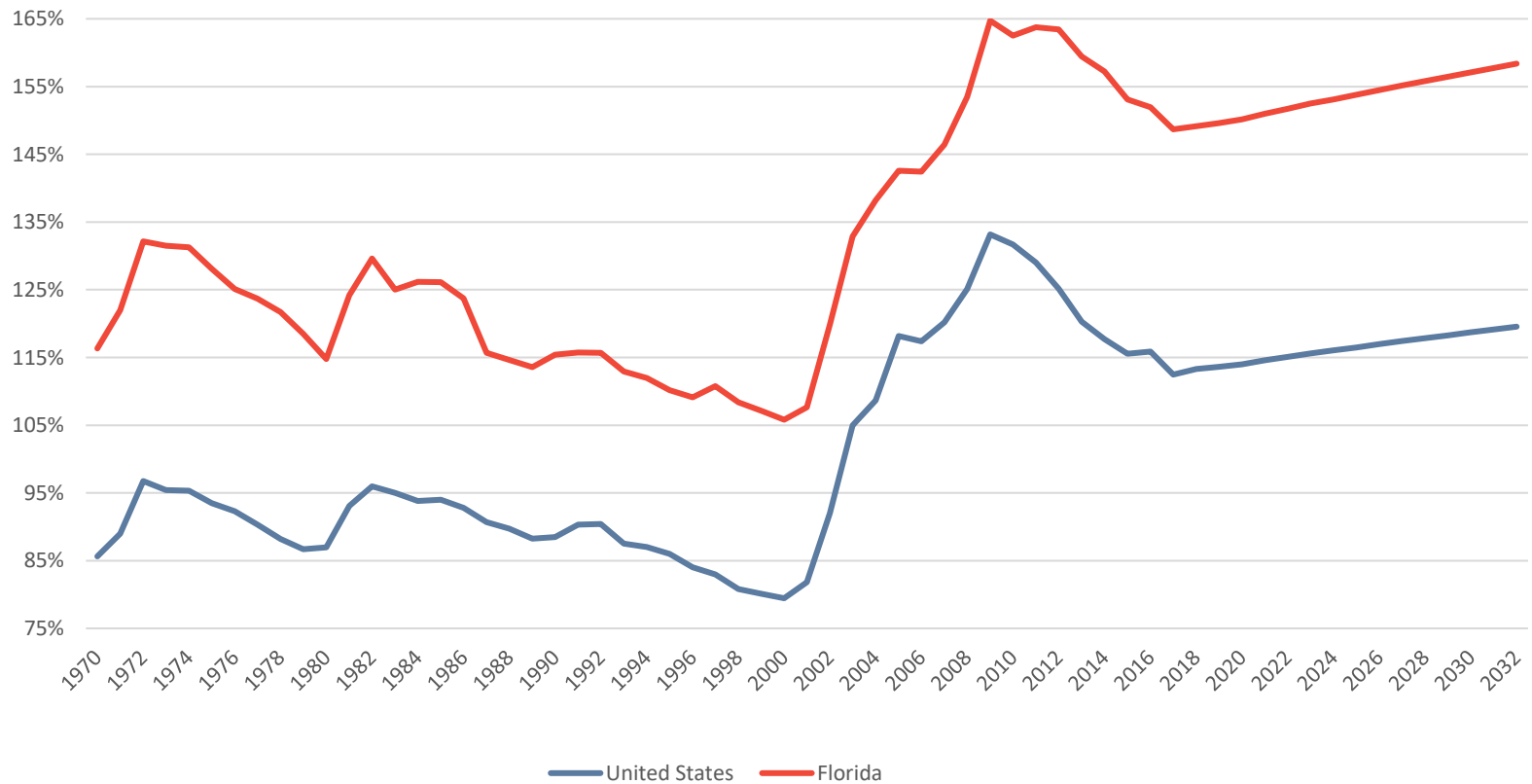




Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It allows us to benchmark the earnings of military employees at the state level against the earning patterns of all workers. The graph below provides a comparison of performance at the state level versus the nation.

Figure 7. Average Military Earnings versus Average Total Earnings

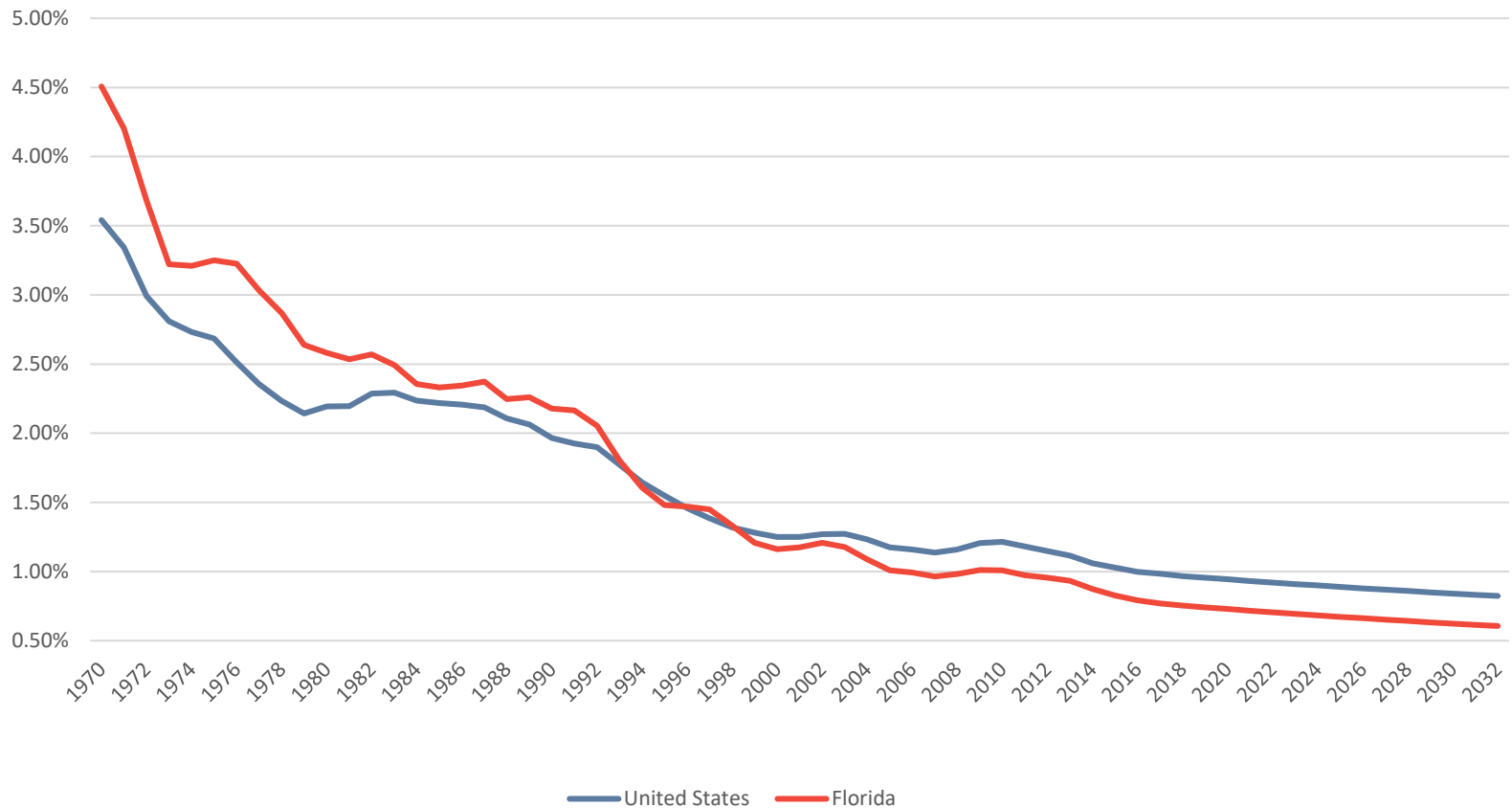


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Military Employment as a Share of Total Employment

The figure below presents military employment as a share of total employment for the state of Florida against the U.S. It allows us to benchmark military employment at the state level against the employment patterns of all workers.

Figure 8. Military Employment as a Share of Total Employment



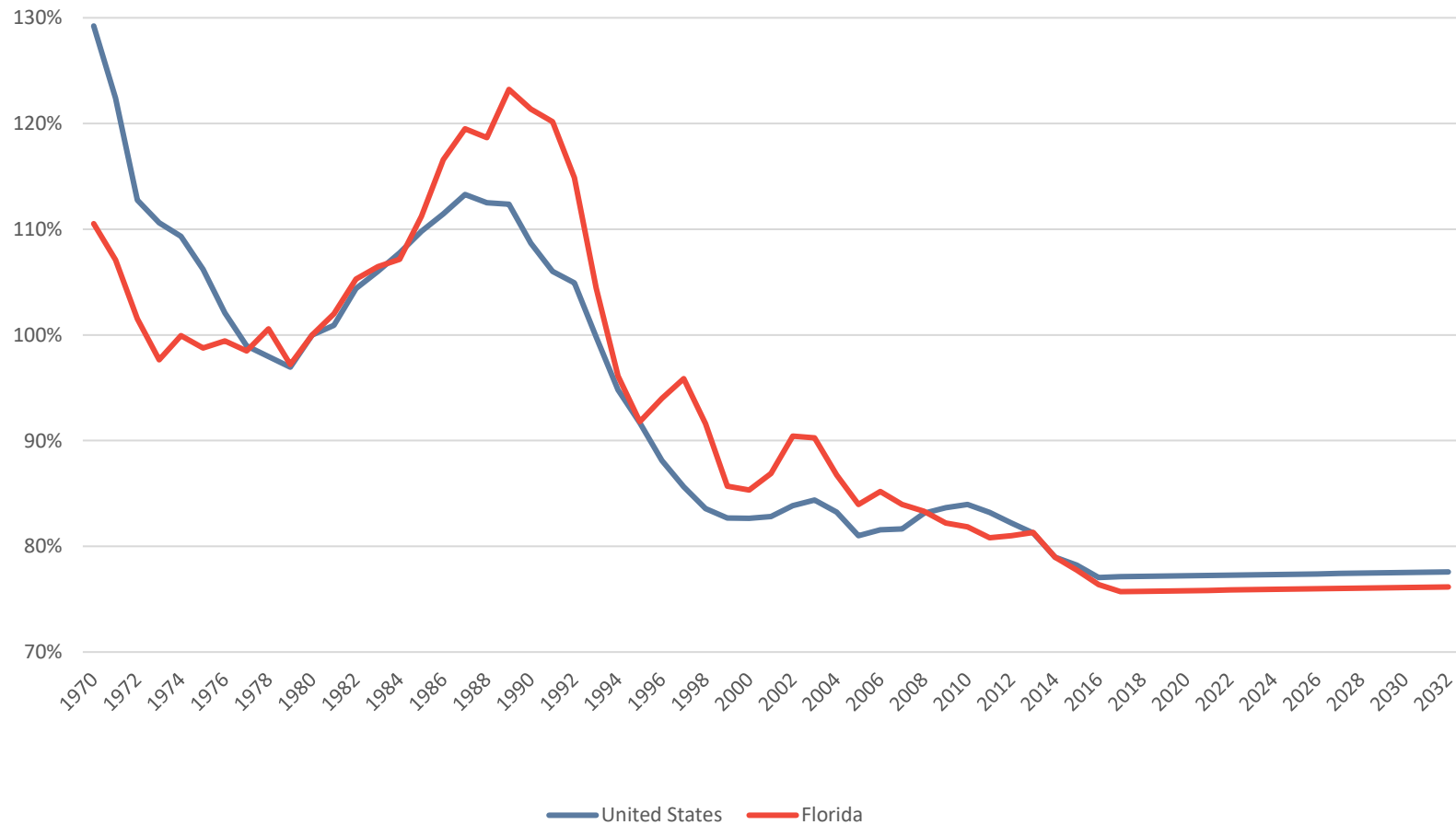
Florida Defense Industry Economic Impact Analysis – 2022 Update



Total Military Employment Indexed to 1980

The figure below presents military employment indexed to 1980 levels. It allows us to compare changes in military employment at the state level against national trends in military employment over the past 40 years that appear to remain steady for the foreseeable future.

Figure 9. Total Military Employment Indexed to 1980



Florida Defense Industry Economic Impact Analysis – 2022 Update

Florida's Procurement Economy

Federal military procurement is a key driver of Florida's high-wage, high-technology economy, supporting, as we noted in Table 3, about 248,000 jobs across the state. These procurement dollars, derived from government contract and grants, garner a considerable amount of employment in high value-added industries such as manufacturing and professional and scientific services. In Figure 9, defense-related procurement flows to Florida are presented from 1995 through 2020 (blue line). As employed in previous updates, the forecasts presented in Figure 9 are based on DoD projections for national Army, Navy, and Air Force procurement spending. A regression is utilized to forecast Florida's share of these spending flows. As the data shows, procurement was fairly flat for the period between 1995 and 2002, with steady increases until 2011. However, in the Sequestration era, procurement flows to the state decreased abruptly for a couple years before increasing drastically in the years following 2015. Statewide procurement totals have nearly tripled over the 25-year period, rising from an average of nearly \$6.5 billion per year in 1995 to \$18.7 billion by 2020 with a maximum of \$21 billion in 2019. Due to the industry in which these dollars flow – primarily manufacturing and professional and scientific services – defense procurement spending has significant impacts to the Florida economy. While 2019 procurement spending in the state was the highest ever, a decreasing trend into 2020 might indicate a stabilized Florida procurement economy.

Figure 10. Florida Procurement: Historic and Forecast, 1995 - 2022

Source: ABLE Operations

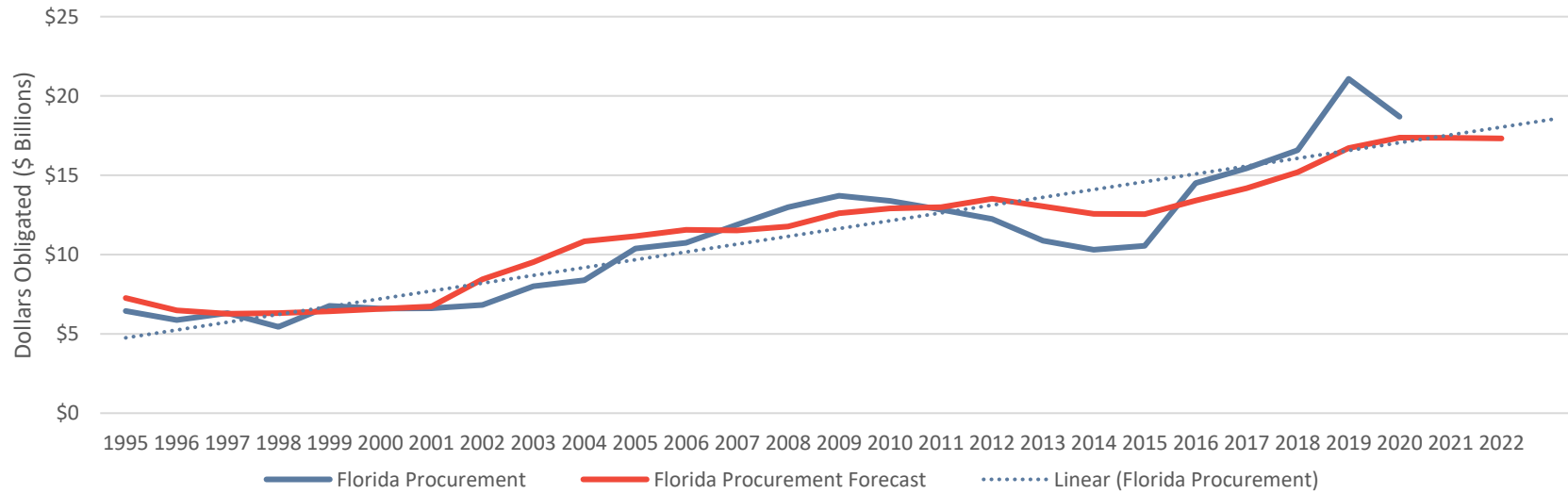




Table 6. State Rankings: Procurement Contracts by Place of Performance, 2009 – 2020

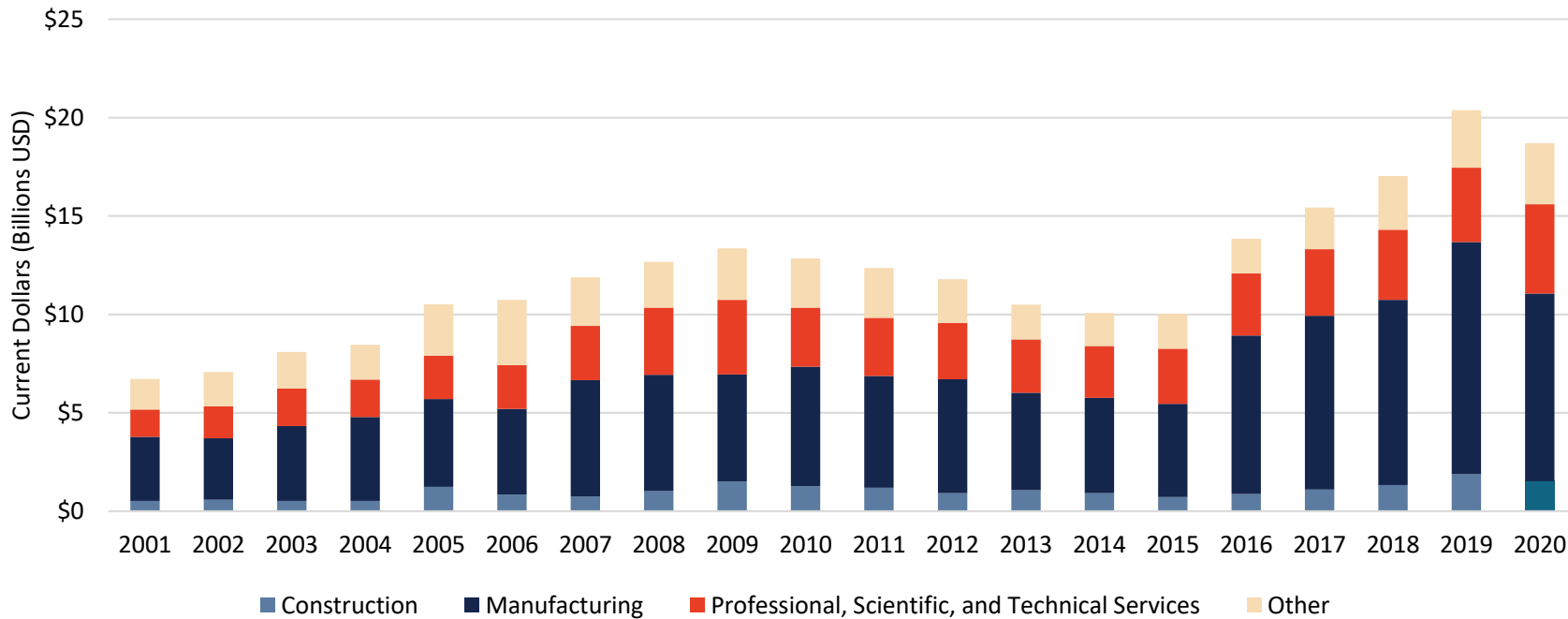
Rank	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
1	CA	CA	VA	CA	CA	VA	CA	CA	TX	TX	TX	TX
2	VA	VA	CA	VA	VA	CA	VA	VA	VA	VA	VA	VA
3	TX	TX	TX	TX	TX	TX	TX	TX	CA	CA	CA	CA
4	MA	FL	AZ	MD	MD	CT	MD	CT	FL	FL	FL	CT
5	FL	MA	CT	MO	AZ	MD	CT	FL	MD	MD	CT	MD
6	MD	MD	MD	AZ	MA	PA	PA	MD	PA	CT	MD	FL
7	AZ	PA	FL	CT	FL	FL	FL	PA	CT	MO	PA	AZ
8	PA	CT	PA	PA	CT	AZ	MA	MO	AZ	PA	MA	MA
9	CT	AZ	MA	FL	PA	MA	AL	WA	MA	MA	MO	PA
10	MO	MO	AL	MA	MO	AL	AZ	MA	MO	AZ	AZ	MO

Source: US Department of Treasury

As can be seen in the table above, since 2009, Florida has been among the top states in total procurement flows, consistently ranking behind Virginia, California, Texas, and various other states. Similar to prior years, procurement spending has generally flowed into three of Florida’s major industry sectors: construction, manufacturing, and professional, scientific, and technical services. As the data in Figure 10 (on next page) demonstrate, manufacturing has been the overwhelming beneficiary of federal procurement dollars, absorbing \$11.8 billion during 2019 alone — up from \$3.25 billion in 2001. Having experienced a decline in procurement dollars over the course of Sequestration, Florida’s defense-related manufacturing sector had fully rebounded by 2016 with expenditures of more than \$8 billion — an increase of 70% from 2015. In fact, Florida’s defense manufacturing sector led the way to Florida’s highest procurement spending on record at just over \$20 billion, with \$11.8 billion of that coming from manufacturing in 2019. Professional and technical services, which is a key driver of the high-tech, high wage economy, increased roughly 62% from 2015 to over \$4.5 billion in 2020. Construction, the third largest sector in terms of procurement flows decreased slightly during the years following BRAC highs in 2009-2011. By 2019, construction procurement had reached its highest level ever in the state of Florida, raking in approximately \$1.88 billion.

Florida Defense Industry Economic Impact Analysis – 2022 Update

FIGURE 11. DEFENSE PROCUREMENT BY INDUSTRY, 2001 – 2020



Source: US Department of Treasury

As one might expect, the procurement dollars shown above support a wide range of occupations across the State of Florida. These occupations, along with their two-digit Standard Occupational Classification (SOC) codes are displayed in the Table 5 (on next page). These are direct jobs and do not include the indirect and induced jobs that were modelled earlier through REMI. However, as the data show, almost 13% of all Architecture and Engineering jobs in Florida (associated with professional and scientific services) are supported directly by federal procurement flows into the state. Around 4.2% of all production occupations (closely tied to the manufacturing sector) are supported directly by procurement flows. According to the data shown below, procurement dollars are critical to the successful growth of Florida’s high-wage, high-tech and high impact industry sectors, such as professional/technical services and manufacturing. As the considerable growth in both industries since 2015 demonstrates, Florida has remained a national leader in the defense industry by providing the necessary business infrastructure (business climate, workforce, defense assets, etc.) to compete and win high value-added defense contracts.



Table 7. Occupations Generated by Procurement Spending, FY 2020

<i>SOC 2 Digit</i>	Description	Jobs from Procurement	% of Total Jobs in the Occupation
17-0000	Architecture and Engineering	14,672	12.8%
51-0000	Production	12,444	4.2%
43-0000	Office and Administrative Support	10,199	0.8%
13-0000	Business and Financial Operations	6,833	1.3%
47-0000	Construction and Extraction	6,192	1.5%
11-0000	Management	6,017	1.3%
15-0000	Computer and Mathematical	4,432	2.0%
53-0000	Transportation and Material Moving	3,133	0.4%
49-0000	Installation, Maintenance, and Repair	3,128	0.9%
23-0000	Legal	2,754	3.0%
41-0000	Sales and Related	1,669	0.2%
19-0000	Life, Physical, and Social Science	1,042	2.2%
25-0000	Education, Training, and Library	779	0.2%
27-0000	Arts, Design, Entertainment, Sports, and Media	737	0.7%
37-0000	Building and Grounds Cleaning and Maintenance	418	0.1%
29-0000	Healthcare Practitioners and Technical	366	0.1%
33-0000	Protective Service	188	0.1%
39-0000	Personal Care and Service	158	0.1%
35-0000	Food Preparation and Serving Related	70	0.0%
21-0000	Community and Social Service	56	0.1%
31-0000	Healthcare Support	49	0.0%
45-0000	Farming, Fishing, and Forestry	22	0.1%
Total		75,358	

Please see next page.



Regional Analysis Overview

Throughout the following section, an overview of the regional impacts is provided. This analysis utilizes the same regions as in past updates, which include the following:

- Northwest Region
- North Central Region
- Northeast Region
- East Central Region
- Tampa Bay Region
- South Central Region
- Southeast Region
- Southwest Region

Similar to the state-level analysis in the previous section, an analysis of the impacts of defense spending on each of these eight regional economies is provided. Each of these regional analyses is presented in precisely the same fashion. First, you can find an overview of the defense-related expenditures flowing into the region. This is inclusive of activities related to salaries and wages, procurement, and transfer payments for federal military (all branches including civilians), the Coast Guard, and the National Guard. The economic impacts associated with these are then provided across various metrics including Gross Regional Product (GRP), employment, government revenue, imports, exports, etc. Finally, these impacts are provided for each type of spending activity (procurement, salaries, and transfers) across the federal military, Coast Guard, and National Guard.

In addition to providing these impacts at the regional level, impacts are then provided for each county within the region in subsequent sections. Each regional section also contains an overview of defense trends within the region over the past several decades, as well as projections going forward. This includes military employment as a share of total employment, military pay relative to all wages/earnings, and trends in military employment. To conclude, we provide an overview of regional demographic and economic conditions. You can find a map of Florida's eight economic regions on the following page. As the map and subsequent analyses show, defense activities affect these regional economies in very different ways. For example, in Northwest Florida, defense activities generate \$21.8 billion in GRP and account for nearly 187,000 jobs. This represents 28.6% of Northwest Florida's entire regional economic output (GDP). In South Central Florida, the impact stands at \$300 million in GRP and just over total 4,000 jobs. What the data demonstrates is that every single region in the state of Florida is affected by defense-related activities, regardless of whether major installations are located in the region. This statement also holds true at the county-level, as we will shortly outline in our county-level analyses. Moreover, as the data demonstrate, these impacts come in decidedly different forms and fashions.

Figure 12. Regional Delineations

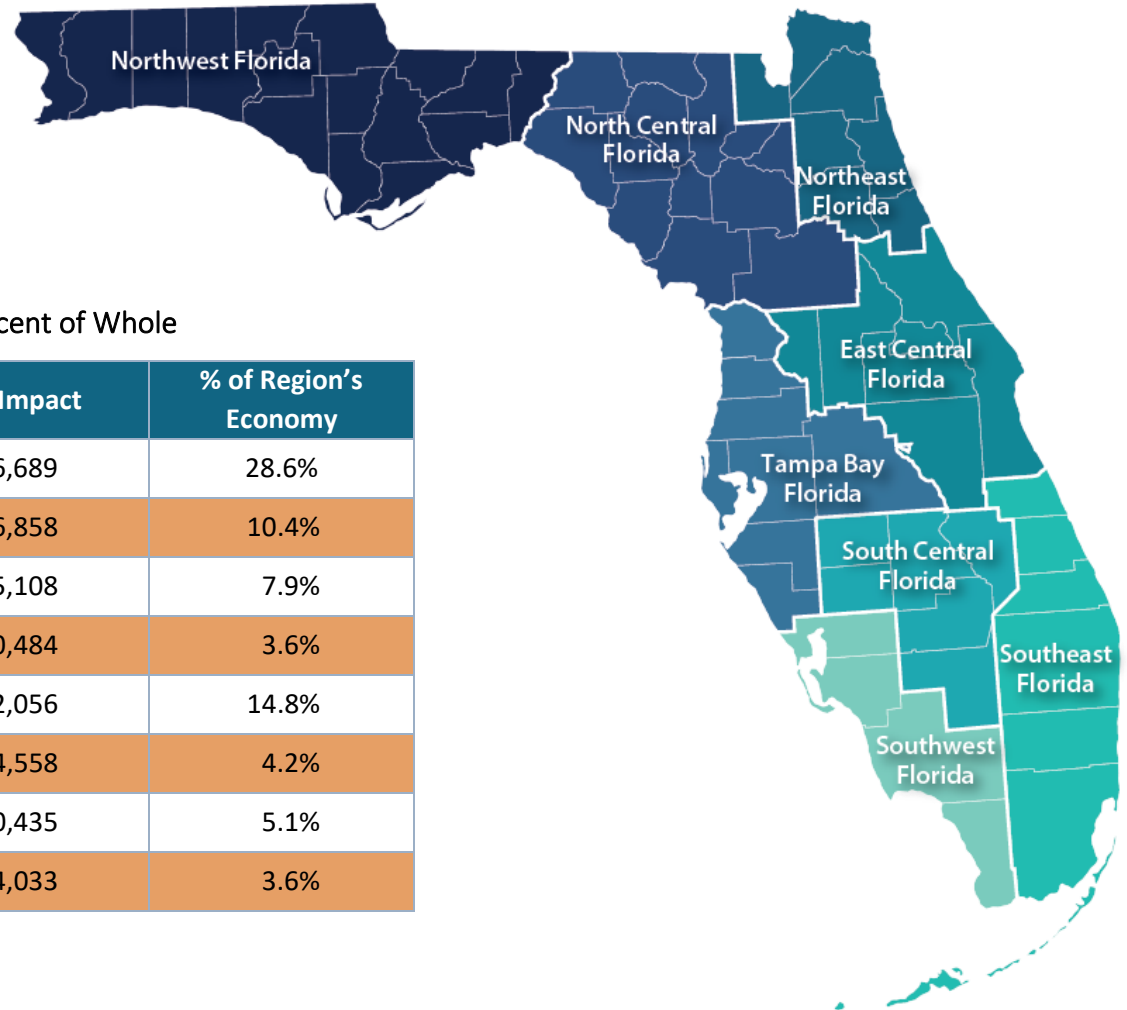
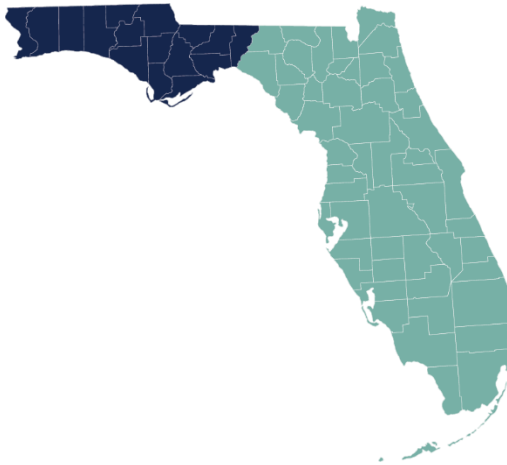


Table 8. Regional Impacts as a Percent of Whole

Region	GRP (Billions USD)	Job Impact	% of Region's Economy
Northwest	\$21.8	186,689	28.6%
East Central	\$21.1	196,858	10.4%
Tampa Bay	\$20.2	175,108	7.9%
Southeast	\$14.6	130,484	3.6%
Northeast	\$14.4	122,056	14.8%
Southwest	\$2.4	24,558	4.2%
North Central	\$1.9	20,435	5.1%
South Central	\$0.3	4,033	3.6%



Northwest Florida Region



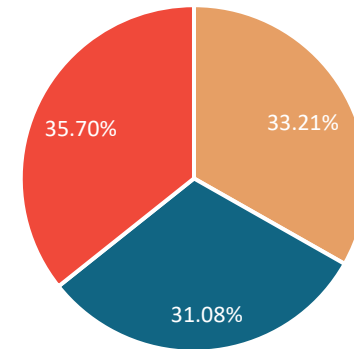
Northwest Florida Summary

The Northwest Florida Region encompasses Bay, Calhoun, Escambia, Franklin, Gadsden, Gulf, Holmes, Jackson, Jefferson, Leon, Liberty, Okaloosa, Santa Rosa, Wakulla, Walton, and Washington Counties. Defense is a major industry in this region with multiple major installations, one of which is the largest U.S. military reservation (Eglin Air Force Base). Military spending, combined with the National Guard and Coast Guard, totals to the Combined Direct Expenditure estimates as indicated in Table 7. As presented in Figure 12, salaries accounted for the largest share at 35.7% or roughly \$3.6 billion of the \$10.1 billion total. Transfers accounted for 31.1% (\$3.2 billion), and procurement spending accounted for 33.2% (\$3.4 billion).

Table 9. Northwest Region: Combined Direct Defense Expenditures

Spending Flow	Millions (Current USD)
Procurement	\$3,370.3
Salaries	\$3,623.2
Transfers	\$3,154.2
Total Combined Direct Expenditures	\$10,147.8

FIGURE 13. NORTHWEST REGION: DISTRIBUTION OF DIRECT DEFENSE



■ Procurement ■ Transfers ■ Salaries

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Table 10. Northwest Florida Region: Economic Impact Forecast, 2020 – 2024
Current Millions USD

Impact Type	2020	2021	2022	2023	2024
Total Employment	186,694	184,997	186,071	188,172	190,343
Gross Regional Product	\$21,794.04	\$21,648.69	\$21,741.25	\$21,921.74	\$22,108.53
<i>Total Consumption</i>	\$12,017.59	\$12,057.44	\$12,214.67	\$12,417.77	\$12,628.89
<i>Investment Residential</i>	\$2,800.90	\$2,809.72	\$2,846.28	\$2,893.67	\$2,942.93
<i>Investment Non-residential</i>	\$639.57	\$629.99	\$635.06	\$645.56	\$656.41
<i>Producer's Durable Equipment</i>	\$372.62	\$367.41	\$370.43	\$376.52	\$382.80
<i>Business Inventories</i>	-\$77.64	-\$74.98	-\$75.24	-\$76.57	-\$77.92
<i>Government</i>	\$948.00	\$936.62	\$945.65	\$962.29	\$979.49
<i>Exports</i>	\$19,715.82	\$19,496.65	\$19,508.22	\$19,602.96	\$19,700.67
<i>Imports (subtract)</i>	\$14,622.82	\$14,574.14	\$14,703.82	\$14,900.48	\$15,104.73

Totals may not sum due to rounding.

As presented in Table 8, defense activities accounted for about 186,694 jobs in the Northwest Florida Region in 2020 and almost \$22 billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region). The military therefore accounted for approximately 28.6% (Table 10) of all economic activity in the region. The total impact of defense activities on the regional economy is forecast to increase very slightly through 2024. Consequently, employment impacts are forecast to be about 190,343 in 2024; this amounts to over 3,500 more jobs in the region by that time as a result of defense activities.

In addition to the employment and GRP estimates, Table 8 provides the constituent components of GRP. As was explained in the introduction, direct defense expenditures expended in the state generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table above. The impact categories are defined as follows:



- Total Employment measures jobs generated by military activities.
- Total Consumption consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- Investment expenditures include residential and non-residential real estate, as well as investment in producers' durable equipment and business inventories.
- Government revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- Gross State Product is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.

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Table 11. Northwest Region: Total Economic Impacts by Component, Jobs, and Gross Regional Product (2020)
Millions USD

Northwest	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Economic Impact	\$3,394	\$0	\$5	\$3,399
	Total Jobs	39,496	0	63	39,559
Employment	Economic Impact	\$14,632	\$1,329	\$169	\$16,131
	Total Jobs	110,431	8,718	1,063	120,212
Transfers	Economic Impact	\$2,252	\$0	\$12	\$2,264
	Total Jobs	26,776	0	142	26,918
Totals	Economic Impact	\$20,278	\$1,329	\$187	\$21,794
	Total Jobs	176,703	8,718	1,268	186,689

Source: REMI PI+ 2.5.0 (build 5955)

Totals may not sum due to rounding.

Regional Impacts by Type

The table above displays the economic impacts (GRP and jobs created) in Northwest Florida by component and source for 2020. The components include procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2020 US Dollars) are displayed directly above the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner. As the data indicate, employment for the military generated the most jobs in the region (110,431), followed by procurement for the military at nearly 40,000; transfers account for nearly 27,000 jobs as well. The data in Table 10 (next page) display combined expenditures across the three categories for each county in the region followed by the economic impacts in terms of GRP and Employment. As the data demonstrate, the military accounts for about 29% of the regional economy (GDP) and 63% of all economic output in Okaloosa County, which equates to roughly 73,000 jobs. This is followed by Escambia, Bay, and Santa Rosa Counties - all of which have major military installations.

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TABLE 12. NORTHWEST REGION: DEFENSE IMPACTS BY COUNTY, 2020
Millions USD

County	Model Inputs – Combined Expenditures				Model Outputs – Combined Impacts		
	Procurement	Transfers	Salaries and Wages	Total	GDP	Employment	Percent GDP
Bay	\$1,333.8	\$403.9	\$245.0	\$1,982.7	\$3,148.0	30,013	34.6%
Calhoun	\$0.0	\$19.1	\$0.6	\$19.7	\$14.9	166	4.5%
Escambia	\$422.2	\$740.5	\$1,313.0	\$2,475.7	\$6,626.1	53,681	34.8%
Franklin	\$3.0	\$14.0	\$0.7	\$17.8	\$13.6	178	3.3%
Gadsden	\$4.1	\$40.7	\$24.8	\$69.6	\$49.6	687	3.1%
Gulf	\$0.7	\$13.9	\$0.6	\$15.2	\$32.9	419	6.8%
Holmes	\$7.1	\$28.0	\$1.3	\$36.4	\$24.5	329	6.0%
Jackson	\$0.1	\$57.7	\$2.1	\$60.0	\$48.4	591	2.9%
Jefferson	\$0.0	\$29.4	\$0.8	\$30.2	\$12.1	151	4.0%
Leon	\$76.0	\$200.9	\$30.0	\$306.9	\$456.9	4,527	2.5%
Liberty	\$0.0	\$3.8	\$0.3	\$4.1	\$5.4	54	2.6%
Okaloosa	\$1,432.5	\$873.0	\$1,936.1	\$4,241.6	\$9,185.9	73,224	63.3%
Santa Rosa	\$86.5	\$574.7	\$57.1	\$718.2	\$1,637.0	16,331	30.4%
Wakulla	\$0.4	\$25.9	\$1.3	\$27.6	\$26.3	275	2.9%
Walton	\$3.8	\$105.3	\$8.6	\$117.6	\$482.4	5,645	14.5%
Washington	\$0.0	\$23.3	\$1.0	\$24.3	\$30.1	418	4.8%
Total	\$3,370.3	\$3,154.2	\$3,623.2	\$10,147.8	\$21,794.0	186,689	28.6%

Source: REMI PI+ 2.5.0 (build 5955)

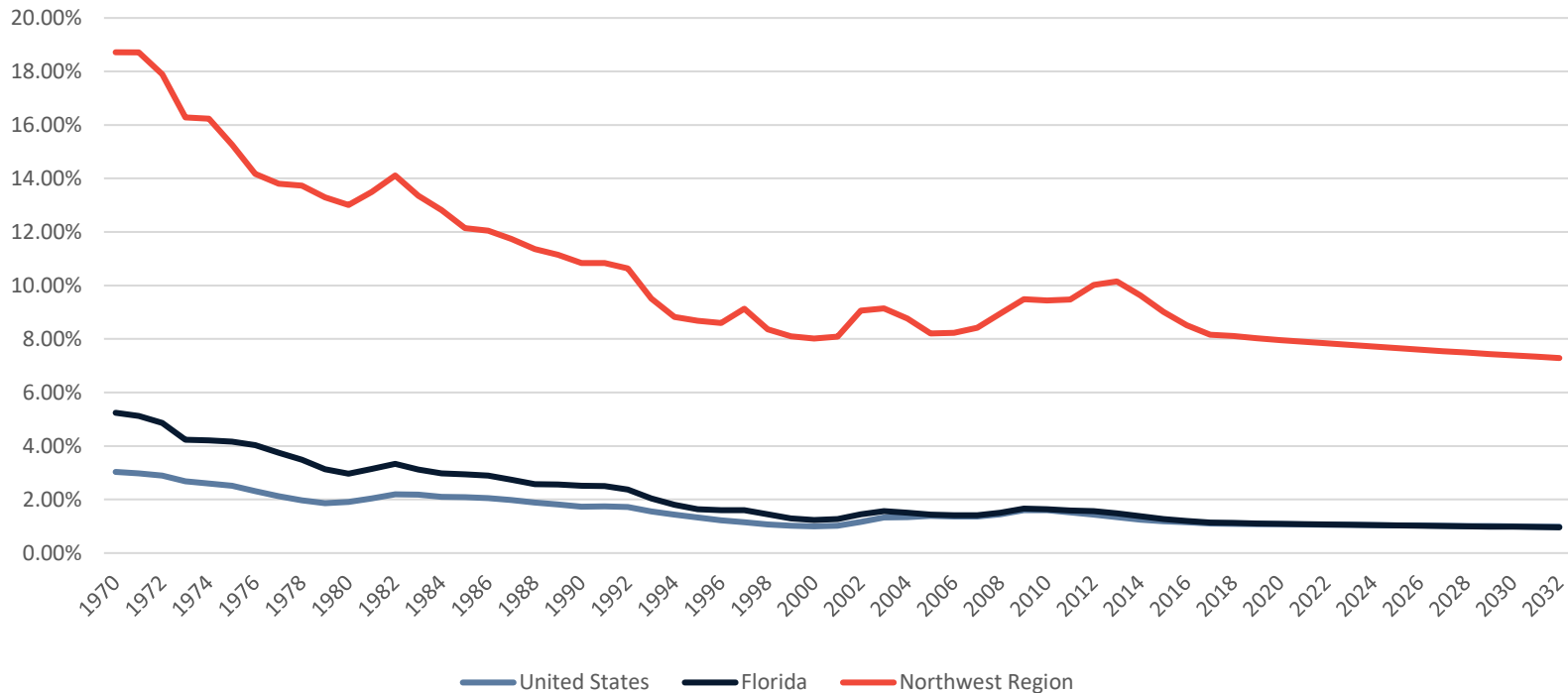
Totals may not sum due to rounding

Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Share of Total Earnings

Earnings account for the majority of income paid to employees as remuneration for their work and include wage and salary disbursements as well as supplements to wages and salaries. Earnings are therefore a proxy economic impact measure, which is inclusive of more than just wages. The figure below benchmarks the total share of Northwest Florida’s regional income that can be attributed to the military (over time) against Florida and the U.S. As the data reflect, the military contributes to a substantially larger share of earnings at the regional level than at the national or state level. Nevertheless, as economies continue to diversify, their military share of total earnings has happened to decline. This trend is expected to continue through 2032.

FIGURE 14. MILITARY SHARE OF EARNINGS, 1970–2032: UNITED STATES, FLORIDA, AND THE NORTHWEST FLORIDA REGION

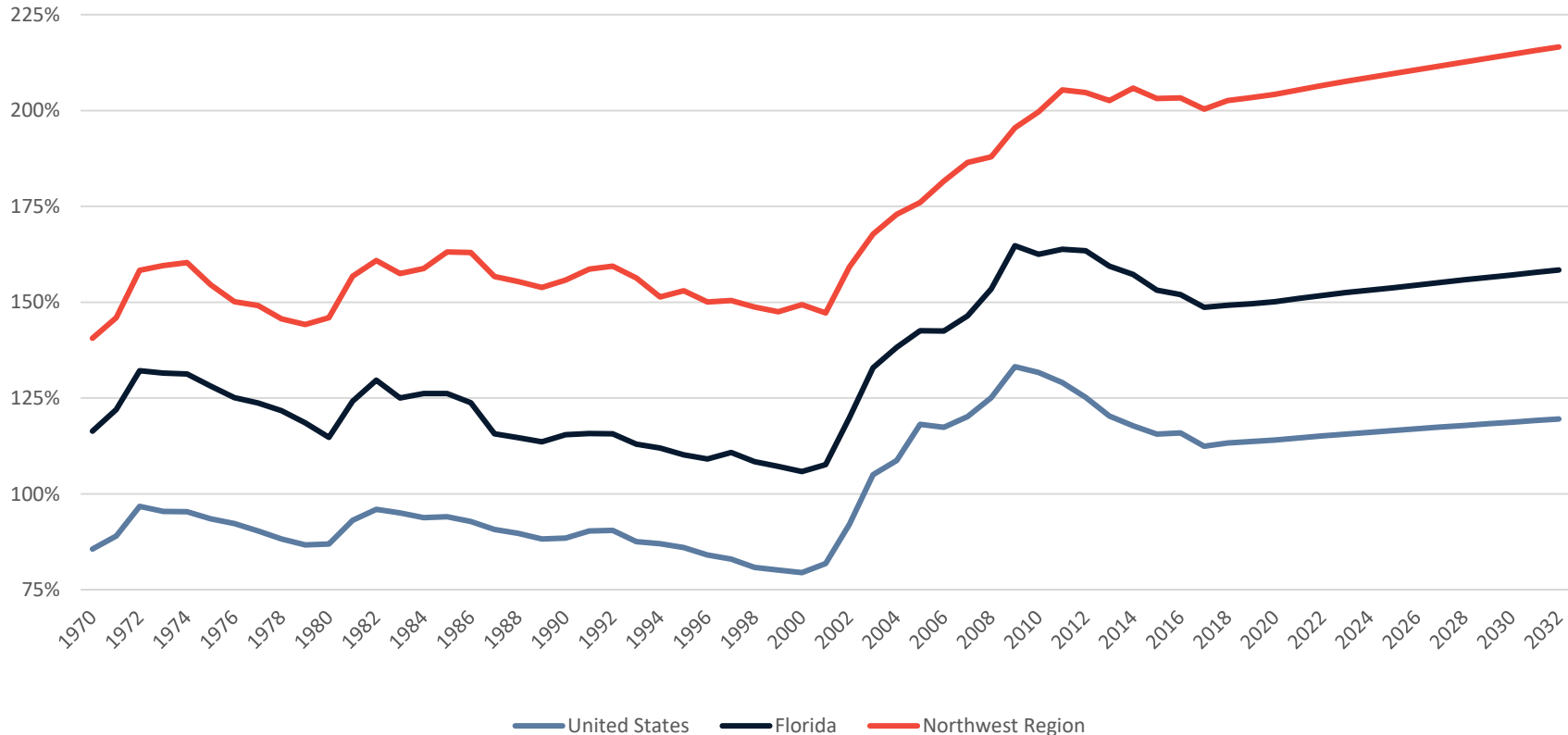




Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It allows us to benchmark the earnings of military employees at the regional level against the earning patterns of all workers. The graph below provides a comparison of performance at the regional level versus the state and the nation.

FIGURE 15. AVERAGE MILITARY EARNINGS VERSUS AVERAGE TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, AND NORTHWEST FLORIDA REGION

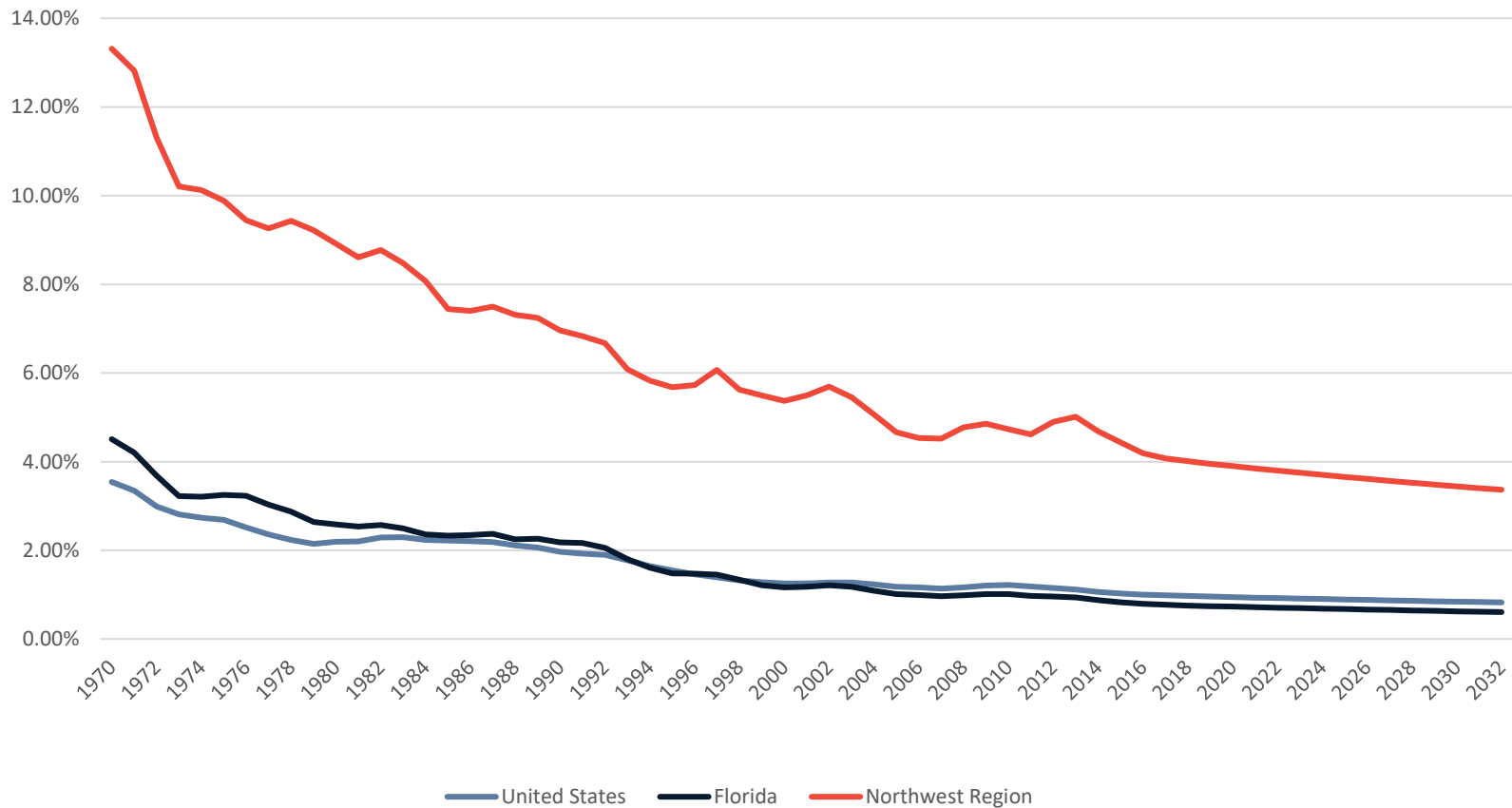


Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Employment as a Share of Total Employment

The figure below presents military employment as a share of total employment for the region, state of Florida, and the US. It allows us to benchmark military employment at the regional level against the employment patterns of all workers statewide and nationwide.

FIGURE 16. MILITARY EMPLOYMENT AS A SHARE OF TOTAL EMPLOYMENT, 1970 – 2032: UNITED STATES, FLORIDA, AND THE NW FLORIDA REGION



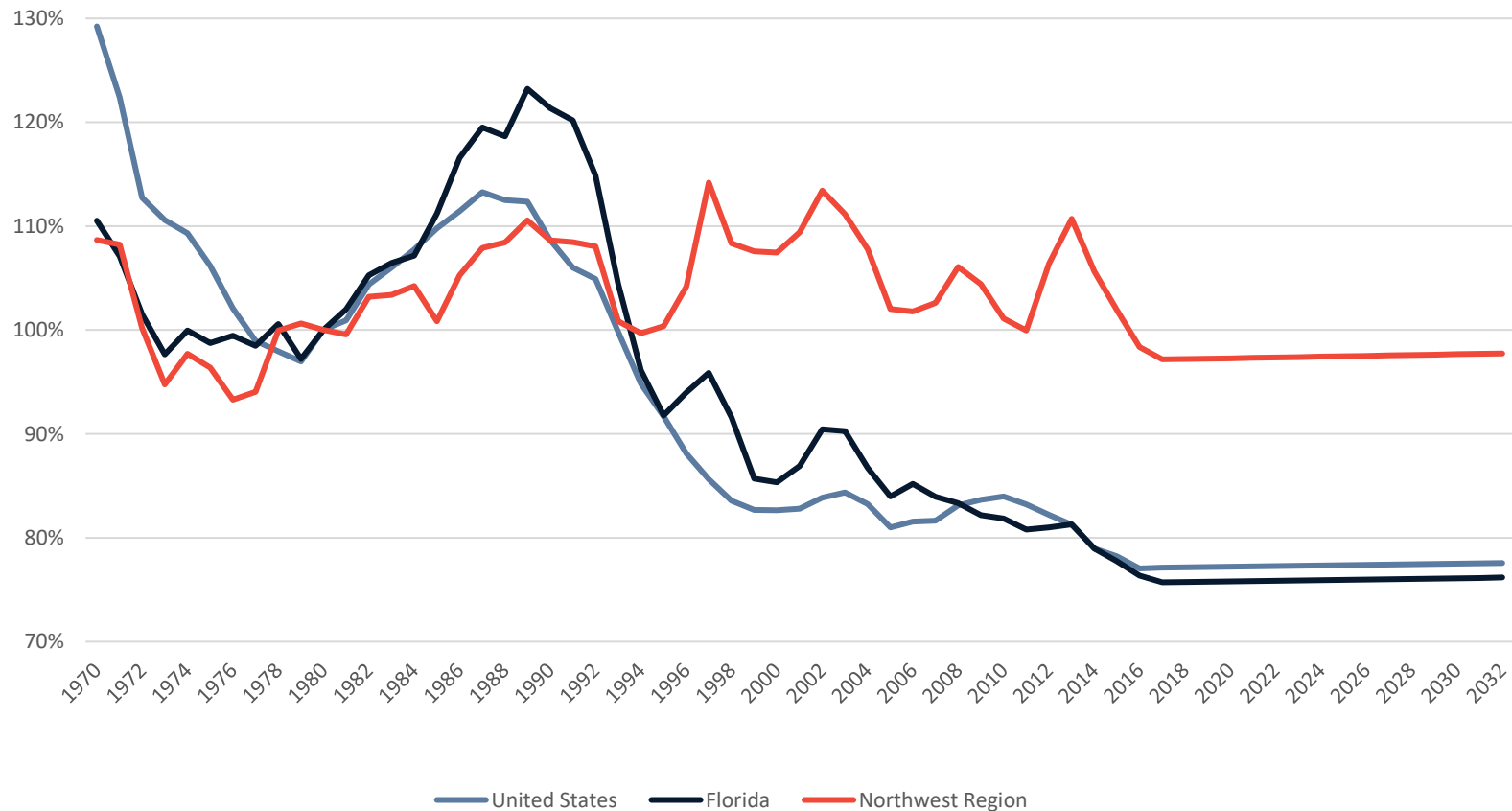
Florida Defense Industry Economic Impact Analysis – 2022 Update



Total Military Employment Indexed to 1980

The figure below presents military employment indexed to 1980 levels. It allows us to compare changes in military employment at the regional level against statewide and national trends in military employment over the past 40 years that appear to remain steady for the foreseeable future.

FIGURE 17. TOTAL MILITARY EMPLOYMENT INDEXED TO 1980, 1970 – 2032: UNITED STATES, FLORIDA, AND THE NORTHWEST FLORIDA REGION



Demographics and the Regional Economy

The table displayed below presents figures related to regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Personal income, as defined by the Bureau of Economic Analysis (BEA) and REMI, is income that people obtain from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources.

Table 13. Demographic Estimates: Northwest Florida Region

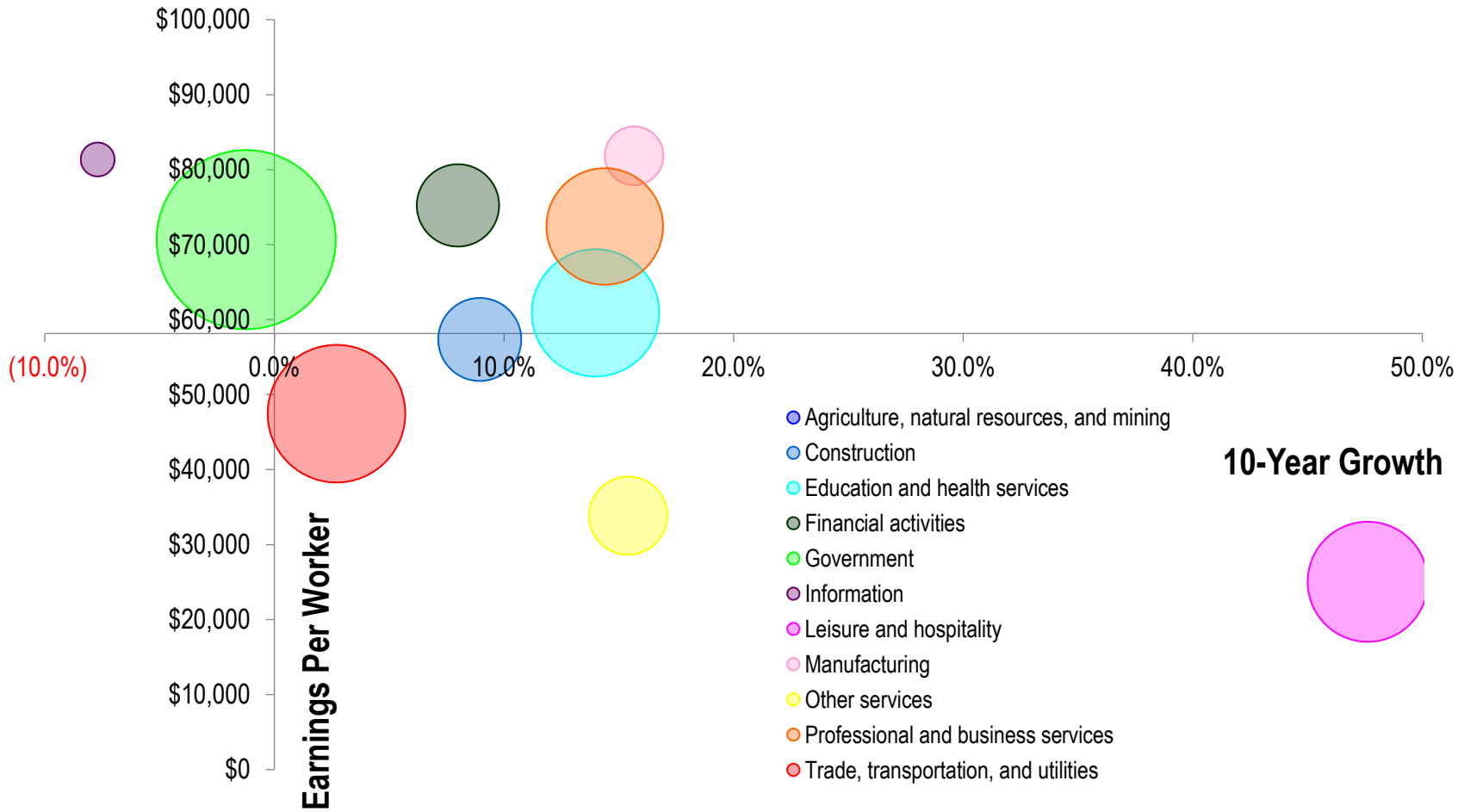
Total Population	Estimate
Population in 2011	1,378,406
Population in 2021	1,539,323
Population in 2031	1,728,775
Growth from 2011 to 2021	11.7%
Growth from 2021 to 2031	12.3%
Personal Income (Inclusive of all forms of income)	
Regional Personal Income per Capita	\$51,060
Florida Personal Income per Capita	\$57,186

Florida Defense Industry Economic Impact Analysis – 2022 Update

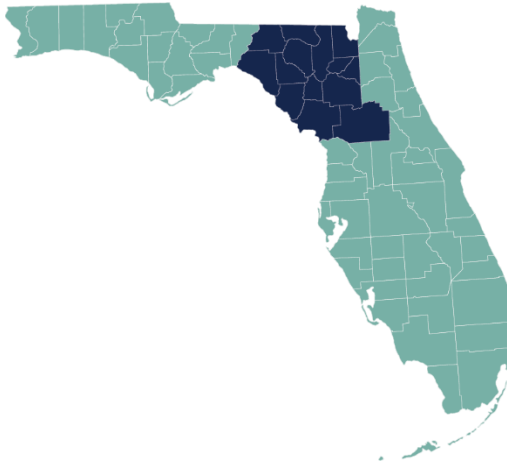


The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and average earnings per worker are displayed on the vertical axis. In order to interpret the graph correctly, the center of the bubble correlates with each industries' respective growth rate and earnings level.

FIGURE 18. REGIONAL INDUSTRY AND EARNINGS GROWTH – NORTHWEST FLORIDA REGION



North Central Florida Region



North Central Florida Regional Summary

The North Central Florida Region is encompassed by Alachua, Bradford, Columbia, Dixie, Gilchrist, Hamilton, Lafayette, Levy, Madison, Marion, Suwannee, Taylor, and Union Counties. As in years past, defense activities play a moderate role in the regional economy, primarily fueled by transfer payments to retirees, veterans, etc. Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates as indicated in Table 12. Transfer payments accounted for the largest share at roughly \$1.3 billion (82%) of the \$1.6 billion total. Salaries accounted for \$103 million (7%), and procurement accounted for \$175 million (11%).

Table 14. North Central Region: Combined Direct Defense Expenditures

Spending Flow	Millions USD
Procurement	\$174.8
Salaries	\$102.7
Transfers	\$1,303.4
Total Combined Direct Expenditures	\$1,580.9

FIGURE 19. NORTHWEST FLORIDA REGION: DISTRIBUTION OF DIRECT DEFENSE EXPENDITURES

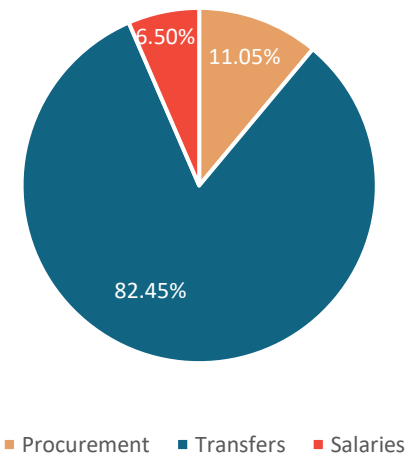




Table 15. North Central Region: Economic Impact Forecast, 2020 – 2024
Current Millions USD

Impact Type	2020	2021	2022	2023	2024
Total Employment	20,437	20,725	21,196	21,745	22,325
Gross Regional Product	\$1,866.96	\$1,887.71	\$1,925.49	\$1,970.44	\$2,018.11
<i>Total Consumption</i>	\$1,895.35	\$1,949.97	\$2,013.30	\$2,081.45	\$2,152.66
<i>Investment Residential</i>	\$448.96	\$461.83	\$476.77	\$492.86	\$509.68
<i>Investment Non-residential</i>	\$92.60	\$93.87	\$96.25	\$99.11	\$102.09
<i>Producer's Durable Equipment</i>	\$57.29	\$58.04	\$59.50	\$61.26	\$63.09
<i>Business Inventories</i>	-\$17.80	-\$17.63	-\$17.95	-\$18.46	-\$18.99
<i>Government</i>	\$292.47	\$295.68	\$302.91	\$311.78	\$321.07
<i>Exports</i>	\$1,004.69	\$995.26	\$1,005.03	\$1,022.05	\$1,040.34
<i>Imports (subtract)</i>	\$1,906.60	\$1,949.30	\$2,010.32	\$2,079.61	\$2,151.83

Source: REMI PI+ v2.5.0 (build 5955)

Totals may not sum due to rounding.

As presented in Table 13, defense activities accounted for just over 20,000 jobs in the North Central Florida Region in 2020 and almost \$2 billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region). The military therefore accounted for approximately 5.1% (Table 15) of all economic activity in the region. The total impact of defense activities on the regional economy is forecast to increase slightly through 2024. Consequently, employment impacts are forecast to be about 22,325 in 2024; this amounts to nearly 2,000 more jobs in the region by that time as a result of defense activities.

In addition to the employment and GRP estimates, Table 13 provides the constituent components of GRP. As was explained in the introduction, direct defense expenditures expended in the state generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table above. The impact categories are defined as follows:



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- Total Employment measures jobs generated by military activities.
- Total Consumption consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- Investment expenditures include residential and non-residential real estate as well as investment in producers' durable equipment and business inventories.
- Government revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- Gross Regional Product is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.



Table 16. North Central Region: Total Economic Impacts by Component, Jobs, and Gross Regional Product (2020)
Millions USD

North Central	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Economic Impact	\$225	\$0	\$1	\$226
	Total Jobs	2,384	0	7	2,391
Employment	Economic Impact	\$637	\$70	\$13	\$720
	Total Jobs	5,818	656	113	6,587
Transfers	Economic Impact	\$916	\$0	\$5	\$921
	Total Jobs	11,395	0	62	11,457
Totals	Economic Impact	\$1,778	\$70	\$19	\$1,867
	Total Jobs	19,597	656	182	20,435

Source: REMPI+ 2.5.0 (build 5955)

Totals may not sum due to rounding.

Regional Impacts by Type

The table above displays the economic impacts (GRP and jobs created) in North Central Florida by component and source for 2020. The components include procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2020 US Dollars) are displayed directly above the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner. As the data indicate, transfers for the military generated the most jobs in the region (11,395), followed by employment for the military at 5,818; procurement accounts for nearly 2,400 jobs as well. The data in Table 15 (next page) display combined expenditures across the three categories for each county in the region followed by the economic impacts in terms of GRP and Employment. As the data indicate, the military accounts for about 5.1% of the regional economy (GDP), generating 20,435 jobs. Of the 13 counties in the region, the majority of defense related economic impacts are generated in Alachua, Marion, and Columbia Counties.

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TABLE 17. NORTH CENTRAL REGION - DEFENSE IMPACTS BY COUNTY, 2020
Millions USD

County	Model Inputs – Combined Expenditures				Model Outputs – Combined Impacts		
	Procurement	Transfers	Salaries and Wages	Total	GDP	Employment	Percent GDP
Alachua	\$98.1	\$334.7	\$56.4	\$489.2	\$773.3	7,556	4.8%
Bradford	\$15.9	\$46.4	\$1.8	\$64.2	\$51.1	674	7.0%
Columbia	\$0.3	\$158.2	\$3.0	\$161.5	\$131.5	1,529	4.7%
Dixie	\$0.1	\$27.5	\$0.2	\$27.8	\$14.7	189	5.0%
Gilchrist	\$0.0	\$25.5	\$0.6	\$26.1	\$16.7	199	3.8%
Hamilton	\$0.0	\$19.3	\$0.5	\$19.9	\$13.8	88	1.6%
Lafayette	\$0.0	\$6.9	\$0.3	\$7.2	\$2.6	44	1.8%
Levy	\$7.0	\$74.1	\$3.3	\$84.4	\$71.4	796	6.3%
Madison	\$0.0	\$21.2	\$0.7	\$21.9	\$17.8	220	3.3%
Marion	\$25.0	\$492.4	\$32.2	\$549.6	\$672.0	8,092	6.0%
Suwannee	\$0.5	\$61.1	\$1.9	\$63.5	\$50.0	566	3.6%
Taylor	\$27.9	\$24.5	\$1.1	\$53.6	\$42.2	354	5.0%
Union	\$0.0	\$11.6	\$0.5	\$12.0	\$9.7	128	3.1%
Total	\$174.8	\$1,303.4	\$102.7	\$1,580.9	\$1,867.0	20,435	5.1%

Source: REMPI+ 2.5.0 (build 5955)

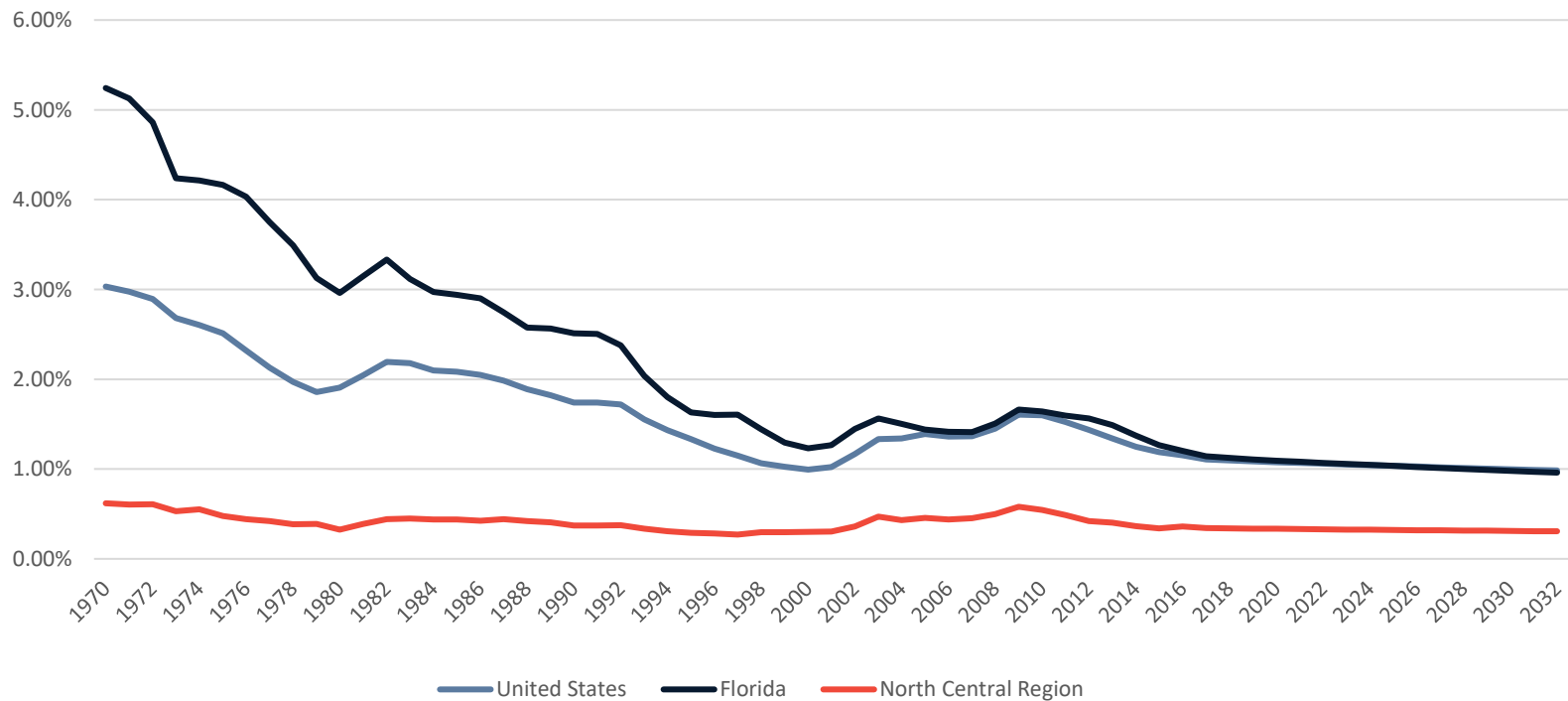
Totals may not sum due to rounding.



Military Share of Total Earnings

Earnings account for the majority of income paid to employees as remuneration for their work and include wage and salary disbursements as well as supplements to wages and salaries. Earnings are therefore a proxy economic impact measure, which is inclusive of more than just wages. The figure below benchmarks the total share of North Central Florida’s regional income that can be attributed to the military (over time) against Florida and the U.S. As the data reflect, the military contributes to a substantially smaller share of earnings at the regional level than at the national or state level. Nevertheless, as economies continue to diversify, their military share of total earnings has happened to decline. This trend is expected to continue through 2032.

FIGURE 20. MILITARY SHARE OF TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, AND THE NORTH CENTRAL REGION

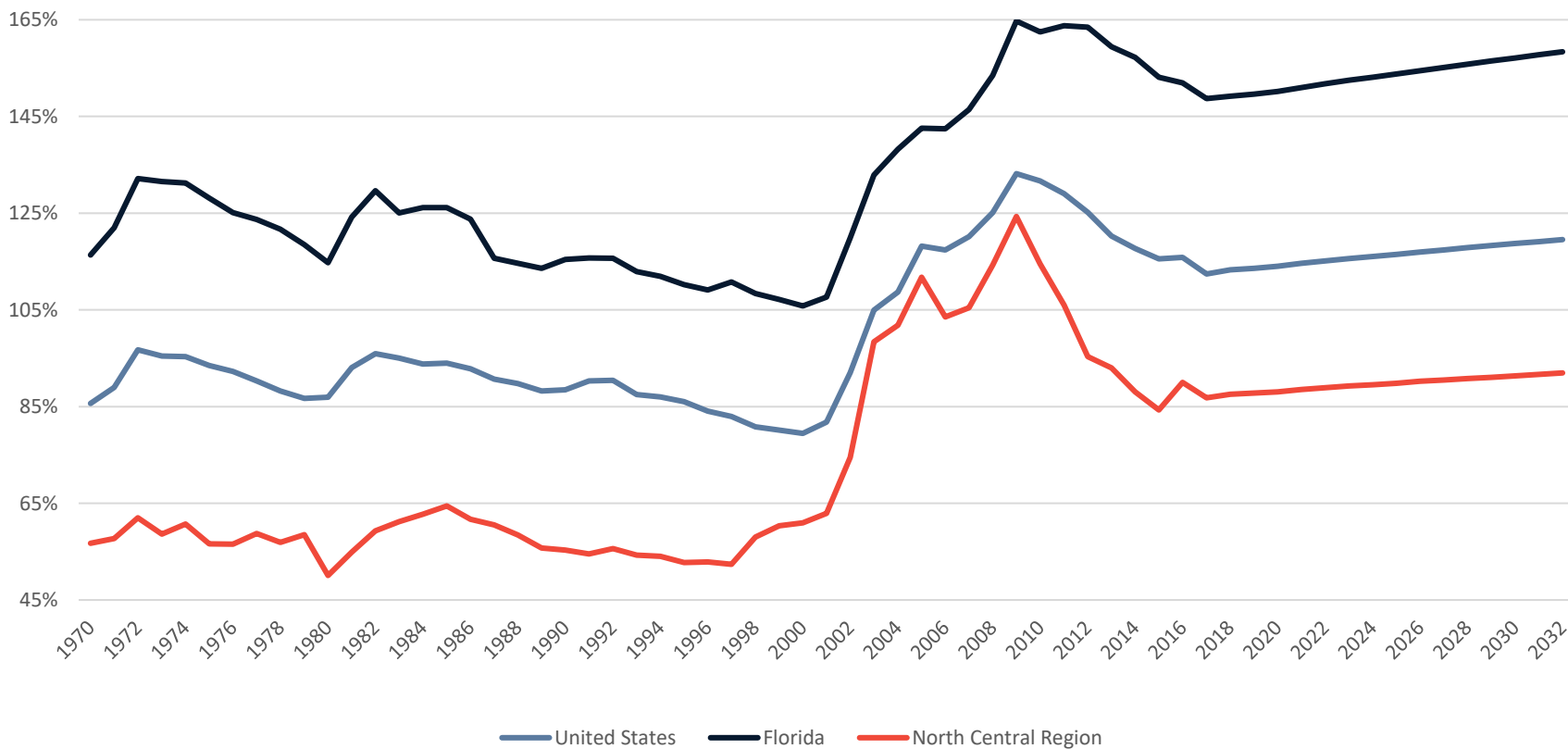


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Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It allows us to benchmark the earnings of military employees at the regional level against the earning patterns of all workers. The graph below provides a comparison of performance at the regional level versus the state and the nation.

FIGURE 21. AVERAGE MILITARY EARNINGS VS AVERAGE TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, AND THE NORTH CENTRAL REGION



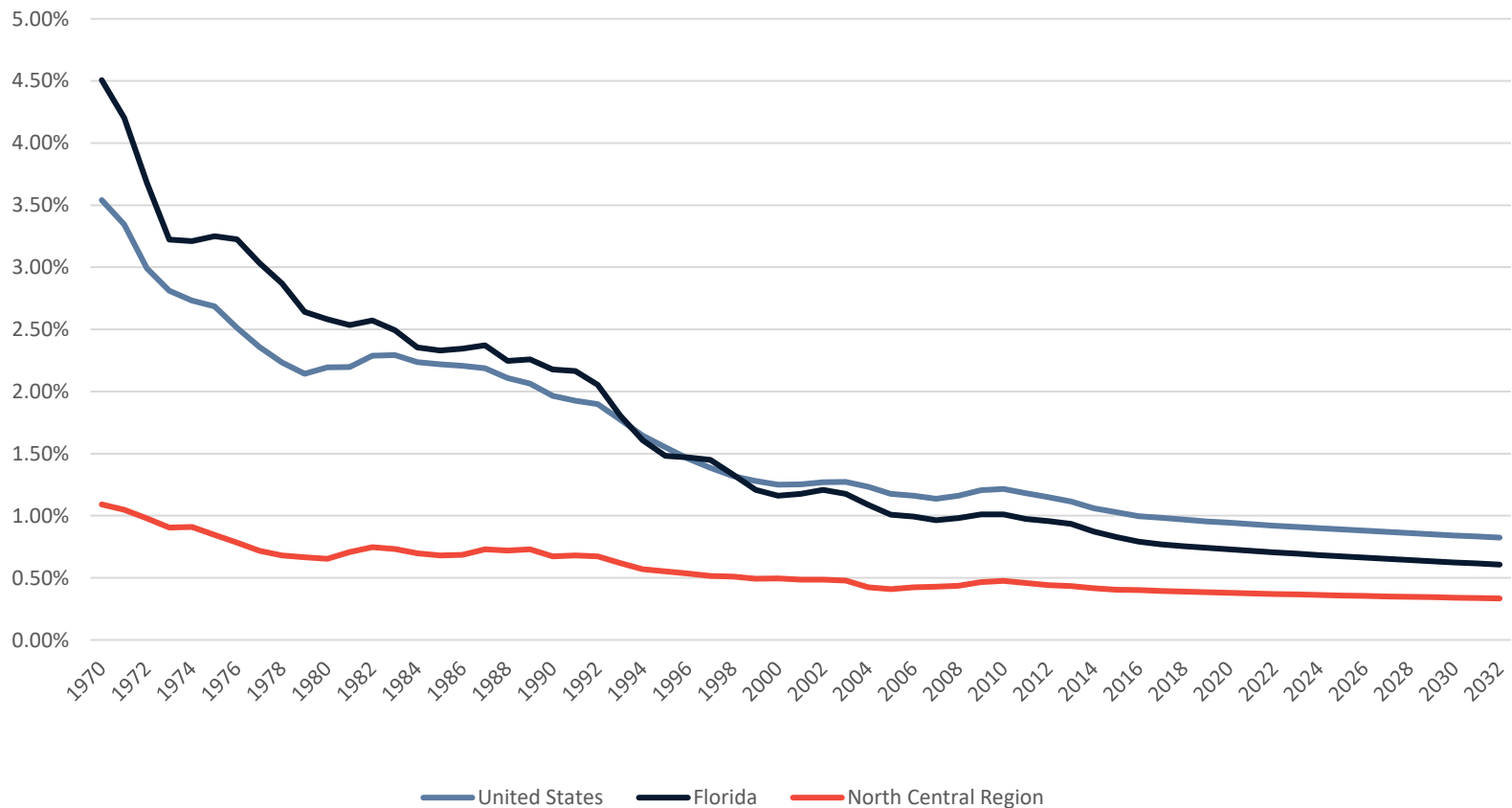
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Military Employment as a Share of Total Employment

The figure below presents military employment as a share of total employment for the region, state of Florida, and the US. It allows us to benchmark military employment at the regional level against the employment patterns of all workers statewide and nationwide.

FIGURE 22. MILITARY EMPLOYMENT AS A SHARE OF TOTAL EMPLOYMENT, 1970 – 2032: UNITED STATES, FLORIDA, AND THE NORTH CENTRAL REGION

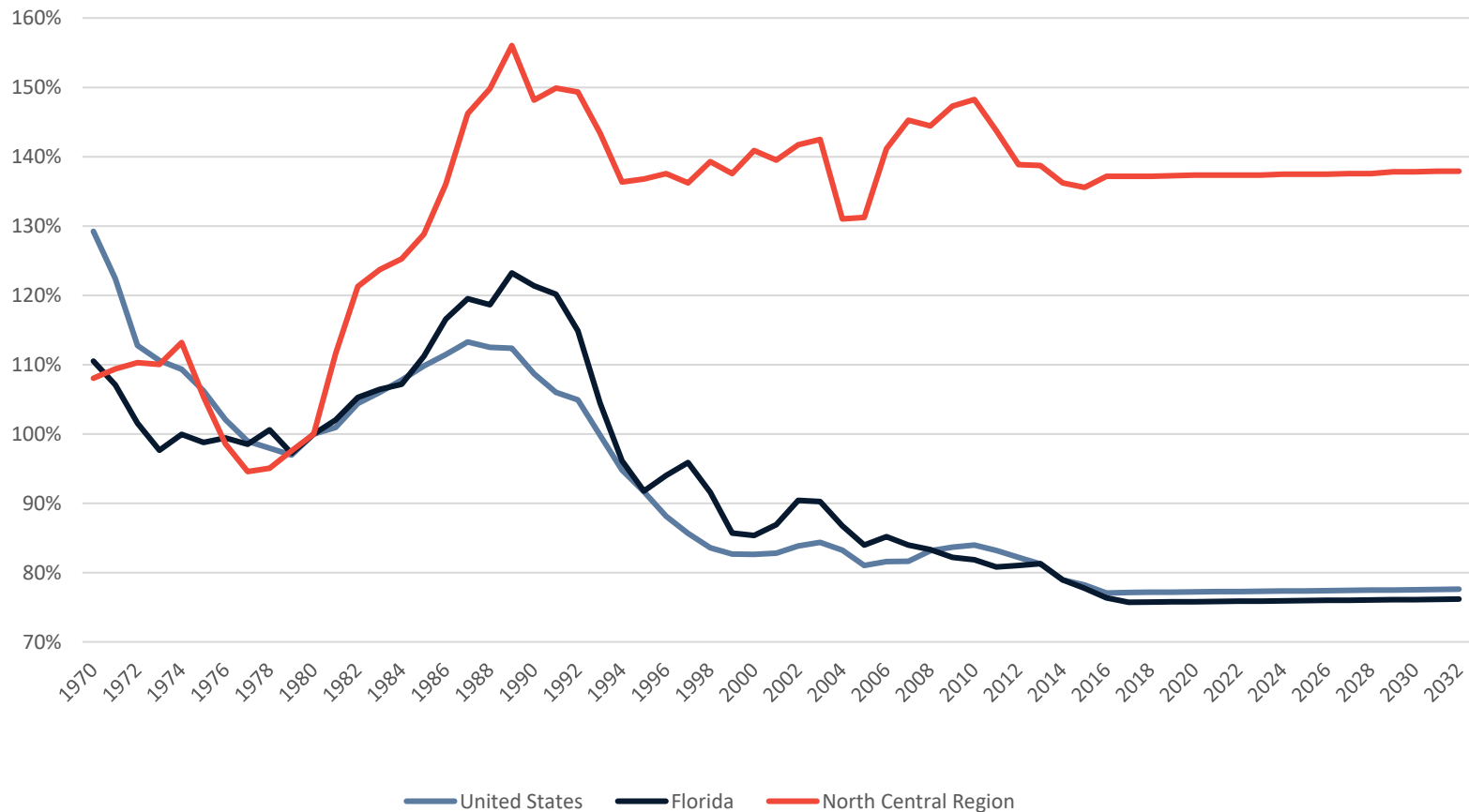


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Change in Military Employment

The figure below presents military employment indexed to 1980 levels. It allows us to compare changes in military employment at the regional level against statewide and national trends in military employment over the past 40 years that appear to remain steady for the foreseeable future.

FIGURE 23. TOTAL MILITARY EMPLOYMENT INDEXED TO 1980, 1970 – 2032: UNITED STATES, FLORIDA, AND THE NORTH CENTRAL REGION





Demographics and the Regional Economy

The table displayed below presents figures related to regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Personal income, as defined by the Bureau of Economic Analysis (BEA) and REMI, is income that people obtain from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources.

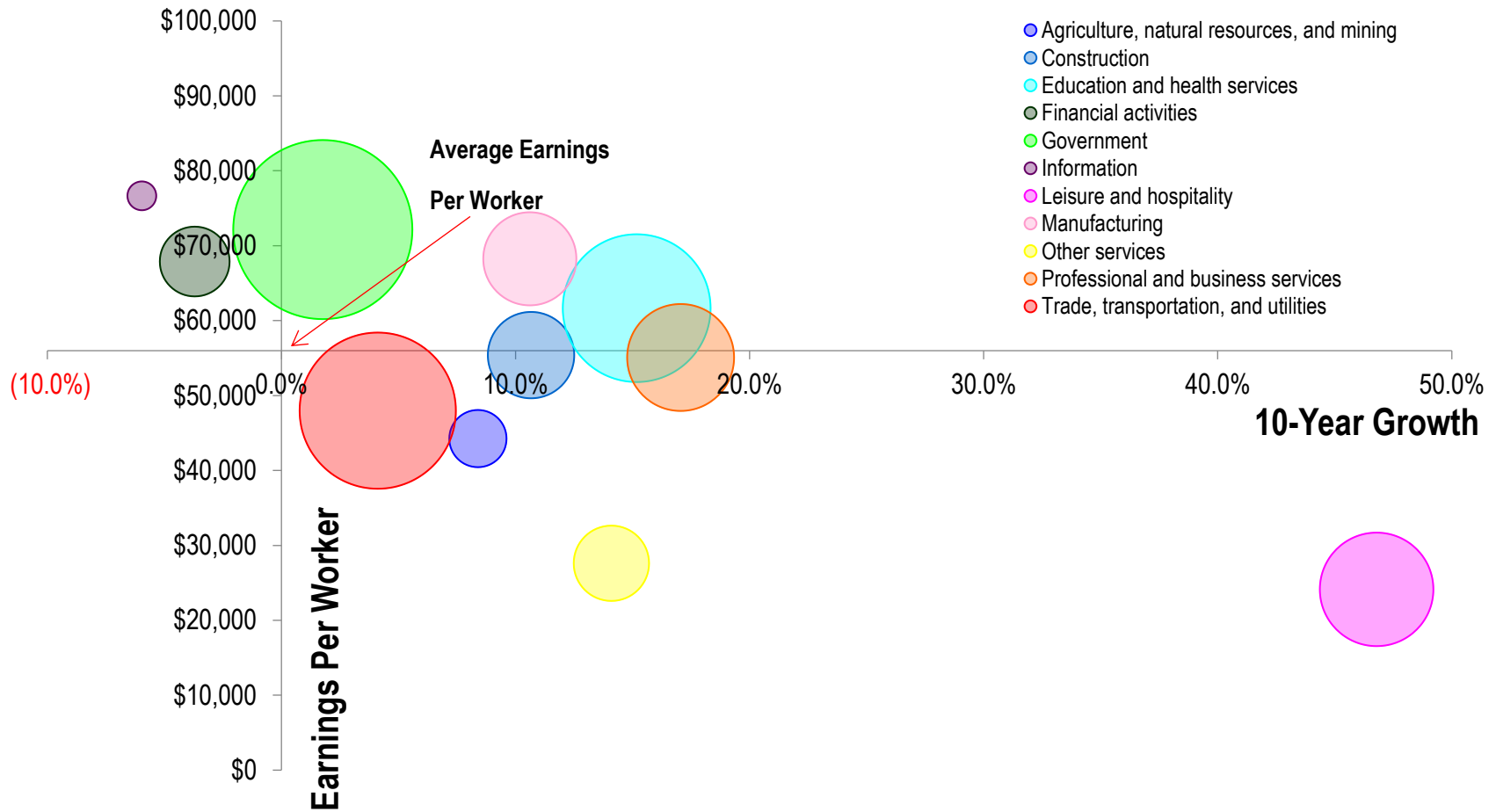
Table 18. Demographic Estimates, North Central Florida Region

Total Population	Estimate
Population in 2011	875,274
Population in 2021	962,523
Population in 2031	1,068,012
Growth from 2011 to 2021	10.0%
Growth from 2021 to 2031	11.0%
Personal Income (Inclusive of all forms of income)	
Regional Personal Income per Capita	\$44,143
Florida Personal Income per Capita	\$57,186

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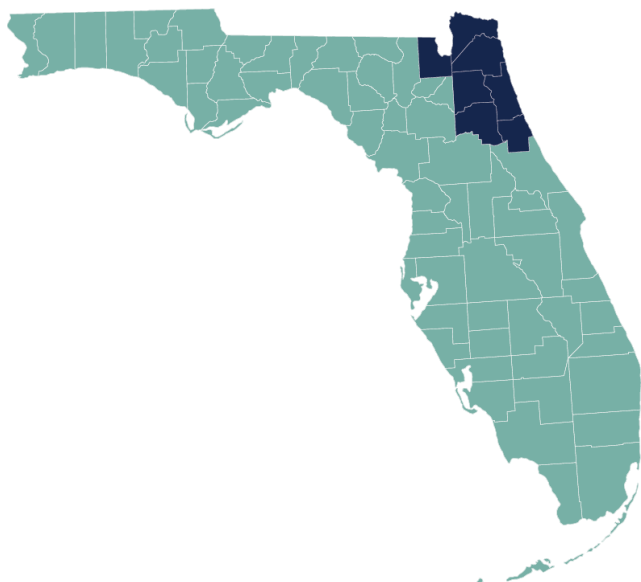
The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and average earnings per worker are displayed on the vertical axis. In order to interpret the graph correctly, the center of the bubble correlates with each industries' respective growth rate and earnings level.

FIGURE 24. REGIONAL INDUSTRY AND EARNINGS GROWTH – NORTH CENTRAL FLORIDA REGION





Northeast Florida Region



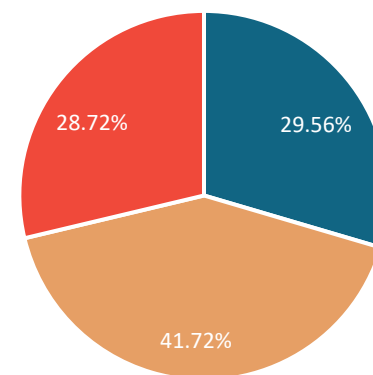
Northeast Florida Regional Summary

The Northeast Florida Region includes Baker, Clay, Duval, Flagler, Nassau, Putnam, and St. Johns Counties. Defense activities play quite a meaningful role in the regional economy, pushing nearly \$6.5 billion of spending into the region in 2020. Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates as indicated in Table 17. Transfer payments accounted for the largest share at \$2.7 billion (42%) of the \$6.5 billion total. Salaries accounted for \$1.9 billion (30%), and procurement accounted for \$1.9 billion (29%).

Table 19. Northeast Region: Combined Direct Defense Expenditures

Spending Flow	Millions USD
Procurement	\$1,916.0
Salaries	\$1,861.7
Transfers	\$2,704.3
Total Combined Direct Expenditures	\$6,482.0

FIGURE 25 . NORTHEAST REGION: DISTRIBUTION OF DIRECT DEFENSE EXPENDITURES



■ Procurement ■ Transfers ■ Salaries

Florida Defense Industry Economic Impact Analysis – 2022 Update

Table 20. Northeast Region: Economic Impact Forecast, 2020 – 2024
Current Millions USD

Impact Type	2020	2021	2022	2023	2024
Total Employment	122,058	121,453	122,653	124,533	126,483
Gross Regional Product	\$14,350.13	\$14,295.31	\$14,407.63	\$14,582.14	\$14,763.44
<i>Total Consumption</i>	\$8,413.62	\$8,480.40	\$8,631.71	\$8,817.45	\$9,010.48
<i>Investment Residential</i>	\$1,965.44	\$1,980.51	\$2,015.58	\$2,058.79	\$2,103.69
<i>Investment Non-residential</i>	\$414.39	\$412.24	\$417.54	\$425.66	\$434.08
<i>Producer's Durable Equipment</i>	\$238.30	\$237.09	\$240.14	\$244.82	\$249.67
<i>Business Inventories</i>	-\$60.67	-\$59.21	-\$59.67	-\$60.85	-\$62.06
<i>Government</i>	\$503.30	\$499.18	\$505.75	\$516.38	\$527.40
<i>Exports</i>	\$10,762.67	\$10,632.27	\$10,660.96	\$10,746.91	\$10,835.85
<i>Imports (subtract)</i>	\$7,886.91	\$7,887.18	\$8,004.39	\$8,167.01	\$8,335.68

Source: REMPI+ 2.5.0 (build 5955)

Totals may not sum due to rounding.

As shown in Table 18, defense activities yielded just over 122,000 jobs in the North Central Florida Region in 2020 and roughly \$14 billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region). The military therefore accounted for approximately 14.8% (Table 20) of all economic activity in the region. The total impact of defense activities on the regional economy is forecast to increase very slightly through 2024 with a slight decline from 2020 to 2021. Furthermore, employment impacts are forecast to be about 126,483 in 2024; this amounts to roughly 4,000 more jobs in the region by that time as a result of defense activities.

In addition to the employment and GRP estimates, Table 18 provides the constituent components of GRP. As was explained in the introduction, direct defense expenditures expended in the state generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table above. The impact categories are defined as follows:



- Total Employment measures jobs generated by military activities.
- Total Consumption consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- Investment expenditures include residential and non-residential real estate as well as investment in producers' durable equipment and business inventories.
- Government revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- Gross Regional Product is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.

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Table 21. Northeast Region: Total Economic Impacts by Component, Jobs, and Gross Regional Product (2020)
Millions USD

Northeast	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Economic Impact	\$2,353	\$0	\$4	\$2,357
	Total Jobs	25,494	0	43	25,537
Employment	Economic Impact	\$7,901	\$1,012	\$341	\$9,254
	Total Jobs	57,377	7,424	2,056	66,857
Transfers	Economic Impact	\$2,715	\$4	\$19	\$2,739
	Total Jobs	29,411	44	207	29,662
Totals	Economic Impact	\$12,970	\$1,016	\$364	\$14,350
	Total Jobs	112,282	7,468	2,306	122,056

Source: REMI PI v2.5.0 (build 5955)

Totals may not sum due to rounding.

Regional Impacts by Type

The table above displays the economic impacts (GRP and jobs created) in Northeast Florida by component and source for 2020. The components include procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2020 US Dollars) are displayed directly above the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner. As the data indicate, employment for the military generated the most jobs in the region (57,377), followed by transfers for the military at 29,411; procurement accounts for 25,494 jobs as well. The data in Table 20 (next page) display combined expenditures across the three categories for each county in the region followed by the economic impacts in terms of GRP and Employment. As the data demonstrate, the military accounts for about 16.6% of all economic output in Duval County, which equates to just over 95,000 jobs. This is followed by Clay County and St. Johns County which are responsible for roughly 10,000 defense related jobs each as well.

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TABLE 22. NORTHEAST REGION - DEFENSE IMPACTS BY COUNTY, 2020
Millions USD

County	Model Inputs – Combined Expenditures				Model Outputs – Combined Impacts		
	Procurement	Transfers	Salaries and Wages	Total	GDP	Employment	Percent GDP
Baker	\$0.0	\$29.9	\$1.0	\$30.9	\$34.9	455	5.1%
Clay	\$31.1	\$586.4	\$243.4	\$860.9	\$845.6	10,186	13.5%
Duval	\$1,757.1	\$1,373.6	\$1,577.2	\$4,708.0	\$12,100.4	95,138	16.6%
Flagler	\$0.3	\$184.7	\$8.5	\$193.5	\$193.5	2,505	6.9%
Nassau	\$4.8	\$137.7	\$3.5	\$146.0	\$177.2	2,076	6.2%
Putnam	\$0.9	\$102.8	\$5.0	\$108.7	\$131.8	1,186	5.1%
St. Johns	\$121.8	\$289.2	\$23.0	\$434.0	\$866.8	10,510	9.7%
Total	\$1,916.0	\$2,704.3	\$1,861.7	\$6,482.0	\$14,350.1	122,056	14.8%

Source: REMI PI v2.5.0 (build 5955)

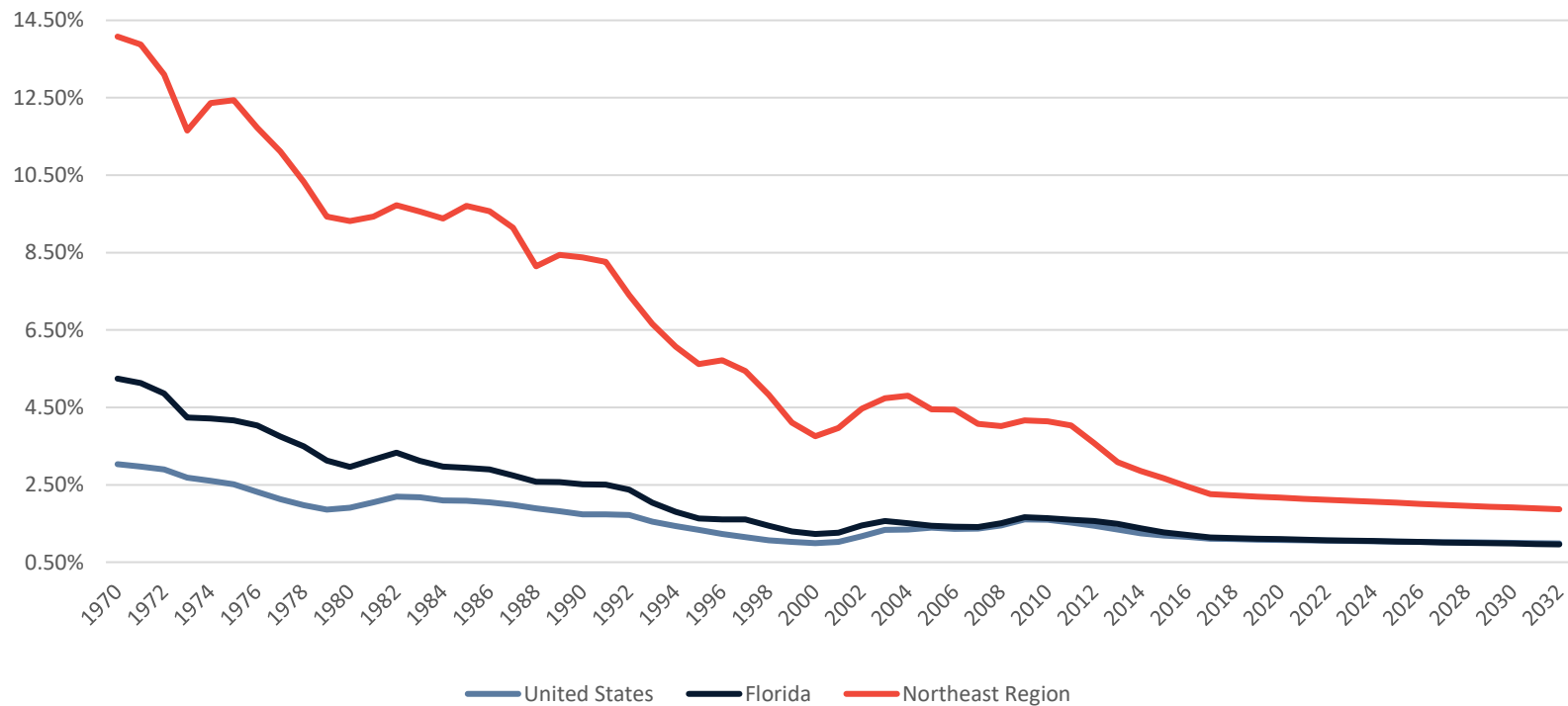
Totals may not sum due to rounding

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Military Share of Total Earnings

Earnings account for the majority of income paid to employees as remuneration for their work and include wage and salary disbursements as well as supplements to wages and salaries. Earnings are therefore a proxy economic impact measure, which is inclusive of more than just wages. The figure below benchmarks the total share of Northeast Florida’s regional income that can be attributed to the military (over time) against Florida and the U.S. As the data reflect, the military contributes to a substantially larger share of earnings at the regional level than at the national or state level. Nevertheless, as economies continue to diversify, their military share of total earnings has happened to decline. This trend is expected to continue through 2032.

FIGURE 26. MILITARY SHARE OF TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, AND THE NORTHEAST FLORIDA REGION

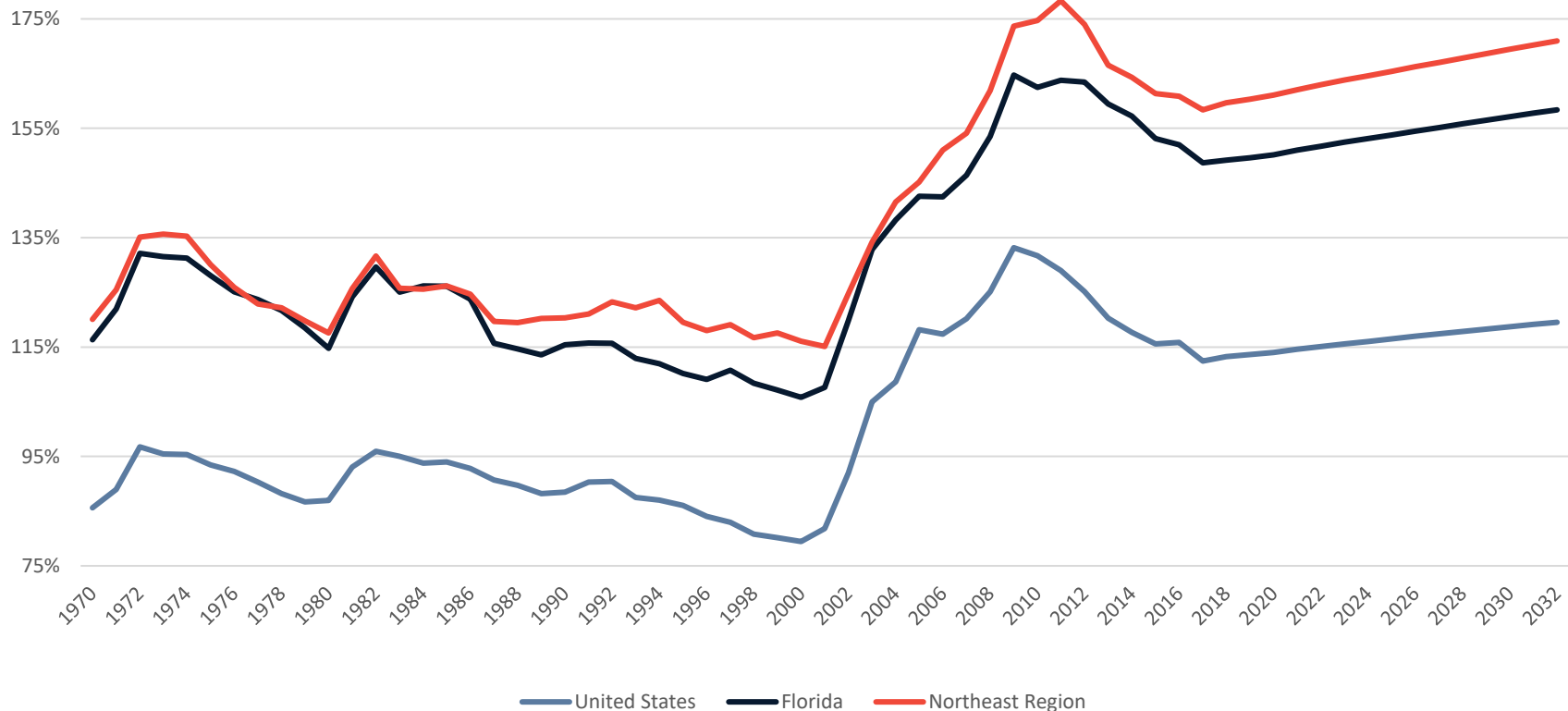




Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It allows us to benchmark the earnings of military employees at the regional level against the earning patterns of all workers. The graph below provides a comparison of performance at the regional level versus the state and the nation.

FIGURE 27. AVERAGE MILITARY EARNINGS VS AVERAGE TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, AND THE NORTHEAST FLORIDA REGION

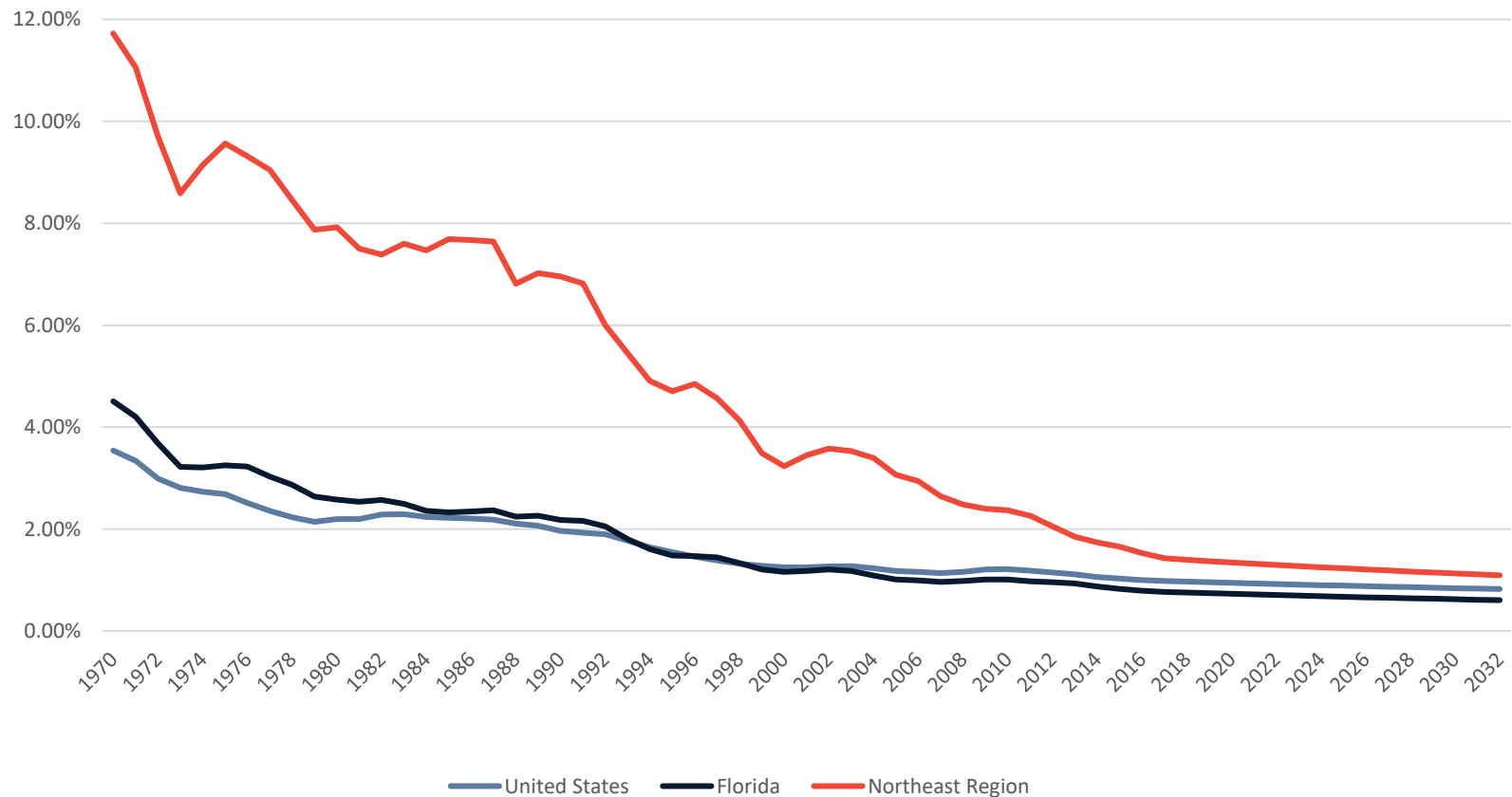


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Military Employment as a Share of Total Employment

The figure below presents military employment as a share of total employment for the region, state of Florida, and the US. It allows us to benchmark military employment at the regional level against the employment patterns of all workers statewide and nationwide.

FIGURE 28. MILITARY EMPLOYMENT AS A SHARE OF TOTAL EMPLOYMENT, 1970 – 2032: UNITED STATES, FLORIDA, AND THE NORTHEAST FLORIDA REGION



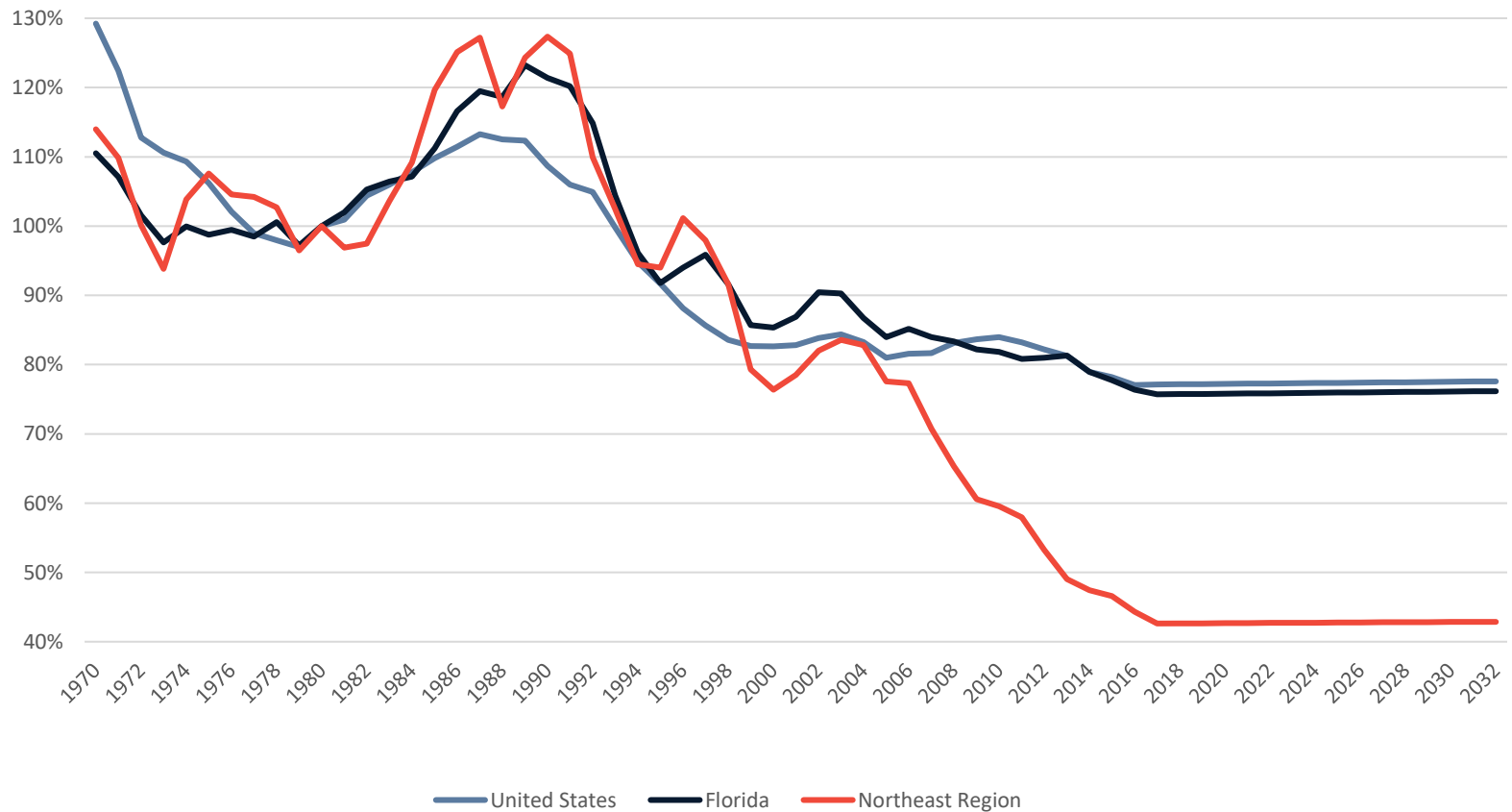
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Change in Military Employment

The figure below presents military employment indexed to 1980 levels. It allows us to compare changes in military employment at the regional level against statewide and national trends in military employment over the past 40 years that appear to remain steady for the foreseeable future.

FIGURE 29. TOTAL MILITARY EMPLOYMENT INDEXED TO 1980, 1970 – 2032: UNITED STATES, FLORIDA, AND THE NORTHEAST FLORIDA REGION



Demographics and the Regional Economy

The table displayed below presents figures related to regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Personal income, as defined by the Bureau of Economic Analysis (BEA) and REMI, is income that people obtain from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources.

Table 23. Demographic Estimates, Northeast Florida Region

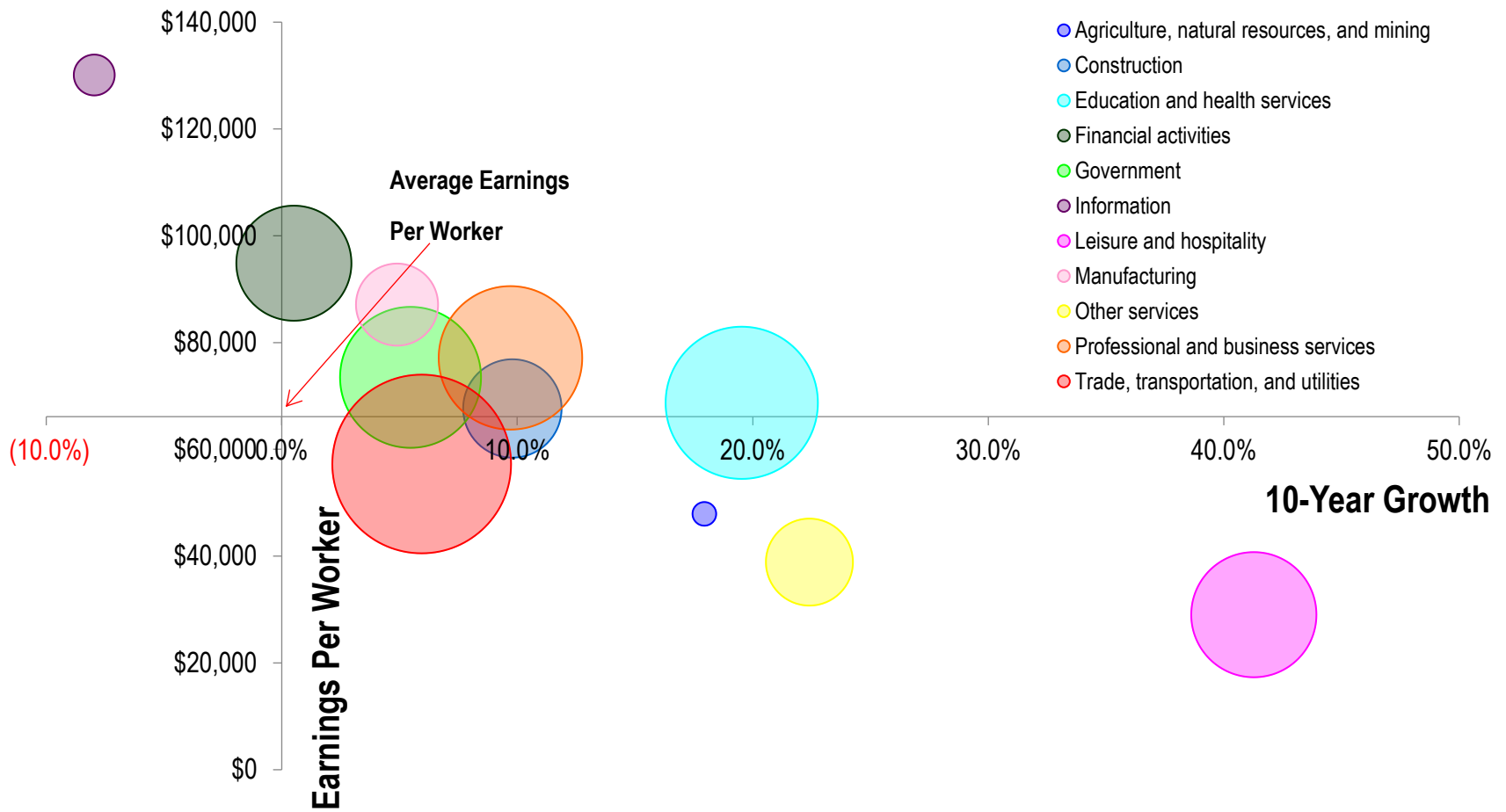
Total Population	Estimate
Population in 2011	1,533,086
Population in 2021	1,820,280
Population in 2031	2,078,364
Growth from 2011 to 2021	18.7%
Growth from 2021 to 2031	14.2%
Personal Income (Inclusive of all forms of income)	
Regional Personal Income per Capita	\$55,632
Florida Personal Income per Capita	\$57,186

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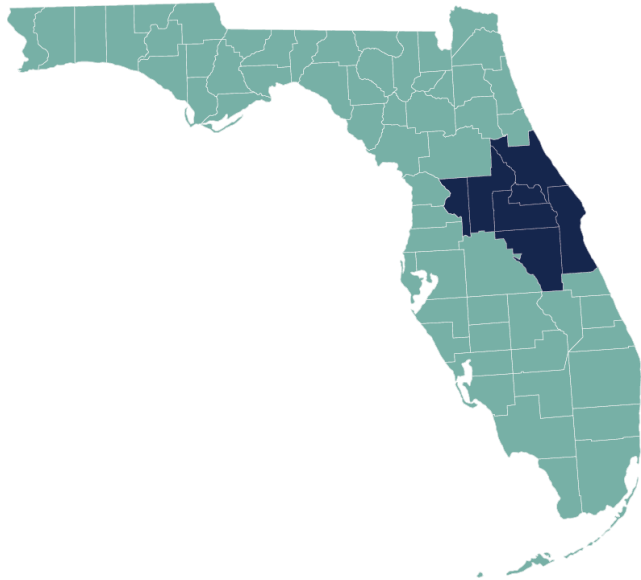


The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and average earnings per worker are displayed on the vertical axis. In order to interpret the graph correctly, the center of the bubble correlates with each industries' respective growth rate and earnings level.

FIGURE 30. REGIONAL INDUSTRY AND EARNINGS GROWTH – NORTHEAST FLORIDA REGION



East Central Florida Region



East Central Florida Region Summary

The East Central Florida Region includes Brevard, Lake, Orange, Osceola, Seminole, Sumter, and Volusia Counties. Defense activities make up a considerable portion of the regional economy, primarily—on the direct side—as a function of procurement expenditures in the region. Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates as indicated in Table 22. Procurement spending accounted for the largest share at 63% or roughly \$8.77 billion of the \$13.86 billion total. Salaries accounted for \$ 630 million or 5%, and transfers accounted for \$4.46 billion or 32%.

Table 24. East Central Region: Combined Direct Defense Expenditures

Spending Flow	Millions USD
Procurement	\$8,768.7
Salaries	\$633.3
Transfers	\$4,460.5
Total Combined Direct Expenditures	\$13,862.6

FIGURE 31. EAST CENTRAL REGION: DISTRIBUTION OF DIRECT DEFENSE EXPENDITURES

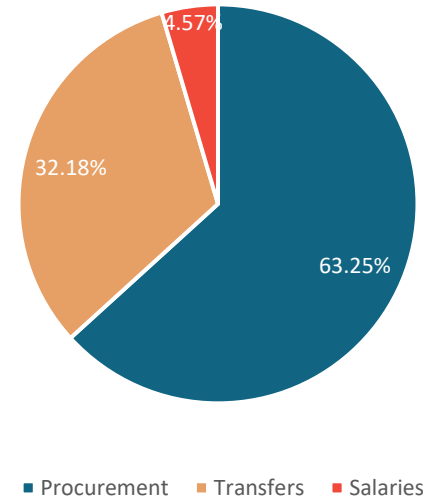




Table 25. East Central Region: Economic Impact Forecast, 2020 – 2024
Current Millions USD

Impact Type	2020	2021	2022	2023	2024
Total Employment	196,858	191,762	193,914	198,760	203,755
Gross Regional Product	\$21,100.10	\$20,477.38	\$20,660.78	\$21,142.26	\$21,637.85
<i>Total Consumption</i>	\$12,810.78	\$12,684.40	\$12,925.16	\$13,305.71	\$13,699.21
<i>Investment Residential</i>	\$3,009.69	\$2,979.12	\$3,035.30	\$3,124.50	\$3,216.74
<i>Investment Non-residential</i>	\$882.86	\$858.75	\$869.12	\$892.29	\$916.16
<i>Producer's Durable Equipment</i>	\$539.70	\$524.87	\$531.17	\$545.32	\$559.90
<i>Business Inventories</i>	-\$289.89	-\$274.30	-\$275.04	-\$281.73	-\$288.57
<i>Government</i>	\$894.83	\$872.57	\$883.97	\$907.91	\$932.61
<i>Exports</i>	\$15,825.49	\$15,121.33	\$15,164.45	\$15,480.69	\$15,804.46
<i>Imports (subtract)</i>	\$12,573.36	\$12,289.36	\$12,473.35	\$12,832.44	\$13,202.66

Source: REMI PI v2.5.0 (build 5955)

Totals may not sum due to rounding.

Overall, defense activities accounted for 196,858 jobs in the East Central Florida Region in 2020 and over \$21 billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region). The military therefore accounted for approximately 10.4% (Table 25) of all economic activity in the region. The total impact of defense activities on the regional economy is forecast to grow slightly through 2024 to \$21.6 billion in GRP with employment increasing slightly to just under 204,000.

In addition to the employment and GRP estimates, Table 23 provides the constituent components of GRP. As was explained in the introduction, direct defense expenditures expended in the state generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table above. The impact categories are defined as follows:



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- Total Employment measures jobs generated by military activities.
- Total Consumption consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- Investment expenditures include residential and non-residential real estate as well as investment in producers durable equipment and business inventories.
- Government revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- Gross Regional Product is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.



Table 26. East Central Region: Total Economic Impacts by Component, Jobs, and Gross Regional Product (2020)
Millions USD

East Central	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Economic Impact	\$11,529	\$34	\$20	\$11,582
	Total Jobs	103,358	290	214	103,862
Employment	Economic Impact	\$3,861	\$459	\$161	\$4,482
	Total Jobs	30,766	3,701	1,115	35,582
Transfers	Economic Impact	\$5,005	\$0	\$32	\$5,036
	Total Jobs	57,051	0	363	57,414
Totals	Economic Impact	\$20,395	\$493	\$213	\$21,100
	Total Jobs	191,175	3,991	1,692	196,858

Source: REMI PI v2.5.0 (build 5955)

Totals may not sum due to rounding.

Regional Impacts by Type

The table above displays the economic impacts (GRP and jobs created) in East Central Florida by component and source for 2020. The components include procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2020 US Dollars) are displayed directly above the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner. As the data indicate, procurement for the military generated the most jobs in the region (103,358), followed by transfers for the military at 57,051; military employment accounts for 30,766 jobs as well. The data in Table 25 (next page) display combined expenditures across the three categories for each county in the region followed by the economic impacts in terms of GRP and Employment. As the data demonstrate, the military accounts for about 21.5% of all economic output in Duval County, which equates to 57,247 jobs. With defense making up 10.1% of its economy, Orange county was responsible for 91,358 jobs related to defense and over \$10 billion in GDP.

Florida Defense Industry Economic Impact Analysis – 2022 Update

TABLE 27. EAST CENTRAL REGION - DEFENSE IMPACTS BY COUNTY, 2020
Millions USD

County	Model Inputs – Combined Expenditures				Model Outputs – Combined Impacts		
	Procurement	Transfers	Salaries and Wages	Total	GDP	Employment	Percent GDP
Brevard	\$3,091.4	\$1,191.1	\$270.5	\$4,553.0	\$6,753.4	57,247	21.5%
Lake	\$2.8	\$525.1	\$15.8	\$543.6	\$697.7	8,855	6.5%
Orange	\$5,521.4	\$1,131.8	\$121.9	\$6,775.2	\$10,132.5	91,358	10.1%
Osceola	\$6.7	\$404.9	\$14.1	\$425.6	\$738.9	9,077	6.5%
Seminole	\$96.8	\$357.9	\$177.0	\$631.7	\$1,497.8	16,232	6.1%
Sumter	\$1.8	\$197.7	\$4.6	\$204.1	\$162.0	1,983	5.3%
Volusia	\$47.8	\$652.1	\$29.5	\$729.4	\$1,117.9	12,106	5.3%
Total	\$8,768.7	\$4,460.5	\$633.3	\$13,862.6	\$21,100.1	196,858	10.4%

Source: REMI PI v2.5.0 (build 5955)

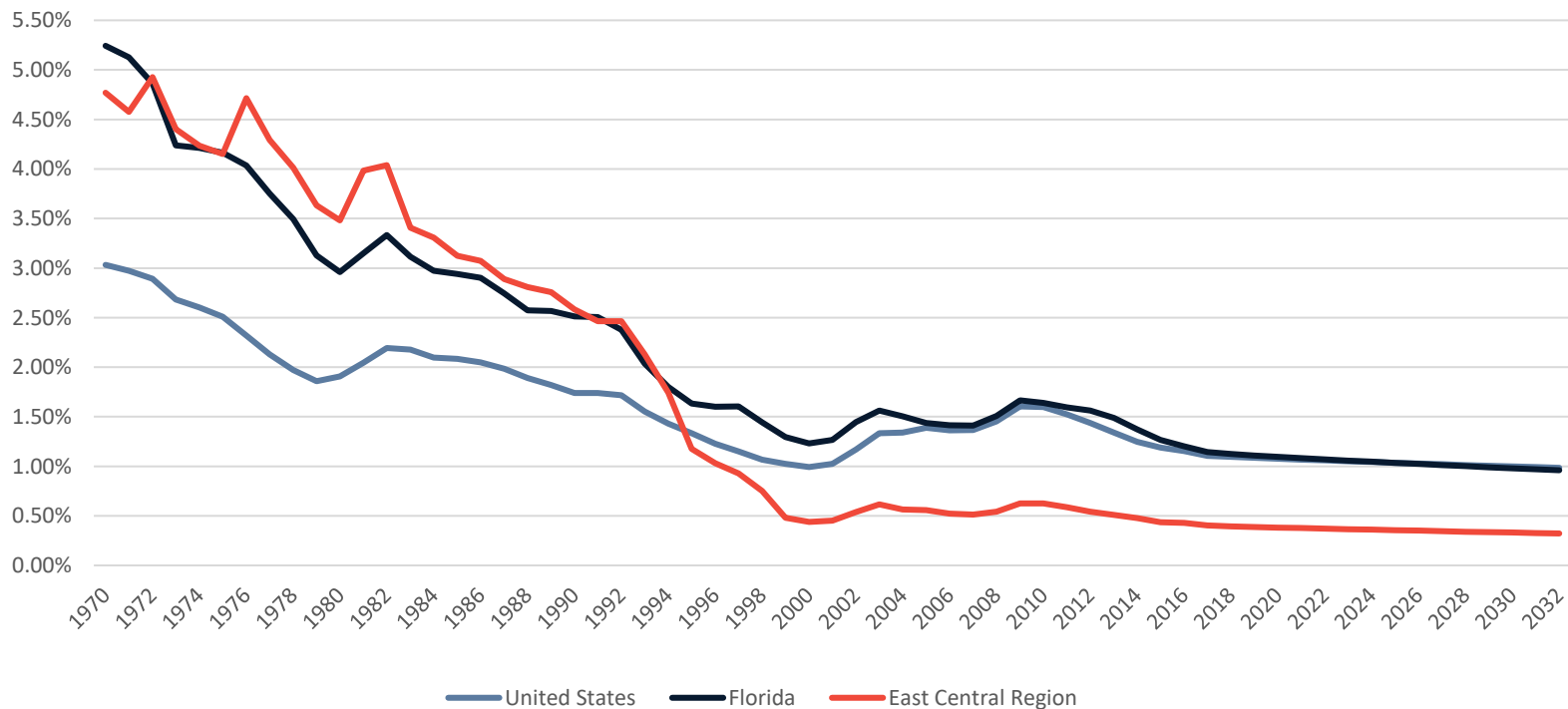
Totals may not sum due to rounding.



Military Share of Total Earnings

Earnings account for the majority of income paid to employees as remuneration for their work and include wage and salary disbursements as well as supplements to wages and salaries. Earnings are therefore a proxy economic impact measure, which is inclusive of more than just wages. The figure below benchmarks the total share of East Central Florida’s regional income that can be attributed to the military (over time) against Florida and the U.S. As the data reflect, the military contributes to a similar share of earnings at the regional level compared to the national or state level. Nevertheless, as economies continue to diversify, their military share of total earnings has happened to decline. This trend is expected to continue through 2032.

FIGURE 32. MILITARY SHARE OF TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, AND THE EAST CENTRAL FLORIDA REGION

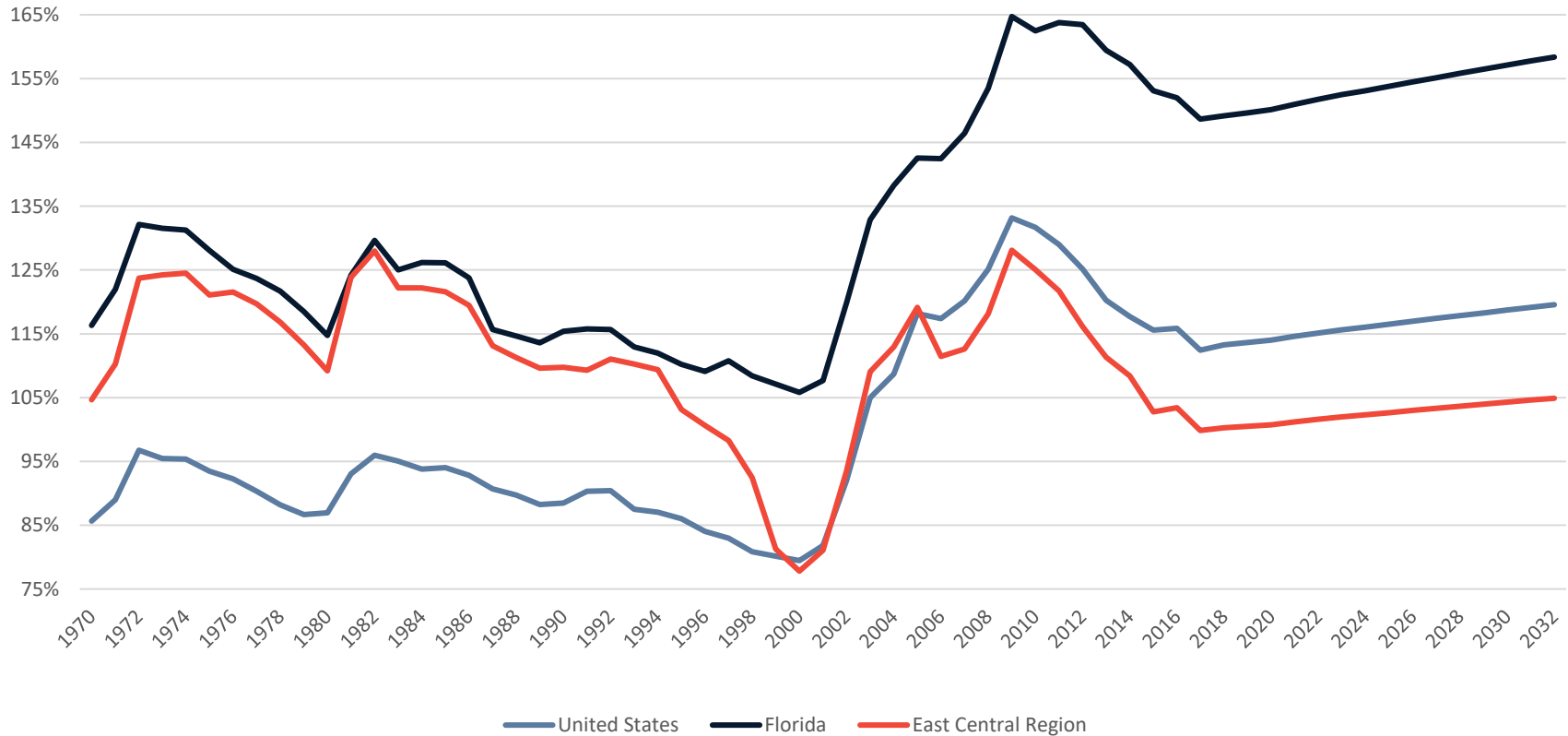


Florida Defense Industry Economic Impact Analysis – 2022 Update

Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It allows us to benchmark the earnings of military employees at the regional level against the earning patterns of all workers. The graph below provides a comparison of performance at the regional level versus the state and the nation.

FIGURE 33. AVERAGE MILITARY EARNINGS VS AVERAGE TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, AND THE EAST CENTRAL REGION



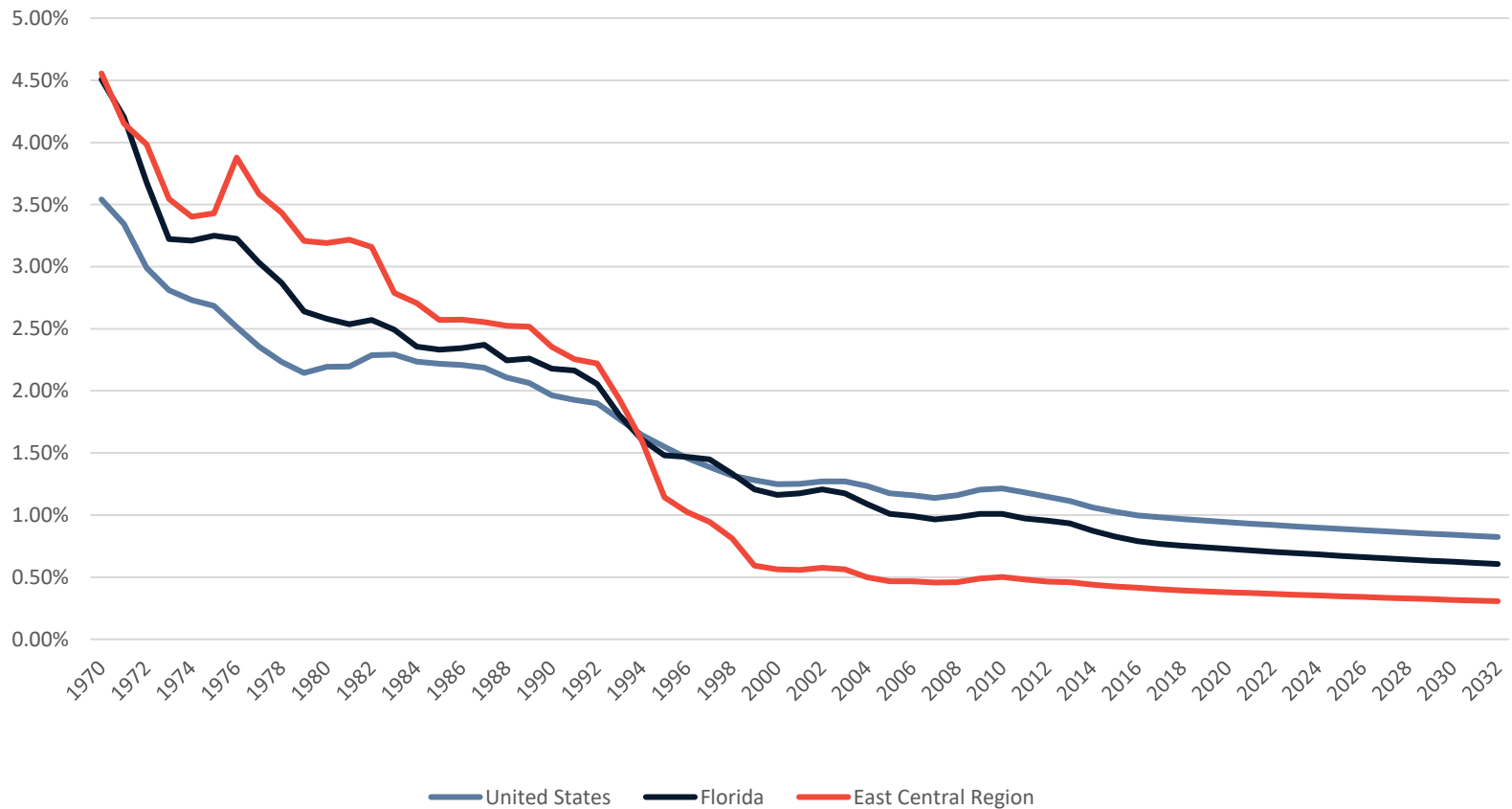
Florida Defense Industry Economic Impact Analysis – 2022 Update



Military Employment as a Share of Total Employment

The figure below presents military employment as a share of total employment for the region, state of Florida, and the US. It allows us to benchmark military employment at the regional level against the employment patterns of all workers statewide and nationwide.

FIGURE 34. MILITARY EMPLOYMENT AS A SHARE OF TOTAL EMPLOYMENT, 1970 – 2032: UNITED STATES, FLORIDA, AND EAST CENTRAL FLORIDA REGION

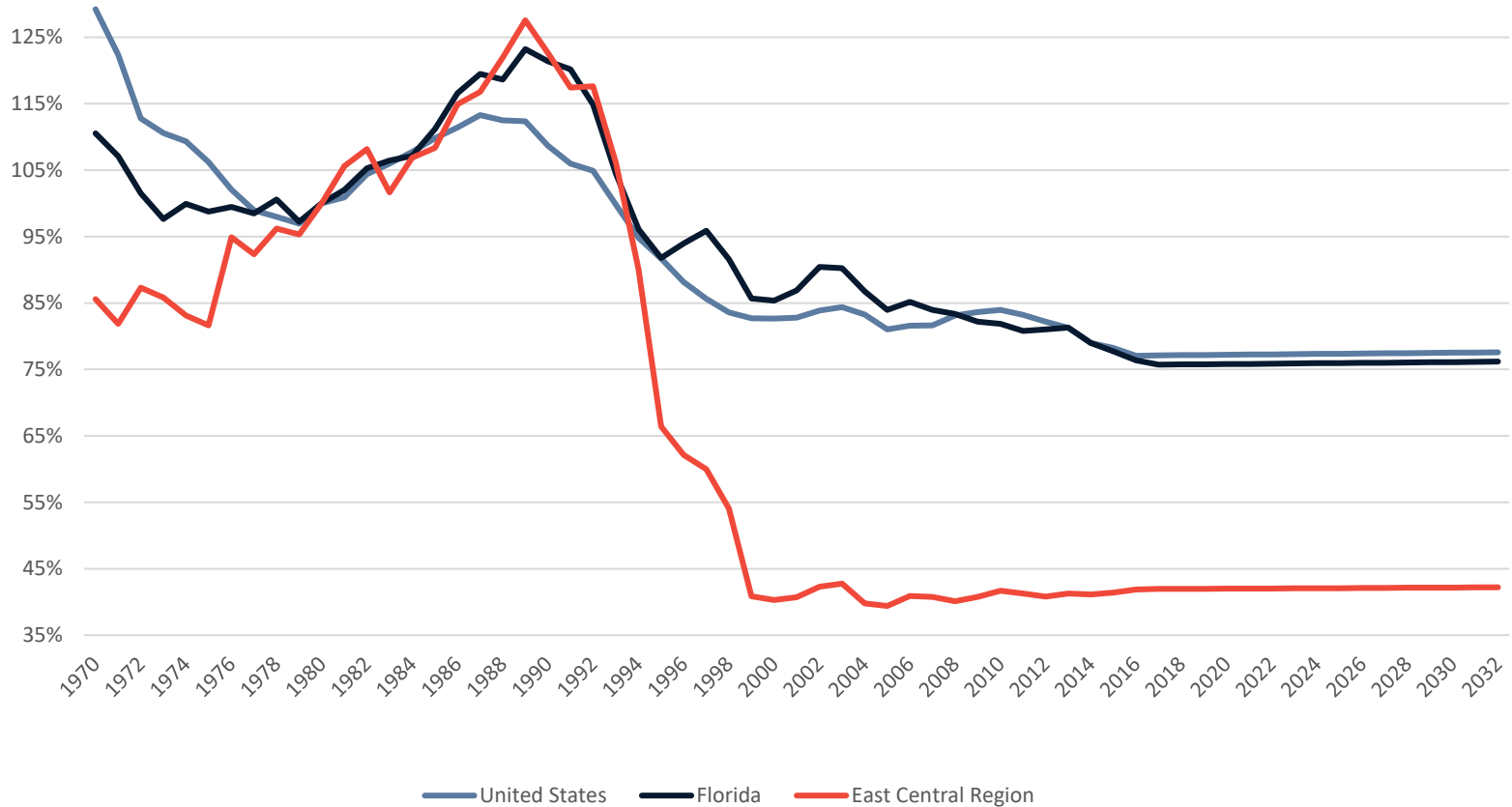


Florida Defense Industry Economic Impact Analysis – 2022 Update

Change in Military Employment

The figure below presents military employment indexed to 1980 levels. It allows us to compare changes in military employment at the regional level against statewide and national trends in military employment over the past 40 years that appear to remain steady for the foreseeable future.

FIGURE 35. TOTAL MILITARY EMPLOYMENT INDEXED TO 1980, 1970 – 2032: UNITED STATES, FLORIDA, AND THE EAST CENTRAL FLORIDA REGION





Demographics and the Regional Economy

The table displayed below presents figures related to regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Personal income, as defined by the Bureau of Economic Analysis (BEA) and REMI, is income that people obtain from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources.

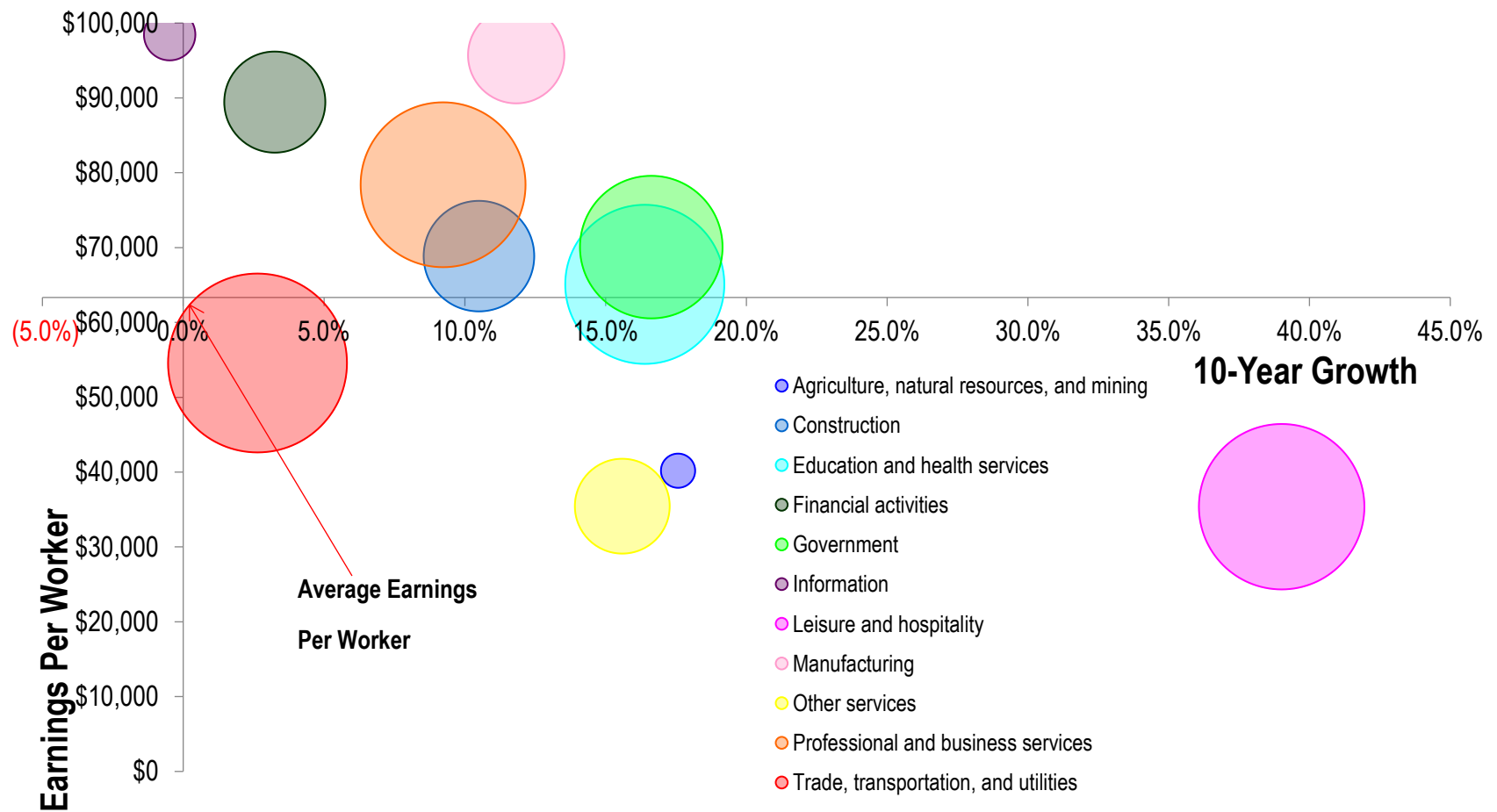
Table 28. Demographic Estimates, East Central Florida Region

Total Population	Estimate
Population in 2011	3,312,852
Population in 2021	4,014,448
Population in 2031	4,541,302
Growth from 2011 to 2021	21.2%
Growth from 2021 to 2031	13.1%
Personal Income (Inclusive of all forms of income)	
Regional Personal Income per Capita	\$50,287
Florida Personal Income per Capita	\$57,186

Florida Defense Industry Economic Impact Analysis – 2022 Update

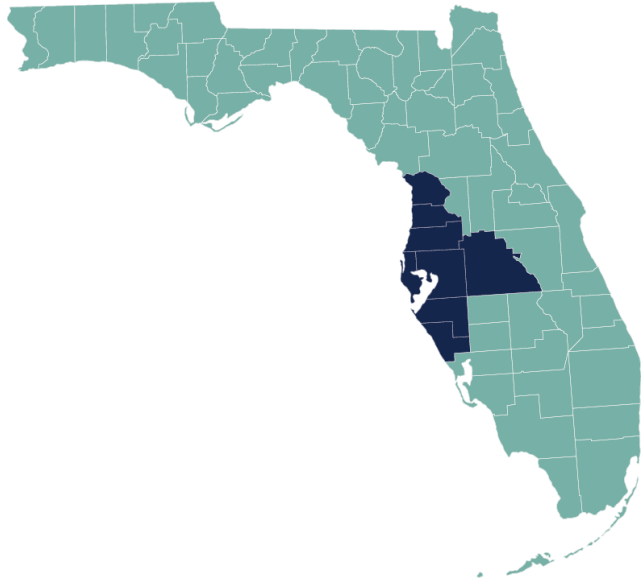
The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and average earnings per worker are displayed on the vertical axis. In order to interpret the graph correctly, the center of the bubble correlates with each industries' respective growth rate and earnings level.

FIGURE 36. REGIONAL INDUSTRY AND EARNINGS GROWTH – EAST CENTRAL FLORIDA REGION





Tampa Bay Florida Region



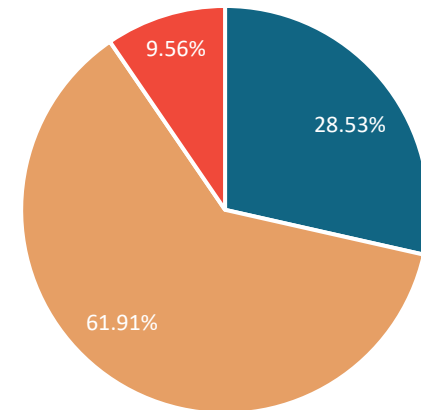
Tampa Bay Florida Region Summary

The Tampa Bay Florida Region includes Citrus, Hernando, Hillsborough, Manatee, Pasco, Pinellas, Polk, and Sarasota Counties. Defense activities play a considerable role in the regional economy, generating nearly \$10 billion in spending. Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates as indicated in Table 27. Transfer payments accounted for the largest share at 62% or roughly \$6.18 billion of the \$10 billion total. Salaries accounted for \$953 million or 9.5%, and procurement accounted for \$2.85 billion or 28.5%.

Table 29. Tampa Bay Region: Combined Direct Defense Expenditures

Spending Flow	Millions USD
Procurement	\$2,847.0
Salaries	\$953.5
Transfers	\$6,178.4
Total Combined Direct Expenditures	\$9,978.9

FIGURE 37. TAMPA BAY REGION: DISTRIBUTION OF DIRECT DEFENSE SPENDING



■ Procurement ■ Transfers ■ Salaries

Florida Defense Industry Economic Impact Analysis – 2022 Update

Table 30. Tampa Bay Region: Economic Impact Forecast, 2020 – 2024
Current Millions USD

Impact Type	2020	2021	2022	2023	2024
Total Employment	175,107	175,090	178,171	182,454	186,891
Gross Regional Product	\$20,200.79	\$20,147.98	\$20,437.59	\$20,859.02	\$21,295.29
<i>Total Consumption</i>	\$13,327.52	\$13,521.00	\$13,872.76	\$14,291.01	\$14,725.16
<i>Investment Residential</i>	\$3,117.90	\$3,162.47	\$3,244.44	\$3,342.08	\$3,443.44
<i>Investment Non-residential</i>	\$804.30	\$803.50	\$819.07	\$840.98	\$863.67
<i>Producer's Durable Equipment</i>	\$482.67	\$482.13	\$491.47	\$504.63	\$518.26
<i>Business Inventories</i>	-\$151.52	-\$146.56	-\$148.00	-\$151.81	-\$155.73
<i>Government</i>	\$762.85	\$763.18	\$778.71	\$800.14	\$822.35
<i>Exports</i>	\$13,113.73	\$12,897.02	\$12,970.72	\$13,152.21	\$13,339.13
<i>Imports (subtract)</i>	\$11,256.67	\$11,334.76	\$11,591.58	\$11,920.22	\$12,260.99

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

In total, defense activities accounted for about 175,107 jobs in the Tampa Bay Florida Region in 2020 and over \$20 billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region). The military therefore accounted for approximately 7.9% (Table 30) of all economic activity in the region. The total impact of defense activities on the regional economy is forecasted to increase slightly over the next five years to just over \$21 billion in GRP. Employment impacts are forecast to be 186,891 in 2024, amounting to almost 12,000 more jobs in the region by that time as a result of defense activities.

In addition to the employment and GRP estimates, Table 28 provides the constituent components of GRP. As was explained in the introduction, direct defense expenditures expended in the state generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table above. The impact categories are defined as follows:



- Total Employment measures jobs generated by military activities.
- Total Consumption consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- Investment expenditures include residential and non-residential real estate as well as investment in producers' durable equipment and business inventories.
- Government revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- Gross Regional Product is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.

Florida Defense Industry Economic Impact Analysis – 2022 Update

Table 31. Tampa Bay Region: Total Economic Impacts by Component, Jobs, and Gross Regional Product (2020)
Millions USD

Tampa Bay	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Economic Impact	\$4,771	\$5	\$28	\$4,803
	Total Jobs	42,896	38	243	43,177
Employment	Economic Impact	\$6,755	\$890	\$602	\$8,248
	Total Jobs	45,446	6,376	4,206	56,028
Transfers	Economic Impact	\$7,094	\$0	\$56	\$7,150
	Total Jobs	75,303	0	600	75,903
Totals	Economic Impact	\$18,620	\$895	\$686	\$20,201
	Total Jobs	163,645	6,414	5,049	175,108

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

Regional Impacts by Type

The table above displays the economic impacts (GRP and jobs created) in the Tampa Bay Region by component and source for 2020. The components include procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2020 US Dollars) are displayed directly above the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner. As the data indicate, transfers for the military generated the most jobs in the region (75,303), followed by employment for the military at 45,446; military procurement accounts for 42,896 jobs as well. The data in Table 30 (next page) display combined expenditures across the three categories for each county in the region followed by the economic impacts in terms of GRP and Employment. As the data indicate, the military accounts for over 10% of all economic output in Hillsborough County, which equates to 87,320 jobs and over \$10 billion in GDP. This is followed by Pinellas county which accounts for 40,212 jobs and roughly \$4.5 billion related to defense activities.

Florida Defense Industry Economic Impact Analysis – 2022 Update



TABLE 32. TAMPA BAY REGION - DEFENSE IMPACTS BY COUNTY, 2020
Millions USD

County	Model Inputs – Combined Expenditures				Model Outputs – Combined Impacts		
	Procurement	Transfers	Salaries and Wages	Total	GDP	Employment	Percent GDP
Citrus	\$0.0	\$266.3	\$13.0	\$279.4	\$274.5	2,835	5.7%
Hernando	\$15.2	\$306.6	\$22.2	\$344.0	\$371.8	4,512	7.4%
Hillsborough	\$1,720.9	\$2,183.3	\$702.0	\$4,606.2	\$11,196.4	87,320	10.8%
Manatee	\$71.7	\$364.4	\$17.5	\$453.6	\$683.3	7,300	4.2%
Pasco	\$27.4	\$781.9	\$22.1	\$831.4	\$1,086.8	12,852	7.3%
Pinellas	\$952.7	\$1,303.5	\$125.9	\$2,382.2	\$4,558.6	40,212	7.9%
Polk	\$27.3	\$637.9	\$34.0	\$699.2	\$1,372.6	13,343	4.5%
Sarasota	\$31.7	\$334.5	\$16.8	\$383.0	\$656.8	6,734	3.1%
Total	\$2,847.0	\$6,178.4	\$953.5	\$9,978.9	\$20,200.8	175,108	7.9%

Source: REMI PI v2.5.0 (build 5955)

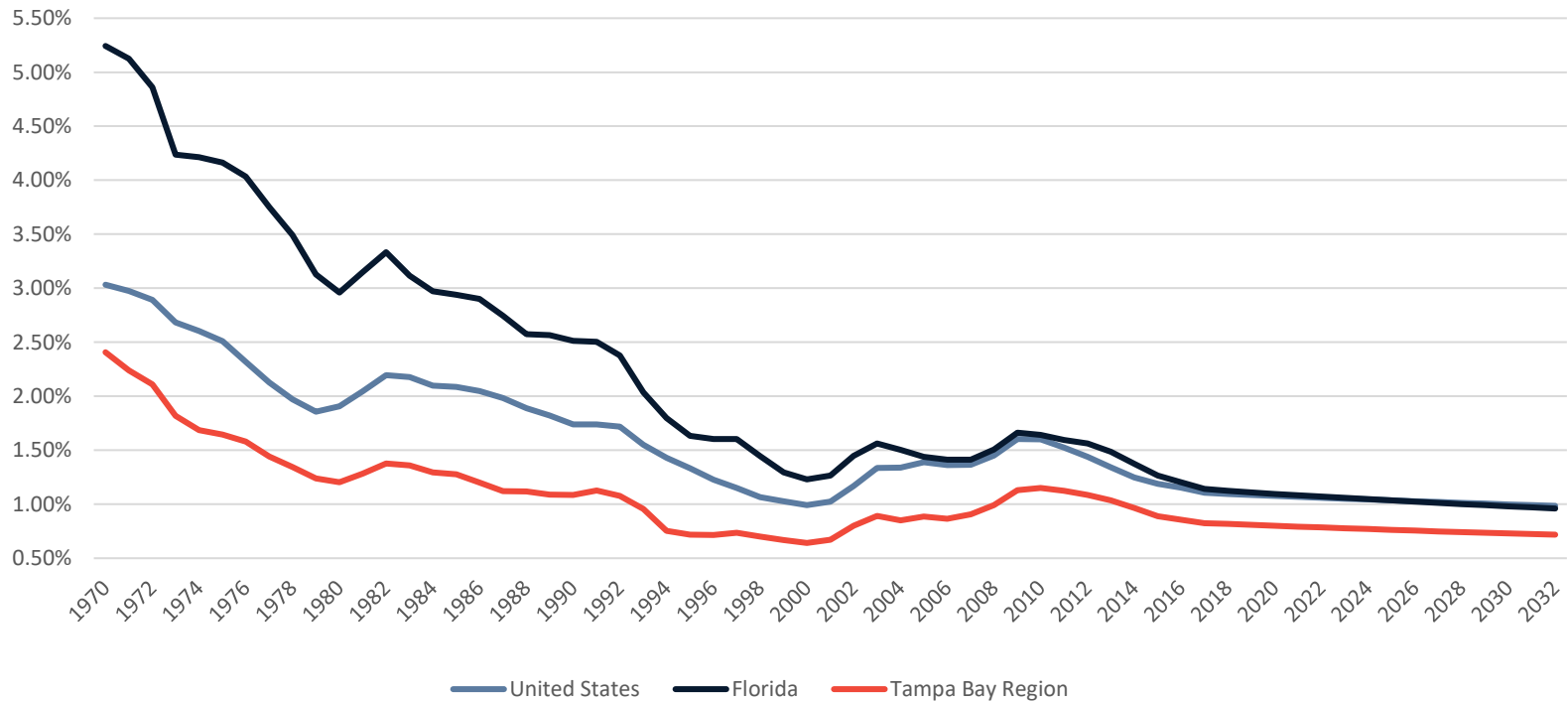
Columns may not sum due to rounding.

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Military Share of Total Earnings

Earnings account for the majority of income paid to employees as remuneration for their work and include wage and salary disbursements as well as supplements to wages and salaries. Earnings are therefore a proxy economic impact measure, which is inclusive of more than just wages. The figure below benchmarks the total share of Tampa Bay’s regional income that can be attributed to the military (over time) against Florida and the U.S. As the data reflect, the military contributes to a substantially smaller share of earnings at the regional level than at the national or state level. Nevertheless, as economies continue to diversify, their military share of total earnings has happened to decline. This trend is expected to continue through 2032.

FIGURE 38. MILITARY SHARE OF TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, AND THE TAMPA BAY FLORIDA REGION



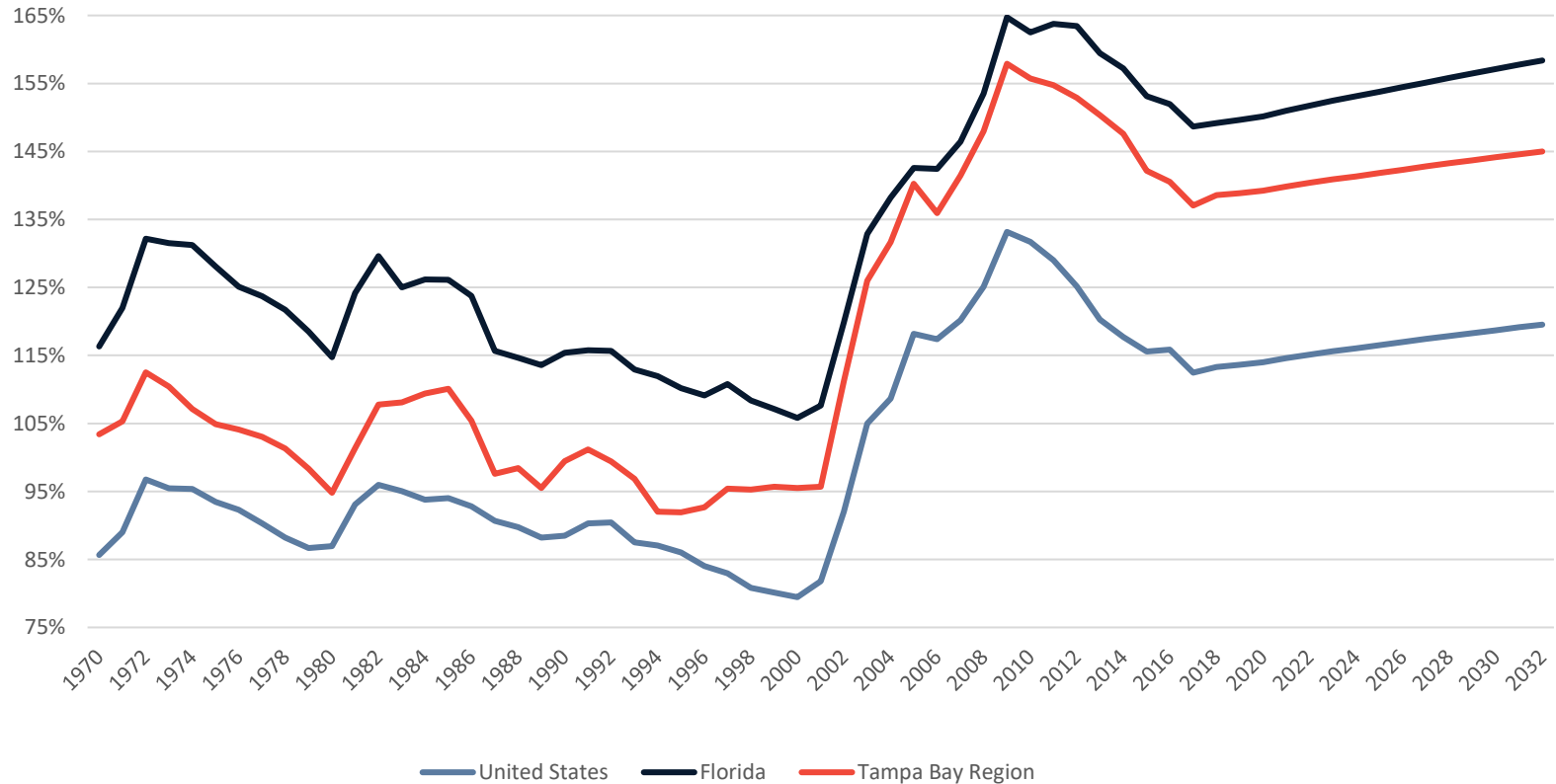
Florida Defense Industry Economic Impact Analysis – 2022 Update



Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It allows us to benchmark the earnings of military employees at the regional level against the earning patterns of all workers. The graph below provides a comparison of performance at the regional level versus the state and the nation.

FIGURE 39. AVERAGE MILITARY EARNINGS VS AVERAGE TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, AND THE TAMPA BAY FLORIDA REGION

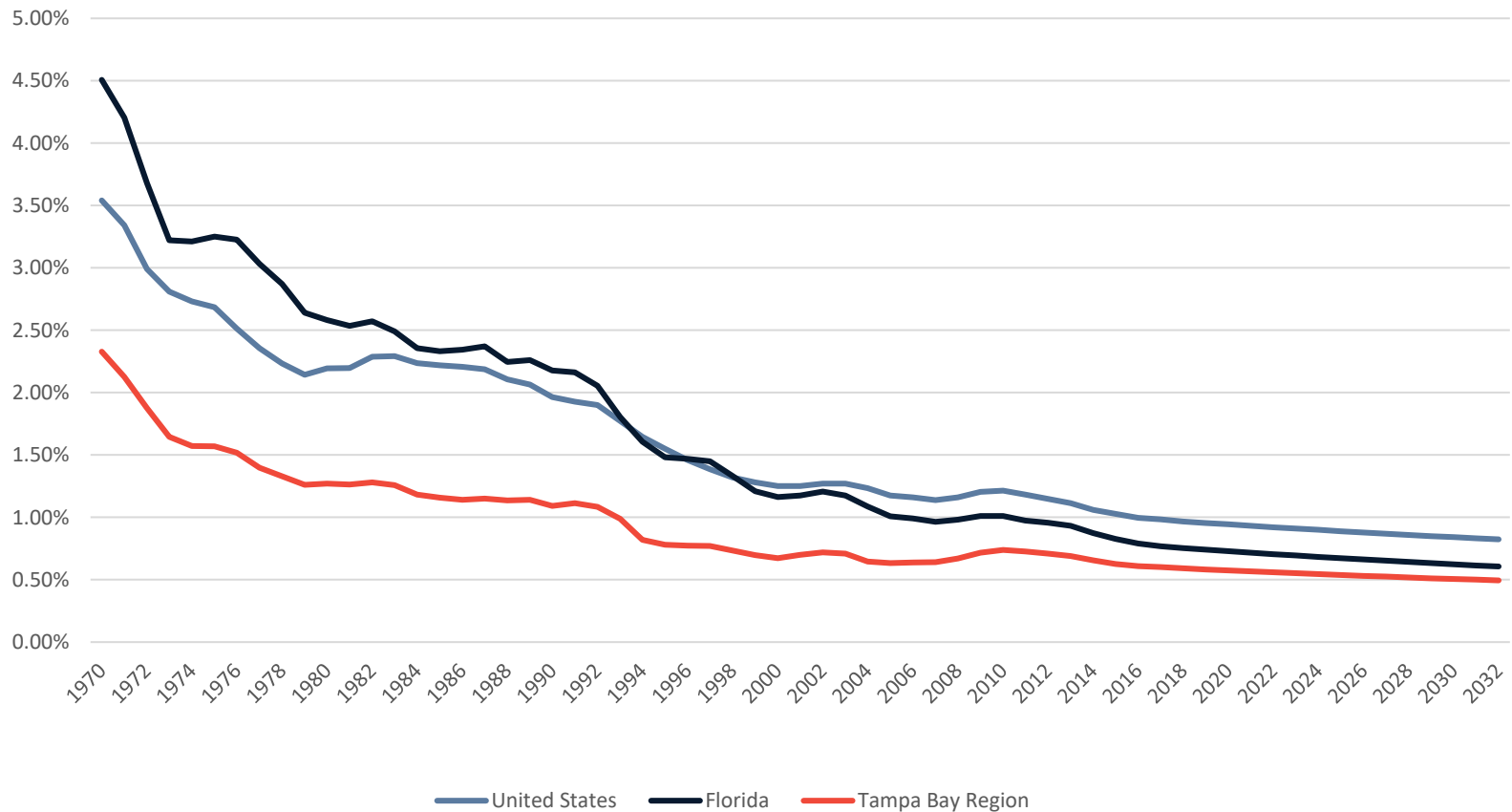


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Military Employment as a Share of Total Employment

The figure below presents military employment as a share of total employment for the region, state of Florida, and the US. It allows us to benchmark military employment at the regional level against the employment patterns of all workers statewide and nationwide.

FIGURE 40. MILITARY EMPLOYMENT AS A SHARE OF TOTAL EMPLOYMENT, 1970 – 2032: UNITED STATES, FLORIDA, AND THE TAMPA BAY REGION

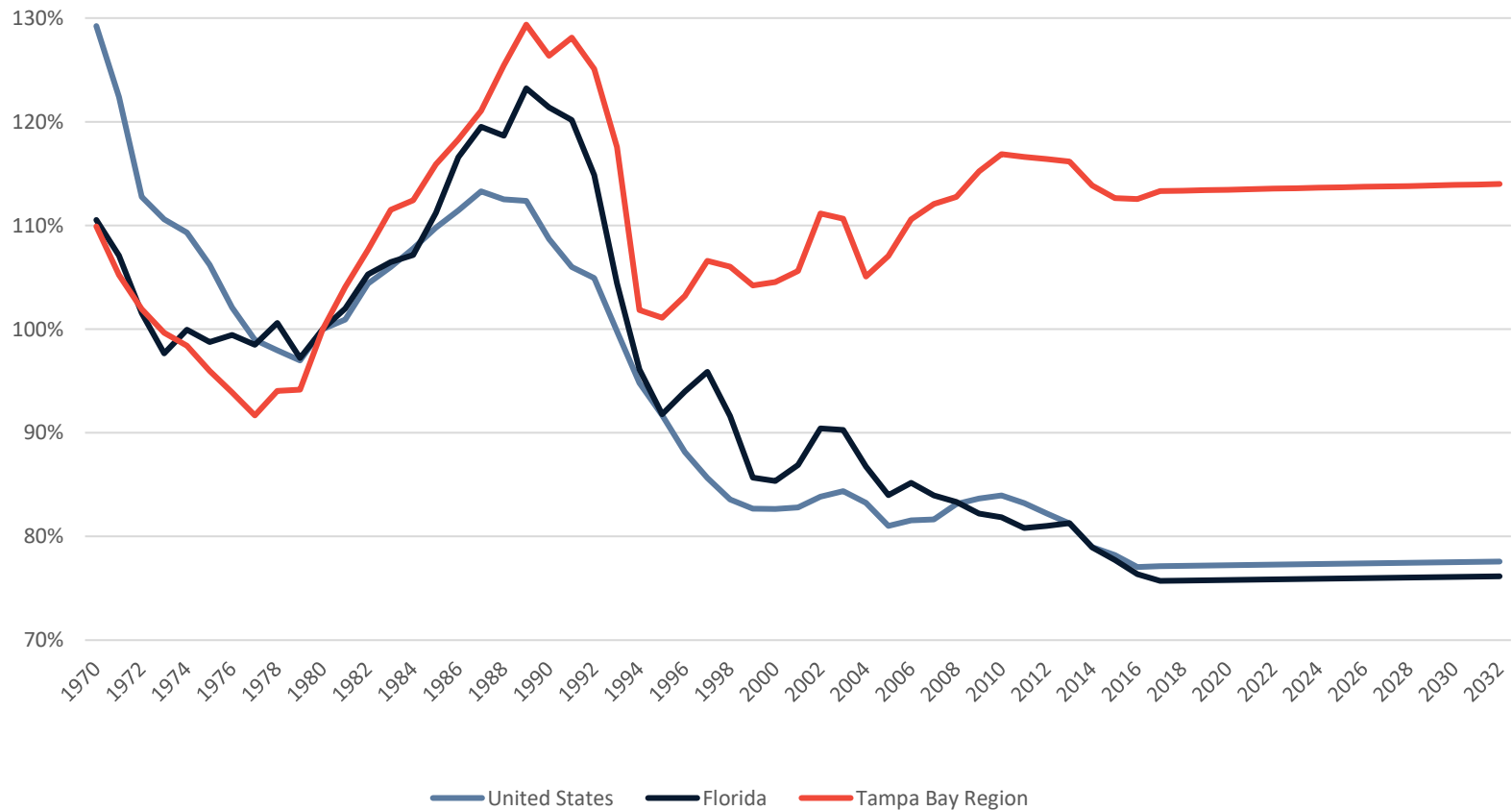




Change in Military Employment

The figure below presents military employment indexed to 1980 levels. It allows us to compare changes in military employment at the regional level against statewide and national trends in military employment over the past 40 years that appear to remain steady for the foreseeable future.

FIGURE 41. TOTAL MILITARY EMPLOYMENT INDEXED TO 1980, 1970 – 2032: UNITED STATES, FLORIDA, AND THE TAMPA BAY FLORIDA REGION



Demographics and the Regional Economy

The table displayed below presents figures related to regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Personal income, as defined by the Bureau of Economic Analysis (BEA) and REMI, is income that people obtain from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources.

Table 33. Demographic Estimates, Tampa Bay Florida Region

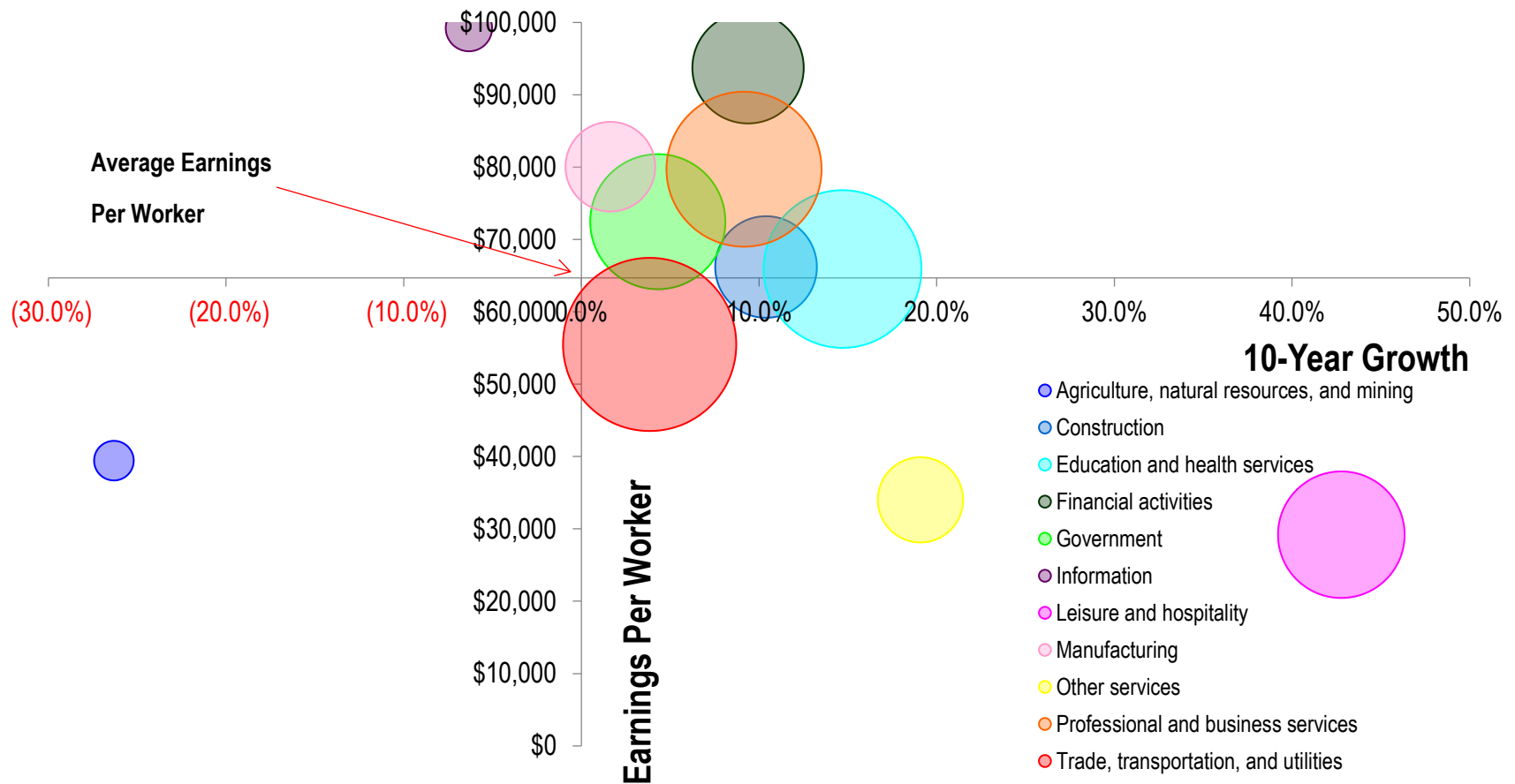
Total Population	Estimate
Population in 2011	4,272,756
Population in 2021	5,108,204
Population in 2031	5,826,715
Growth from 2011 to 2021	19.6%
Growth from 2021 to 2031	14.1%
Personal Income (Inclusive of all forms of income)	
Regional Personal Income per Capita	\$53,161
Florida Personal Income per Capita	\$57,186

Florida Defense Industry Economic Impact Analysis – 2022 Update

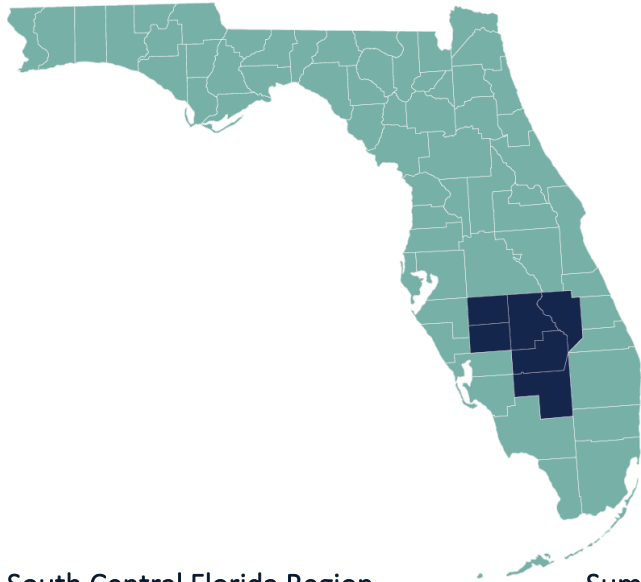


The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and average earnings per worker are displayed on the vertical axis. In order to interpret the graph correctly, the center of the bubble correlates with each industry's respective growth rate and earnings level.

FIGURE 42. REGIONAL INDUSTRY AND EARNINGS GROWTH – TAMPA BAY FLORIDA REGION



South Central Florida Region



South Central Florida Region

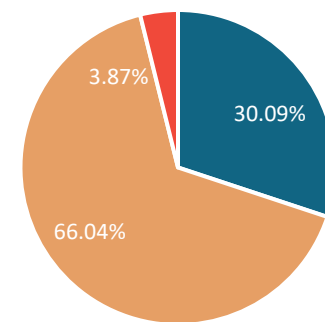
Summary

The South Central Florida Region includes DeSoto, Glades, Hardee, Hendry, Highlands, and Okeechobee Counties. Defense activities play a minor role in the regional economy, garnering nearly \$350 million in spending into the region in 2020. Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates as indicated in Table 32. Transfer payments accounted for the largest share at 66% or roughly \$231 million of the \$350 million total. Salaries accounted for \$14 million or 4% and procurement accounted for \$105 million or 30%.

Table 34. South Central Region Combined Direct Defense Expenditures

Spending Flow	Millions USD
Procurement	\$105.0
Salaries	\$13.5
Transfers	\$230.6
Total Combined Direct Expenditures	\$349.1

FIGURE 43. SOUTH CENTRAL REGION: DISTRIBUTION OF DIRECT DEFENSE SPENDING



■ Procurement ■ Transfers ■ Salaries

Florida Defense Industry Economic Impact Analysis – 2022 Update



Table 35. South Central Region: Economic Impact Forecast, 2020 – 2024

Current Millions USD

Impact Type	2020	2021	2022	2023	2024
Total Employment	4,031	3,999	4,065	4,169	4,279
Gross Regional Product	\$340.15	\$339.50	\$345.11	\$353.16	\$361.76
<i>Total Consumption</i>	\$334.45	\$342.04	\$352.76	\$364.90	\$377.59
<i>Investment Residential</i>	\$78.47	\$80.24	\$82.75	\$85.60	\$88.57
<i>Investment Non-residential</i>	\$13.98	\$14.06	\$14.39	\$14.82	\$15.27
<i>Producer's Durable Equipment</i>	\$7.66	\$7.70	\$7.89	\$8.12	\$8.37
<i>Business Inventories</i>	-\$1.26	-\$1.26	-\$1.29	-\$1.32	-\$1.36
<i>Government</i>	\$46.79	\$46.41	\$47.31	\$48.69	\$50.13
<i>Exports</i>	\$255.31	\$249.48	\$251.77	\$257.08	\$262.66
<i>Imports (subtract)</i>	\$395.25	\$399.18	\$410.47	\$424.73	\$439.48

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

Overall, defense activities accounted for 4,031 jobs in the South Central Region in 2020 and \$340 million in total Gross Regional Product (GRP - total value of all goods and services produced in the region). The military therefore accounted for approximately 3.6% (Table 35) of all economic activity in the region. According to the forecast, the total impact of defense activities on the regional economy is expected to grow. GRP is expected to be almost \$362 million while employment impacts are forecast to be 4,279 in 2020, up roughly 250 jobs over five years.

In addition to the employment and GRP estimates, Table 33 provides the constituent components of GRP. As was explained in the introduction, direct defense expenditures expended in the state generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table above. The impact categories are defined as follows:



Florida Defense Industry Economic Impact Analysis – 2022 Update

- Total Employment measures jobs generated by military activities.
- Total Consumption consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- Investment expenditures include residential and non-residential real estate as well as investment in producers' durable equipment and business inventories.
- Government revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- Gross Regional Product is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.



Table 36. South Central Region: Total Economic Impacts by Component, Jobs, and Gross Regional Product (2020)
Millions USD

South Central	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Economic Impact	\$88	\$0	\$0	\$88
	Total Jobs	1,389	0	0	1,389
Employment	Economic Impact	\$100	\$10	\$2	\$112
	Total Jobs	867	84	16	967
Transfers	Economic Impact	\$139	\$0	\$1	\$140
	Total Jobs	1,666	0	11	1,677
Totals	Economic Impact	\$327	\$10	\$3	\$340
	Total Jobs	3,922	84	27	4,033

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding

Regional Impacts by Type

The table above displays the economic impacts (GRP and jobs created) in the South Central Florida Region by component and source for 2020. The components include procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2020 US Dollars) are displayed directly above the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner. As the data indicate, transfers for the military generated the most jobs in the region (1,666), followed by procurement for the military at 1,389; military employment accounted for 867 jobs as well. The data in Table 35 (next page) display combined expenditures across the three categories for each county in the region followed by the economic impacts in terms of GRP and Employment. As the data indicate, the military's economic impacts in South Central Florida were primarily driven by the 1,487 jobs and \$130 million generated by defense activities in Highlands County whose defense sector made up \$4 of its total GDP.

Florida Defense Industry Economic Impact Analysis – 2022 Update

TABLE 37. SOUTH CENTRAL REGION - DEFENSE IMPACTS BY COUNTY, 2020
Millions USD

County	Model Inputs – Combined Expenditures				Model Outputs – Combined Impacts		
	Procurement	Transfers	Salaries and Wages	Total	GDP	Employment	Percent GDP
DeSoto	\$0.0	\$19.4	\$1.4	\$20.8	\$22.5	276	1.9%
Glades	\$34.4	\$14.2	\$0.6	\$49.3	\$28.1	393	6.2%
Hardee	\$0.0	\$12.3	\$1.1	\$13.4	\$18.3	205	1.8%
Hendry	\$47.6	\$21.0	\$1.9	\$70.5	\$73.1	972	4.4%
Highlands	\$2.0	\$126.2	\$6.8	\$135.0	\$130.3	1,487	4.0%
Okeechobee	\$21.0	\$37.5	\$1.7	\$60.1	\$67.8	700	3.7%
Total	\$105.0	\$230.6	\$13.5	\$349.1	\$340.2	4,033	3.6%

Source: REMI PI v2.5.0 (build 5955)

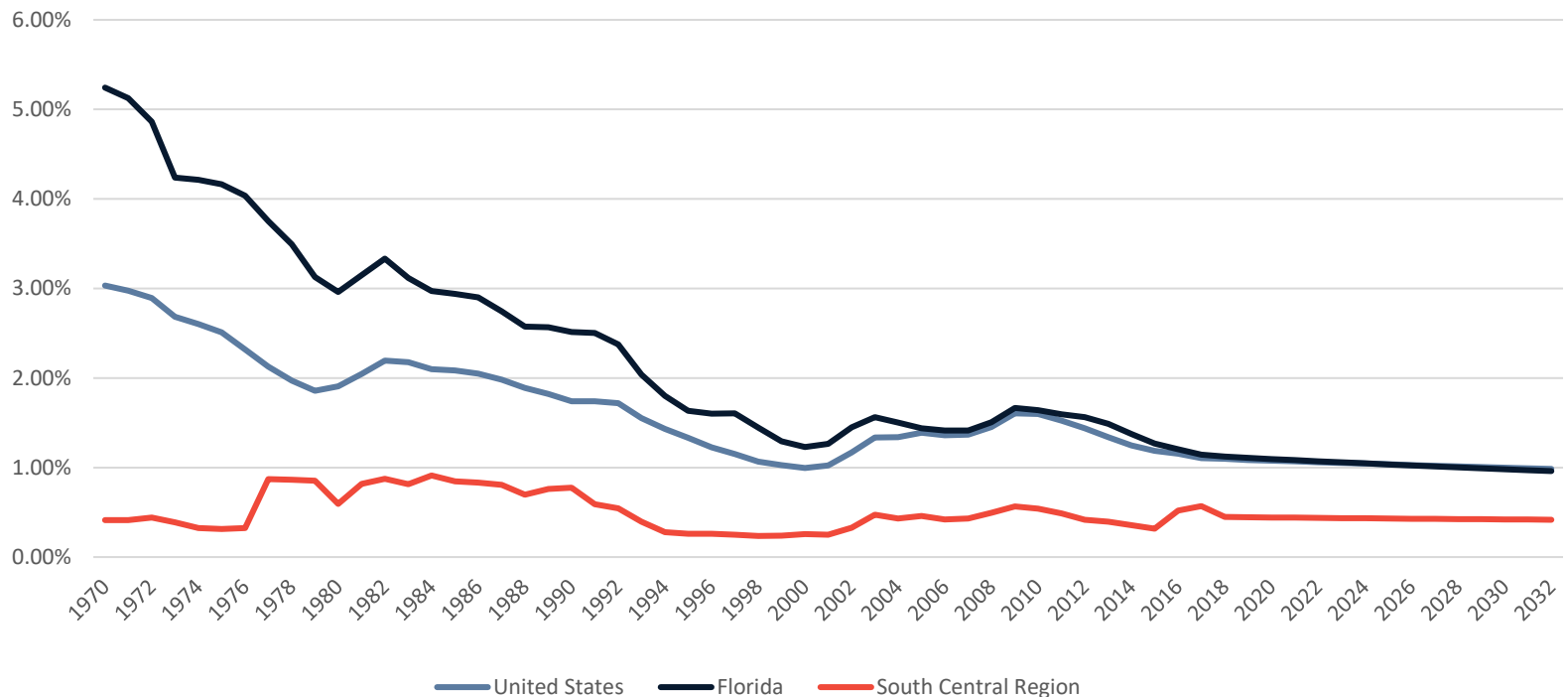
Columns may not sum due to rounding.



Military Share of Total Earnings

Earnings account for the majority of income paid to employees as remuneration for their work and include wage and salary disbursements as well as supplements to wages and salaries. Earnings are therefore a proxy economic impact measure, which is inclusive of more than just wages. The figure below benchmarks the total share of South Central Florida’s regional income that can be attributed to the military (over time) against Florida and the U.S. As the data reflect, the military contributes to a substantially smaller share of earnings at the regional level than at the national or state level. Nevertheless, as economies continue to diversify, their military share of total earnings has happened to decline. This trend is expected to continue through 2032.

FIGURE 44. MILITARY SHARE OF TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, AND THE SOUTH CENTRAL FLORIDA REGION

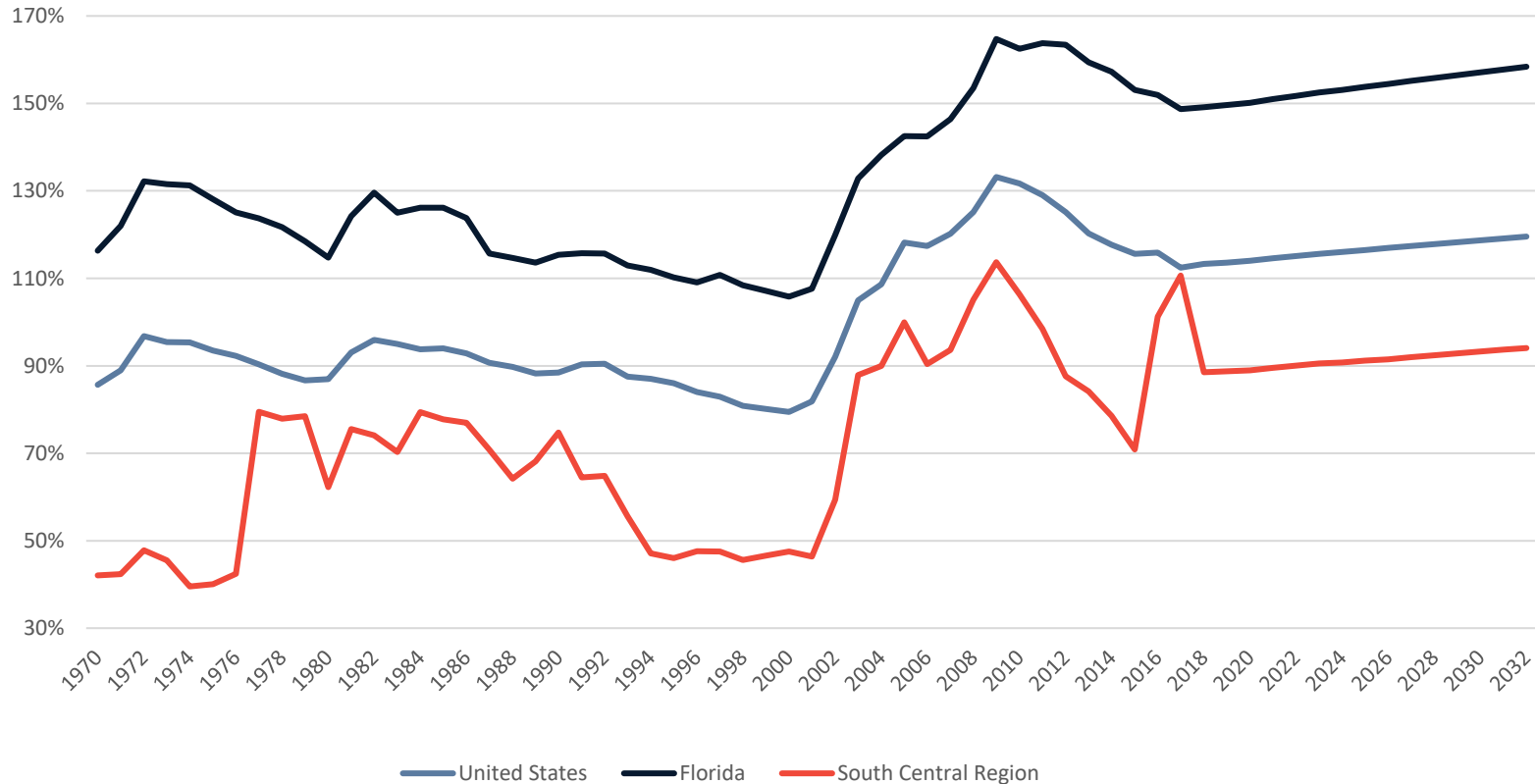


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Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It allows us to benchmark the earnings of military employees at the regional level against the earning patterns of all workers. The graph below provides a comparison of performance at the regional level versus the state and the nation.

FIGURE 45. AVERAGE MILITARY EARNINGS VS AVERAGE TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, AND THE SOUTH CENTRAL REGION



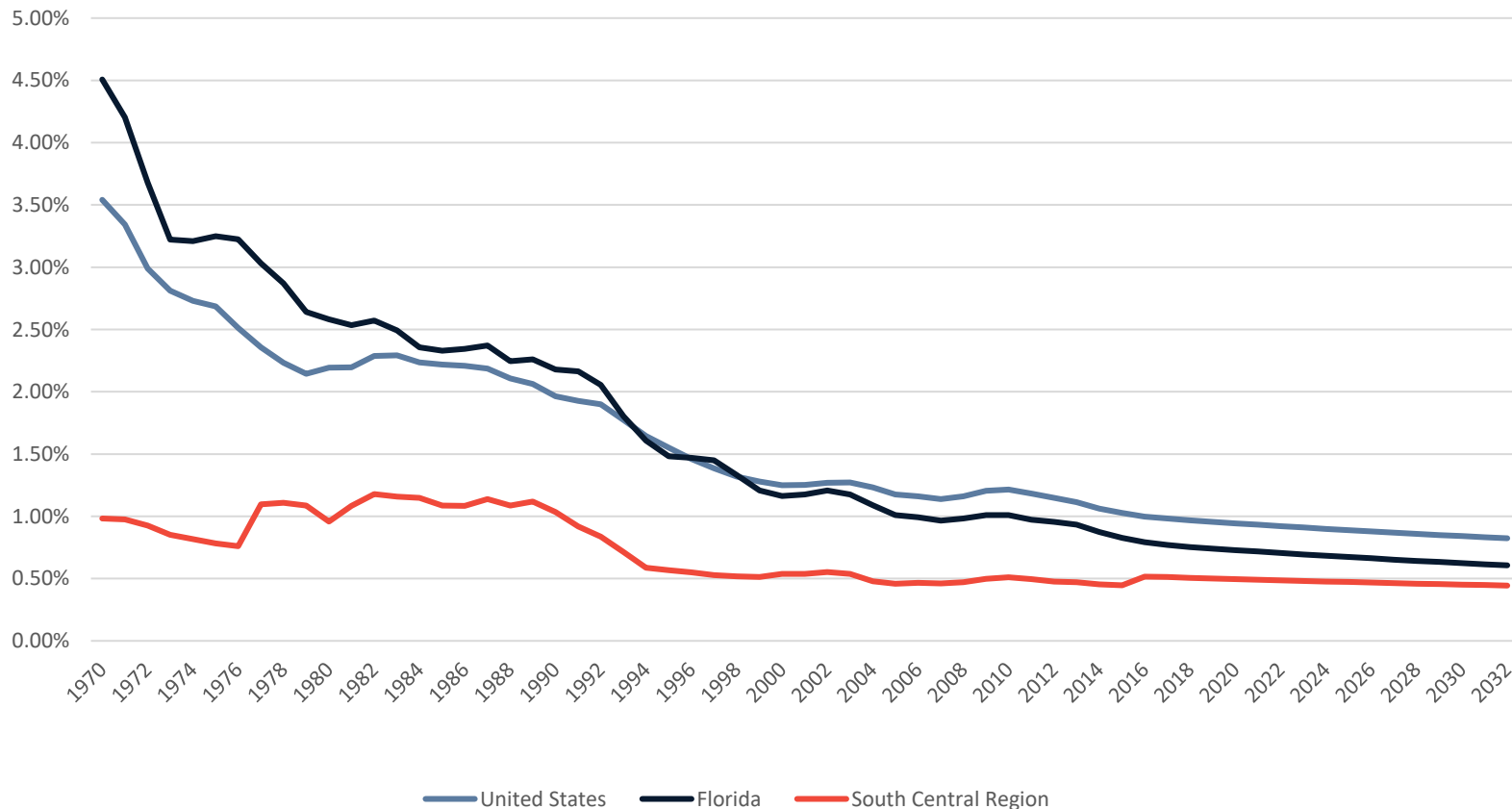
Florida Defense Industry Economic Impact Analysis – 2022 Update



Military Employment as a Share of Total Employment

The figure below presents military employment as a share of total employment for the region, state of Florida, and the US. It allows us to benchmark military employment at the regional level against the employment patterns of all workers statewide and nationwide.

FIGURE 46. MILITARY EMPLOYMENT AS A SHARE OF TOTAL EMPLOYMENT, 1970 – 2032: UNITED STATES, FLORIDA, AND THE SOUTH-CENTRAL REGION

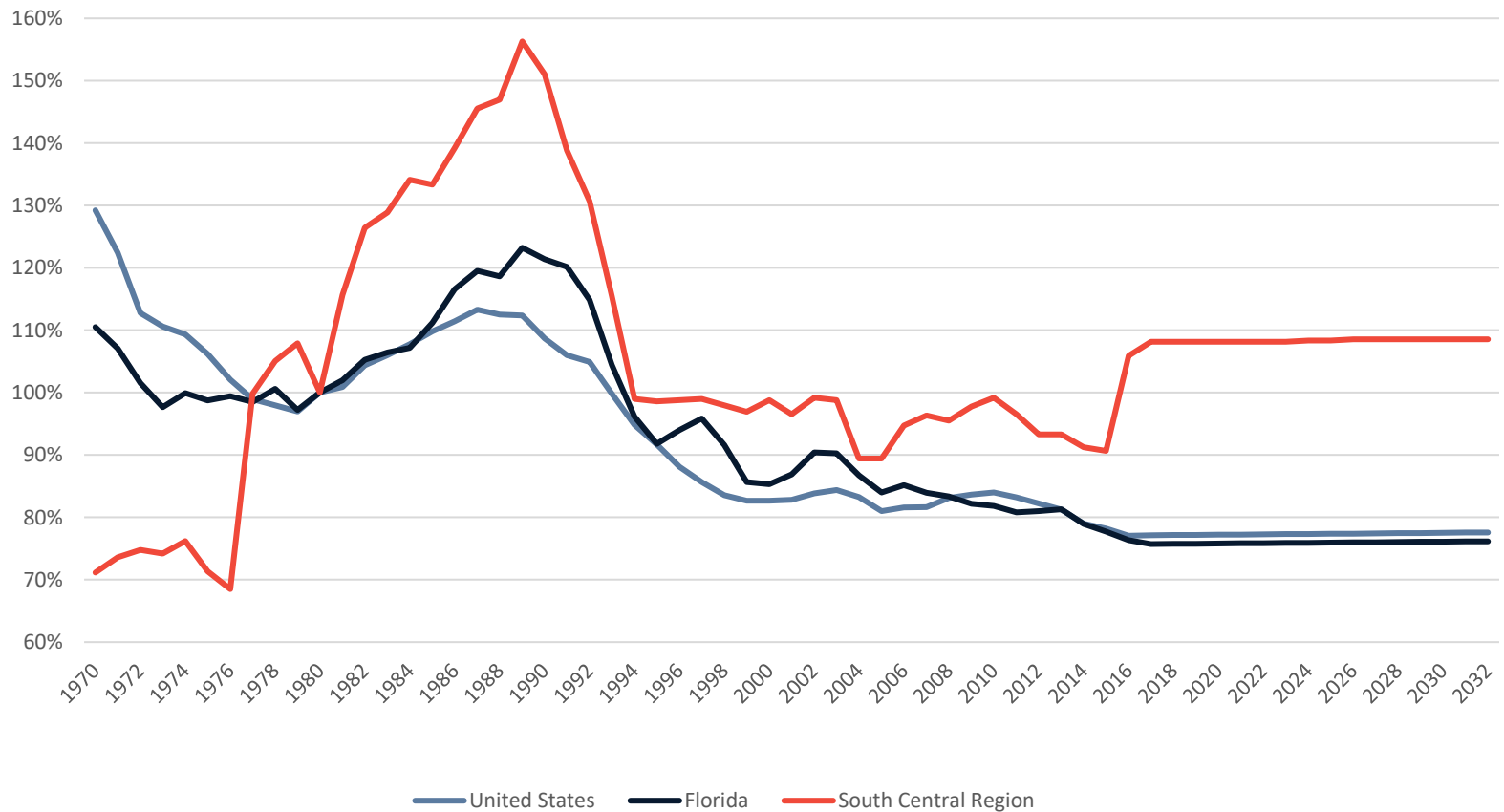


Florida Defense Industry Economic Impact Analysis – 2022 Update

Change in Military Employment

The figure below presents military employment indexed to 1980 levels. It allows us to compare changes in military employment at the regional level against statewide and national trends in military employment over the past 40 years that appear to remain steady for the foreseeable future.

FIGURE 47. TOTAL MILITARY EMPLOYMENT INDEXED TO 1980, 1970 – 2032: UNITED STATES, FLORIDA, AND THE SOUTH-CENTRAL FLORIDA REGION





Demographics and the Regional Economy

The table displayed below presents figures related to regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Personal income, as defined by the Bureau of Economic Analysis (BEA) and REMI, is income that people obtain from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources.

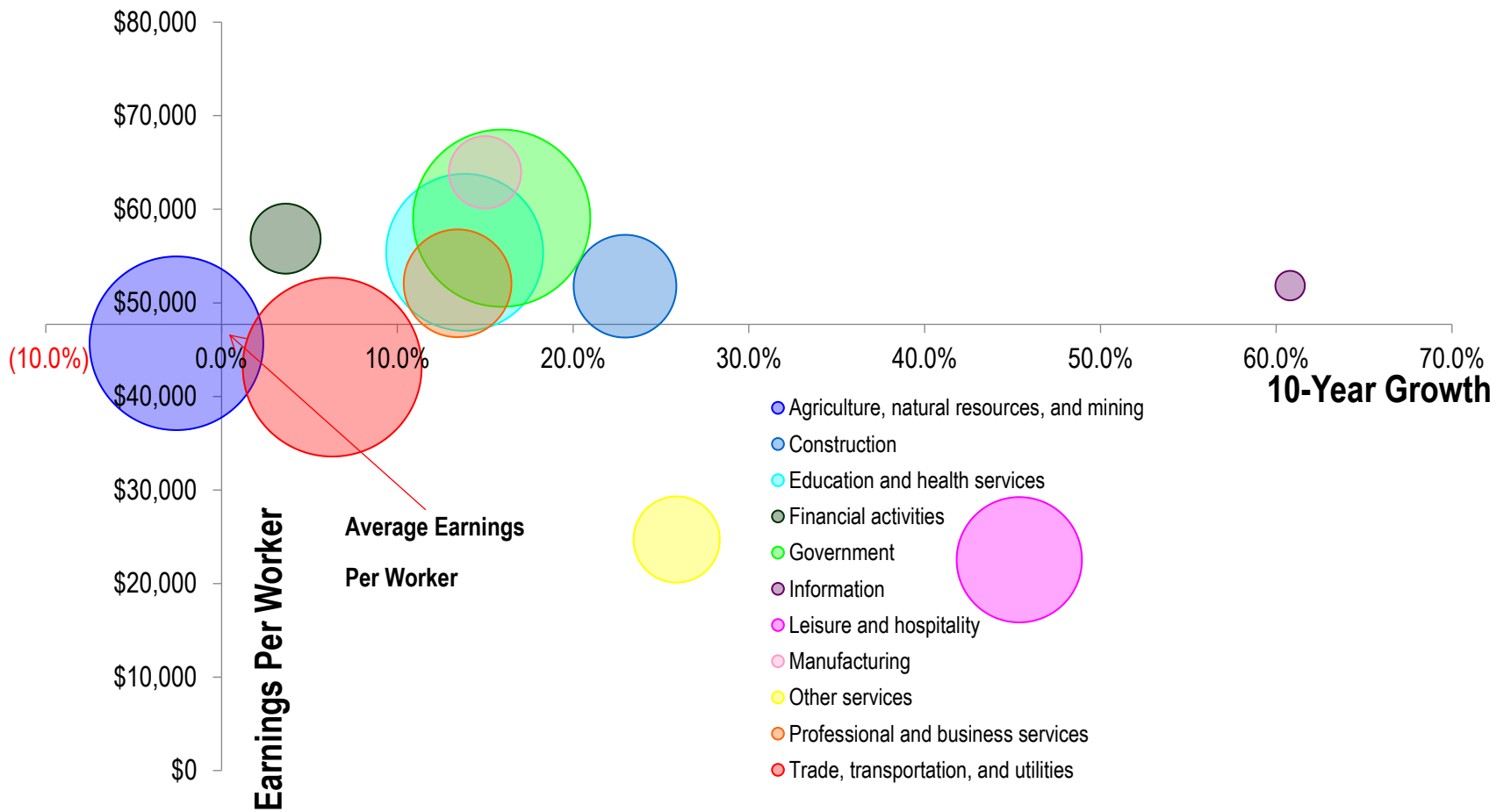
Table 38. Demographic Estimates, South Central Florida Region

Total Population	Estimate
Population in 2011	252,684
Population in 2021	279,540
Population in 2031	314,491
Growth from 2011 to 2021	10.6%
Growth from 2021 to 2031	12.5%
Personal Income (Inclusive of all forms of income)	
Regional Personal Income per Capita	\$35,596
Florida Personal Income per Capita	\$57,186

Florida Defense Industry Economic Impact Analysis – 2022 Update

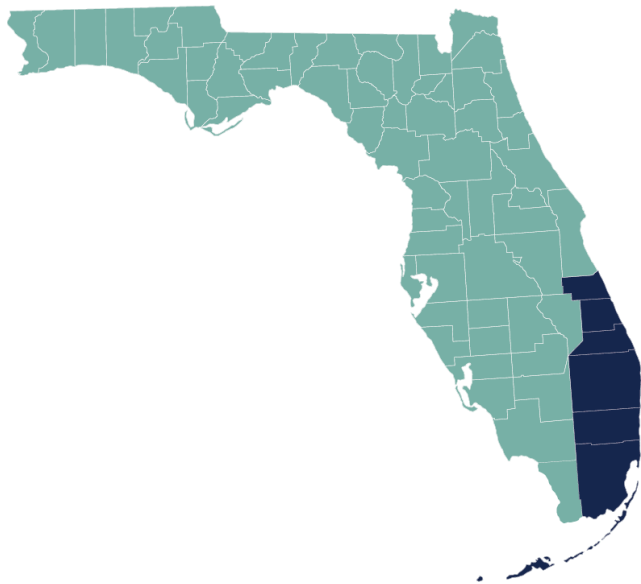
The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and average earnings per worker are displayed on the vertical axis. In order to interpret the graph correctly, the center of the bubble correlates with each industries' respective growth rate and earnings level.

FIGURE 48. REGIONAL INDUSTRY AND EARNINGS GROWTH – SOUTH CENTRAL FLORIDA REGION





Southeast Florida Region



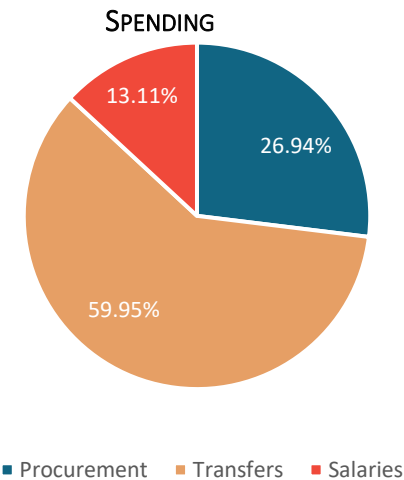
Southeast Florida Region Summary

The Southeast Florida Region includes Broward, Miami- Dade, Indian River, Martin, Monroe, Palm Beach, and St. Lucie Counties. Defense activities play a significant role in the regional economy, injecting about \$5.49 billion in spending into Southeast Florida in 2020. Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates as indicated in Table 37. Transfer payments accounted for the largest share at 60% or roughly \$3.29 billion of the \$5.49 billion total. Salaries accounted for 13% (\$719 million), and procurement accounted for 27% (\$1.48 billion).

Table 39. Southeast Region: Combined Direct Defense Expenditures

Spending Flow	Millions USD
Procurement	\$1,478.7
Salaries	\$719.3
Transfers	\$3,290.1
Total Combined Direct Expenditures	\$5,488.2

FIGURE 49. SOUTHEAST REGION: DISTRIBUTION OF DIRECT DEFENSE SPENDING



Florida Defense Industry Economic Impact Analysis – 2022 Update

Table 40. Southeast Region: Economic Impact Forecast, 2020 – 2024
Current Millions USD

Impact Type	2020	2021	2022	2023	2024
Total Employment	130,486	130,175	131,962	134,541	137,206
Gross Regional Product	\$14,598.12	\$14,584.62	\$14,756.65	\$14,998.52	\$15,248.56
<i>Total Consumption</i>	\$8,626.35	\$8,728.85	\$8,925.64	\$9,161.00	\$9,405.06
<i>Investment Residential</i>	\$2,039.81	\$2,063.51	\$2,109.83	\$2,165.38	\$2,222.98
<i>Investment Non-residential</i>	\$549.54	\$548.87	\$558.11	\$571.15	\$584.63
<i>Producer's Durable Equipment</i>	\$338.20	\$337.76	\$343.42	\$351.43	\$359.70
<i>Business Inventories</i>	-\$74.49	-\$73.33	-\$74.25	-\$75.94	-\$77.69
<i>Government</i>	\$477.73	\$474.22	\$481.53	\$492.94	\$504.72
<i>Exports</i>	\$9,427.61	\$9,317.63	\$9,363.71	\$9,466.23	\$9,572.02
<i>Imports (subtract)</i>	\$6,786.64	\$6,812.89	\$6,951.34	\$7,133.66	\$7,322.86

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

Overall, defense activities accounted for 130,486 jobs in the Southeast Region in 2020 and almost \$14.6 billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region). The military therefore accounted for approximately 3.6% (Table 40) of all economic activity in the region. Forecasted above, the total impact of defense activities in the Southeast Florida economy is expected to grow. GRP is expected to be almost \$15.25 billion while employment impacts are forecast to be 137,206 in 2024, up roughly 7,000 jobs over five years.

In addition to the employment and GRP estimates, Table 38 provides the constituent components of GRP. As was explained in the introduction, direct defense expenditures expended in the state generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table above. The impact categories are defined as follows:



- Total Employment measures jobs generated by military activities.
- Total Consumption consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- Investment expenditures include residential and non-residential real estate as well as investment in producers' durable equipment and business inventories.
- Government revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- Gross Regional Product is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.

Florida Defense Industry Economic Impact Analysis – 2022 Update

Table 41. Southeast Region: Total Economic Impacts by Component, Jobs, and Gross Regional Product (2020)
Millions USD

Southeast	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Economic Impact	\$2,512	\$0	\$55	\$2,567
	Total Jobs	28,578	0	615	29,193
Employment	Economic Impact	\$5,843	\$772	\$1,240	\$7,855
	Total Jobs	43,698	5,770	8,009	57,477
Transfers	Economic Impact	\$4,140	\$0	\$37	\$4,176
	Total Jobs	43,426	0	388	43,814
Totals	Economic Impact	\$12,495	\$772	\$1,331	\$14,598
	Total Jobs	115,702	5,770	9,012	130,484

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

Regional Impacts by Type

The table above displays the economic impacts (GRP and jobs created) in the Southeast Florida Region by component and source for 2020. The components include procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2020 US Dollars) are displayed directly above the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner. As the data indicate, employment for the military generated the most jobs in the region (43,698), with transfers for the military close behind at 43,426; military procurement accounted for 28,578 jobs as well. The data in Table 40 (next page) display combined expenditures across the three categories for each county in the region followed by the economic impacts in terms of GRP and Employment. As the data show, the military accounts for over 18% of all economic output in Monroe County, which equates to 5,966 jobs. Defense activities constitute between 2.8% and 4.4% of the remaining counties' economies. Counties such as Miami-Dade, Broward, and Palm Beach were all responsible for tens of thousands of jobs and billions of dollars that came as a consequence of defense-related activities.

Florida Defense Industry Economic Impact Analysis – 2022 Update



Table 42. Southeast Region - Defense Impacts by County, 2020
MILLIONS USD

County	Model Inputs – Combined Expenditures				Model Outputs – Combined Impacts		
	Procurement	Transfers	Salaries and Wages	Total	GDP	Employment	Percent GDP
Broward	\$358.1	\$868.8	\$114.7	\$1,341.6	\$3,567.8	33,388	3.0%
Indian River	\$3.2	\$166.5	\$6.5	\$176.1	\$285.0	2,940	4.0%
Martin	\$21.2	\$145.4	\$11.0	\$177.6	\$283.7	2,956	3.4%
Miami-Dade	\$731.3	\$852.3	\$373.2	\$1,956.9	\$6,785.6	57,138	3.9%
Monroe	\$73.2	\$94.0	\$111.7	\$278.9	\$885.0	5,966	18.6%
Palm Beach	\$279.4	\$847.0	\$82.0	\$1,208.4	\$2,338.8	23,197	2.8%
St. Lucie	\$12.5	\$316.0	\$20.3	\$348.7	\$452.2	4,899	4.4%
Total	\$1,478.7	\$3,290.1	\$719.3	\$5,488.2	\$14,598.1	130,484	3.6%

Source: REMI PI v2.5.0 (build 5955)

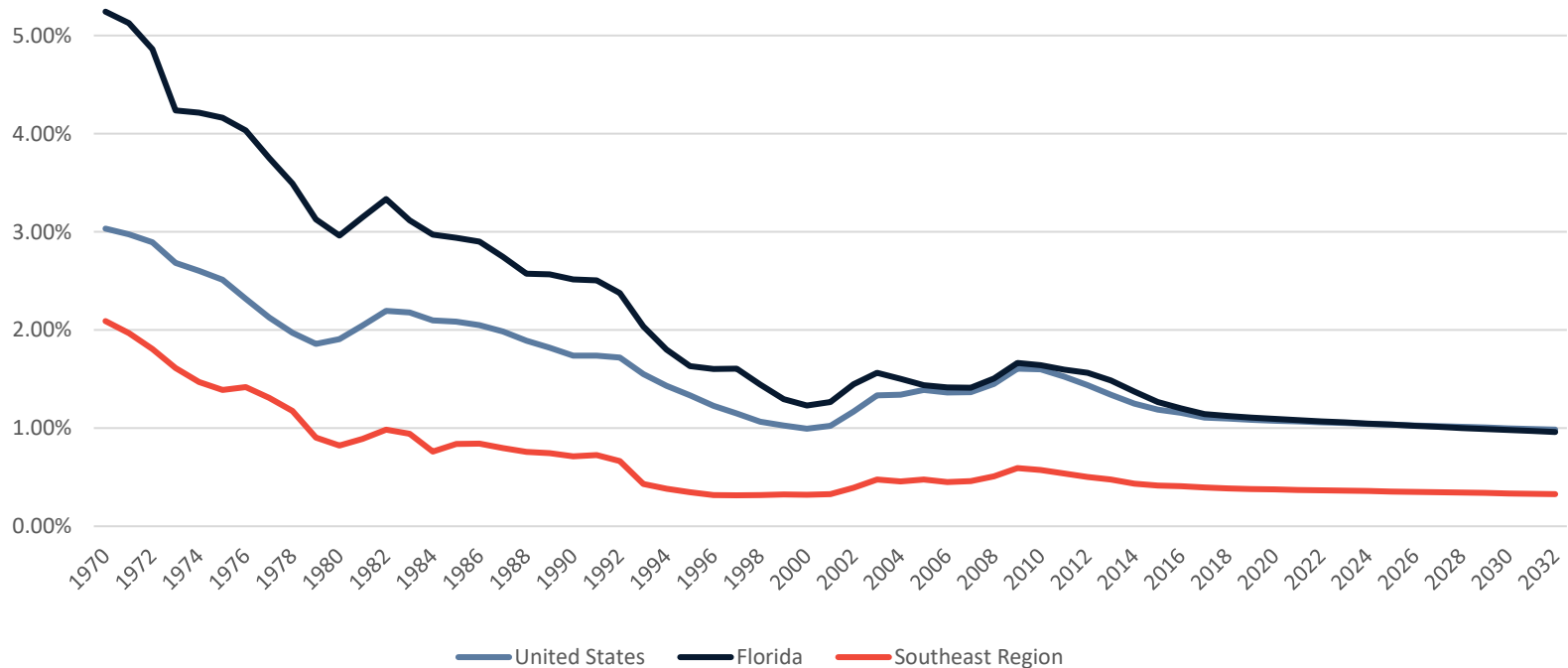
Columns may not sum due to rounding.

Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Share of Total Earnings

Earnings account for the majority of income paid to employees as remuneration for their work and include wage and salary disbursements as well as supplements to wages and salaries. Earnings are therefore a proxy economic impact measure, which is inclusive of more than just wages. The figure below benchmarks the total share of Southeast Florida’s regional income that can be attributed to the military (over time) against Florida and the U.S. As the data reflect, the military contributes to a substantially smaller share of earnings at the regional level than at the national or state level. Nevertheless, as economies continue to diversify, their military share of total earnings has happened to decline. This trend is expected to continue through 2032.

FIGURE 50. MILITARY SHARE OF TOTAL EARNINGS, 1970 -2032: UNITED STATES, FLORIDA, AND THE SOUTHEAST REGION



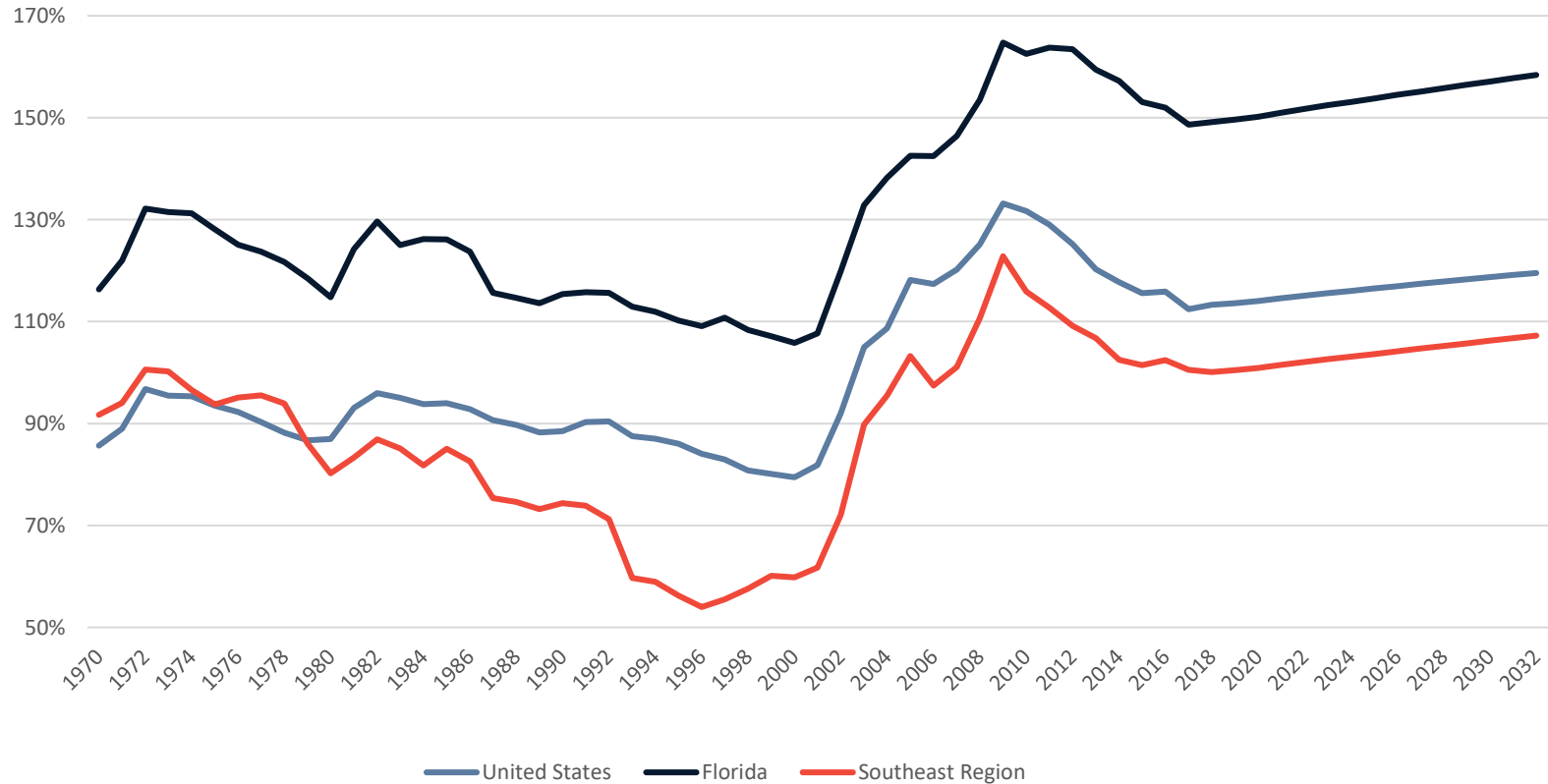
Florida Defense Industry Economic Impact Analysis – 2022 Update



Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It allows us to benchmark the earnings of military employees at the regional level against the earning patterns of all workers. The graph below provides a comparison of performance at the regional level versus the state and the nation.

FIGURE 51. AVERAGE MILITARY EARNINGS VS AVERAGE TOTAL EARNINGS, 1970 -2032: UNITED STATES, FLORIDA, AND THE SOUTHEAST REGION

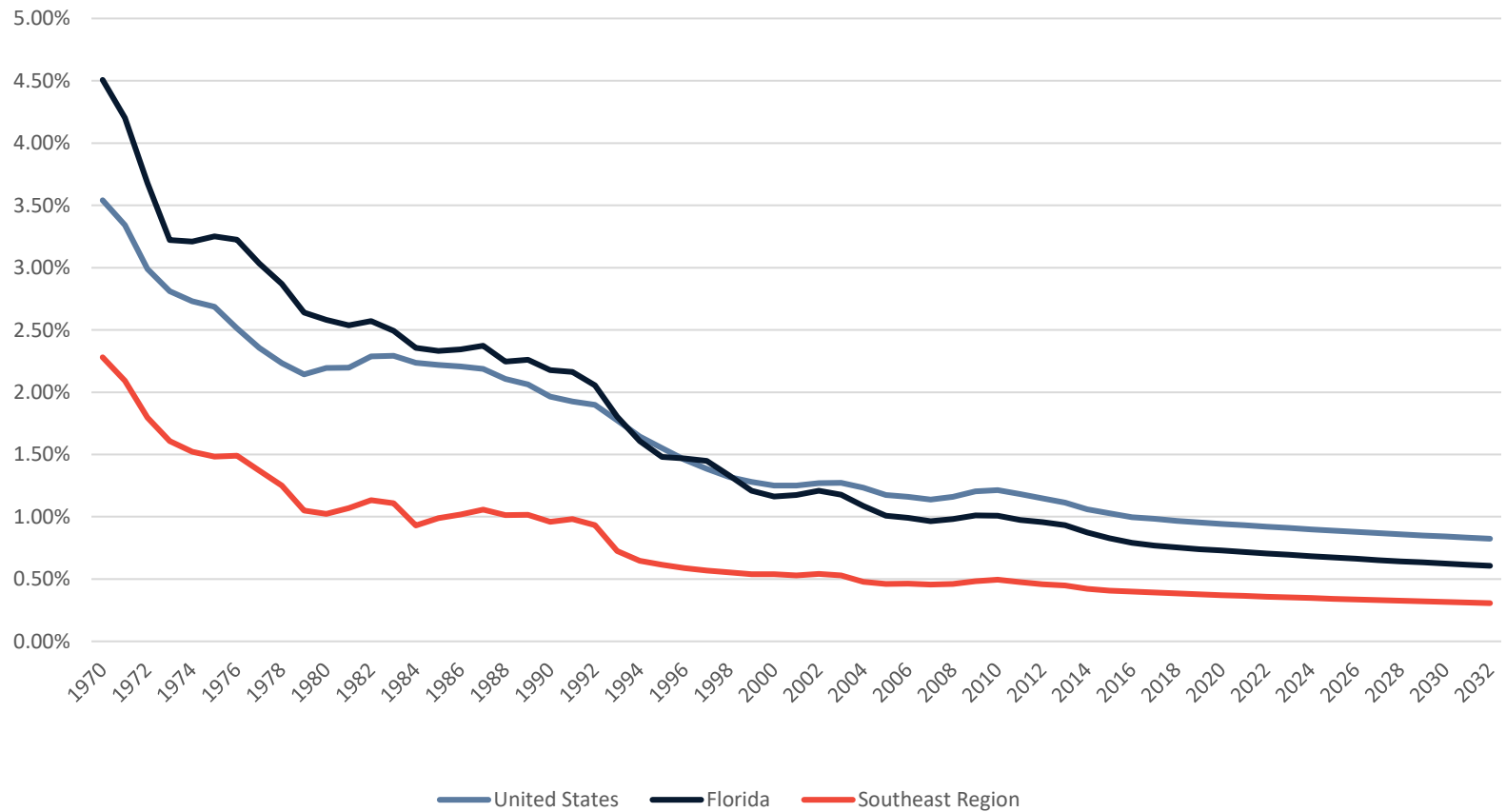


Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Employment as a Share of Total Employment

The figure below presents military employment as a share of total employment for the region, state of Florida, and the US. It allows us to benchmark military employment at the regional level against the employment patterns of all workers statewide and nationwide.

FIGURE 52. MILITARY EMPLOYMENT AS A SHARE OF TOTAL EMPLOYMENT, 1970 – 2032: UNITED STATES, FLORIDA, AND THE SOUTHEAST REGION

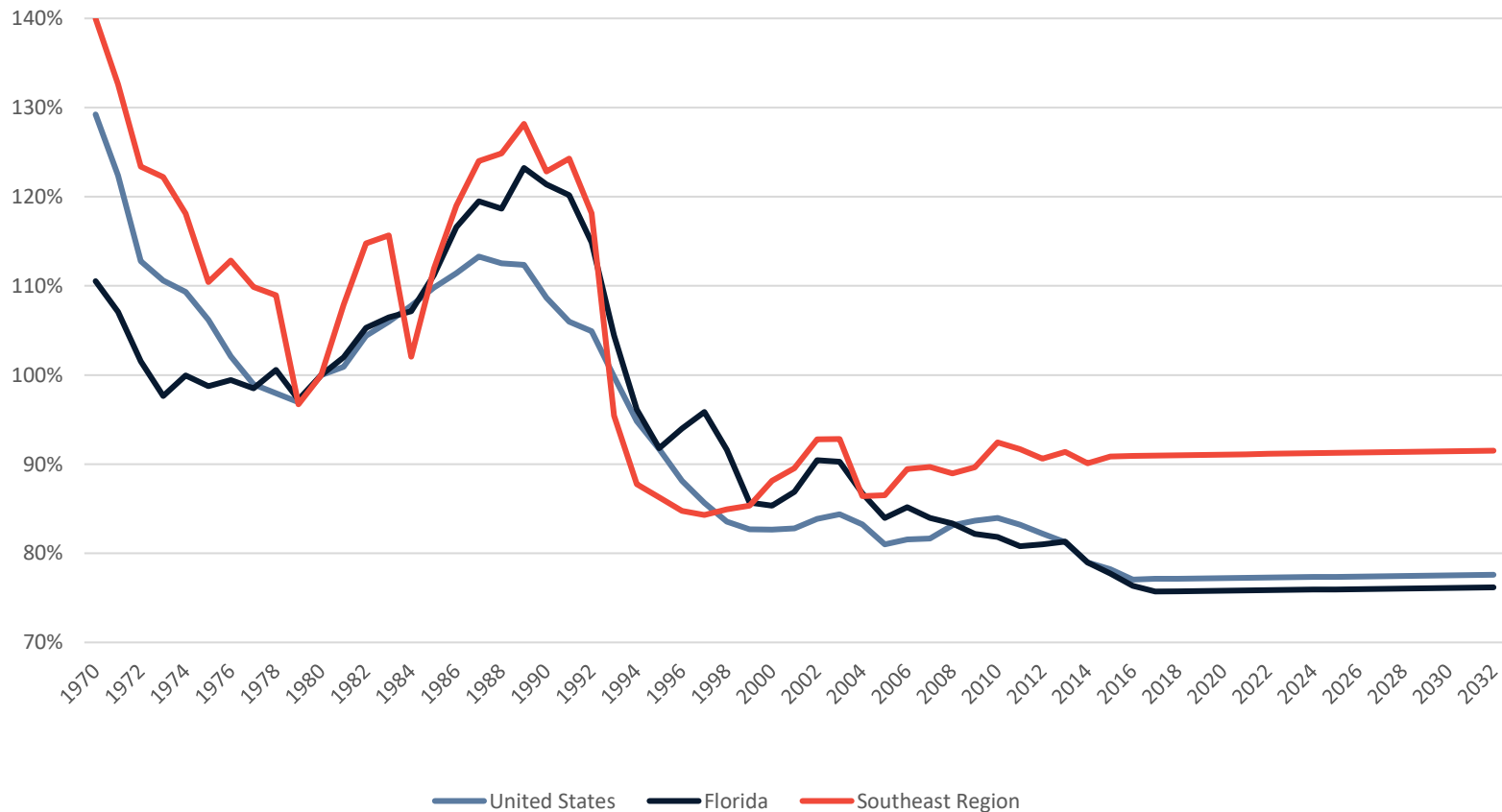




Change in Military Employment

The figure below presents military employment indexed to 1980 levels. It allows us to compare changes in military employment at the regional level against statewide and national trends in military employment over the past 40 years that appear to remain steady for the foreseeable future.

FIGURE 53. TOTAL MILITARY EMPLOYMENT INDEXED TO 1980, 1970 – 2032: UNITED STATES, FLORIDA, AND THE SOUTHEAST REGION



Demographics and the Regional Economy

The table displayed below presents figures related to regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Personal income, as defined by the Bureau of Economic Analysis (BEA) and REMI, is income that people obtain from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources.

Table 43. Demographic Estimates, Southeast Florida Region

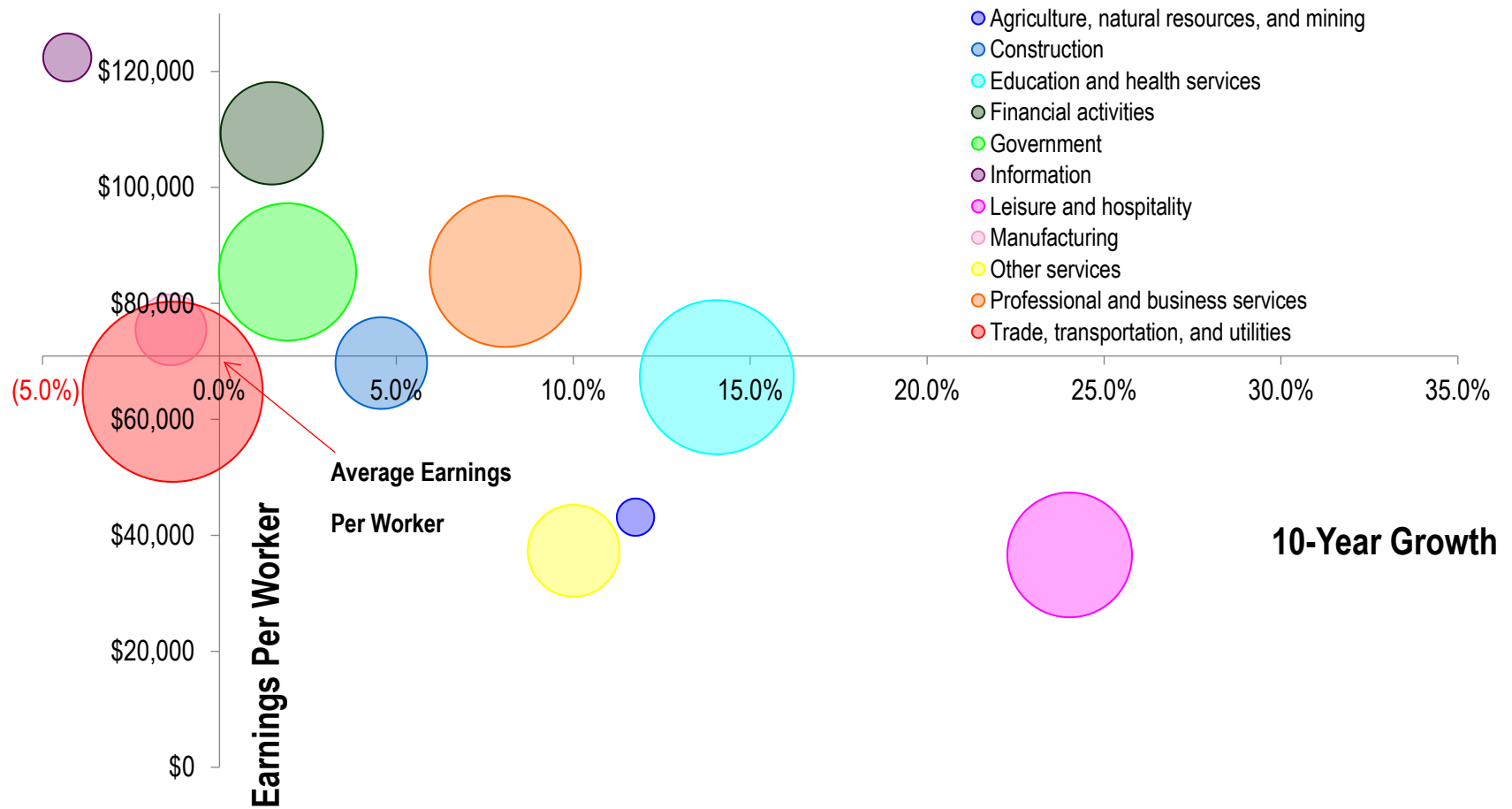
Total Population	Estimate
Population in 2011	6,309,628
Population in 2021	7,027,744
Population in 2031	7,791,936
Growth from 2011 to 2021	11.4%
Growth from 2021 to 2031	10.9%
Personal Income (Inclusive of all forms of income)	
Regional Personal Income per Capita	\$66,344
Florida Personal Income per Capita	\$57,186

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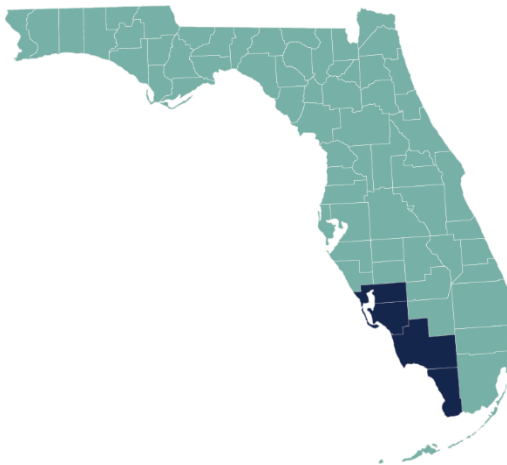


The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and average earnings per worker are displayed on the vertical axis. In order to interpret the graph correctly, the center of the bubble correlates with each industry's respective growth rate and earnings level.

FIGURE 54. REGIONAL INDUSTRY AND EARNINGS GROWTH – SOUTHEAST FLORIDA REGION



Southwest Florida Region



Southwest Florida Region Summary

The Southwest Florida Region includes Charlotte, Collier, and Lee Counties. Defense activities play a moderate role in the regional economy, primarily as a function of transfer payments to retirees, veterans, etc. Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates as indicated in Table 42. Transfer payments accounted for the largest share at 74% or roughly \$1.05 billion of the \$1.42 billion total. Salaries accounted for 10% or \$141 million of the total, while procurement accounted for 16% or \$230 million of the total.

Table 44. Southwest Region: Combined Direct Defense Expenditures

Spending Flow	Millions USD
Procurement	\$229.4
Salaries	\$140.9
Transfers	\$1,045.3
Total Combined Direct Expenditures	\$1,415.5

FIGURE 55. SOUTHWEST REGION: DISTRIBUTION OF DIRECT DEFENSE SPENDING

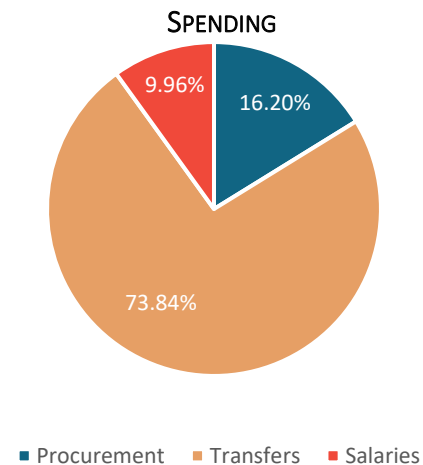




Table 45. Southwest Region: Economic Impact Forecast, 2020 – 2024
Current Millions USD

Impact Type	2020	2021	2022	2023	2024
Total Employment	24,560	24,784	25,226	25,760	26,304
Gross Regional Product	\$2,373.83	\$2,390.32	\$2,428.63	\$2,476.15	\$2,524.41
<i>Total Consumption</i>	\$1,944.73	\$1,988.72	\$2,043.97	\$2,104.94	\$2,167.82
<i>Investment Residential</i>	\$465.71	\$476.13	\$489.29	\$503.83	\$518.83
<i>Investment Non-residential</i>	\$94.29	\$95.36	\$97.48	\$100.04	\$102.67
<i>Producer's Durable Equipment</i>	\$57.49	\$58.13	\$59.42	\$60.97	\$62.57
<i>Business Inventories</i>	-\$12.82	-\$12.53	-\$12.69	-\$13.01	-\$13.34
<i>Government</i>	\$134.15	\$135.77	\$138.79	\$142.41	\$146.13
<i>Exports</i>	\$1,061.29	\$1,047.65	\$1,054.62	\$1,069.41	\$1,084.10
<i>Imports (subtract)</i>	\$1,371.00	\$1,398.91	\$1,442.26	\$1,492.44	\$1,544.36

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

As shown in Table 43, defense activities yielded almost 25,000 jobs in the North Central Florida Region in 2020 and roughly \$2.37 billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region). The military therefore accounted for approximately 4.2% (Table 45) of all economic activity in the region. The total impact of defense activities on the regional economy is forecast to increase slightly through 2024, up to \$2.52 billion in GRP. Consequently, employment impacts are forecast to be about 26,304 in 2024; this amounts to almost 2,000 more jobs in the region by that time as a result of defense activities.

In addition to the employment and GRP estimates, Table 43 provides the constituent components of GRP. As was explained in the introduction, direct defense expenditures expended in the state generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table above. The impact categories are defined as follows:



Florida Defense Industry Economic Impact Analysis – 2022 Update

- Total Employment measures jobs generated by military activities.
- Total Consumption consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- Investment expenditures include residential and non-residential real estate as well as investment in producers' durable equipment and business inventories.
- Government revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- Gross Regional Product is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.



Table 46. Southwest Region: Total Economic Impacts by Component, Jobs, and Gross Regional Product (2020)
Millions USD

Southwest	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Economic Impact	\$289	\$0	\$1	\$290
	Total Jobs	2,842	0	10	2,852
Employment	Economic Impact	\$1,056	\$80	\$23	\$1,160
	Total Jobs	10,114	744	209	11,067
Transfers	Economic Impact	\$917	\$0	\$7	\$924
	Total Jobs	10,556	0	83	10,639
Totals	Economic Impact	\$2,262	\$80	\$31	\$2,374
	Total Jobs	23,512	744	302	24,558

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

Regional Impacts by Type

The table above displays the economic impacts (GRP and jobs created) in the Southwest Florida Region by component and source for 2020. The components include procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2020 US Dollars) are displayed directly above the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner. As the data indicate, transfers for the military generated the most jobs in the region (10,556), with military employment close behind at 10,114; military procurement accounted for 2,842 jobs as well. The data in Table 45 (next page) display combined expenditures across the three categories for each county in the region followed by the economic impacts in terms of GRP and Employment. As the data show, the military accounts for between 3.1% and 4.7% of each counties' respective economy. The majority of the region's defense related economic impacts were produced in Lee County which was responsible for 15,691 jobs and over \$2.3 billion in GDP.

Florida Defense Industry Economic Impact Analysis – 2022 Update

TABLE 47. SOUTHWEST REGION - DEFENSE IMPACTS BY COUNTY, 2020
Millions USD

County	Model Inputs – Combined Expenditures				Model Outputs – Combined Impacts		
	Procurement	Transfers	Salaries and Wages	Total	GDP	Employment	Percent GDP
Charlotte	\$9.5	\$256.1	\$8.2	\$273.9	\$278.4	3,201	4.7%
Collier	\$104.6	\$202.5	\$34.3	\$341.5	\$548.8	5,666	3.1%
Lee	\$115.2	\$586.6	\$98.4	\$800.2	\$1,546.7	15,691	4.6%
Total	\$229.4	\$1,045.3	\$140.9	\$1,415.5	\$2,373.8	24,558	4.2%

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

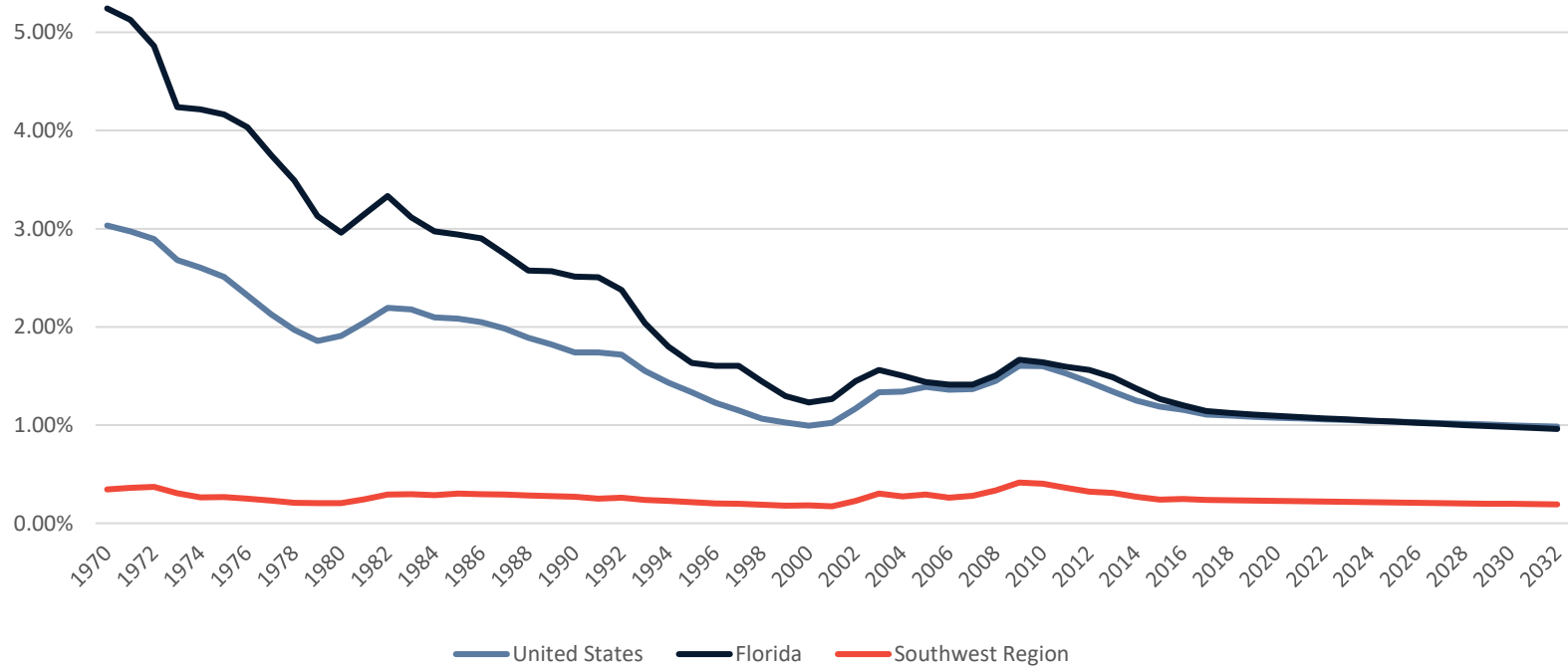
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Military Share of Total Earnings

Earnings account for the majority of income paid to employees as remuneration for their work and include wage and salary disbursements as well as supplements to wages and salaries. Earnings are therefore a proxy economic impact measure, which is inclusive of more than just wages. The figure below benchmarks the total share of Southwest Florida’s regional income that can be attributed to the military (over time) against Florida and the U.S. As the data reflect, the military contributes to a substantially smaller share of earnings at the regional level than at the national or state level. Nevertheless, as economies continue to diversify, their military share of total earnings has happened to decline. This trend is expected to continue through 2032.

FIGURE 56. MILITARY SHARE OF TOTAL EARNINGS, 1970 -2032: UNITED STATES, FLORIDA, AND THE SOUTHWEST REGION

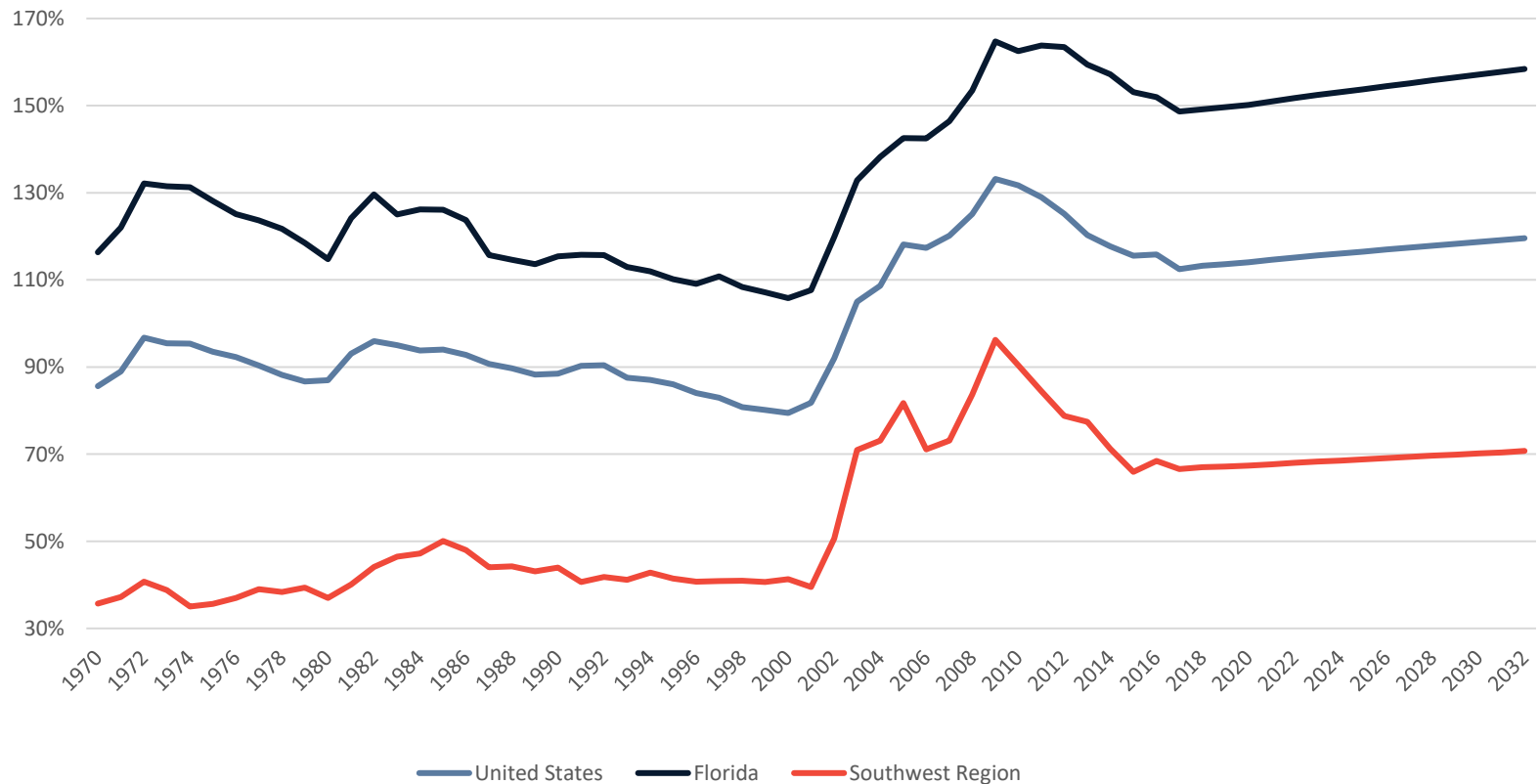


Florida Defense Industry Economic Impact Analysis – 2022 Update

Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It allows us to benchmark the earnings of military employees at the regional level against the earning patterns of all workers. The graph below provides a comparison of performance at the regional level versus the state and the nation.

FIGURE 57. AVERAGE MILITARY EARNINGS VS AVERAGE TOTAL EARNINGS, 1970 -2032: UNITED STATES, FLORIDA, AND THE SOUTHWEST FLORIDA REGION

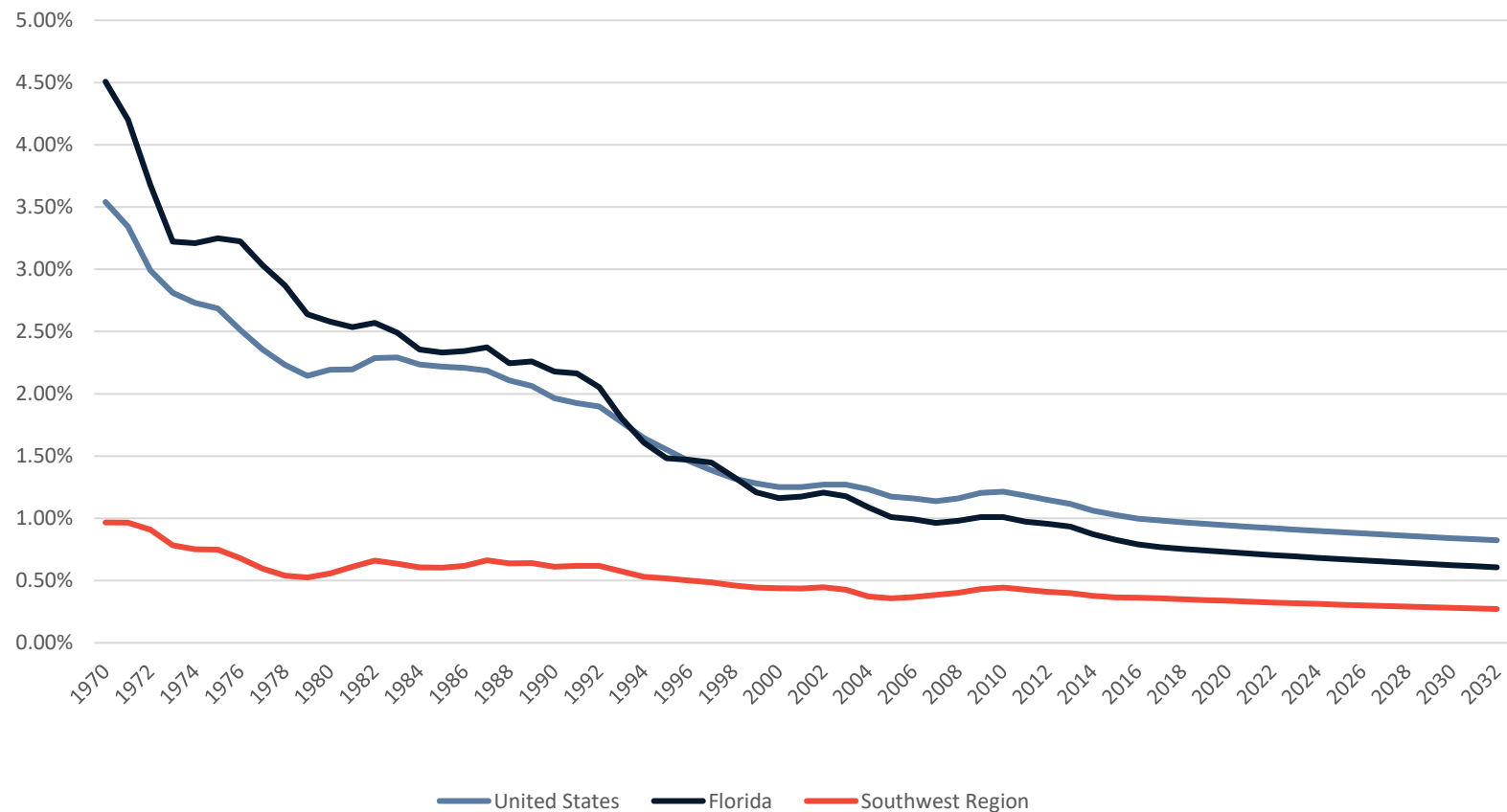




Military Employment as a Share of Total Employment

The figure below presents military employment as a share of total employment for the region, state of Florida, and the US. It allows us to benchmark military employment at the regional level against the employment patterns of all workers statewide and nationwide.

FIGURE 58. MILITARY EMPLOYMENT AS A SHARE OF TOTAL EMPLOYMENT, 1970 – 2032: UNITED STATES, FLORIDA, AND THE SOUTHWEST REGION

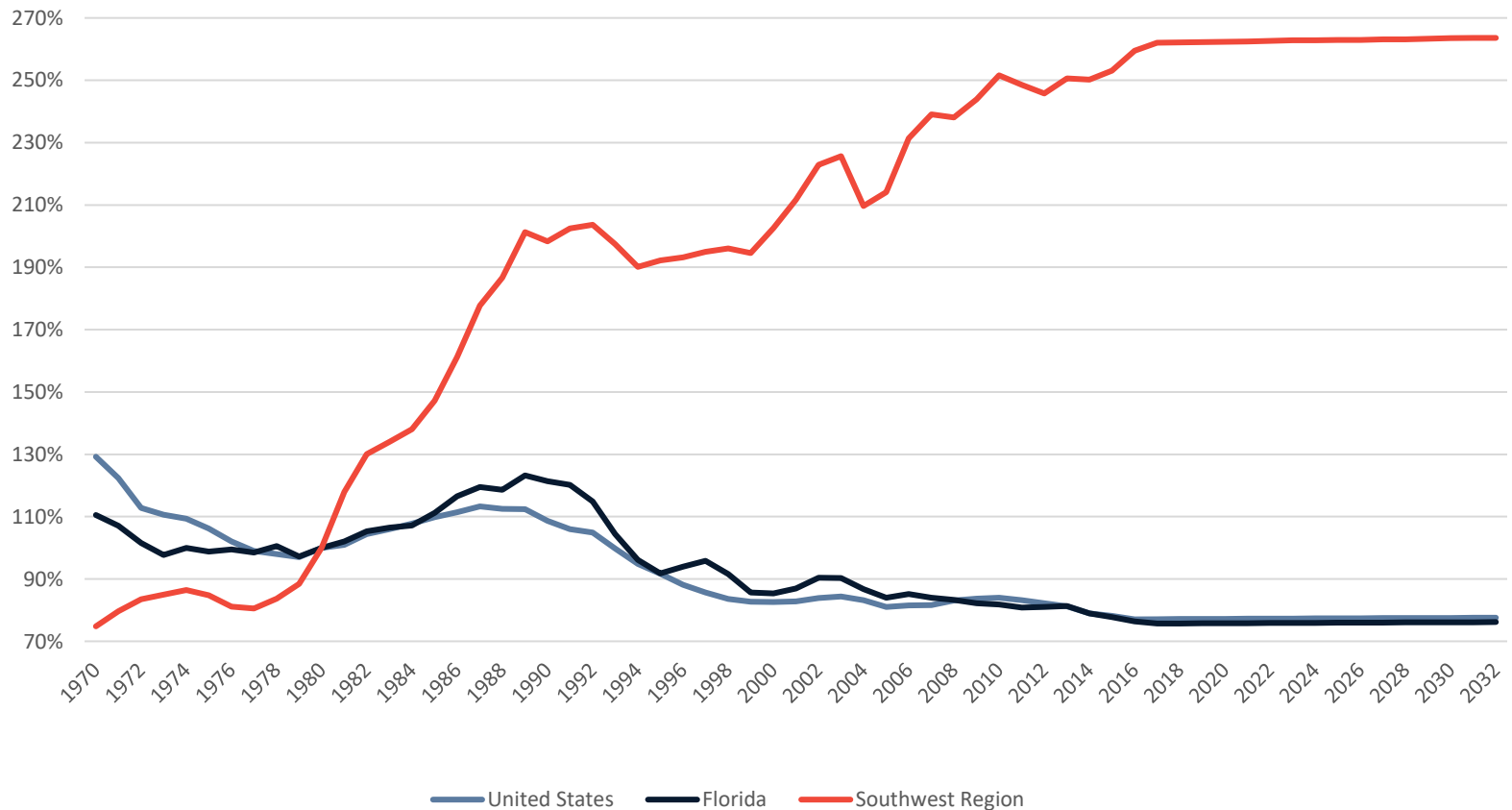


Florida Defense Industry Economic Impact Analysis – 2022 Update

Change in Military Employment

The figure below presents military employment indexed to 1980 levels. It allows us to compare changes in military employment at the regional level against statewide and national trends in military employment over the past 40 years that appear to remain steady for the foreseeable future.

FIGURE 59. TOTAL MILITARY EMPLOYMENT INDEXED TO 1980, 1970 – 2032: UNITED STATES, FLORIDA, AND THE SOUTHWEST REGION





Demographics and the Regional Economy

The table displayed below presents figures related to regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Personal income, as defined by the Bureau of Economic Analysis (BEA) and REMI, is income that people obtain from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources.

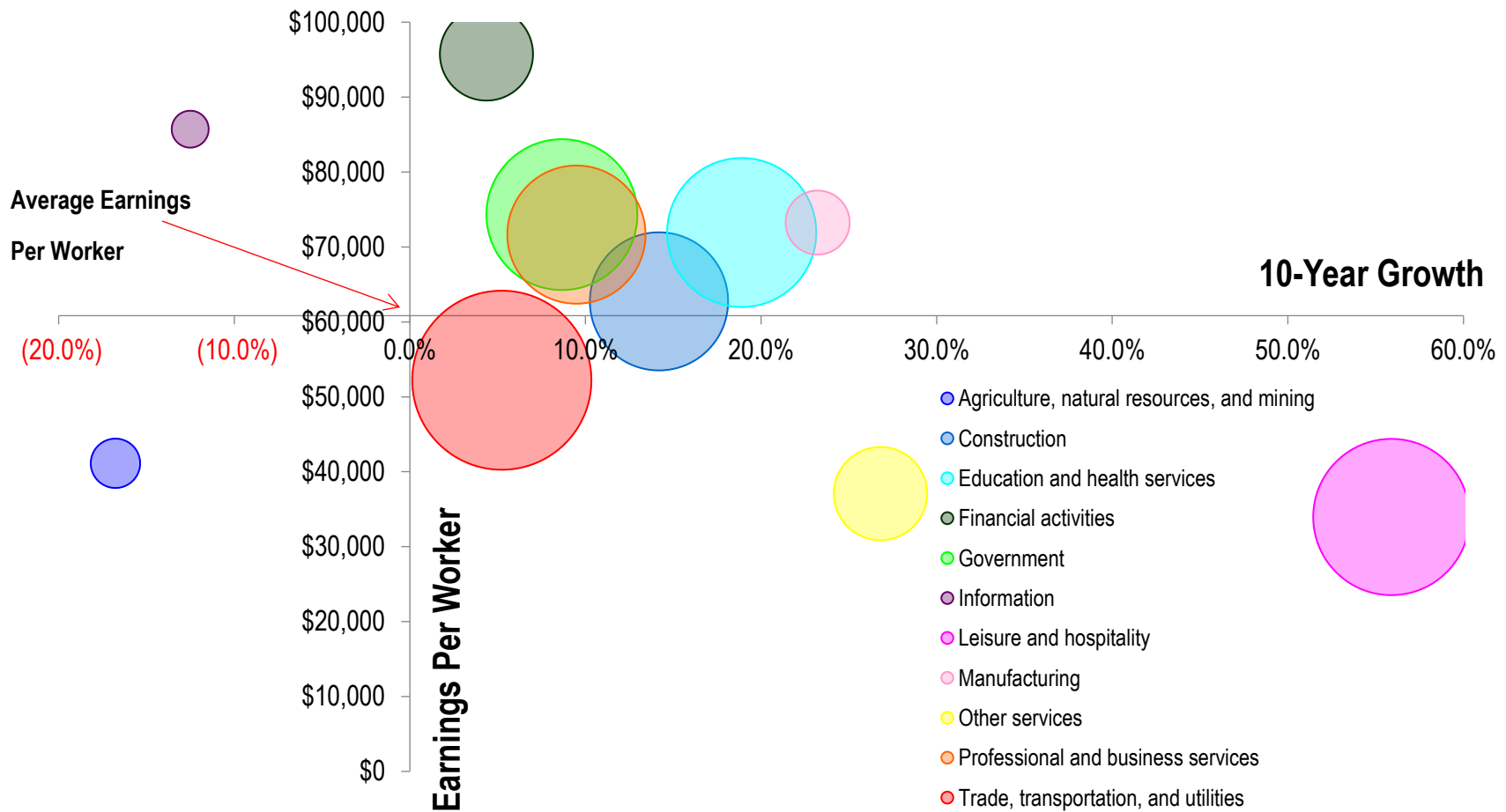
Table 48. Demographic Estimates, Southwest Florida Region

Total Population	Estimate
Population in 2011	1,118,551
Population in 2021	1,394,606
Population in 2031	1,660,665
Growth from 2011 to 2021	24.7%
Growth from 2021 to 2031	19.1%
Personal Income (Inclusive of all forms of income)	
Regional Personal Income per Capita	\$67,761
Florida Personal Income per Capita	\$57,186

Florida Defense Industry Economic Impact Analysis – 2022 Update

The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and average earnings per worker are displayed on the vertical axis. In order to interpret the graph correctly, the center of the bubble correlates with each industries' respective growth rate and earnings level.

FIGURE 60. REGIONAL INDUSTRY AND EARNINGS GROWTH – SOUTHWEST FLORIDA REGION





County Analysis Overview

In the following section, you can find an analysis of the impacts of defense activities on economies of counties that were heavily affected by defense activities. These counties, for the most part, are home to military installations and/or were significantly affected by neighboring installations. The counties discussed in the county analyses include:

- Bay
- Bradford
- Brevard
- Clay
- Duval
- Escambia
- Highlands
- Hillsborough
- Lake
- Miami-Dade
- Monroe
- Okaloosa
- Orange
- Pinellas
- Polk
- Santa Rosa

The county impact data are reported in sections that were arrayed in precisely the same fashion as regions of Florida above. Each analysis begins with an overview of the flow of defense-related spending, by type, into the county and includes basic data about the counties and the installations located therein. The expenditure data are inclusive of activities related to salaries and wages, procurement, and transfer payments for all federal military branches (including civilians), the Coast Guard, and the National Guard (including state and federal spending). We present the economic impacts across various measures that include Gross Regional Product (GRP), employment, government revenue, imports, exports, etc.

Next, we demonstrate the economic impacts of each type of spending activity, including procurement, federal employment (salaries and wages), and transfer payments across the military, Coast Guard, and National Guard. This provides an overview of the types of spending flows, for each county, that have the greatest economic impacts. Each county section also contains an overview of defense trends within the county over the past several decades as well as projections going forward. These trends include military employment as a share of total employment, military pay relative to all wages, and trends in military employment. We conclude with an overview of county-level demographic and economic conditions.

Table 47 (on the following page) presents each of the counties included in the analysis. As the data here, and subsequent analyses, show, defense activities affect county-level economies in very different ways. Orange County, for example, received approximately \$6.8 billion in direct military spending in 2020. When modeled, the military impacts are responsible for 10.1% of total Gross Regional Product (GRP) in the county and over



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91,000 jobs. Duval County, a well-balanced beneficiary of defense spending, received \$4.7 billion of defense related dollars in 2020. Those defense related investments generated roughly 95,000 jobs and \$12.1 billion in GDP - 16.6% of the county's total economy (GDP).

As mentioned, priorly, every county in the State of Florida is affected by defense-related activities regardless of whether major installations are located in the county. We outline the impacts for counties that are heavily affected by defense activities here. Almost 80% of the total impact of defense activities within the Florida economy are generated by the sixteen county analyses that we present here. Those counties are responsible for about \$75 billion of the \$97 billion total impact, and they account for 633,318 of the total 860,221 jobs generated.

Naturally, the defense related impacts are generated in very different ways. Bay County's defense economy is heavily dependent upon procurement. Other counties, such as Duval and Monroe, strike a finer balance between procurement, salaries, and transfers. The data presented below, and a holistic consideration of the overall impacts, demonstrate that Florida's county economies have relationships with different facets of defense activities and spending flows, the nuances of which only appear as the data are parsed out at the regional and county levels. These data conclusively demonstrate that Florida's defense economy is far more diverse and complex than simple DoD personnel presence or reliance upon defense contracting.

Florida Defense Industry Economic Impact Analysis – 2022 Update



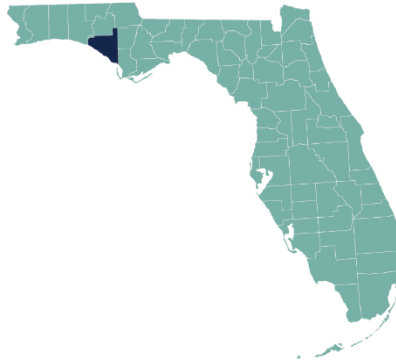
Table 49. Economic Impacts of Select Counties, 2020
Millions USD

County	Direct Defense Spending	GRP	Employment	Percent GDP
Bay	\$1,982.7	\$3,148.0	30,013	34.6%
Bradford	\$64.2	\$51.1	674	7.0%
Brevard	\$4,553.0	\$6,753.4	57,247	21.5%
Clay	\$860.9	\$845.6	10,186	13.5%
Duval	\$4,708.0	\$12,100.4	95,138	16.6%
Escambia	\$2,475.7	\$6,626.1	53,681	34.8%
Highlands	\$135.0	\$130.3	1,487	4.0%
Hillsborough	\$4,606.2	\$11,196.4	87,320	10.8%
Lake	\$543.6	\$697.7	8,855	6.5%
Miami-Dade	\$1,956.9	\$6,785.6	57,138	3.9%
Monroe	\$278.9	\$885.0	5,966	18.6%
Okaloosa	\$4,241.6	\$9,185.9	73,224	63.3%
Orange	\$6,775.2	\$10,132.5	91,358	10.1%
Pinellas	\$2,382.2	\$4,558.6	40,212	7.9%
Polk	\$699.2	\$1,372.6	13,343	4.5%
Santa Rosa	\$718.2	\$1,637.0	16,331	30.4%
State of Florida	\$49,305.0	\$96,624.1	860,221	8.5%

Source: REMI PI v2.5.0 (build 5955)

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Bay County



Bay County Summary

Location: Northwest Florida Region

Home to: Naval Support Activity
Panama City

Tyndall Air Force Base

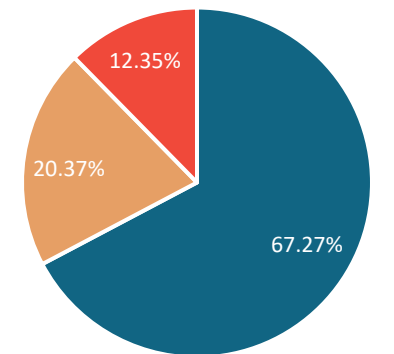
Economic Impact Estimates

Defense activities and the Tyndall rebuild played a substantial role (34.6%) in the Bay County economy during 2020. Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates are presented in Table 48. Procurement accounted for the largest share at 67% or roughly \$1.3 billion of the nearly \$2 billion total. Salaries accounted for \$245 million or 12%, and transfers accounted for \$404 million or 20%.

Table 50. Bay County: Combined Direct Defense Expenditures

Spending Flow	Millions USD
Procurement	\$1,333.8
Salaries	\$245.0
Transfers	\$403.9
Total Combined Direct Expenditures	\$1,982.7

FIGURE 61. BAY COUNTY: DISTRIBUTION OF DIRECT DEFENSE SPENDING



■ Procurement ■ Transfers ■ Salaries



Table 51. Bay County: Economic Impact Forecast, 2020 – 2024
Current Millions USD

Impact Type	2020	2021	2022	2023	2024
Total Employment	30,015	29,147	29,276	29,768	30,273
Gross Regional Product	\$3,147.98	\$3,075.57	\$3,086.66	\$3,128.02	\$3,170.43
<i>Total Consumption</i>	\$1,661.87	\$1,643.70	\$1,663.81	\$1,698.22	\$1,733.73
<i>Investment Residential</i>	\$384.80	\$380.46	\$385.06	\$393.00	\$401.20
<i>Investment Non-residential</i>	\$106.39	\$102.51	\$103.04	\$105.18	\$107.38
<i>Producer's Durable Equipment</i>	\$56.36	\$54.30	\$54.58	\$55.72	\$56.88
<i>Business Inventories</i>	-\$27.75	-\$26.14	-\$26.13	-\$26.71	-\$27.31
<i>Government</i>	\$142.18	\$137.55	\$138.31	\$141.05	\$143.85
<i>Exports</i>	\$2,883.21	\$2,795.69	\$2,794.80	\$2,825.02	\$2,855.82
<i>Imports (subtract)</i>	\$2,059.08	\$2,012.51	\$2,026.81	\$2,063.46	\$2,101.13

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

Overall, the military accounted for 30,015 jobs in Bay County in 2020 and about \$3.2 billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region), which is roughly 34.6% of the county's estimated 2020 Gross Regional Product. The total impact for the county is forecast to remain steady through 2024 with slight variation. Defense activities are forecast to generate 30,273 jobs in 2024. This is roughly a 250-job impact increase by 2024 that is supported by an additional \$33 million in GRP resulting from defense activities.

In addition to the employment and GRP estimates, Table 49 provides the constituent components of GRP. As was explained in the introduction, direct defense expenditures expended in the state generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table above. The impact categories are defined as follows:



Florida Defense Industry Economic Impact Analysis – 2022 Update

- Total Employment measures jobs generated by military activities.
- Total Consumption consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- Investment expenditures include residential and non-residential real estate as well as investment in producers' durable equipment and business inventories.
- Government revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- Gross Regional Product is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.



Table 52. Bay County: Total Economic Impacts by Component, Jobs, and Gross Regional Product (2020)
Millions USD

Bay	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Economic Impact	\$1,203	\$0	\$2	\$1,204
	Total Jobs	14,357	0	19	14,376
Employment	Economic Impact	\$1,361	\$230	\$35	\$1,627
	Total Jobs	10,029	1,604	212	11,845
Transfers	Economic Impact	\$314	\$0	\$3	\$317
	Total Jobs	3,762	0	30	3,792
Totals	Economic Impact	\$2,878	\$230	\$39	\$3,148
	Total Jobs	28,148	1,604	261	30,013

Source: REMI PI v2.5.0 (build 5955)

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Military Impacts by Type

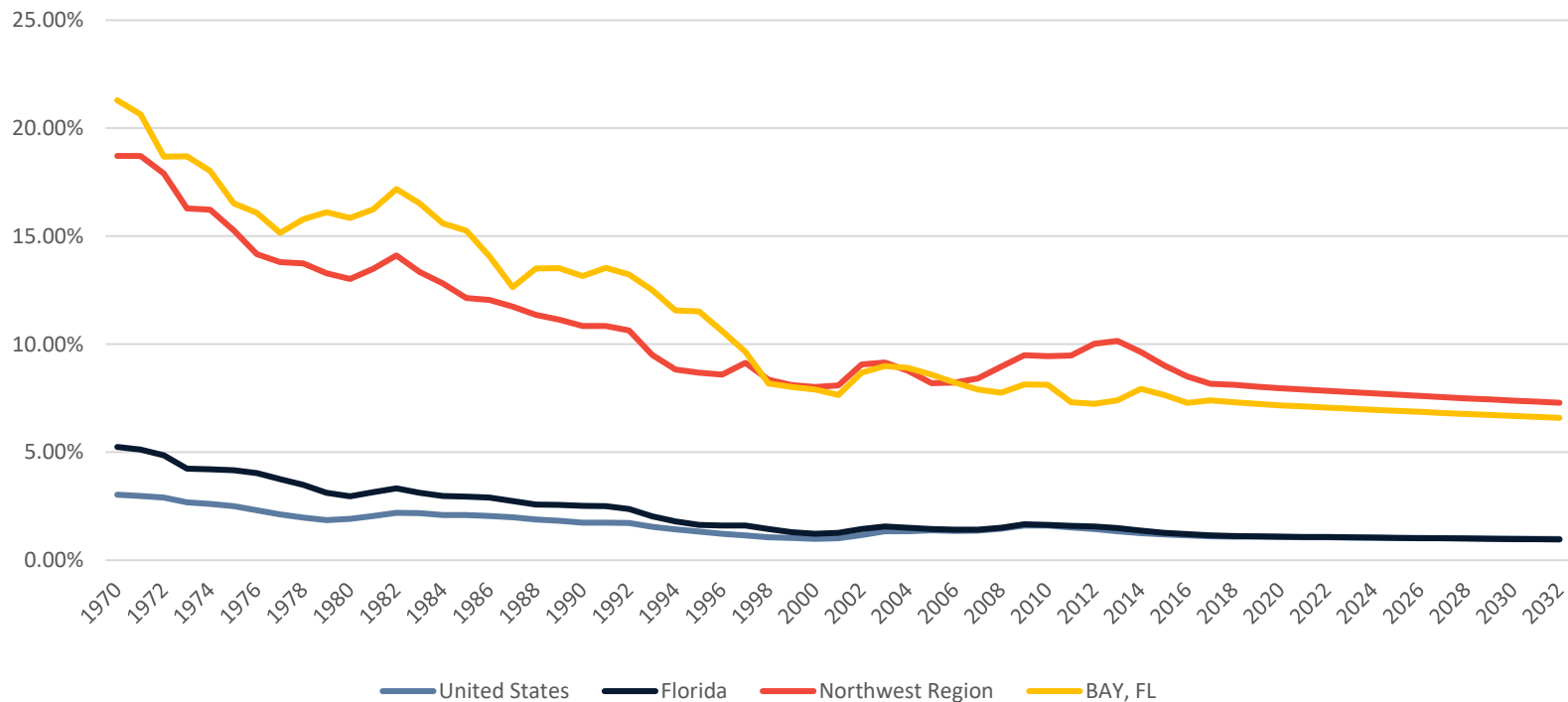
The table above displays the economic impacts (GRP and jobs created) in Bay County by component and source for 2020. The components include procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2020 US Dollars) are displayed directly above the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner. As the data indicate, procurement for the military generated the most jobs in the county (14,357), with military employment trailing relatively close behind at 10,029; military transfers accounted for 3,762 jobs as well.

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Military Share of Total Earnings

Earnings account for the majority of income paid to employees as remuneration for their work and include wage and salary disbursements as well as supplements to wages and salaries. Earnings are therefore a proxy economic impact measure, which is inclusive of more than just wages. The figure below benchmarks the total share of Bay County’s regional income that can be attributed to the military (over time) against the greater Northwest Region, Florida, and the U.S. As the data reflect, the military contributes to a substantially larger share of earnings at the County level than at the national or state level. Nevertheless, as economies continue to diversify, their military share of total earnings has happened to decline. This trend is expected to continue through 2032.

FIGURE 62. MILITARY SHARE OF TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, AND BAY COUNTY FLORIDA



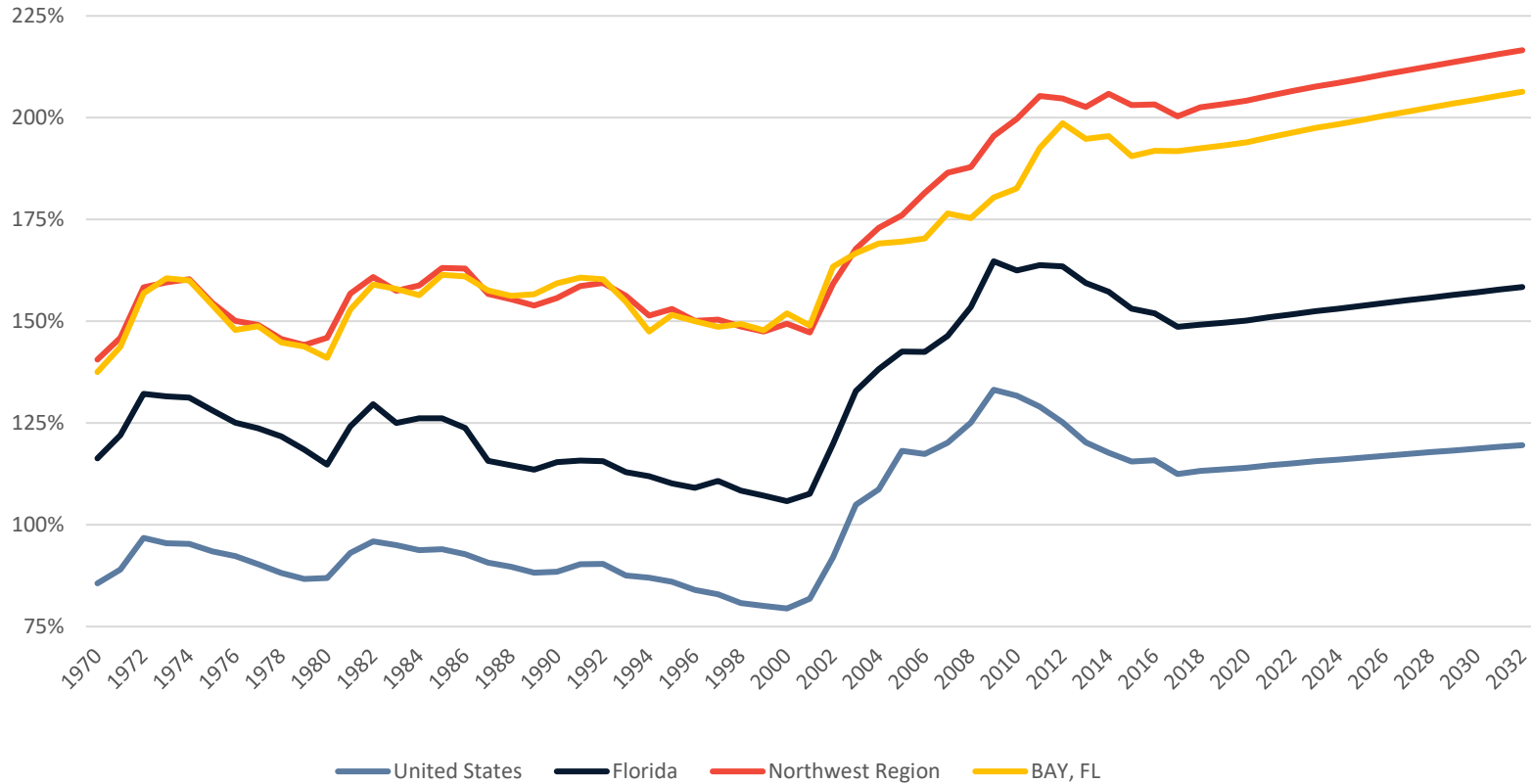
Florida Defense Industry Economic Impact Analysis – 2022 Update



Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It allows us to benchmark the earnings of military employees at the county level against the earning patterns of all workers. The graph below provides a comparison of performance at the county level versus the greater region, state, and the nation.

FIGURE 63. AVERAGE MILITARY EARNINGS VS AVERAGE TOTAL EARNINGS, 1970 -2032: UNITED STATES, FLORIDA, AND BAY COUNTY FLORIDA

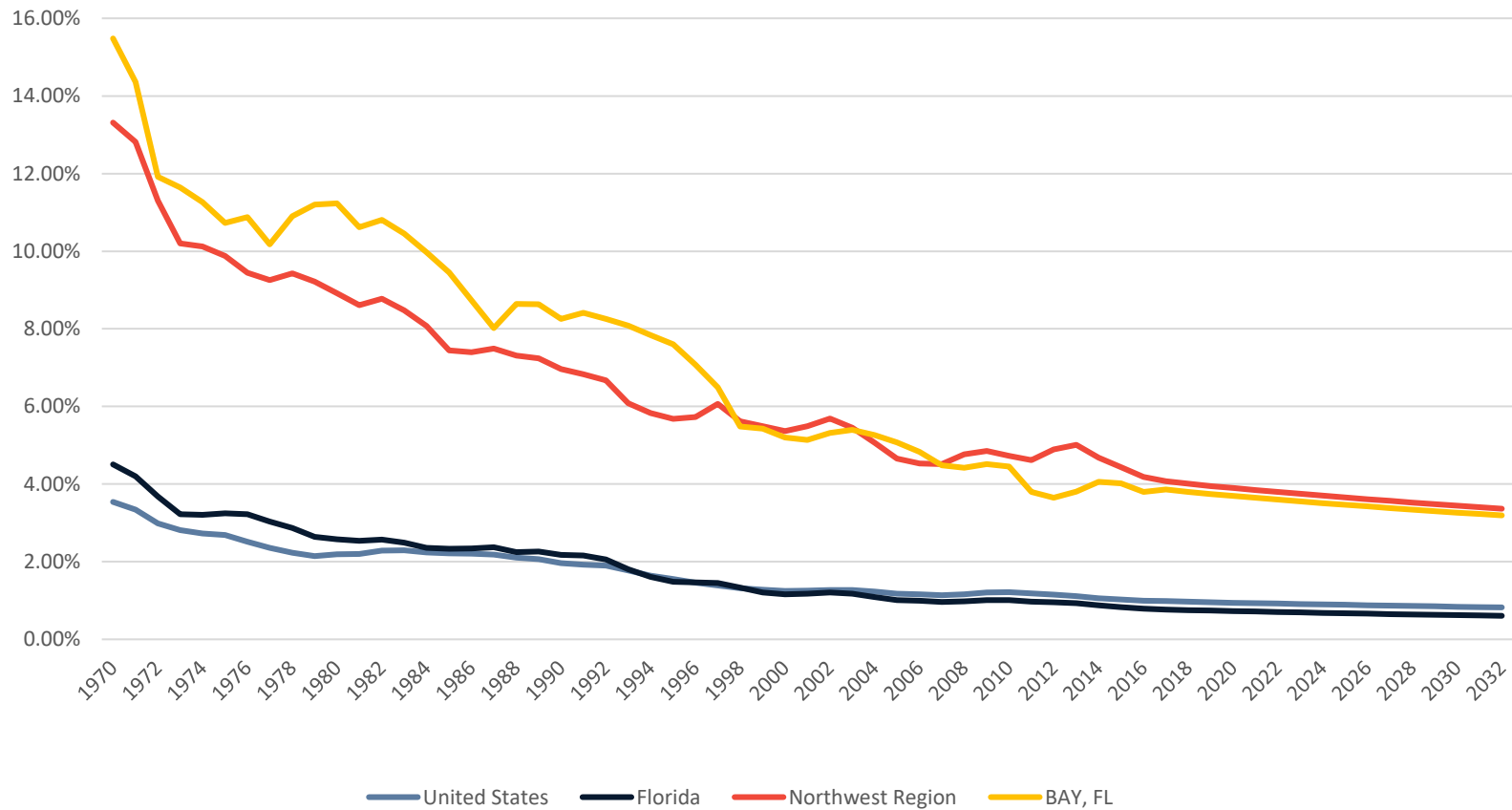


Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Employment as a Share of Total Employment

The figure below presents military employment as a share of total employment for the county, region, state of Florida, and the US. It allows us to benchmark military employment at the county level against the employment patterns of all workers in the region, statewide and nationwide.

FIGURE 64. MILITARY EMPLOYMENT AS A SHARE OF TOTAL EMPLOYMENT, 1970 – 2032: UNITED STATES, FLORIDA, AND BAY COUNTY FLORIDA



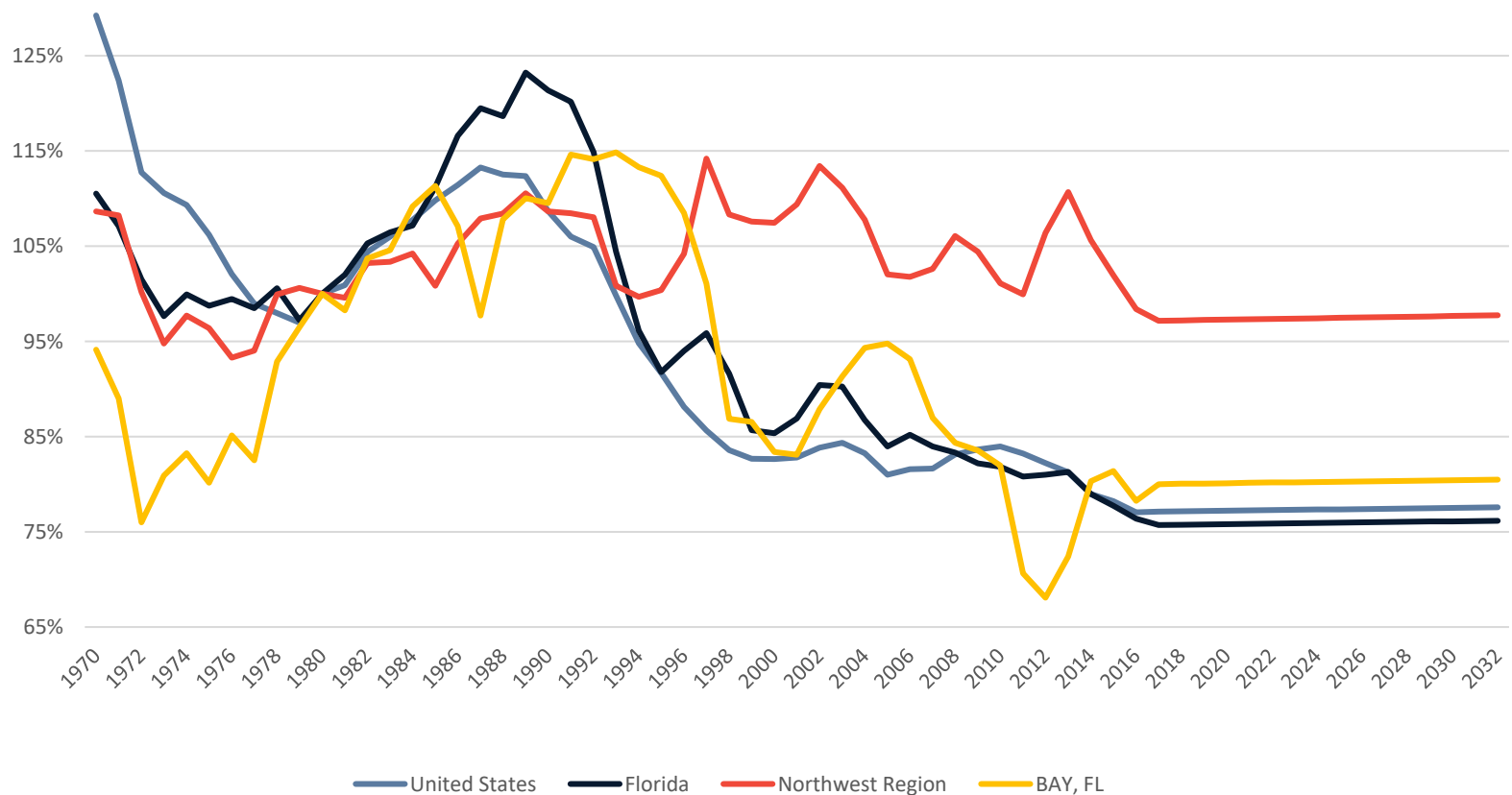
Florida Defense Industry Economic Impact Analysis – 2022 Update



Total Military Employment Indexed to 1980

The figure below presents military employment indexed to 1980 levels. It allows us to compare changes in military employment at the county level against regional, statewide, and national trends in military employment over the past 40 years that appear to remain steady through 2032.

FIGURE 65. TOTAL MILITARY EMPLOYMENT INDEXED TO 1980, 1970 – 2032: UNITED STATES, FLORIDA, AND BAY COUNTY FLORIDA



Demographics and the Regional Economy

The table displayed below presents figures related to regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Personal income, as defined by the Bureau of Economic Analysis (BEA) and REMI, is income that people obtain from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources.

Table 53. Demographic Estimates, Bay County

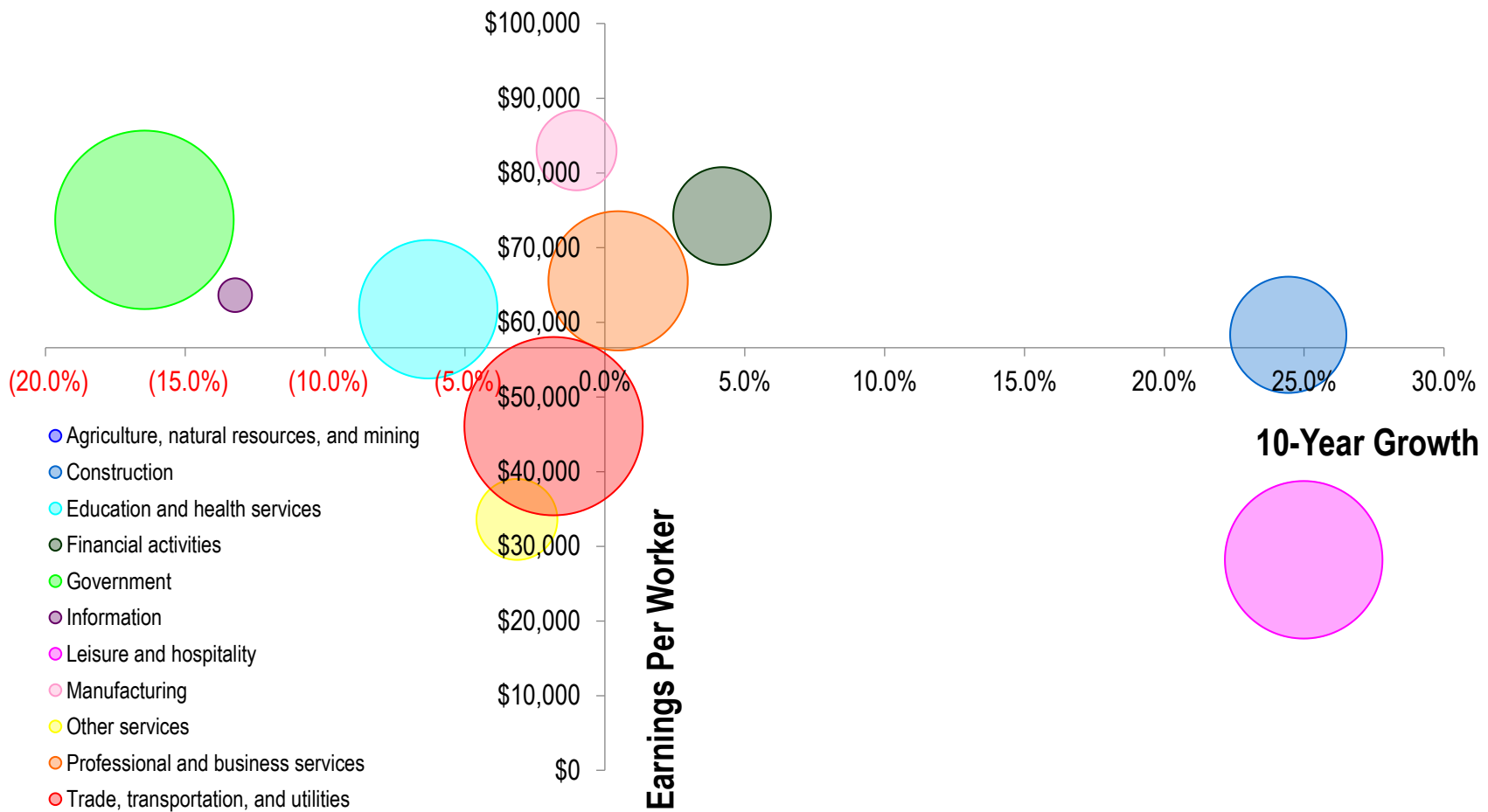
Total Population	Estimate
Population in 2011	169,555
Population in 2021	172,528
Population in 2031	171,736
Growth from 2011 to 2021	1.8%
Growth from 2021 to 2031	-0.5%
Personal Income (Inclusive of all forms of income)	
Regional Personal Income per Capita	\$52,347
Florida Personal Income per Capita	\$57,186

Florida Defense Industry Economic Impact Analysis – 2022 Update

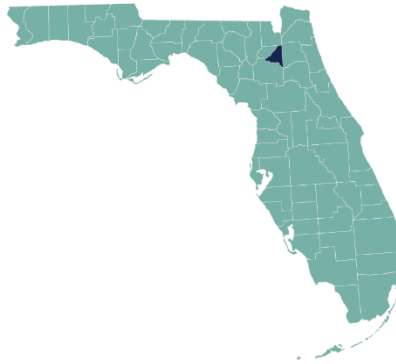


The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and average earnings per worker are displayed on the vertical axis. In order to interpret the graph correctly, the center of the bubble correlates with each industries' respective growth rate and earnings level.

FIGURE 66. REGIONAL INDUSTRY AND EARNINGS GROWTH – BAY COUNTY



Bradford County



Bradford County Summary

Location: North Central Florida Region

Home to: Camp Blanding Joint Training Center

Economic Impact Estimates

Defense activities play a minor role in Bradford County. Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates as indicated in Table 52 to the right. Overall, defense activities injected just over \$64 million into the Bradford County economy in 2020. Approximately 72% of this total was in the form of transfers while procurement and salaries made up 25% and 3%, respectively.

Table 54. Bradford County: Combined Direct Defense Expenditures

Spending Flow	Millions USD
Procurement	\$15.9
Salaries	\$1.8
Transfers	\$46.4
Total Combined Direct Expenditures	\$64.2

FIGURE 67. BRADFORD COUNTY: DISTRIBUTION OF DIRECT DEFENSE

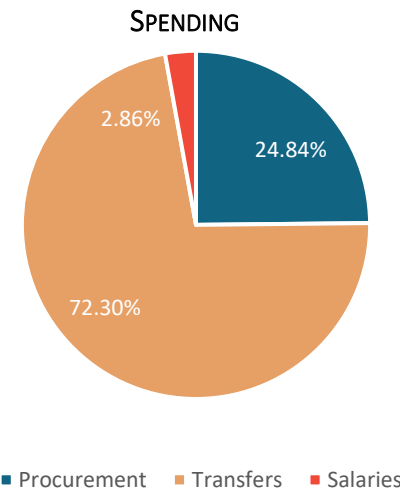




Table 55. Bradford County: Economic Impact Forecast, 2020 – 2024
Current Millions USD

Impact Type	2020	2021	2022	2023	2024
Total Employment	674	662	672	690	709
Gross Regional Product	\$51.10	\$50.76	\$51.66	\$53.02	\$54.44
<i>Total Consumption</i>	\$74.95	\$76.54	\$78.79	\$81.34	\$83.99
<i>Investment Residential</i>	\$17.39	\$17.76	\$18.28	\$18.87	\$19.48
<i>Investment Non-residential</i>	\$4.86	\$4.78	\$4.85	\$4.97	\$5.09
<i>Producer's Durable Equipment</i>	\$4.61	\$4.54	\$4.61	\$4.72	\$4.84
<i>Business Inventories</i>	-\$0.62	-\$0.61	-\$0.62	-\$0.63	-\$0.65
<i>Government</i>	\$16.71	\$16.65	\$16.97	\$17.43	\$17.91
<i>Exports</i>	\$37.34	\$36.20	\$36.52	\$37.40	\$38.30
<i>Imports (subtract)</i>	\$104.14	\$105.09	\$107.74	\$111.08	\$114.54

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

Overall, the military accounted for 674 jobs in Bradford County, in 2020, and \$51.1 million in total Gross Regional Product (GRP - total value of all goods and services produced in the region), which is roughly 7.0% of the county's total estimated 2020 Gross Regional Product (GRP). The total impact for the county is forecast to increase somewhat between 2020 and 2024. Defense activities are forecast to generate 709 jobs and \$54 million of GRP in 2020, up over 100 jobs and \$3 million during that period.

In addition to the employment and GRP estimates, Table 53 provides the constituent components of GRP. As was explained in the introduction, direct defense expenditures expended in the state generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table above. The impact categories are defined as follows:



Florida Defense Industry Economic Impact Analysis – 2022 Update

- Total Employment measures jobs generated by military activities.
- Total Consumption consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- Investment expenditures include residential and non-residential real estate as well as investment in producers' durable equipment and business inventories.
- Government revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- Gross Regional Product is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.



Table 56. Bradford County: Total Economic Impacts by Component, Jobs, and Gross Regional Product (2020)
Millions USD

Bradford	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Economic Impact	\$17	\$0	\$0	\$17
	Total Jobs	306	0	0	306
Employment	Economic Impact	\$9	\$2	\$0	\$11
	Total Jobs	95	15	2	112
Transfers	Economic Impact	\$22	\$0	\$0	\$23
	Total Jobs	255	0	1	256
Totals	Economic Impact	\$49	\$2	\$0	\$51
	Total Jobs	656	15	3	674

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

Military Impacts by Type

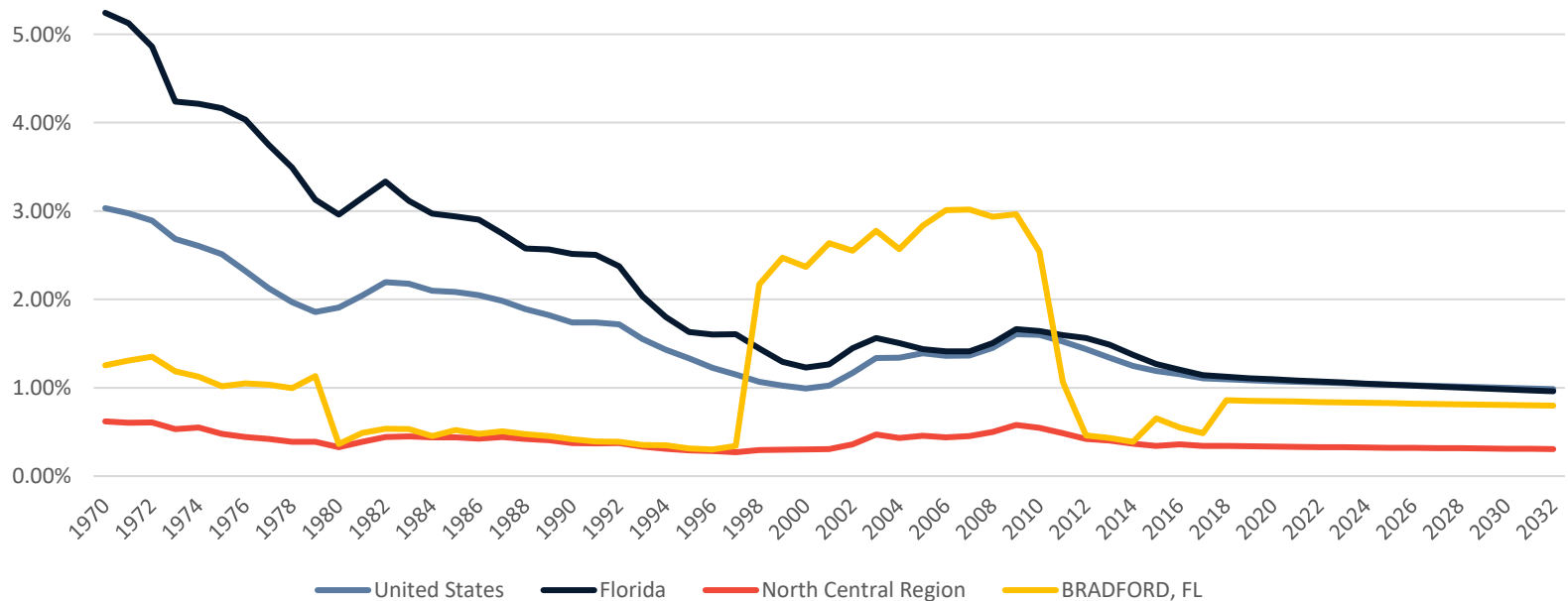
The table above displays the economic impacts (GRP and jobs created) in Bradford County by component and source for 2020. The components include procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2020 US Dollars) are displayed directly above the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner. As the data indicate, procurement for the military generated the most jobs in the county (306), with military transfers close behind at 255; military employment accounted for 95 jobs as well.

Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Share of Total Earnings

Earnings account for the majority of income paid to employees as remuneration for their work and include wage and salary disbursements as well as supplements to wages and salaries. Earnings are therefore a proxy economic impact measure, which is inclusive of more than just wages. The figure below benchmarks the total share of Bradford County’s regional income that can be attributed to the military (over time) against the greater North Central Region, Florida, and the U.S. As the data reflect, the military contributes to a substantially smaller share of earnings at the County level than at the national or state level, except for the years between 1998 and 2012. Nevertheless, as economies continue to diversify, their military share of total earnings has happened to decline. This trend is expected to continue through 2032.

FIGURE 68. MILITARY SHARE OF THE TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, NORTH CENTRAL FLORIDA REGION, AND BRADFORD COUNTY



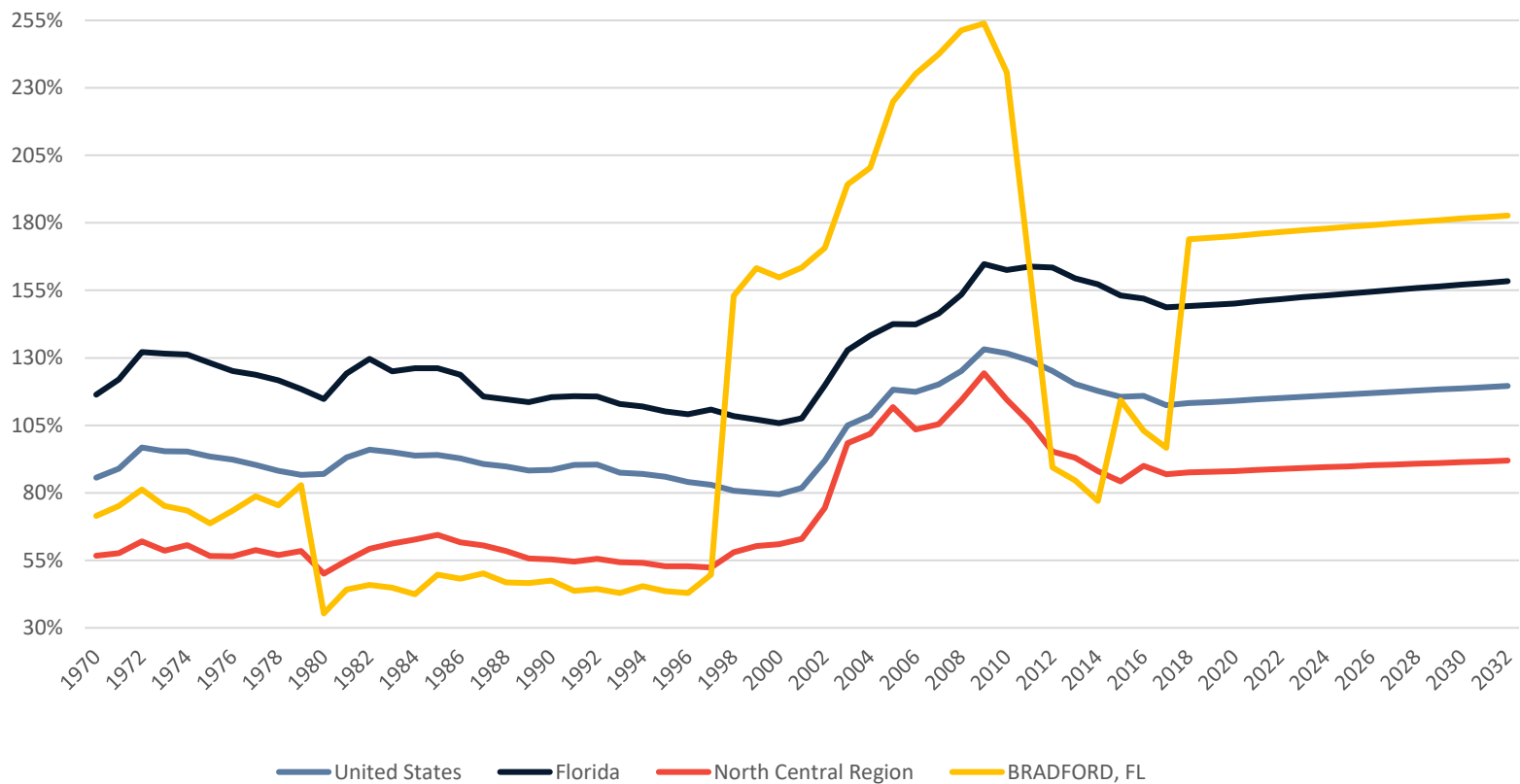
Florida Defense Industry Economic Impact Analysis – 2022 Update



Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It allows us to benchmark the earnings of military employees at the county level against the earning patterns of all workers. The graph below provides a comparison of performance at the county level versus the greater region, state, and the nation.

FIGURE 69. AVERAGE MILITARY EARNINGS VS AVERAGE TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, NORTH CENTRAL REGION, AND BRADFORD COUNTY

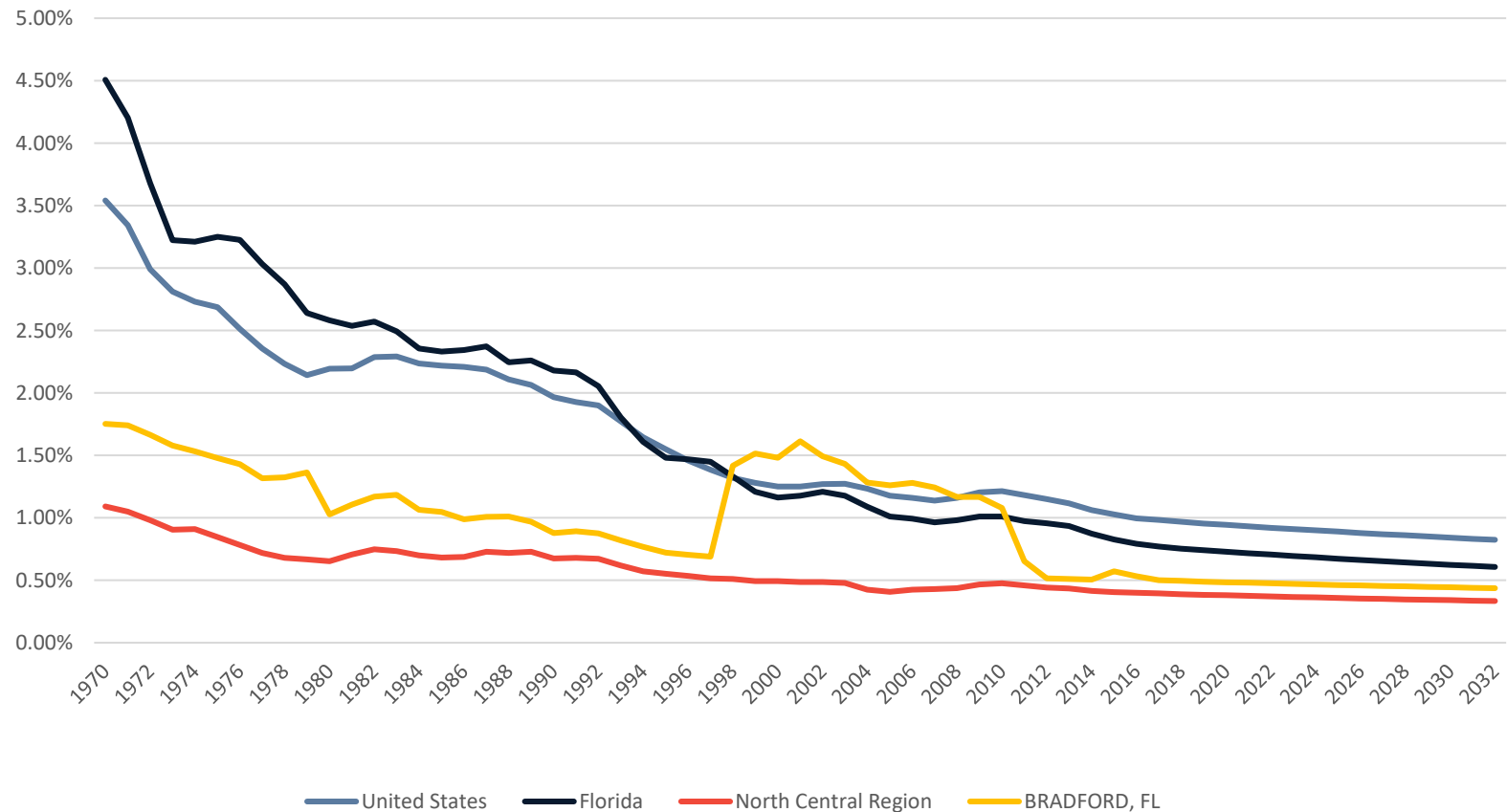


Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Employment as a Share of Total Employment

The figure below presents military employment as a share of total employment for the county, region, state of Florida, and the US. It allows us to benchmark military employment at the county level against the employment patterns of all workers in the region, statewide and nationwide.

FIGURE 70. MILITARY EMPLOYMENT AS A SHARE OF TOTAL EMPLOYMENT, 1970 – 2032: UNITED STATES, FLORIDA, NORTH CENTRAL REGION, BRADFORD COUNTY



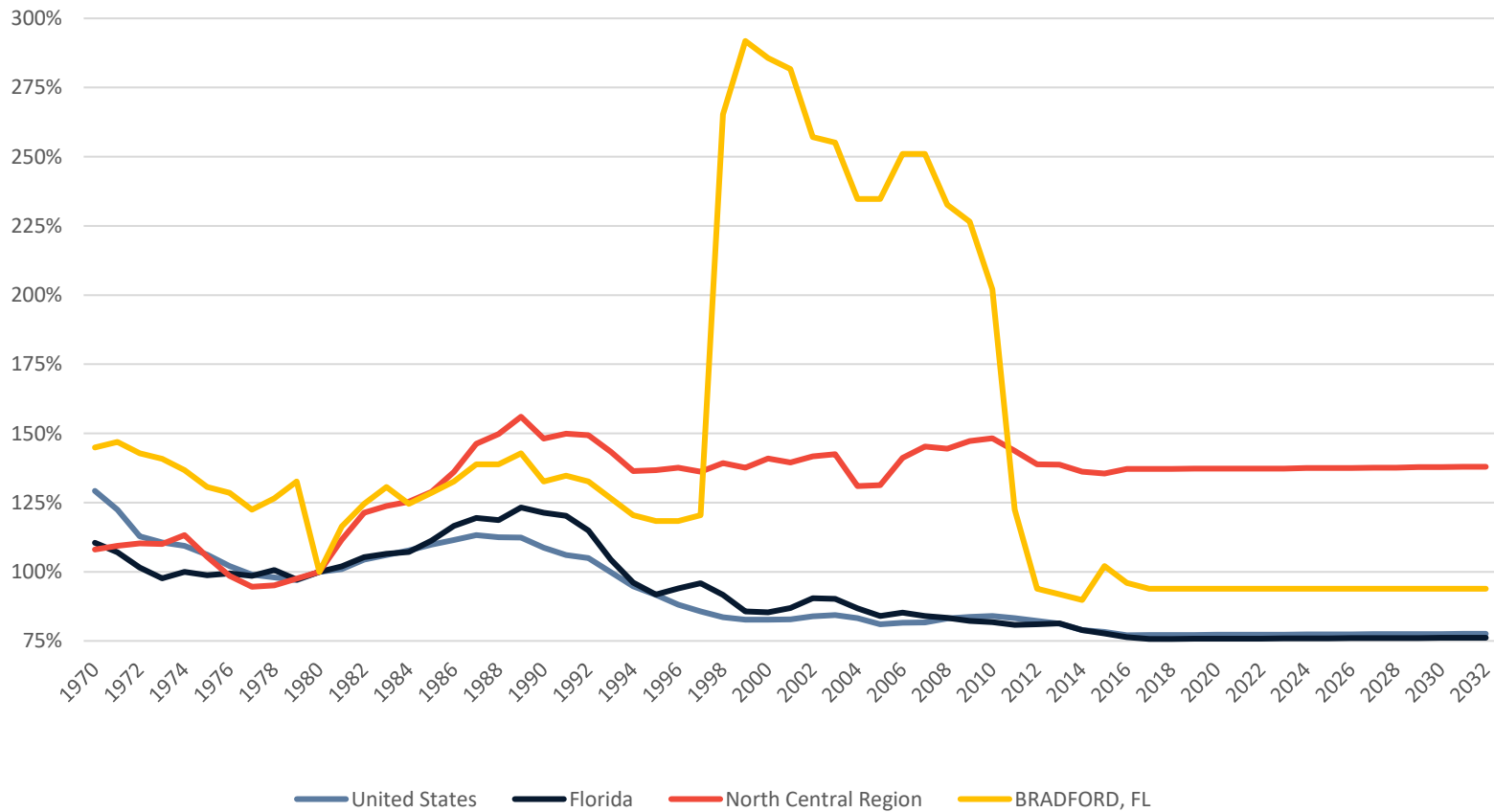
Florida Defense Industry Economic Impact Analysis – 2022 Update



Change in Military Employment

The figure below presents military employment indexed to 1980 levels. It allows us to compare changes in military employment at the county level against regional, statewide, and national trends in military employment over the past 40 years that appear to remain steady through 2032.

FIGURE 71. TOTAL MILITARY EMPLOYMENT INDEXED TO 1980, 1970 – 2032: UNITED STATES, FLORIDA, NORTH CENTRAL FL, AND BRADFORD COUNTY



Demographics and the Regional Economy

The table displayed below presents figures related to regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Personal income, as defined by the Bureau of Economic Analysis (BEA) and REMI, is income that people obtain from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources.

Table 57. Demographic Estimates, Bradford County

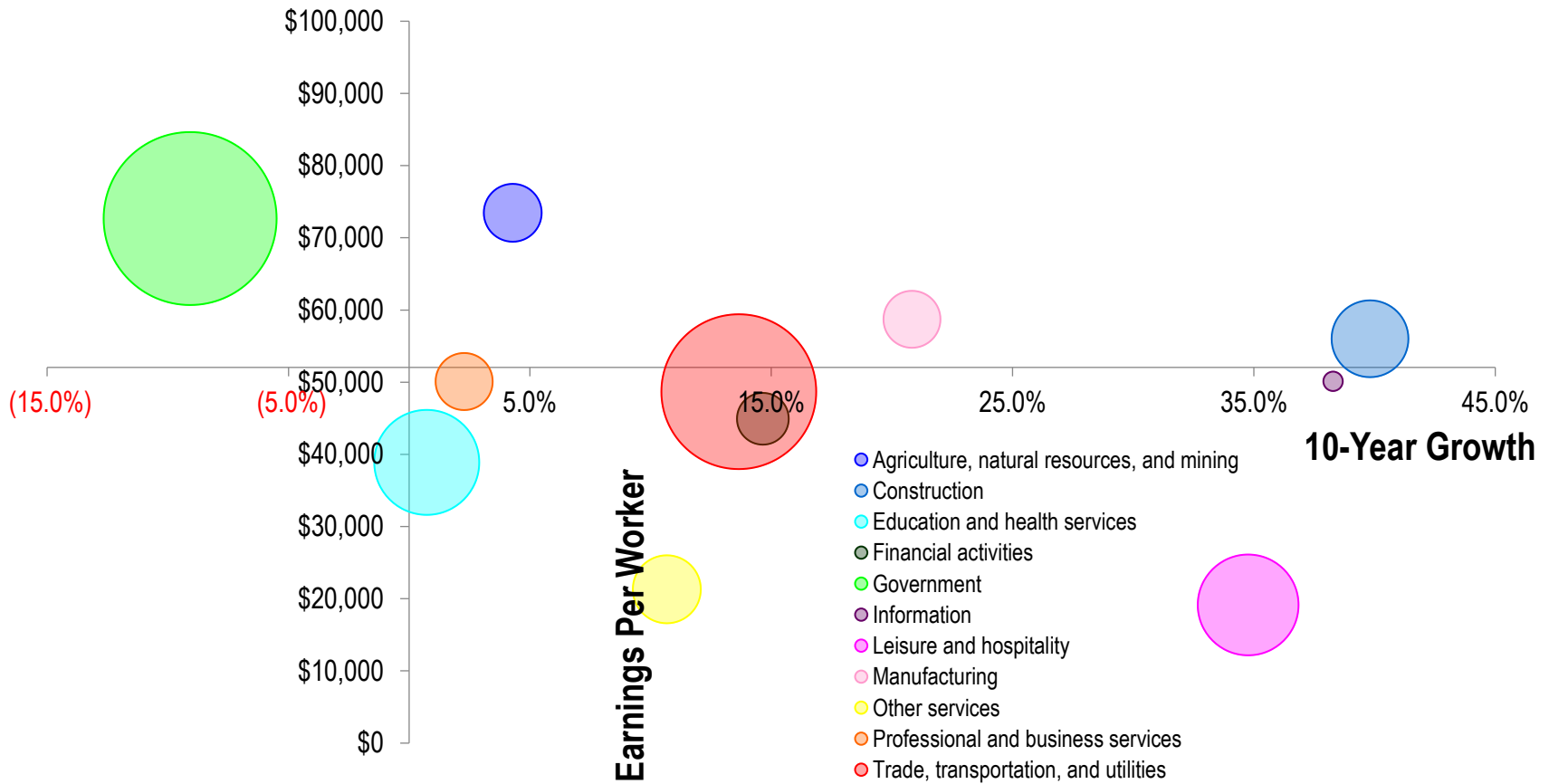
Total Population	Estimate
Population in 2011	28,431
Population in 2021	28,144
Population in 2031	27,692
Growth from 2011 to 2021	-1.0%
Growth from 2021 to 2031	-1.6%
Personal Income (Inclusive of all forms of income)	
Regional Personal Income per Capita	\$38,972
Florida Personal Income per Capita	\$57,186

Florida Defense Industry Economic Impact Analysis – 2022 Update

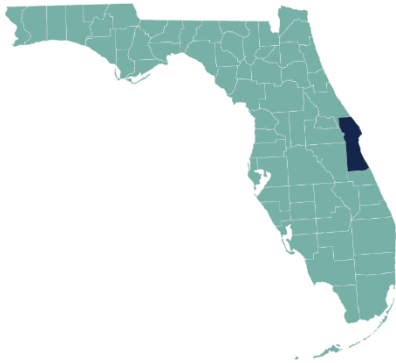


The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and average earnings per worker are displayed on the vertical axis. In order to interpret the graph correctly, the center of the bubble correlates with each industries' respective growth rate and earnings level.

FIGURE 72. REGIONAL INDUSTRY AND EARNINGS GROWTH – BRADFORD COUNTY



Brevard County



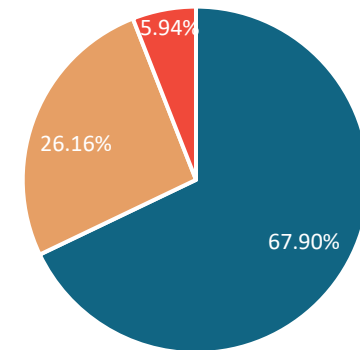
Economic Impact Estimates

Defense activities play a significant role in the Brevard County economy. Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates produced in Table 56. Procurement accounted for the largest share at 68% or roughly \$3.1 billion of the \$4.55 billion total. Salaries accounted for \$270 million or 6%, and transfers accounted for \$1.2 billion or 26%.

Table 58. Brevard County: Combined Direct Defense Expenditures

Spending Flow	Millions USD
Procurement	\$3,091.4
Salaries	\$270.5
Transfers	\$1,191.1
Total Combined Direct Expenditures	\$4,553.0

FIGURE 73. BREVARD COUNTY: DISTRIBUTION OF DIRECT DEFENSE SPENDING



■ Procurement ■ Transfers ■ Salaries



Table 59. Brevard County: Economic Impact Forecast, 2020 – 2024
Current Millions USD

Impact Type	2020	2021	2022	2023	2024
Total Employment	57,247	55,458	55,885	57,130	58,408
Gross Regional Product	\$6,753.38	\$6,533.14	\$6,569.93	\$6,701.24	\$6,835.97
<i>Total Consumption</i>	\$3,750.47	\$3,700.17	\$3,759.84	\$3,861.11	\$3,965.65
<i>Investment Residential</i>	\$879.65	\$867.51	\$881.35	\$905.02	\$929.45
<i>Investment Non-residential</i>	\$238.94	\$230.64	\$232.55	\$238.24	\$244.08
<i>Producer's Durable Equipment</i>	\$145.81	\$140.74	\$141.91	\$145.38	\$148.94
<i>Business Inventories</i>	-\$91.65	-\$86.71	-\$86.86	-\$88.86	-\$90.92
<i>Government</i>	\$281.57	\$271.17	\$273.17	\$279.73	\$286.47
<i>Exports</i>	\$5,688.21	\$5,442.52	\$5,440.89	\$5,528.06	\$5,616.96
<i>Imports (subtract)</i>	\$4,139.62	\$4,032.91	\$4,072.93	\$4,167.43	\$4,264.66

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

Overall, the military was responsible for over 57,000 jobs in Brevard County, in 2020, and just over \$6.7 billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region), which is roughly 21.5% of the county's estimated 2020 Gross Regional Product. The total impacts for the county are forecasted to decline slightly into 2022 before increasing again through 2024. Defense activities are forecast to generate 58,408 jobs and \$6.8 billion of GRP in 2024. This amounts to nearly 1,200 more jobs resulting from defense activities.

In addition to the employment and GRP estimates, Table 57 provides the constituent components of GRP. As was explained in the introduction, direct defense expenditures expended in the state generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table above. The impact categories are defined as follows:



Florida Defense Industry Economic Impact Analysis – 2022 Update

- Total Employment measures jobs generated by military activities.
- Total Consumption consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- Investment expenditures include residential and non-residential real estate as well as investment in producers' durable equipment and business inventories.
- Government revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- Gross Regional Product is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.



Table 60. Brevard County: Total Economic Impacts by Component, Jobs, and Gross Regional Product (2020)
Millions USD

Brevard	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Economic Impact	\$3,703	\$0	\$3	\$3,705
	Total Jobs	31,856	0	25	31,881
Employment	Economic Impact	\$1,672	\$175	\$120	\$1,967
	Total Jobs	11,496	1,170	717	13,383
Transfers	Economic Impact	\$1,071	\$0	\$10	\$1,081
	Total Jobs	11,874	0	109	11,983
Totals	Economic Impact	\$6,446	\$175	\$133	\$6,753
	Total Jobs	55,226	1,170	851	57,247

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

Military Impacts by Type

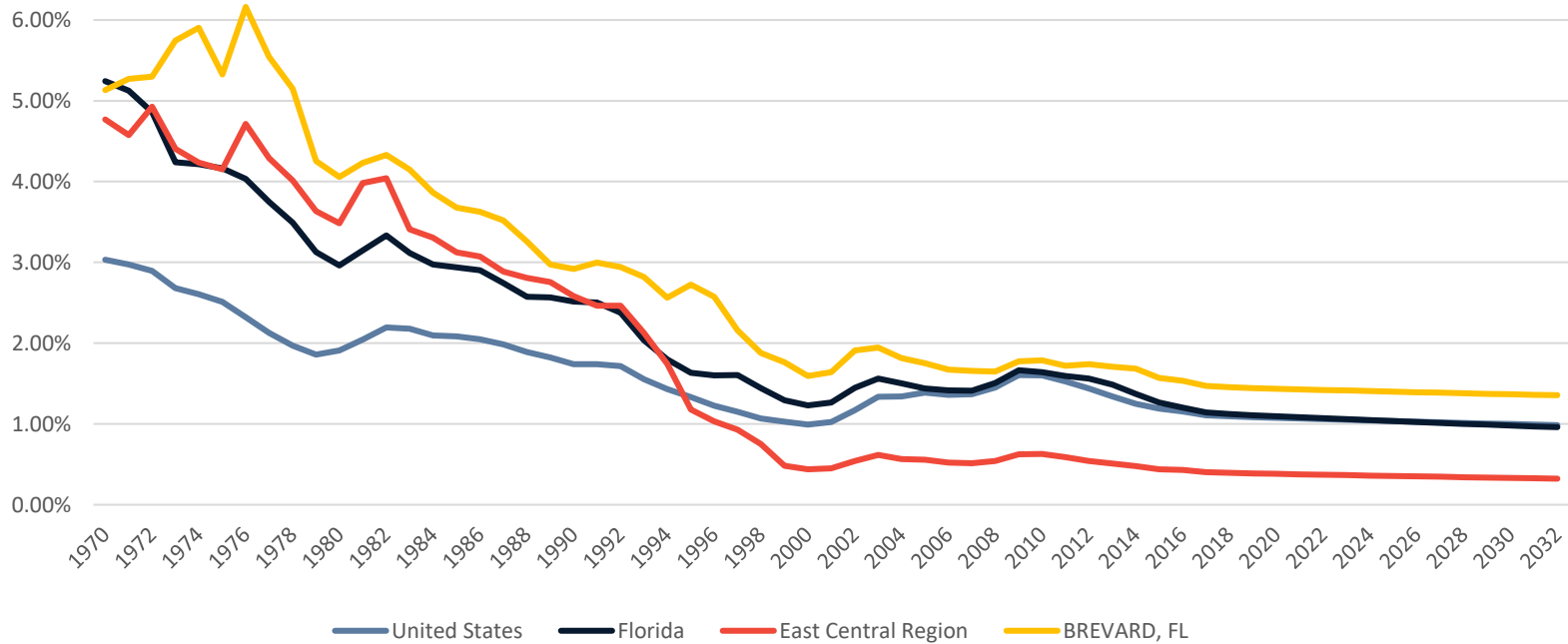
The table above displays the economic impacts (GRP and jobs created) in Brevard County by component and source for 2020. The components include procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2020 US Dollars) are displayed directly above the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner. As the data indicate, procurement for the military generated the most jobs in the county at 31,856, military transfers generated 11,874 jobs while military employment accounted for 11,496 jobs as well.

Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Share of Total Earnings

Earnings account for the majority of income paid to employees as remuneration for their work and include wage and salary disbursements as well as supplements to wages and salaries. Earnings are therefore a proxy economic impact measure, which is inclusive of more than just wages. The figure below benchmarks the total share of Brevard County’s regional income that can be attributed to the military (over time) against the greater East Central Region, Florida, and the U.S. As the data reflect, the military contributes to a similar share of earnings at the County level compared to the national or state level. Nevertheless, as economies continue to diversify, their military share of total earnings has happened to decline. This trend is expected to continue through 2032.

FIGURE 74. MILITARY SHARE OF TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, EAST CENTRAL REGION, AND BREVARD COUNTY



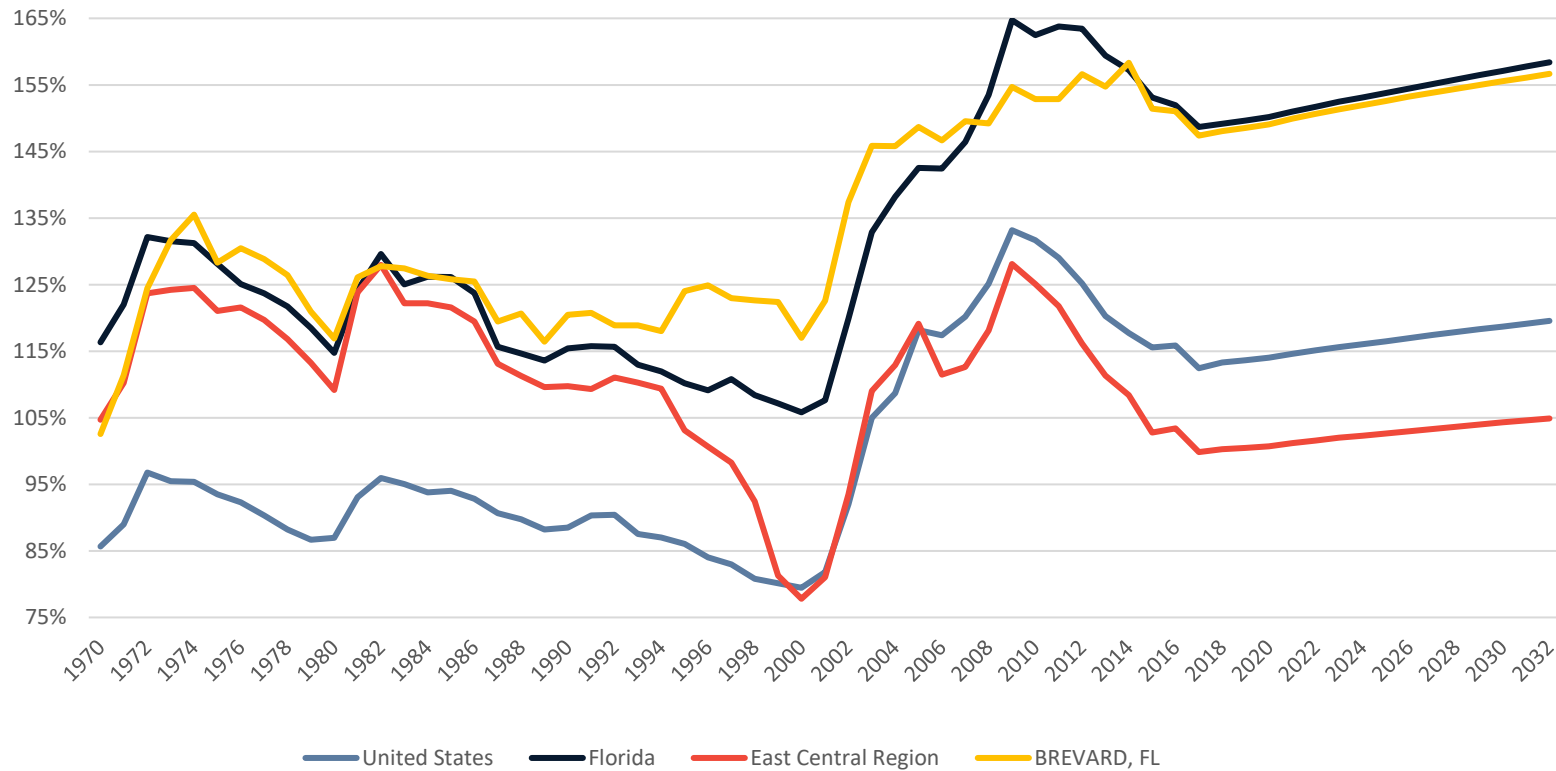
Florida Defense Industry Economic Impact Analysis – 2022 Update



Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It allows us to benchmark the earnings of military employees at the county level against the earning patterns of all workers. The graph below provides a comparison of performance at the county level versus the greater region, state, and the nation.

FIGURE 75. AVERAGE MILITARY EARNINGS VS AVERAGE TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, EAST CENTRAL FL, & BREVARD COUNTY

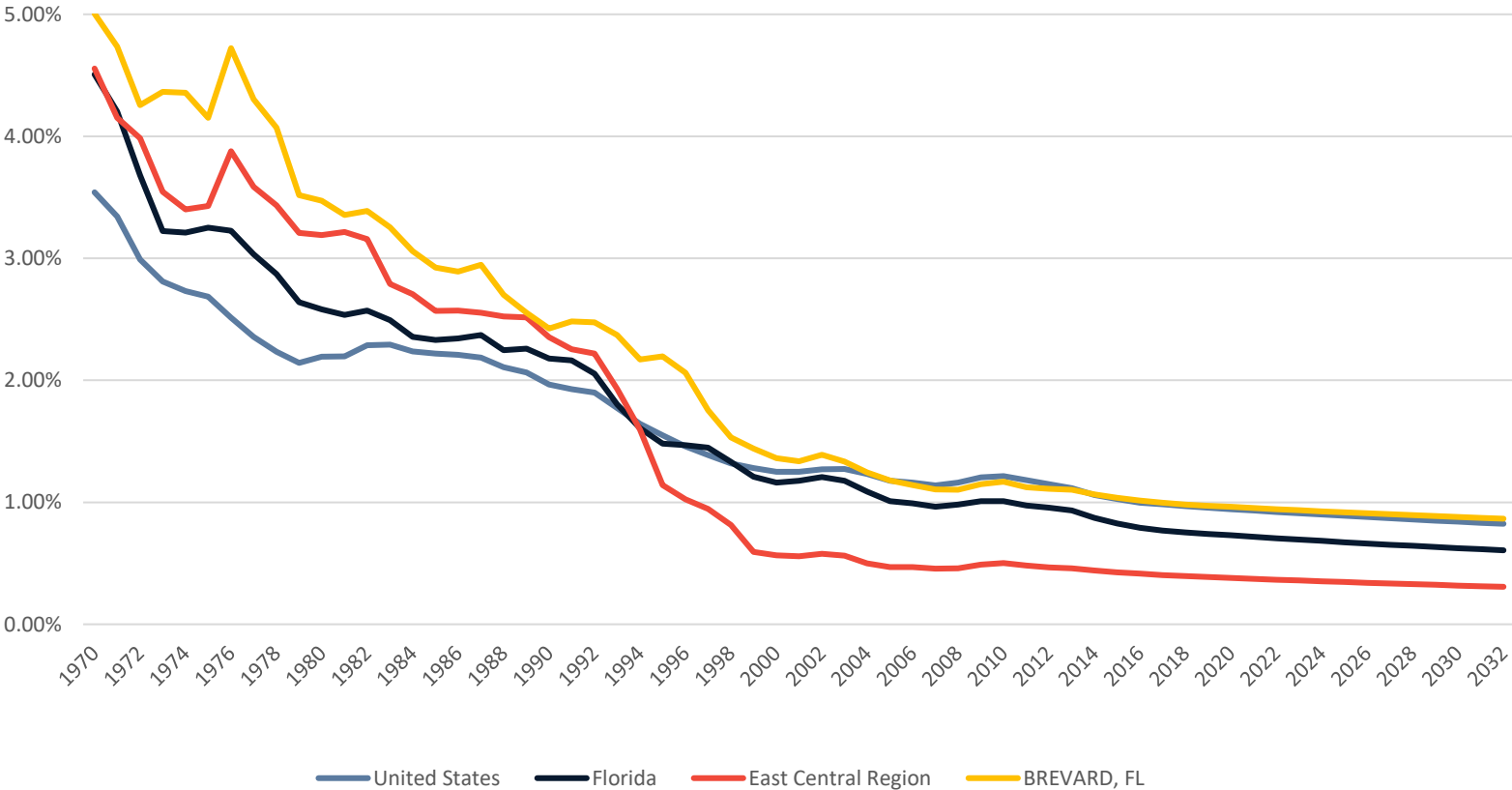


Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Employment as a Share of Total Employment

The figure below presents military employment as a share of total employment for the county, region, state of Florida, and the US. It allows us to benchmark military employment at the county level against the employment patterns of all workers in the region, statewide and nationwide.

FIGURE 76. MILITARY EMPLOYMENT AS A SHARE OF TOTAL EMPLOYMENT, 1970 – 2032: UNITED STATES, FL, EAST CENTRAL FL, & BREVARD COUNTY



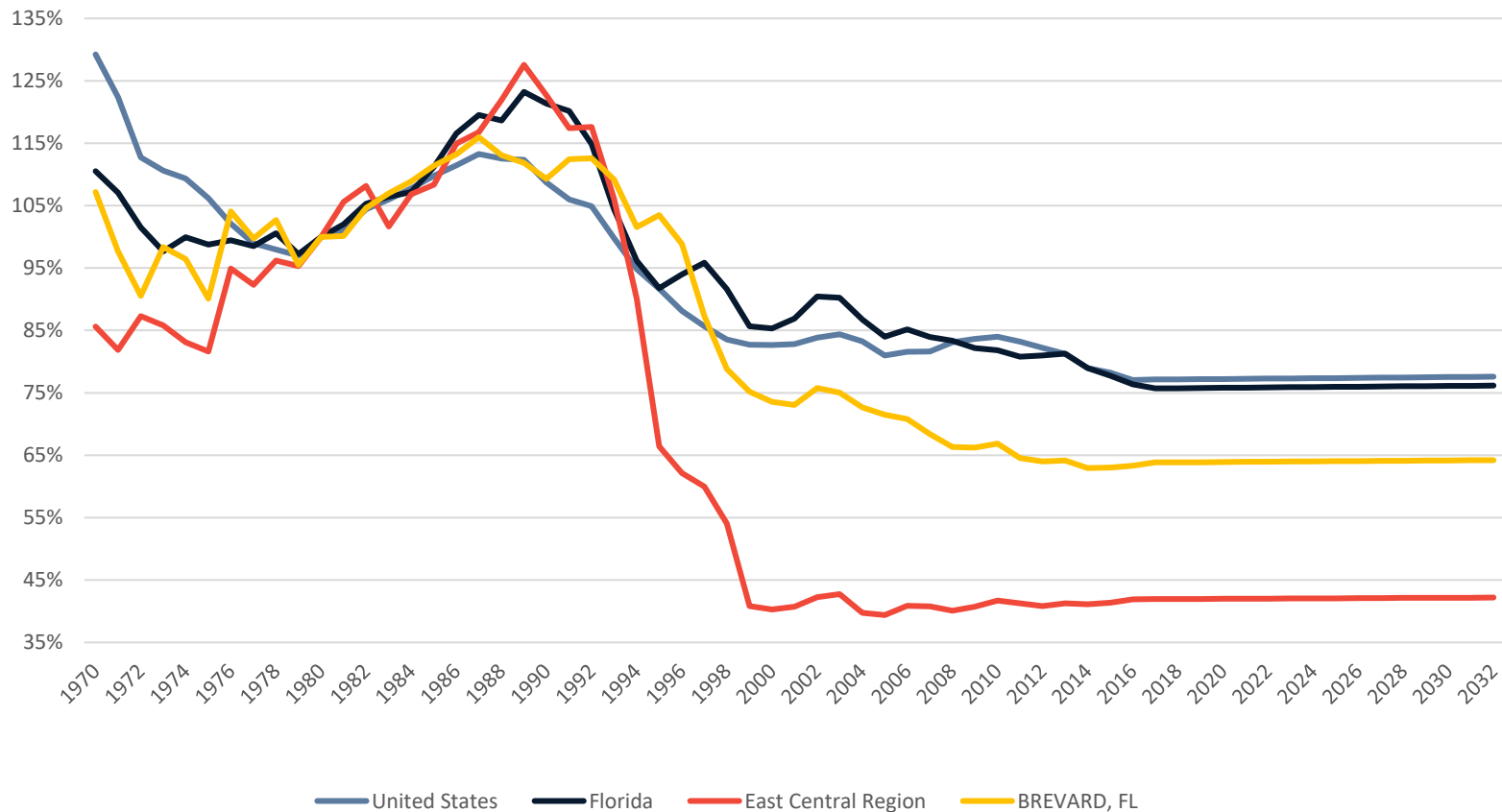
Florida Defense Industry Economic Impact Analysis – 2022 Update



Change in Military Employment

The figure below presents military employment indexed to 1980 levels. It allows us to compare changes in military employment at the county level against regional, statewide, and national trends in military employment over the past 40 years that appear to remain steady through 2032.

FIGURE 77. TOTAL MILITARY EMPLOYMENT INDEXED TO 1980, 1970 – 2032: UNITED STATES, FLORIDA, EAST CENTRAL REGION, AND BREVARD COUNTY



Demographics and the Regional Economy

The table displayed below presents figures related to regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Personal income, as defined by the Bureau of Economic Analysis (BEA) and REMI, is income that people obtain from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources.

Table 61. Demographic Estimates, Brevard County

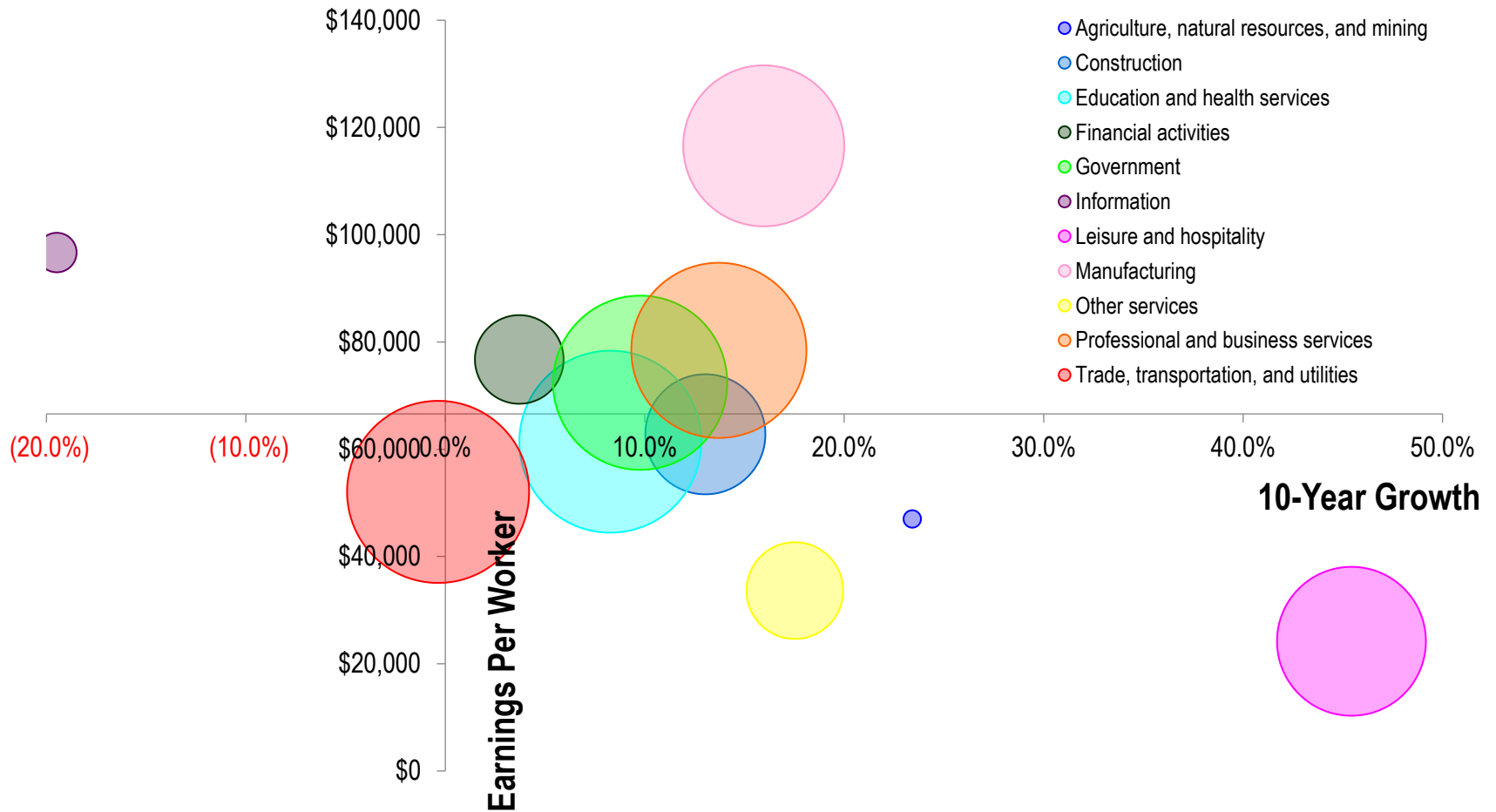
Total Population	Estimate
Population in 2011	544,359
Population in 2021	625,944
Population in 2031	698,880
Growth from 2011 to 2021	15.0%
Growth from 2021 to 2031	11.7%
Personal Income (Inclusive of all forms of income)	
Regional Personal Income per Capita	\$53,011
Florida Personal Income per Capita	\$57,186

Florida Defense Industry Economic Impact Analysis – 2022 Update

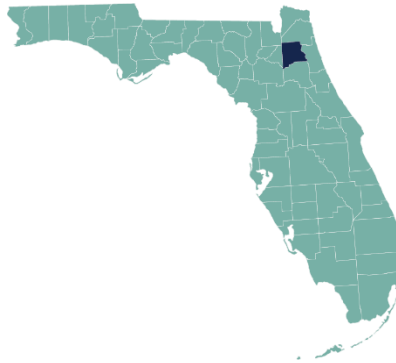


The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and average earnings per worker are displayed on the vertical axis. In order to interpret the graph correctly, the center of the bubble correlates with each industries' respective growth rate and earnings level.

FIGURE 78. REGIONAL INDUSTRY AND EARNINGS GROWTH – BREVARD COUNTY



Clay County



Clay County Summary

Location: North East Florida Region

Home to: Camp Blanding Joint Training Center

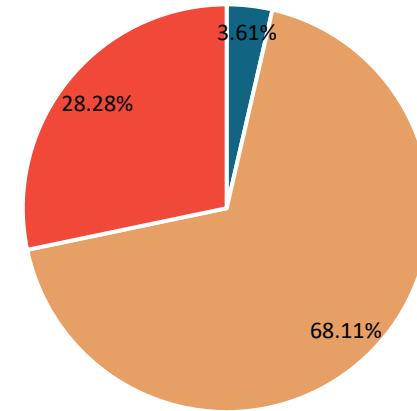
Economic Impact Estimates

Military spending, summed with the National Guard and the Coast Guard, totals to the Combined Direct Expenditure estimates as indicated in Table 60. Transfers accounted for the largest direct share at 68% or roughly \$586 million of the \$861 million total. Salaries accounted for \$243 million or 28%, and procurement accounted for \$31 million or 4%.

Table 62. Clay County: Combined Direct Defense Expenditures

Spending Flow	Millions USD
Procurement	\$31.1
Salaries	\$243.4
Transfers	\$586.4
Total Combined Direct Expenditures	\$860.9

FIGURE 79. CLAY COUNTY: DISTRIBUTION OF DIRECT DEFENSE SPENDING



■ Procurement ■ Transfers ■ Salaries



Table 63. Clay County: Economic Impact Forecast, 2020 – 2024
Current Millions USD

Impact Type	2020	2021	2022	2023	2024
Total Employment	10,186	10,292	10,481	10,709	10,946
Gross Regional Product	\$845.58	\$853.69	\$868.69	\$886.94	\$905.86
<i>Total Consumption</i>	\$1,174.70	\$1,196.60	\$1,227.24	\$1,262.16	\$1,298.41
<i>Investment Residential</i>	\$271.91	\$276.89	\$283.93	\$291.96	\$300.29
<i>Investment Non-residential</i>	\$38.54	\$39.04	\$39.90	\$40.93	\$42.00
<i>Producer's Durable Equipment</i>	\$22.66	\$22.95	\$23.46	\$24.06	\$24.69
<i>Business Inventories</i>	-\$3.01	-\$3.00	-\$3.05	-\$3.12	-\$3.19
<i>Government</i>	\$100.71	\$101.65	\$103.69	\$106.21	\$108.82
<i>Exports</i>	\$369.89	\$367.77	\$369.33	\$372.52	\$375.80
<i>Imports (subtract)</i>	\$1,129.83	\$1,148.21	\$1,175.80	\$1,207.78	\$1,240.97

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

In 2020, the military accounted for 10,186 jobs in Clay County and over \$845 million dollars in total Gross Regional Product (GRP - total value of all goods and services produced in the region); this is roughly 13.5% of the county's estimated 2020 Gross Regional Product. The total impact for the county is forecast to grow steadily between 2020 and 2024. Defense activities are forecast to generate 10,946 jobs and \$906 million in 2024, resulting in roughly 800 additional jobs and \$60 million in additional GRP.

In addition to the employment and GRP estimates, Table 61 provides the constituent components of GRP. As was explained in the introduction, direct defense expenditures expended in the state generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table above. The impact categories are defined as follows:



Florida Defense Industry Economic Impact Analysis – 2022 Update

- Total Employment measures jobs generated by military activities.
- Total Consumption consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- Investment expenditures include residential and non-residential real estate as well as investment in producers' durable equipment and business inventories.
- Government revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- Gross Regional Product is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.



Table 64. Clay County: Total Economic Impacts by Component, Jobs, and Gross Regional Product (2020)
Millions USD

Clay	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Economic Impact	\$106	\$0	\$0	\$106
	Total Jobs	1,260	0	0	1,260
Employment	Economic Impact	\$321	\$49	\$4	\$373
	Total Jobs	3,715	550	49	4,314
Transfers	Economic Impact	\$364	\$0	\$2	\$367
	Total Jobs	4,585	0	27	4,612
Totals	Economic Impact	\$791	\$49	\$6	\$846
	Total Jobs	9,560	550	76	10,186

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

Military Impacts by Type

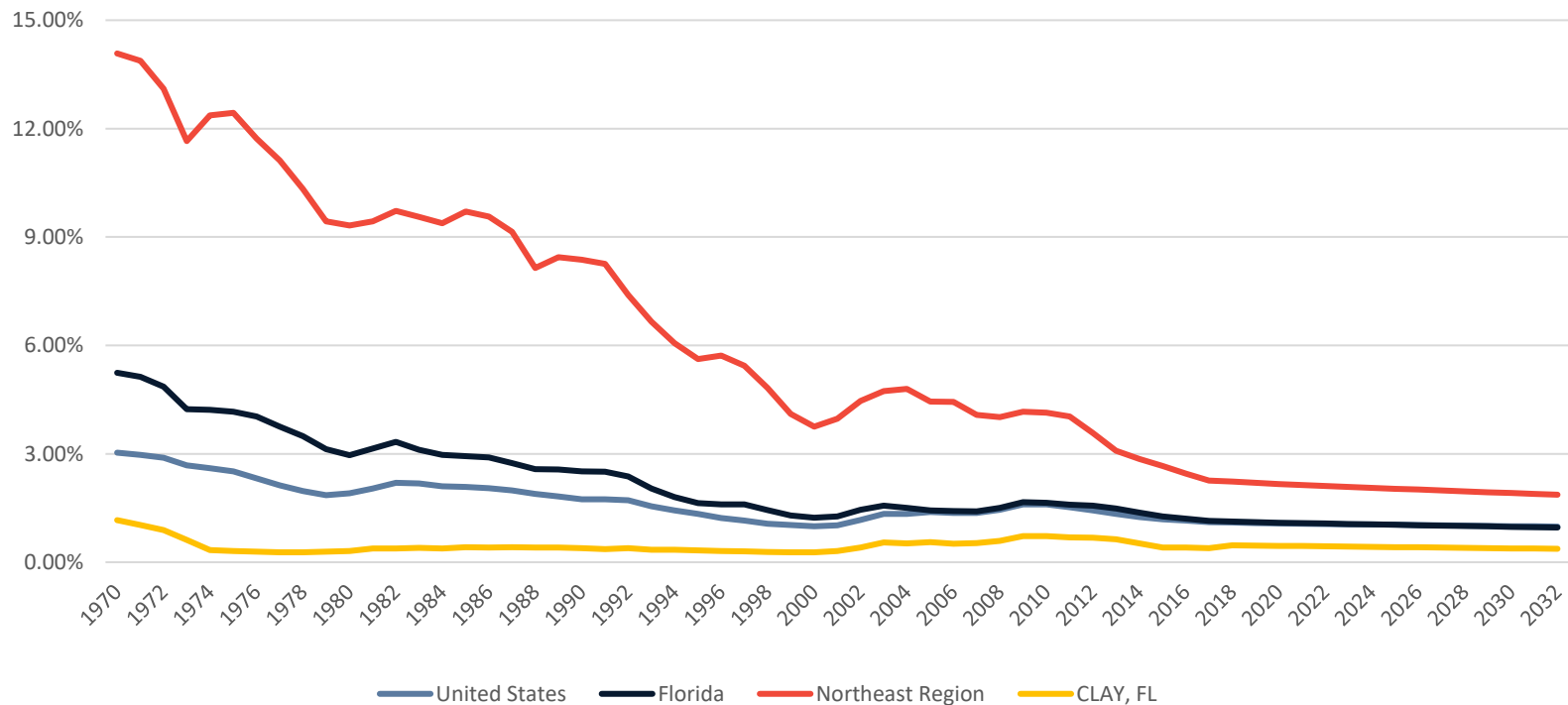
The table above displays the economic impacts (GRP and jobs created) in Clay County by component and source for 2020. The components include procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2020 US Dollars) are displayed directly above the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner. As the data indicate, military transfers generated the most jobs in the county at 4,585, military employment generated 3,715 jobs while military procurement accounted for 1,260 jobs as well.

Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Share of Total Earnings

Earnings account for the majority of income paid to employees as remuneration for their work and include wage and salary disbursements as well as supplements to wages and salaries. Earnings are therefore a proxy economic impact measure, which is inclusive of more than just wages. The figure below benchmarks the total share of Clay County’s regional income that can be attributed to the military (over time) against the greater Northeast Region, Florida, and the U.S. As the data reflect, the military contributes to a substantially smaller share of earnings at the County level than at the national or state level. Nevertheless, as economies continue to diversify, their military share of total earnings has happened to decline. This trend is expected to continue through 2032.

FIGURE 80. MILITARY SHARE OF TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, NORTHEAST REGION, AND CLAY COUNTY



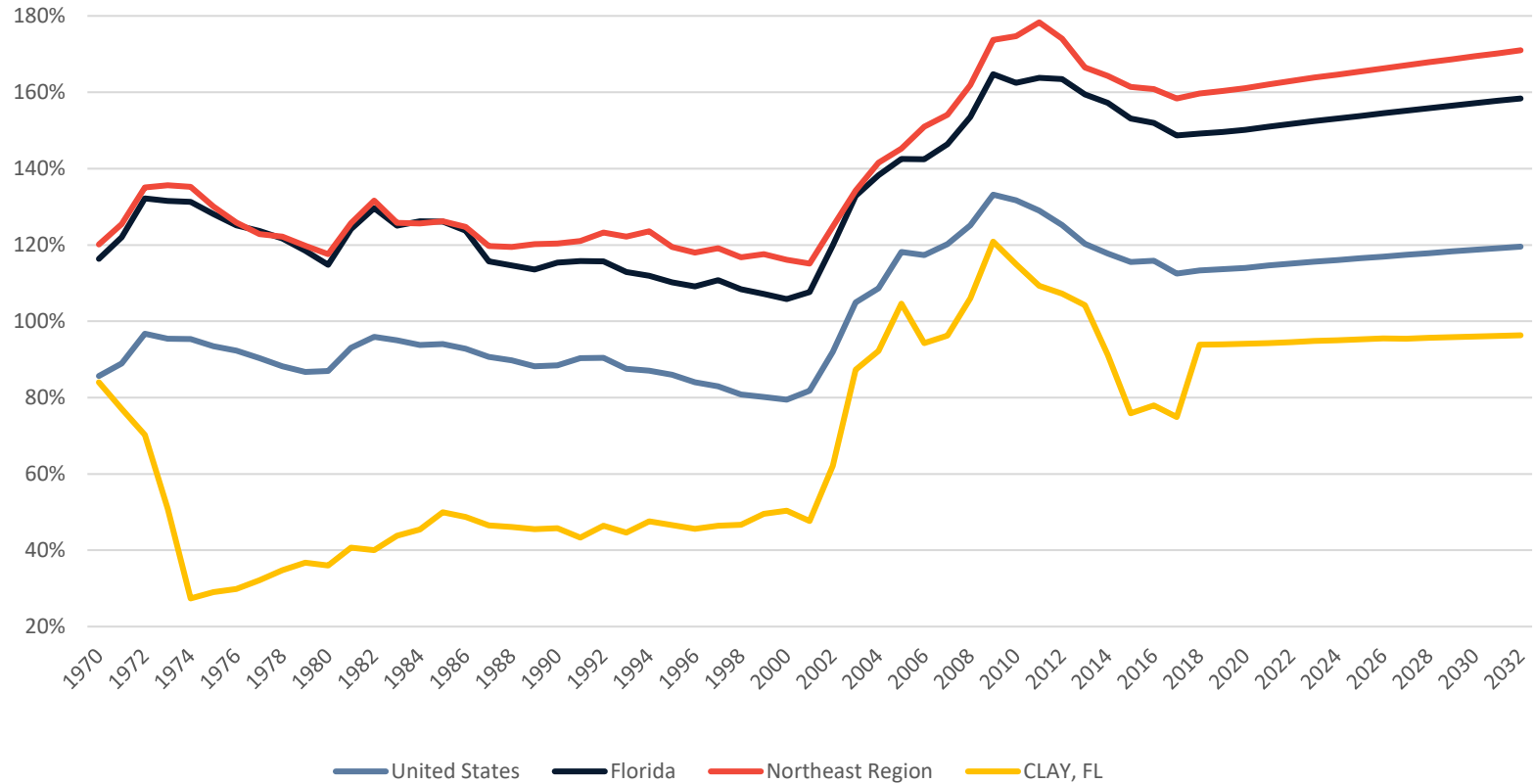
Florida Defense Industry Economic Impact Analysis – 2022 Update



Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It allows us to benchmark the earnings of military employees at the county level against the earning patterns of all workers. The graph below provides a comparison of performance at the county level versus the greater region, state, and the nation.

FIGURE 81. AVERAGE MILITARY EARNINGS VS AVERAGE TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, NORTHEAST REGION, & CLAY COUNTY

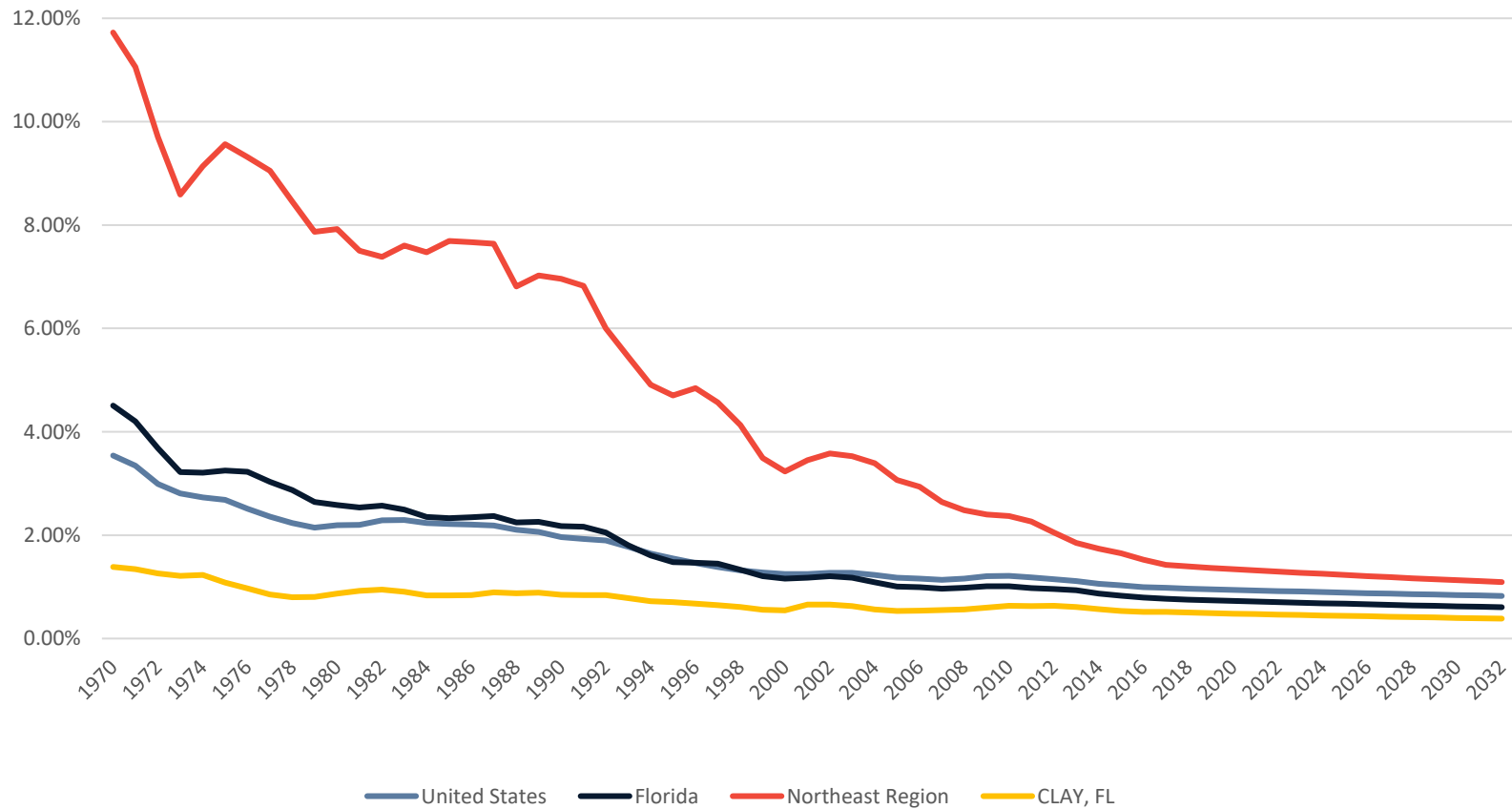


Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Employment as a Share of Total Employment

The figure below presents military employment as a share of total employment for the county, region, state of Florida, and the US. It allows us to benchmark military employment at the county level against the employment patterns of all workers in the region, statewide and nationwide.

FIGURE 82. MILITARY EMPLOYMENT AS A SHARE OF TOTAL EMPLOYMENT, 1970 – 2032: UNITED STATES, FLORIDA, NORTHEAST REGION, & CLAY COUNTY



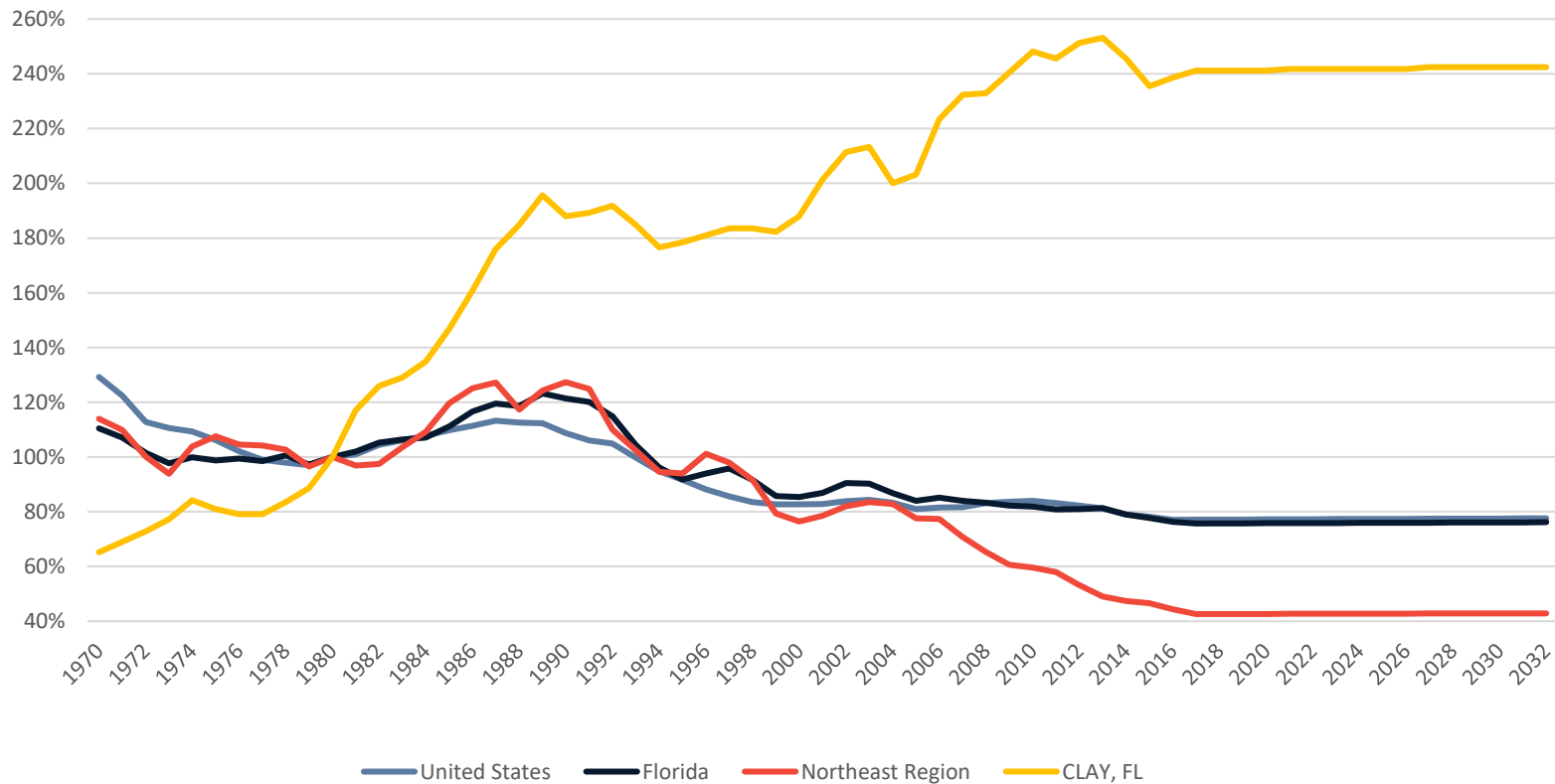
Florida Defense Industry Economic Impact Analysis – 2022 Update



Change in Military Employment

The figure below presents military employment indexed to 1980 levels. It allows us to compare changes in military employment at the county level against regional, statewide, and national trends in military employment over the past 40 years that appear to remain steady through 2032.

FIGURE 83. TOTAL MILITARY EMPLOYMENT INDEXED TO 1980, 1970 – 2032: UNITED STATES, FLORIDA, NORTHEAST REGION, AND CLAY COUNTY



Demographics and the Regional Economy

The table displayed below presents figures related to regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Personal income, as defined by the Bureau of Economic Analysis (BEA) and REMI, is income that people obtain from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources.

Table 65. Demographic Estimates, Clay County

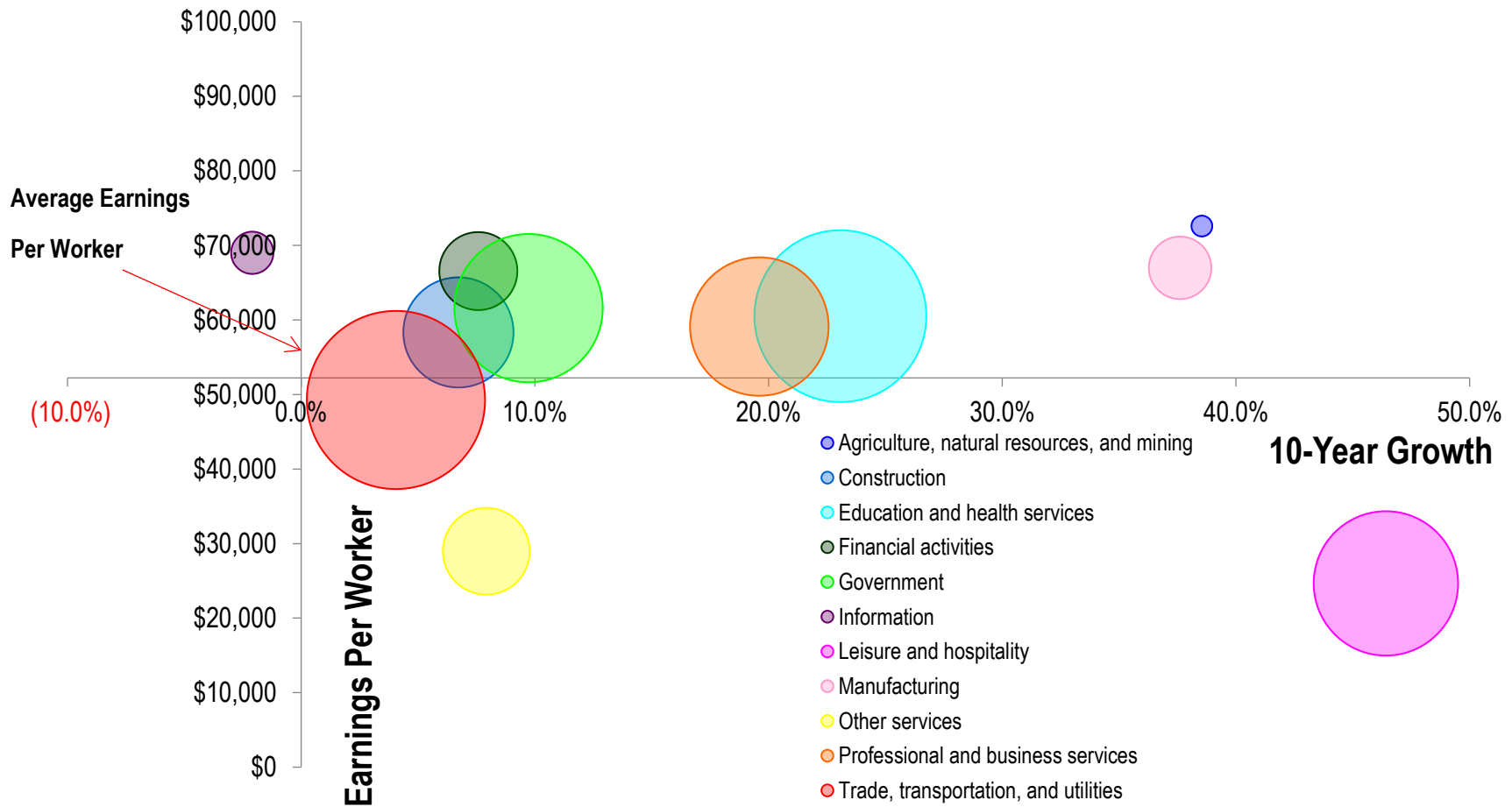
Total Population	Estimate
Population in 2011	192,314
Population in 2021	230,339
Population in 2031	269,361
Growth from 2011 to 2021	19.8%
Growth from 2021 to 2031	16.9%
Personal Income (Inclusive of all forms of income)	
Regional Personal Income per Capita	\$48,766
Florida Personal Income per Capita	\$57,186

Florida Defense Industry Economic Impact Analysis – 2022 Update

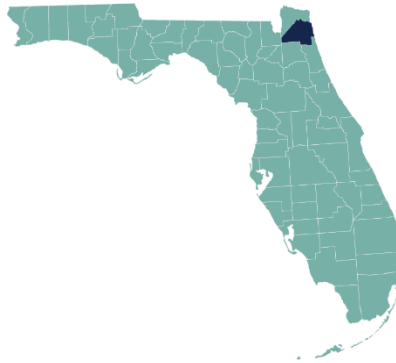


The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and average earnings per worker are displayed on the vertical axis. In order to interpret the graph correctly, the center of the bubble correlates with each industries' respective growth rate and earnings level.

FIGURE 84. REGIONAL INDUSTRY AND EARNINGS GROWTH – CLAY COUNTY



Duval County



Duval County Summary

- Location:** North East Florida Region
- Home to:** Naval Air Station Jacksonville
Naval Station Mayport
Marine Corps Blount Island

Economic Impact Estimates

As shown in Table 64, the county’s economy is a significant beneficiary of funds flowing through as a result of defense activities – approximately \$4.7 billion of defense spending in 2020 alone. Procurement accounted for the largest share at 37% or roughly \$1.75 billion of the \$4.7 billion total. Transfers accounted for \$1.37 billion or 29%, and salaries were equal to \$1.58 billion or 34% of the county total.

Table 66. Duval County: Combined Direct Defense Expenditures

Spending Flow	Millions USD
Procurement	\$1,757.1
Salaries	\$1,577.2
Transfers	\$1,373.6
Total Combined Direct Expenditures	\$4,708.0

FIGURE 85. DUVAL COUNTY: DISTRIBUTION OF DIRECT DEFENSE SPENDING

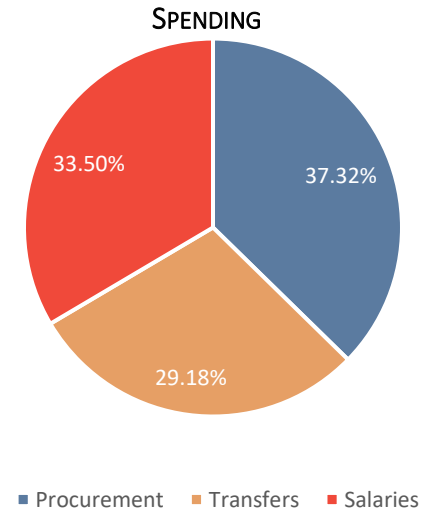




Table 67. Duval County: Economic Impact Forecast, 2020 – 2024
Current Millions USD

Impact Type	2020	2021	2022	2023	2024
Total Employment	95,138	94,400	95,155	96,460	97,811
Gross Regional Product	\$12,100.44	\$12,036.74	\$12,114.25	\$12,243.25	\$12,377.01
<i>Total Consumption</i>	\$5,014.11	\$5,041.79	\$5,118.55	\$5,214.59	\$5,314.31
<i>Investment Residential</i>	\$1,171.62	\$1,177.78	\$1,195.59	\$1,217.96	\$1,241.20
<i>Investment Non-residential</i>	\$302.18	\$299.34	\$302.50	\$307.89	\$313.47
<i>Producer's Durable Equipment</i>	\$171.37	\$169.76	\$171.55	\$174.61	\$177.77
<i>Business Inventories</i>	-\$49.17	-\$47.84	-\$48.16	-\$49.10	-\$50.07
<i>Government</i>	\$187.27	\$185.62	\$187.50	\$190.69	\$193.98
<i>Exports</i>	\$9,806.40	\$9,684.37	\$9,707.24	\$9,781.78	\$9,858.79
<i>Imports (subtract)</i>	\$4,503.34	\$4,474.09	\$4,520.52	\$4,595.17	\$4,672.45

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

Overall, the military accounted for just over 95,000 jobs in Duval County in 2020 and about \$12.1 billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region); this is roughly 16.6% of the county's estimated 2020 Gross Regional Product. The total impacts for the region are expected to increase through 2024. Defense activities are forecast to generate 97,811 jobs in 2024 which is almost 2,700 more jobs than 2020. At the same time, the gross product impacts are forecast to rise by roughly \$277 million.

In addition to the employment and GRP estimates, Table 65 provides the constituent components of GRP. As was explained in the introduction, direct defense expenditures expended in the state generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table above. The impact categories are defined as follows:



Florida Defense Industry Economic Impact Analysis – 2022 Update

- Total Employment measures jobs generated by military activities.
- Total Consumption consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- Investment expenditures include residential and non-residential real estate as well as investment in producers' durable equipment and business inventories.
- Government revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- Gross Regional Product is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.



Table 68. Duval County: Total Economic Impacts by Component, Jobs, and Gross Regional Product (2020)
Millions USD

Duval	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Economic Impact	\$1,982	\$0	\$4	\$1,986
	Total Jobs	21,056	0	42	21,098
Employment	Economic Impact	\$7,038	\$869	\$326	\$8,233
	Total Jobs	47,590	5,861	1,880	55,331
Transfers	Economic Impact	\$1,863	\$4	\$13	\$1,881
	Total Jobs	18,536	44	129	18,709
Totals	Economic Impact	\$10,884	\$873	\$343	\$12,100
	Total Jobs	87,182	5,905	2,051	95,138

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

Military Impacts by Type

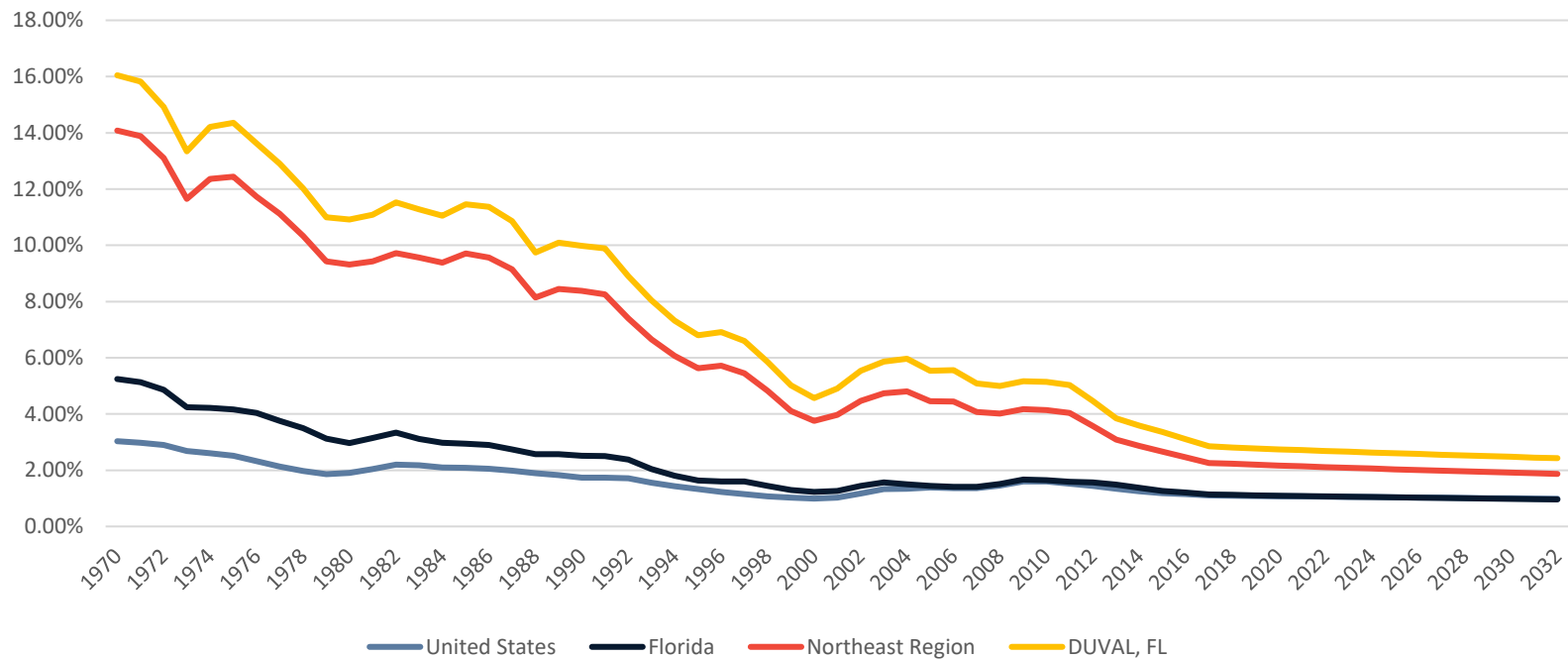
The table above displays the economic impacts (GRP and jobs created) in Duval County by component and source for 2020. The components include procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2020 US Dollars) are displayed directly above the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner. As the data indicate, military employment generated the most jobs in the county at 47,950, military procurement generated 21,056 jobs while military transfers accounted for 18,536 jobs as well.

Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Share of Total Earnings

Earnings account for the majority of income paid to employees as remuneration for their work and include wage and salary disbursements as well as supplements to wages and salaries. Earnings are therefore a proxy economic impact measure, which is inclusive of more than just wages. The figure below benchmarks the total share of Duval County’s regional income that can be attributed to the military (over time) against the greater Northeast Region, Florida, and the U.S. As the data reflect, the military contributes to a substantially larger share of earnings at the County level than at the national or state level. Nevertheless, as economies continue to diversify, their military share of total earnings has happened to decline. This trend is expected to continue through 2032.

FIGURE 86. MILITARY SHARE OF TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, NORTHEAST REGION, AND DUVAL COUNTY

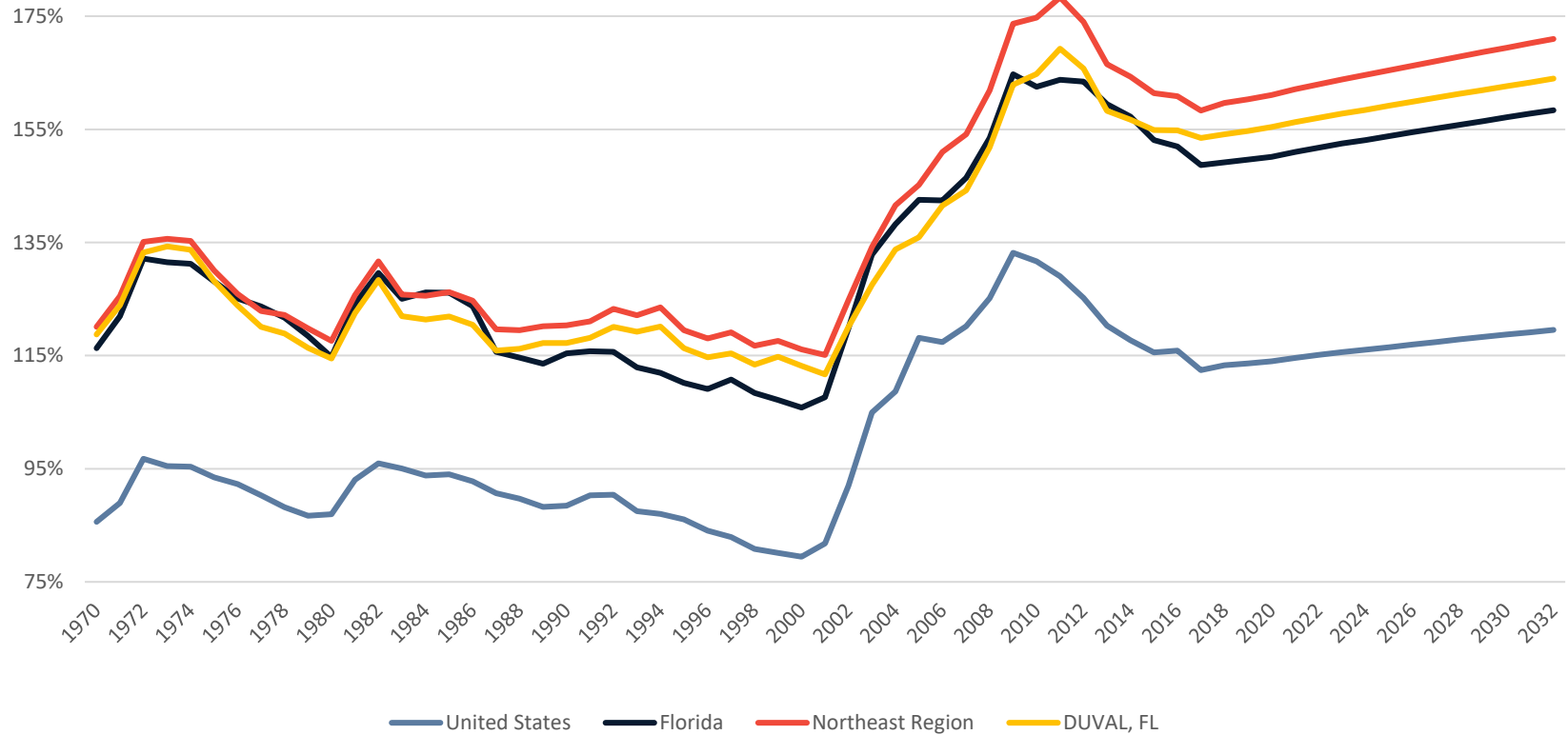




Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It allows us to benchmark the earnings of military employees at the county level against the earning patterns of all workers. The graph below provides a comparison of performance at the county level versus the greater region, state, and the nation.

FIGURE 87. AVERAGE MILITARY EARNINGS VS AVERAGE TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, NORTHEAST REGION, & DUVAL COUNTY

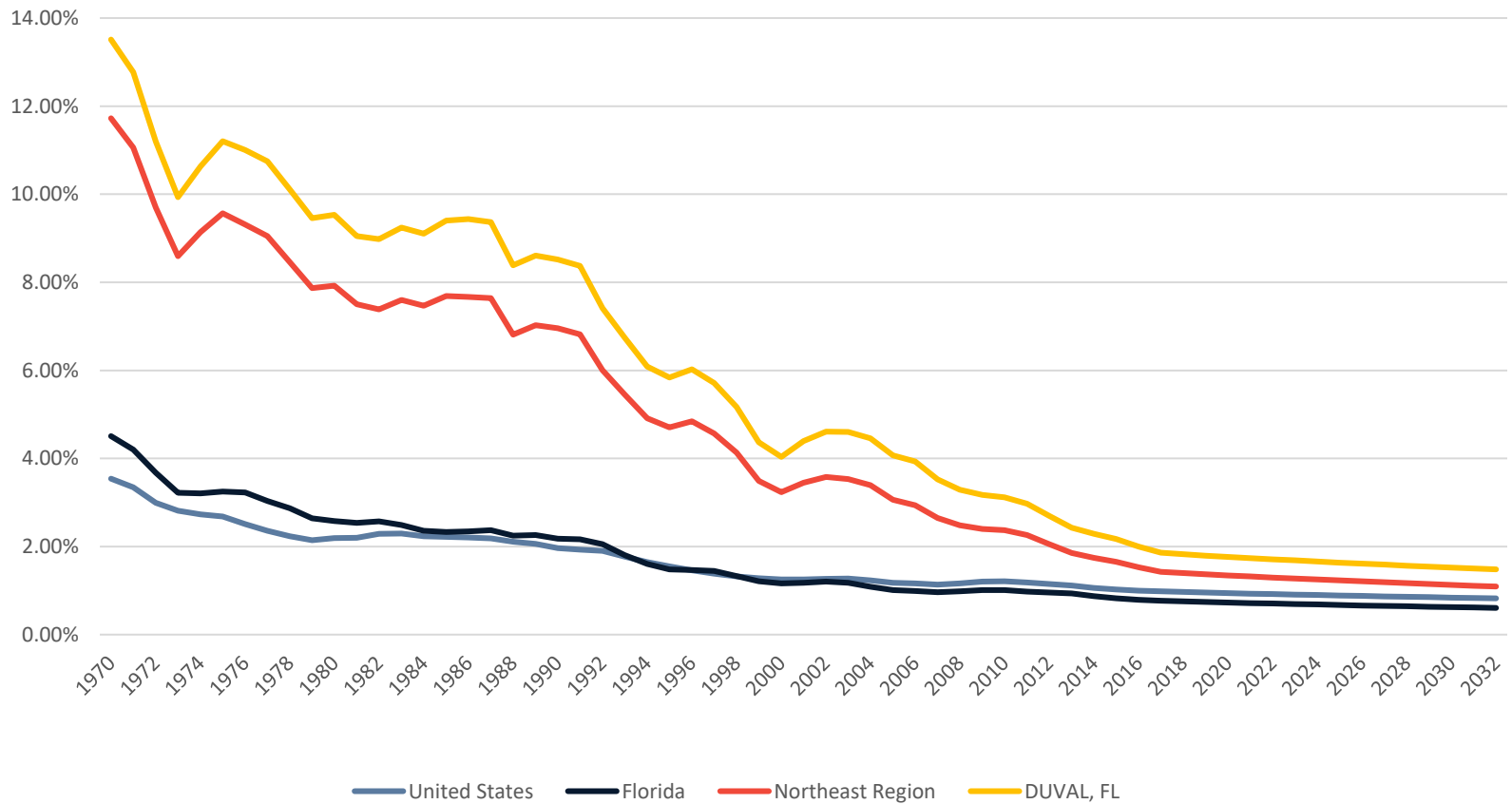


Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Employment as a Share of Total Employment

The figure below presents military employment as a share of total employment for the county, region, state of Florida, and the US. It allows us to benchmark military employment at the county level against the employment patterns of all workers in the region, statewide and nationwide.

FIGURE 88. MILITARY EMPLOYMENT AS A SHARE OF TOTAL EMPLOYMENT, 1970 - 2032: UNITED STATES, FLORIDA, NE REGION, AND DUVAL COUNTY

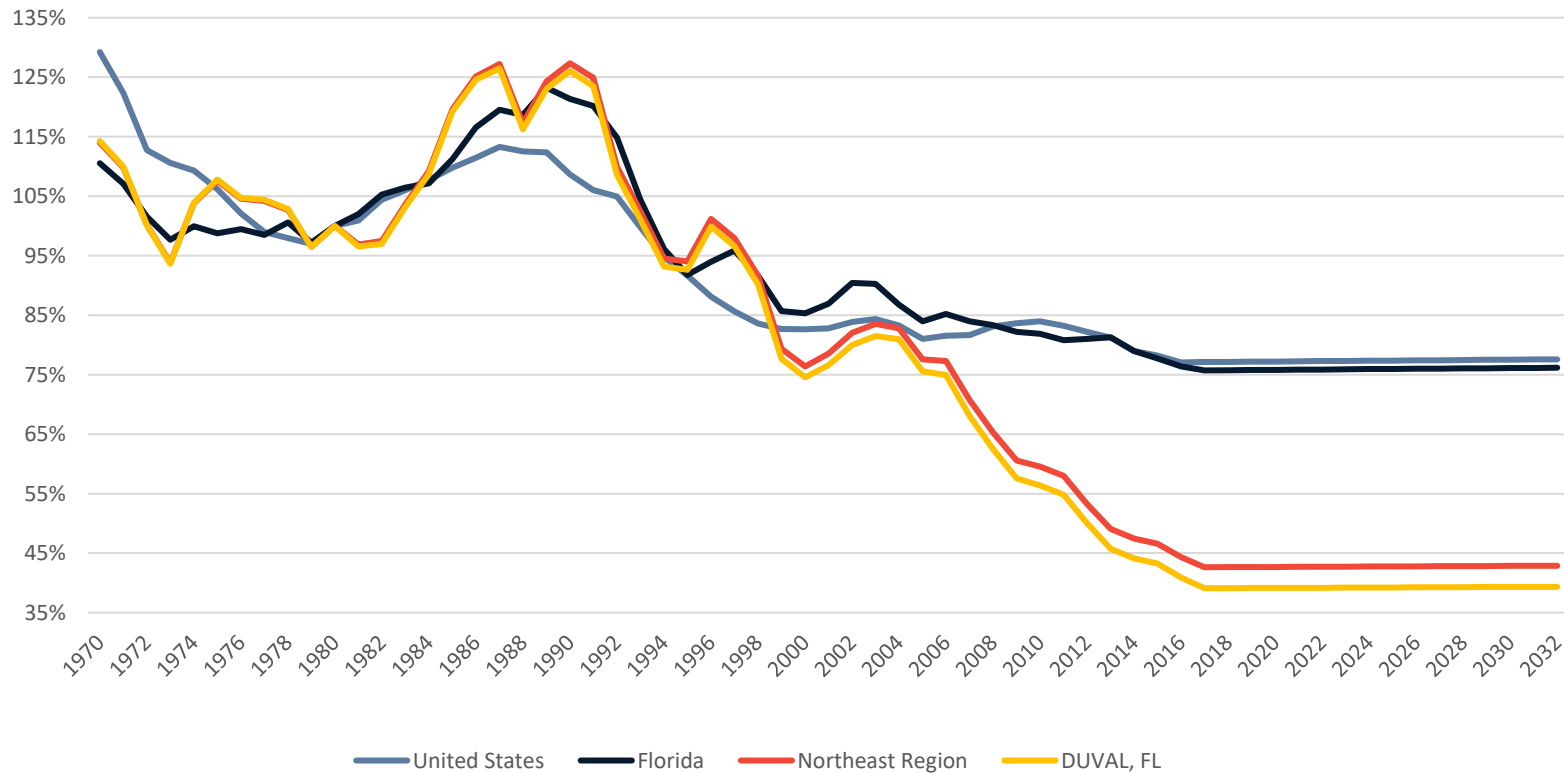




Total Military Employment Indexed to 1980

The figure below presents military employment indexed to 1980 levels. It allows us to compare changes in military employment at the county level against regional, statewide, and national trends in military employment over the past 40 years that appear to remain steady through 2032.

FIGURE 89. TOTAL MILITARY EMPLOYMENT INDEXED TO 1980, 1970 – 2032: UNITED STATES, FLORIDA, NORTHEAST REGION, AND DUVAL COUNTY



Florida Defense Industry Economic Impact Analysis – 2022 Update

Demographics and the Regional Economy

The table displayed below presents figures related to regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Personal income, as defined by the Bureau of Economic Analysis (BEA) and REMI, is income that people obtain from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources.

Table 69. Demographic Estimates, Duval County

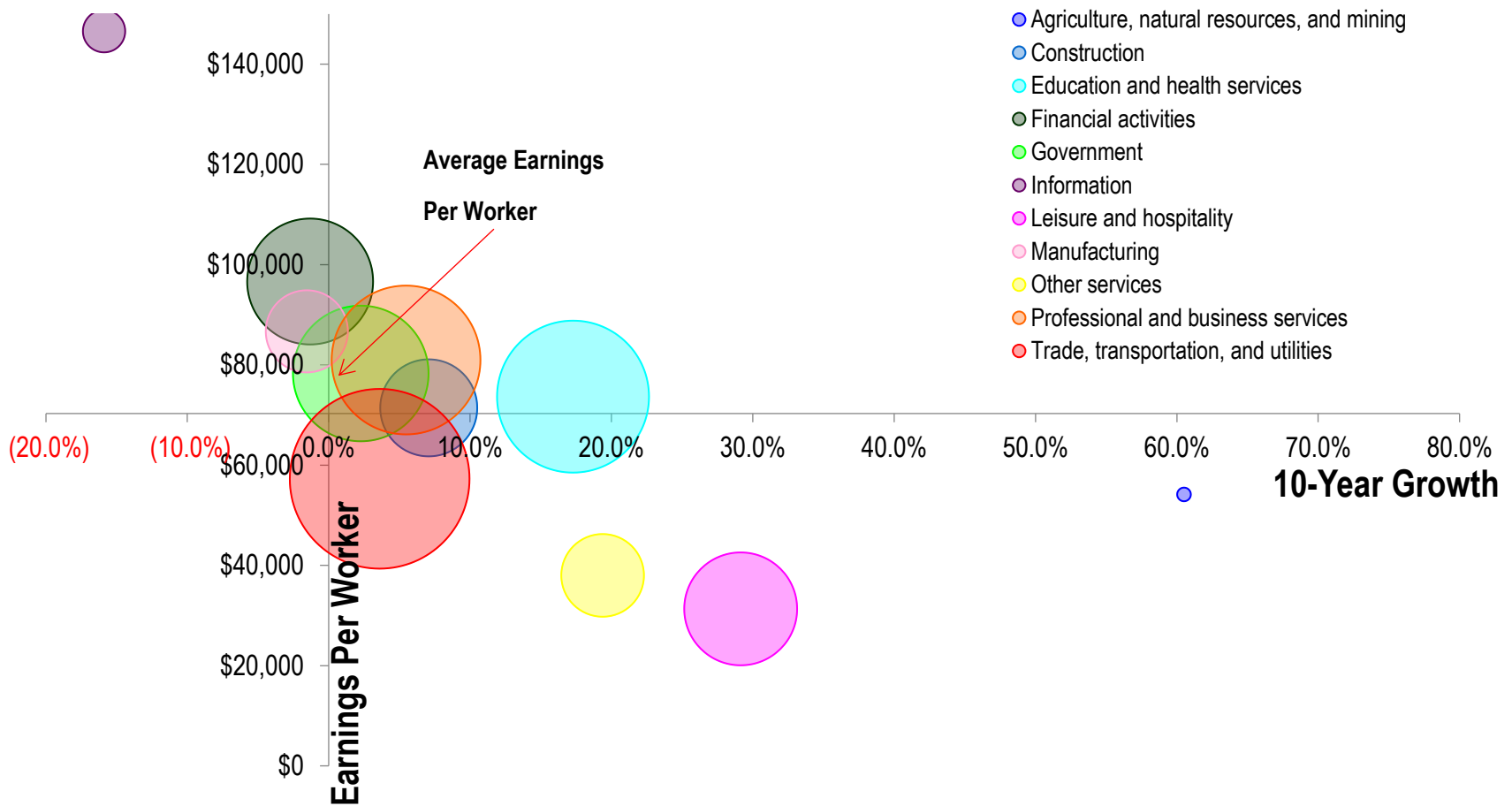
Total Population	Estimate
Population in 2011	872,355
Population in 2021	992,248
Population in 2031	1,094,465
Growth from 2011 to 2021	13.7%
Growth from 2021 to 2031	10.3%
Personal Income (Inclusive of all forms of income)	
Regional Personal Income per Capita	\$53,244
Florida Personal Income per Capita	\$57,186

Florida Defense Industry Economic Impact Analysis – 2022 Update

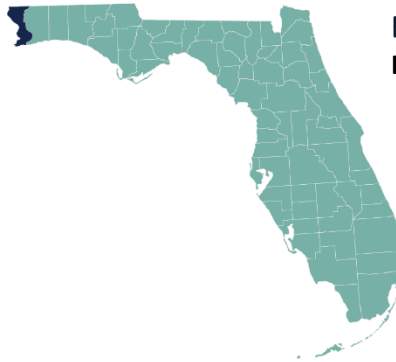


The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and average earnings per worker are displayed on the vertical axis. In order to interpret the graph correctly, the center of the bubble correlates with each industries' respective growth rate and earnings level.

FIGURE 90. REGIONAL INDUSTRY AND EARNINGS GROWTH – DUVAL COUNTY



Escambia County



Escambia County Summary

Location: Northwest Florida Region

Home to: Naval Air Station Pensacola
Corry Station
Saufley Field

Economic Impact Estimates

As Table 68 shows, the county’s economy is a significant beneficiary of funds flowing through as a result of defense activities — roughly \$2.48 billion in 2020. Transfers accounted for 30% or roughly \$741 million of the \$2.48 billion total. Salaries accounted for \$1.3 billion or 53%, and procurement accounted for \$422 million or 17%.

Table 70. Escambia County: Combined Direct Defense Expenditures

Spending Flow	Millions USD
Procurement	\$422.2
Salaries	\$1,313.0
Transfers	\$740.5
Total Combined Direct Expenditures	\$2,475.7

FIGURE 91. ESCAMBIA COUNTY: DISTRIBUTION OF DIRECT DEFENSE SPENDING

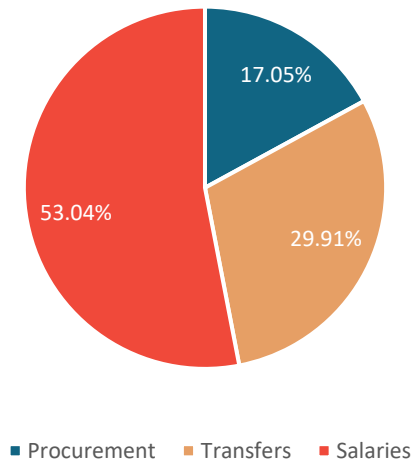




Table 71. Escambia County: Economic Impact Forecast, 2020 – 2024
Current Millions USD

Impact Type	2020	2021	2022	2023	2024
Total Employment	53,681	53,562	53,875	54,352	54,845
Gross Regional Product	\$6,626.08	\$6,618.79	\$6,646.53	\$6,687.69	\$6,730.17
<i>Total Consumption</i>	\$2,972.39	\$2,994.76	\$3,031.61	\$3,074.67	\$3,119.33
<i>Investment Residential</i>	\$698.13	\$703.29	\$711.93	\$722.06	\$732.56
<i>Investment Non-residential</i>	\$167.52	\$167.44	\$169.05	\$171.31	\$173.65
<i>Producer's Durable Equipment</i>	\$108.71	\$108.66	\$109.71	\$111.17	\$112.69
<i>Business Inventories</i>	-\$15.95	-\$15.93	-\$16.07	-\$16.26	-\$16.45
<i>Government</i>	\$190.08	\$189.08	\$190.64	\$193.18	\$195.81
<i>Exports</i>	\$6,283.66	\$6,257.26	\$6,263.87	\$6,282.60	\$6,301.75
<i>Imports (subtract)</i>	\$3,778.46	\$3,785.77	\$3,814.20	\$3,851.04	\$3,889.16

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

In 2020, the military accounted for over 53,681 jobs in Escambia County and just over \$6.6 billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region). This is roughly 34.8% of the county's estimated 2020 Gross Regional Product. The total impact for the county is forecast to increase very slightly between 2020 and 2024. Defense activities are forecast to generate 54,845 jobs and \$6.73 billion of GRP in 2024. This amounts to almost 1,200 more jobs and \$100 million of additional GRP in the county by 2024 arising from defense activities.

In addition to the employment and GRP estimates, Table 69 provides the constituent components of GRP. As was explained in the introduction, direct defense expenditures expended in the state generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table above. The impact categories are defined as follows:



Florida Defense Industry Economic Impact Analysis – 2022 Update

- Total Employment measures jobs generated by military activities.
- Total Consumption consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- Investment expenditures include residential and non-residential real estate as well as investment in producers' durable equipment and business inventories.
- Government revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- Gross Regional Product is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.



Table 72. Escambia County: Total Economic Impacts by Component, Jobs, and Gross Regional Product (2020)
Millions USD

Escambia	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Economic Impact	\$491	\$0	\$3	\$493
	Total Jobs	6,049	0	37	6,086
Employment	Economic Impact	\$4,939	\$439	\$112	\$5,490
	Total Jobs	36,655	2,779	683	40,117
Transfers	Economic Impact	\$639	\$0	\$4	\$643
	Total Jobs	7,431	0	47	7,478
Totals	Economic Impact	\$6,068	\$439	\$119	\$6,626
	Total Jobs	50,135	2,779	767	53,681

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

Military Impacts by Type

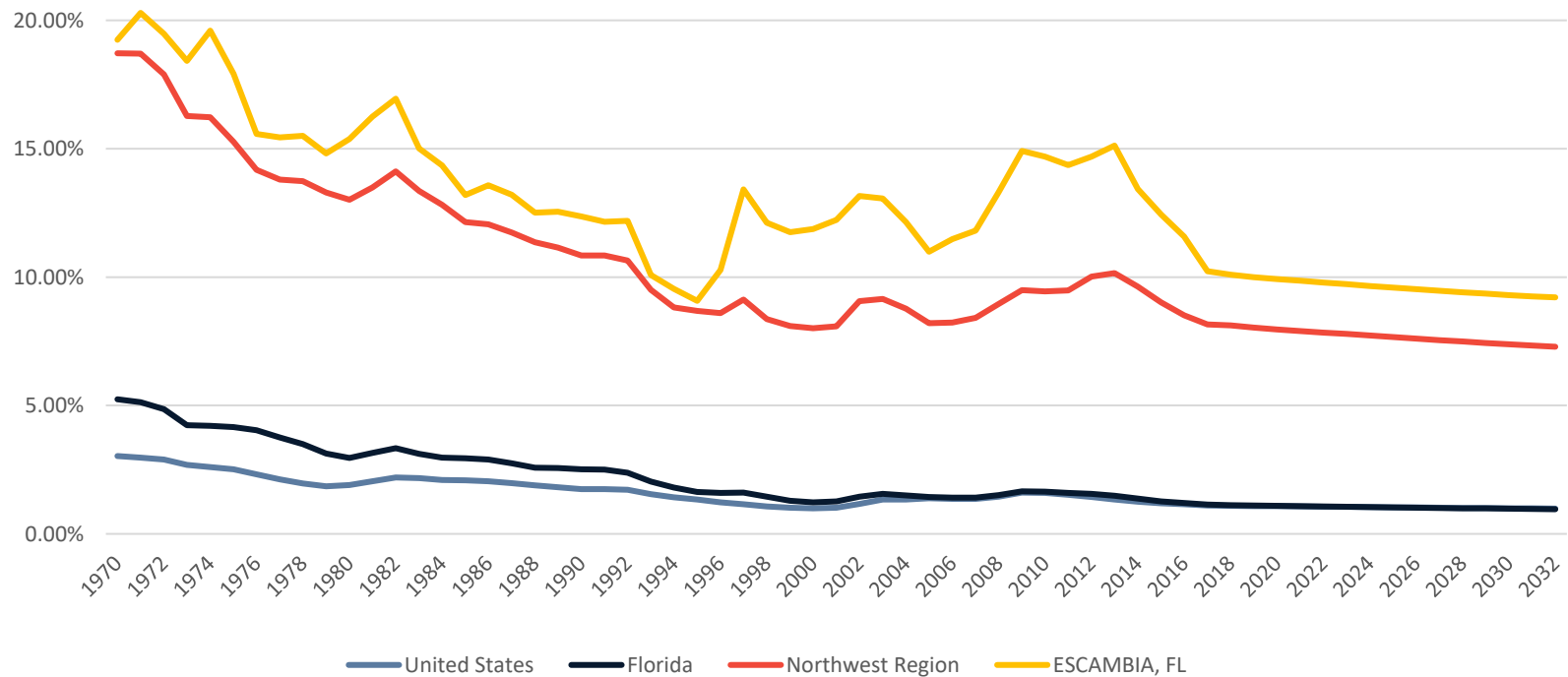
The table above displays the economic impacts (GRP and jobs created) in Escambia County by component and source for 2020. The components include procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2020 US Dollars) are displayed directly above the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner. As the data indicate, military employment generated the most jobs in the county at 36,655, military procurement generated 6,049 jobs while military transfers accounted for 7,431 jobs as well.

Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Share of Total Earnings

Earnings account for the majority of income paid to employees as remuneration for their work and include wage and salary disbursements as well as supplements to wages and salaries. Earnings are therefore a proxy economic impact measure, which is inclusive of more than just wages. The figure below benchmarks the total share of Escambia County’s regional income that can be attributed to the military (over time) against the greater Northwest Region, Florida, and the U.S. As the data reflect, the military contributes to a substantially larger share of earnings at the County level than at the national or state level. Nevertheless, as economies continue to diversify, their military share of total earnings has happened to decline. This trend is expected to continue through 2032.

FIGURE 92. MILITARY SHARE OF TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, NORTHWEST FLORIDA REGION, AND ESCAMBIA COUNTY



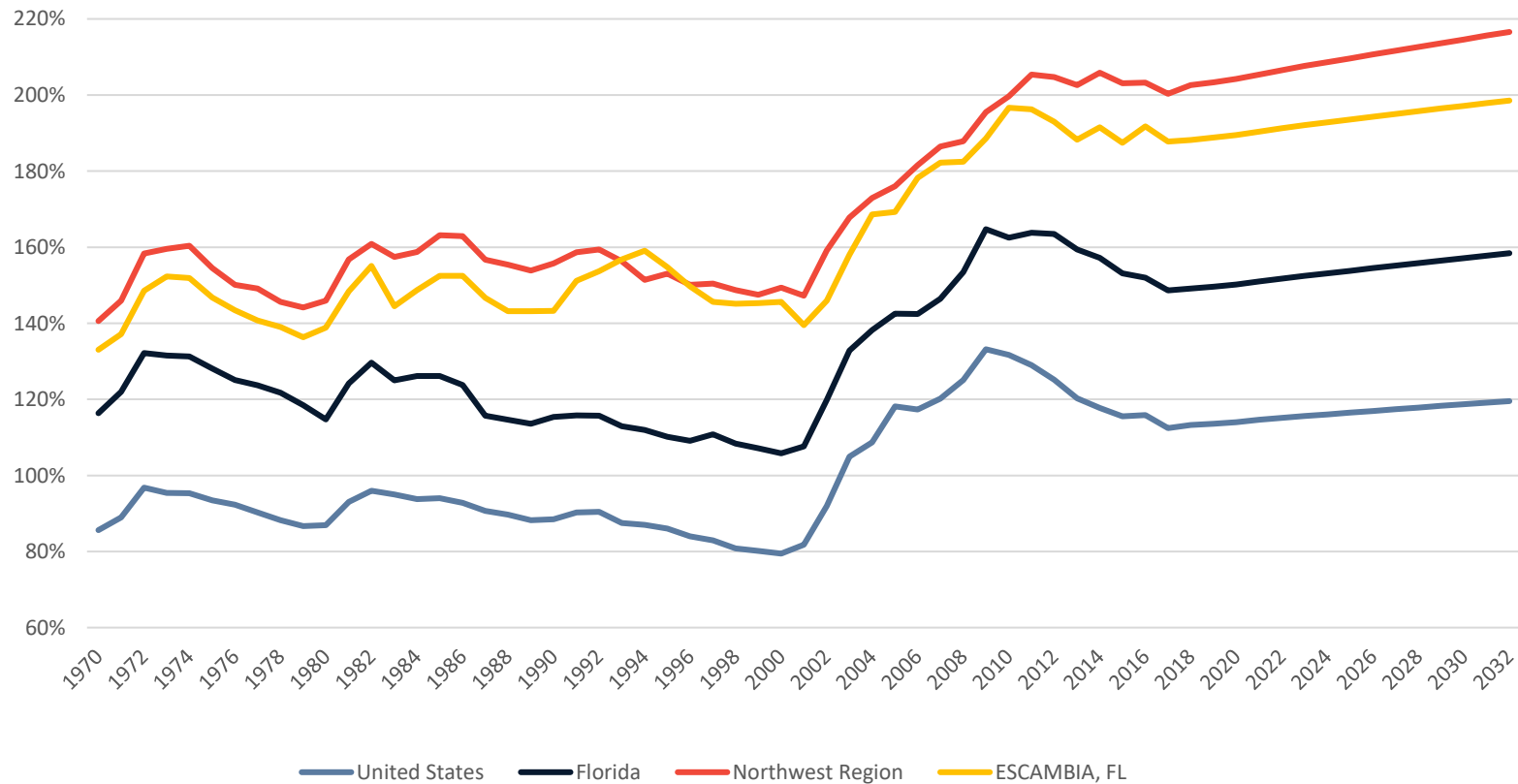
Florida Defense Industry Economic Impact Analysis – 2022 Update



Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It allows us to benchmark the earnings of military employees at the county level against the earning patterns of all workers. The graph below provides a comparison of performance at the county level versus the greater region, state, and the nation.

FIGURE 93. AVERAGE MILITARY EARNINGS VS AVERAGE TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, NW FLORIDA, AND ESCAMBIA COUNTY

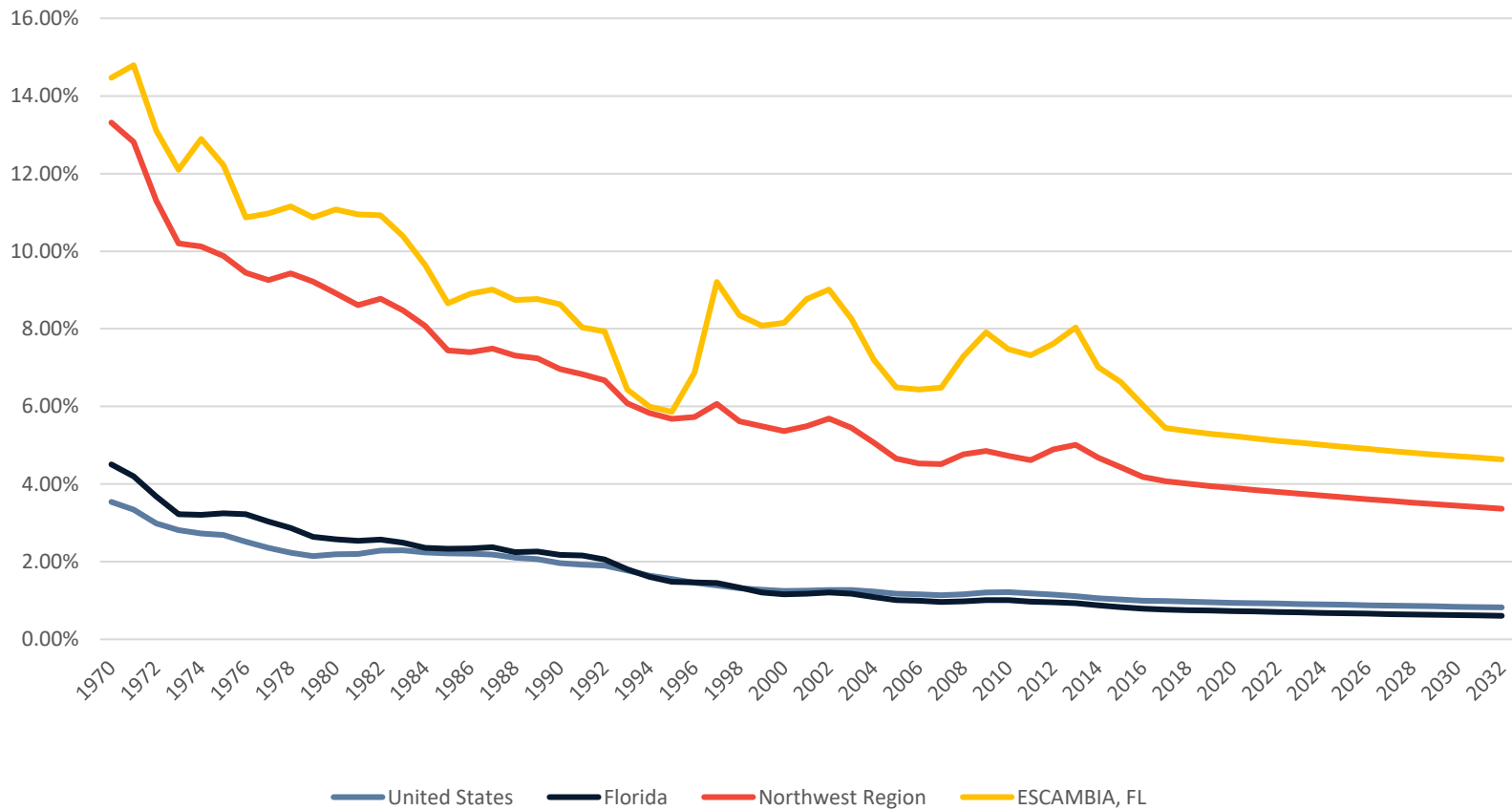


Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Employment as a Share of Total Employment

The figure below presents military employment as a share of total employment for the county, region, state of Florida, and the US. It allows us to benchmark military employment at the county level against the employment patterns of all workers in the region, statewide and nationwide.

FIGURE 94. MILITARY EMPLOYMENT AS A SHARE OF TOTAL EMPLOYMENT, 1970 – 2032: UNITED STATES, FLORIDA, NW FLORIDA, & ESCAMBIA COUNTY



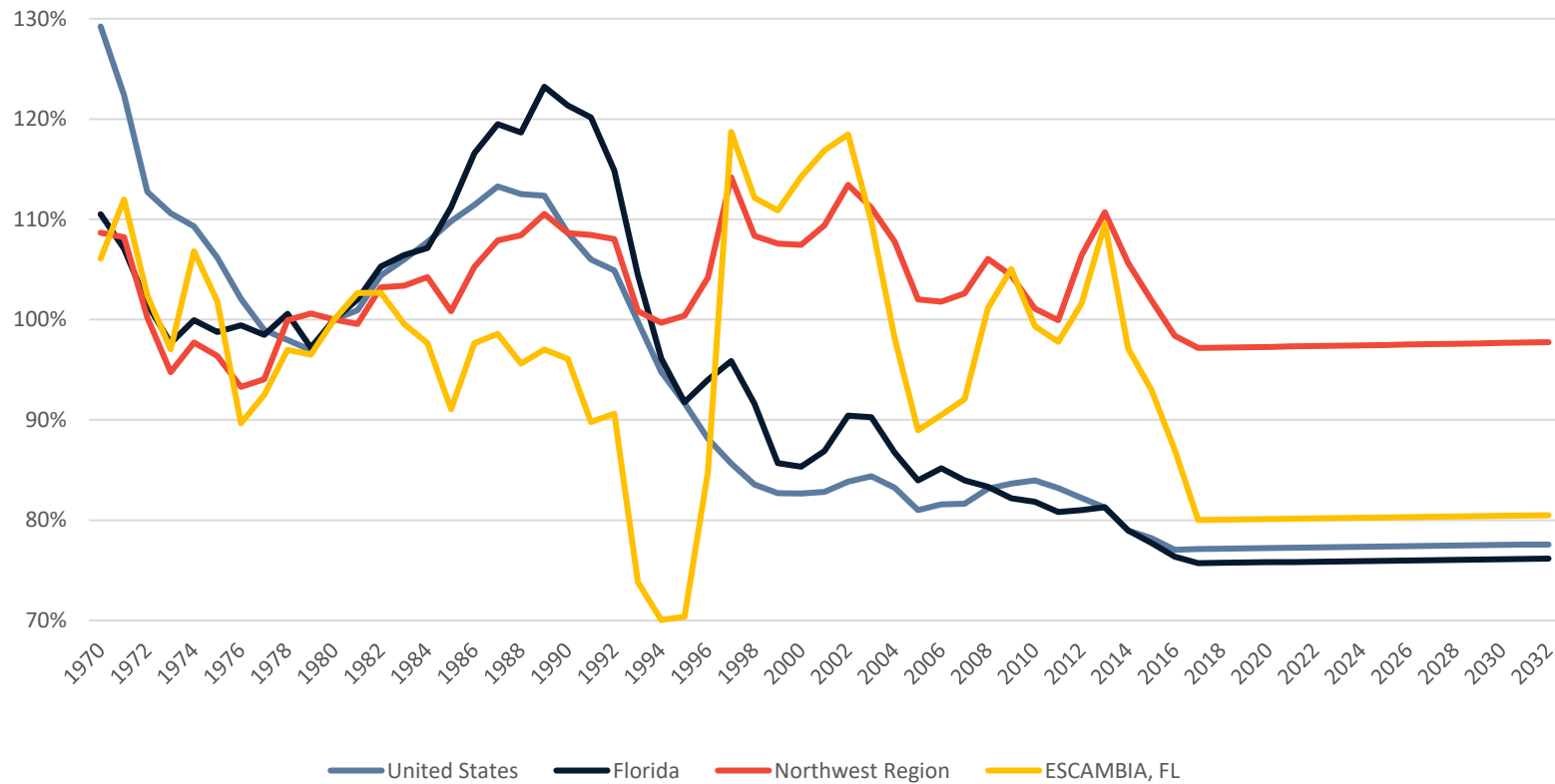
Florida Defense Industry Economic Impact Analysis – 2022 Update



Change in Military Employment

The figure below presents military employment indexed to 1980 levels. It allows us to compare changes in military employment at the county level against regional, statewide, and national trends in military employment over the past 40 years that appear to remain steady through 2032.

FIGURE 95. TOTAL MILITARY EMPLOYMENT INDEXED TO 1980, 1970 – 2032: UNITED STATES, FLORIDA, NORTHWEST FLORIDA, AND ESCAMBIA COUNTY



Florida Defense Industry Economic Impact Analysis – 2022 Update

Demographics and the Regional Economy

The table displayed below presents figures related to regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Personal income, as defined by the Bureau of Economic Analysis (BEA) and REMI, is income that people obtain from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources.

Table 73. Demographic Estimates, Escambia County

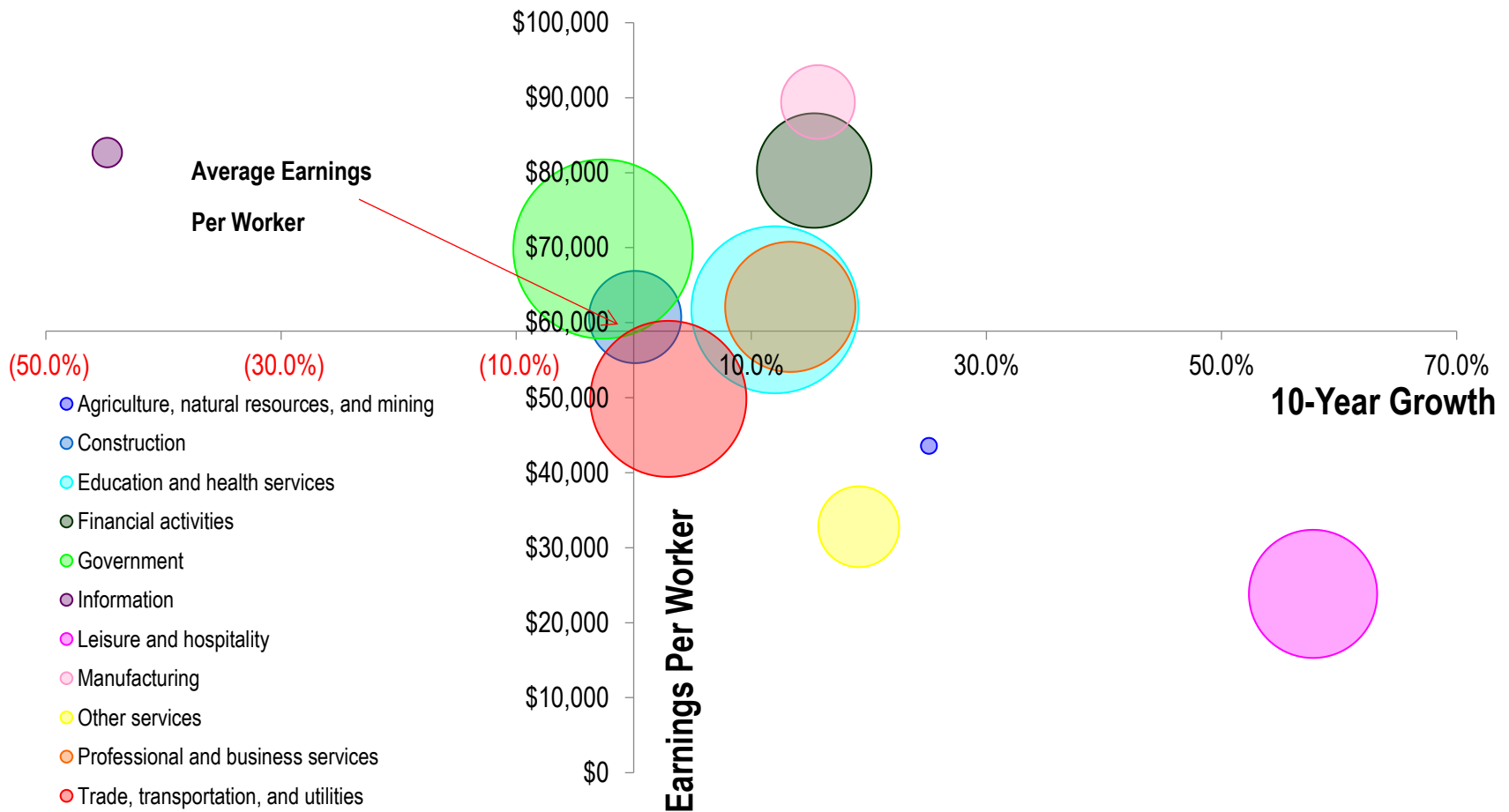
Total Population	Estimate
Population in 2011	299,401
Population in 2021	326,674
Population in 2031	354,468
Growth from 2011 to 2021	9.1%
Growth from 2021 to 2031	8.5%
Personal Income (Inclusive of all forms of income)	
Regional Personal Income per Capita	\$50,052
Florida Personal Income per Capita	\$57,186

Florida Defense Industry Economic Impact Analysis – 2022 Update

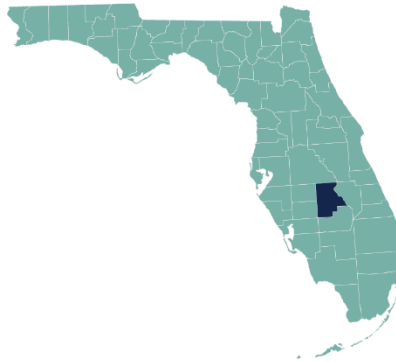


The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and average earnings per worker are displayed on the vertical axis. In order to interpret the graph correctly, the center of the bubble correlates with each industries' respective growth rate and earnings level.

Figure 96. Regional Industry and Earnings Growth – Escambia County



Highlands County



Highlands County Summary

Location: South Central Florida Region

Home to: Avon Park Air Force Range

Economic Impact Estimates

As Table 72 shows, defense-related activities injected a meager \$135 million into the Highlands County economy in 2020. Transfer payments totaled roughly 126.2 million, which is 93% of the total direct dollar flow to the county. Salaries accounted for \$6.8 million or 5%, and procurement accounted for \$2 million or 2%.

Table 74. Highlands County: Combined Direct Defense Expenditures

Spending Flow	Millions USD
Procurement	\$2.0
Salaries	\$6.8
Transfers	\$126.2
Total Combined Direct Expenditures	\$135.0

FIGURE 97. HIGHLANDS COUNTY: DISTRIBUTION OF DIRECT DEFENSE SPENDING

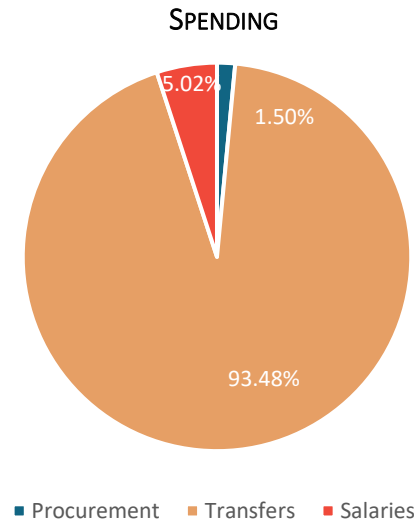




Table 75. Highlands County: Economic Impact Forecast, 2020 – 2024
Current Millions USD

Impact Type	2020	2021	2022	2023	2024
Total Employment	1,486	1,514	1,551	1,592	1,638
Gross Regional Product	\$130.31	\$132.53	\$135.50	\$138.81	\$142.52
<i>Total Consumption</i>	\$156.42	\$161.58	\$167.29	\$173.33	\$179.70
<i>Investment Residential</i>	\$37.13	\$38.36	\$39.71	\$41.14	\$42.65
<i>Investment Non-residential</i>	\$5.54	\$5.67	\$5.83	\$6.02	\$6.23
<i>Producer's Durable Equipment</i>	\$3.24	\$3.31	\$3.41	\$3.52	\$3.64
<i>Business Inventories</i>	-\$0.47	-\$0.48	-\$0.49	-\$0.51	-\$0.52
<i>Government</i>	\$13.43	\$13.74	\$14.16	\$14.63	\$15.12
<i>Exports</i>	\$52.00	\$51.98	\$52.76	\$53.85	\$55.09
<i>Imports (subtract)</i>	\$136.99	\$141.63	\$147.17	\$153.18	\$159.39

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

As the impact estimates indicate, the military accounted for almost 1,500 jobs in Highlands County in 2020 and around \$130 million in total Gross Regional Product (GRP – total value of all goods and services produced in the region). This is roughly 4% of the county’s estimated 2020 Gross Regional Product. The total impact for the region is expected to increase slightly between 2020 and 2024. Defense activities are forecast to generate 1,638 jobs and \$142 million of GRP in 2024. This amounts to about 150 more jobs and \$12 million as a consequence of defense activities.

In addition to the employment and GRP estimates, Table 73 provides the constituent components of GRP. As was explained in the introduction, direct defense expenditures expended in the state generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table above. The impact categories are defined as follows:



Florida Defense Industry Economic Impact Analysis – 2022 Update

- Total Employment measures jobs generated by military activities.
- Total Consumption consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- Investment expenditures include residential and non-residential real estate as well as investment in producers' durable equipment and business inventories.
- Government revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- Gross Regional Product is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.



Table 76. Highlands County: Total Economic Impacts by Component, Jobs, and Gross Regional Product (2020)
Millions USD

Highlands	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Economic Impact	\$9	\$0	\$0	\$9
	Total Jobs	117	0	0	117
Employment	Economic Impact	\$45	\$4	\$0	\$49
	Total Jobs	435	33	5	473
Transfers	Economic Impact	\$71	\$0	\$0	\$72
	Total Jobs	891	0	6	897
Totals	Economic Impact	\$126	\$4	\$1	\$130
	Total Jobs	1,443	33	11	1,487

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

Military Impacts by Type

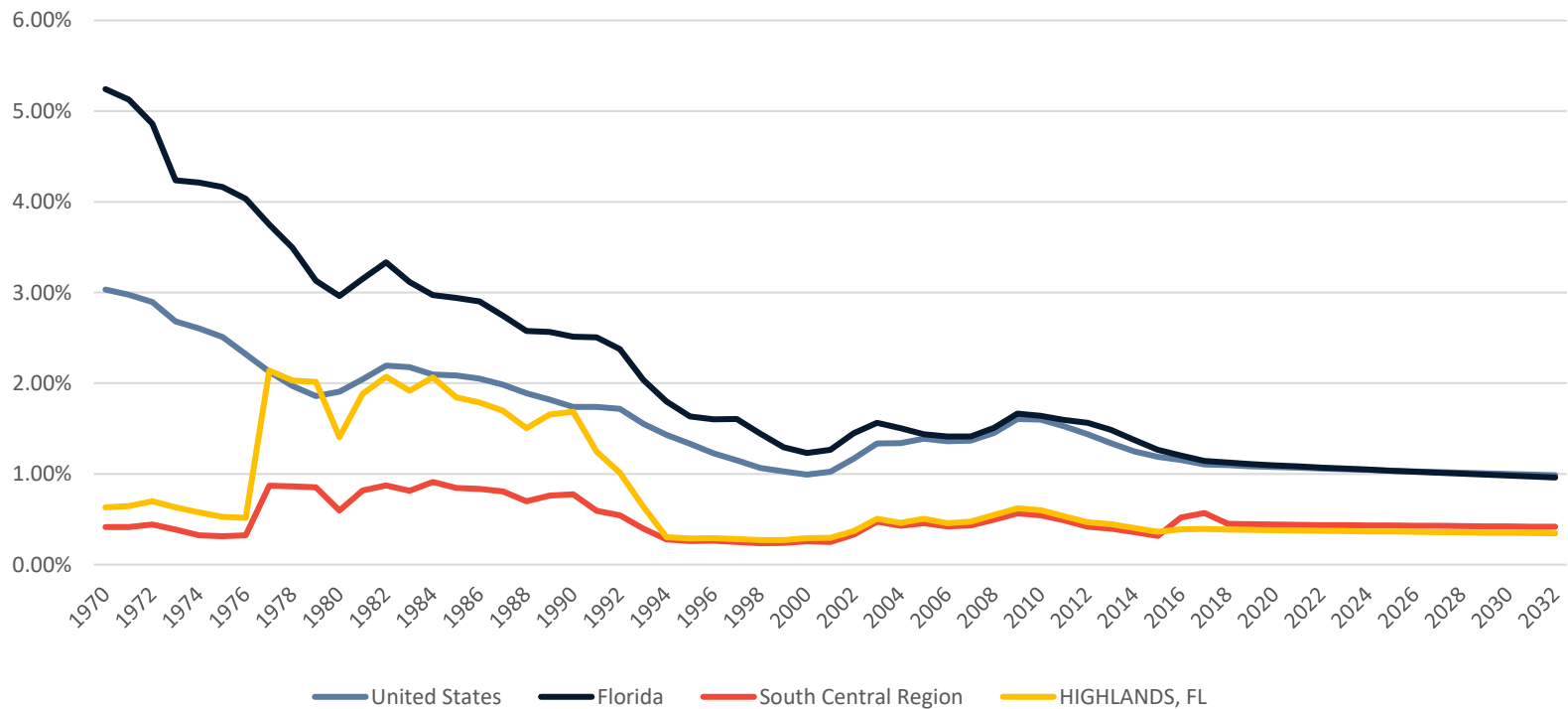
The table above displays the economic impacts (GRP and jobs created) in Highlands County by component and source for 2020. The components include procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2020 US Dollars) are displayed directly above the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner. As the data indicate, military transfers generated the most jobs in the county at 891, military procurement generated 117 jobs while military employment accounted for 435 jobs as well.

Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Share of Total Earnings

Earnings account for the majority of income paid to employees as remuneration for their work and include wage and salary disbursements as well as supplements to wages and salaries. Earnings are therefore a proxy economic impact measure, which is inclusive of more than just wages. The figure below benchmarks the total share of Highlands County’s regional income that can be attributed to the military (over time) against the greater South Central Region, Florida, and the U.S. As the data reflect, the military contributes to a substantially smaller share of earnings at the County level than at the national or state level. Nevertheless, as economies continue to diversify, their military share of total earnings has happened to decline. This trend is expected to continue through 2032.

FIGURE 98. MILITARY SHARE OF TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, SOUTH CENTRAL REGION, AND HIGHLANDS COUNTY



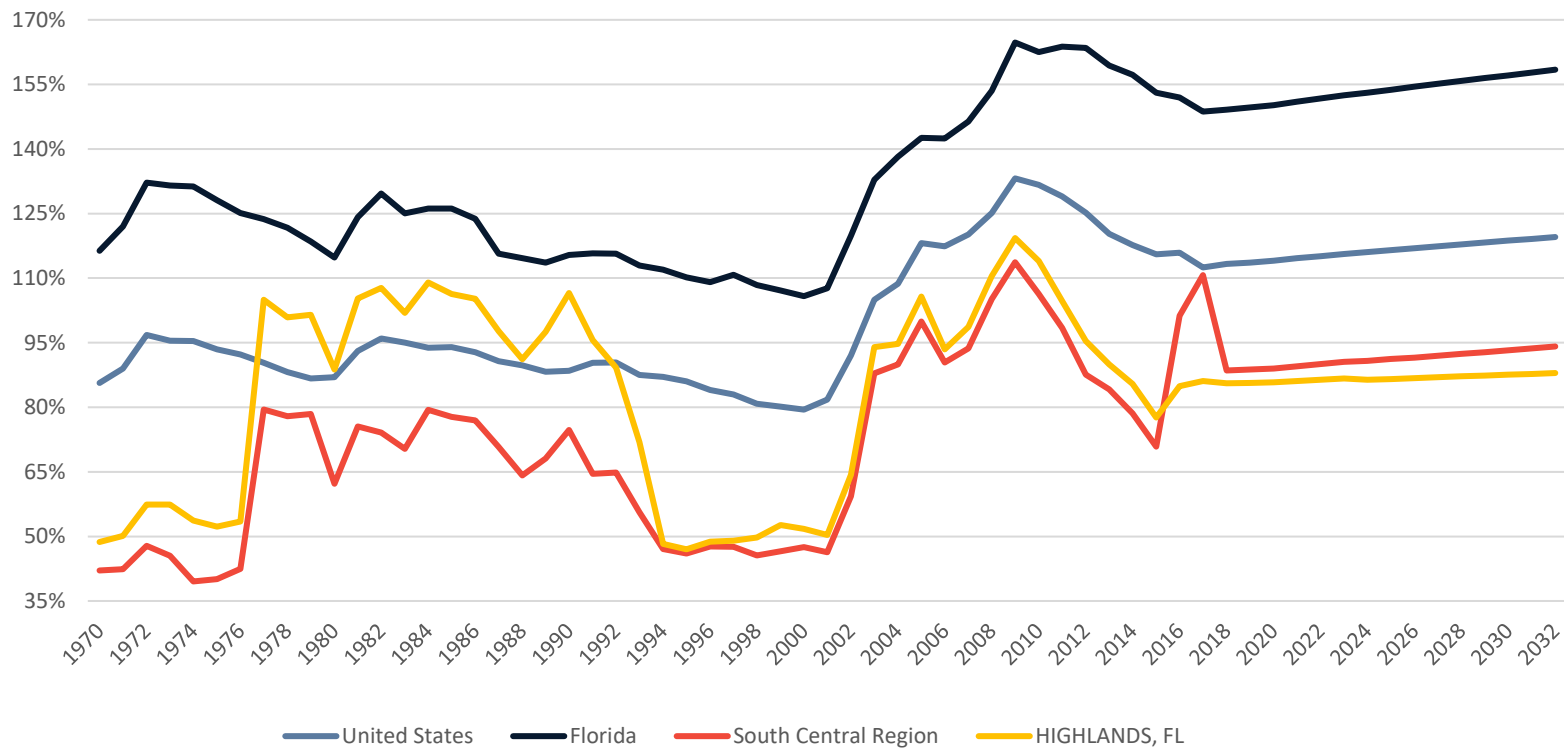
Florida Defense Industry Economic Impact Analysis – 2022 Update



Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It allows us to benchmark the earnings of military employees at the county level against the earning patterns of all workers. The graph below provides a comparison of performance at the county level versus the greater region, state, and the nation.

FIGURE 99. AVERAGE MILITARY EARNINGS VS AVG. TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, SOUTH CENTRAL FL, & HIGHLANDS COUNTY

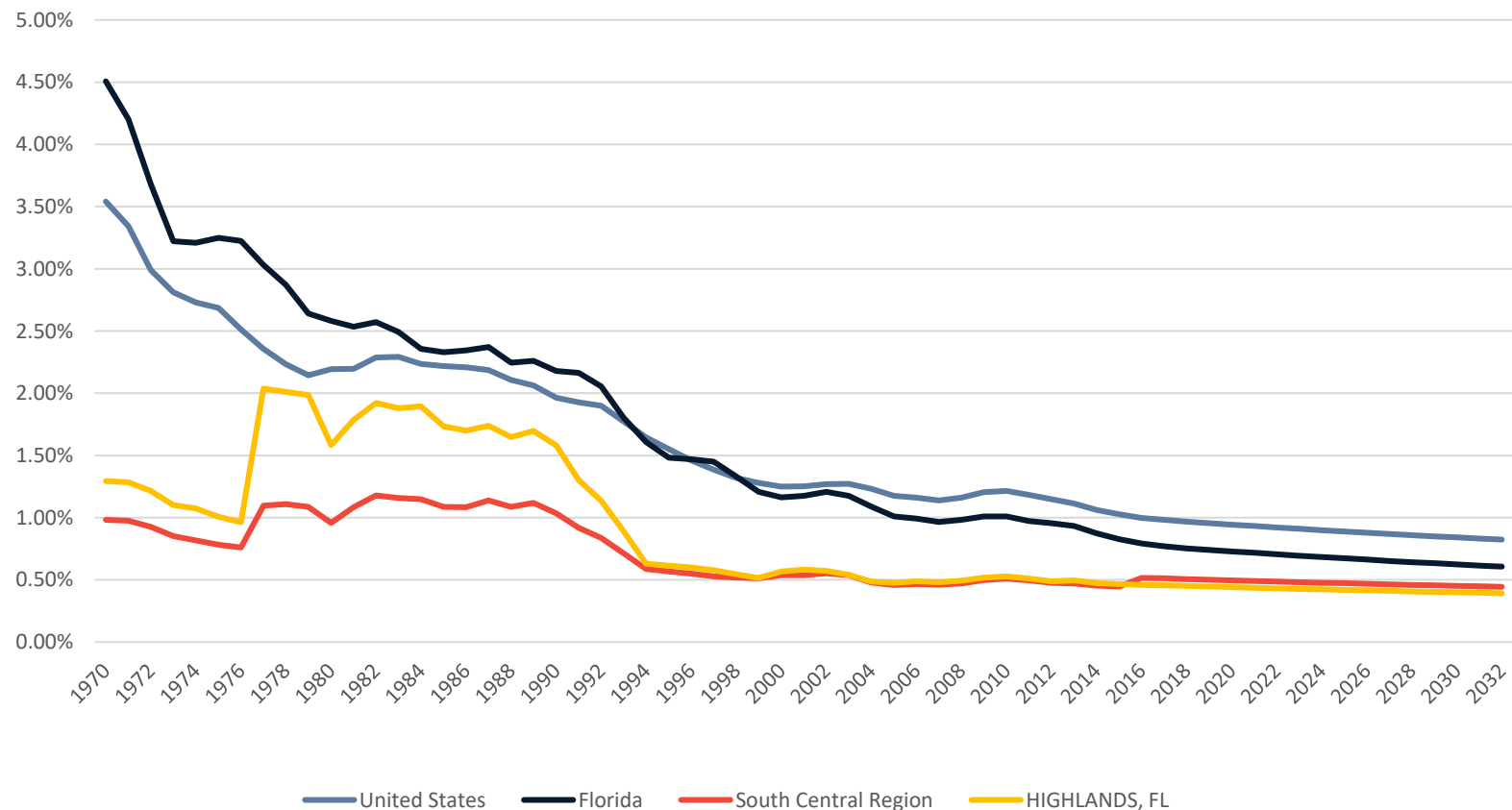


Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Employment as a Share of Total Employment

The figure below presents military employment as a share of total employment for the county, region, state of Florida, and the US. It allows us to benchmark military employment at the county level against the employment patterns of all workers in the region, statewide and nationwide.

FIGURE 100. MILITARY EMPLOYMENT AS A SHARE OF TOTAL EMPLOYMENT, 1970 – 2032: UNITED STATES, FL, SOUTH CENTRAL FL, & HIGHLANDS COUNTY



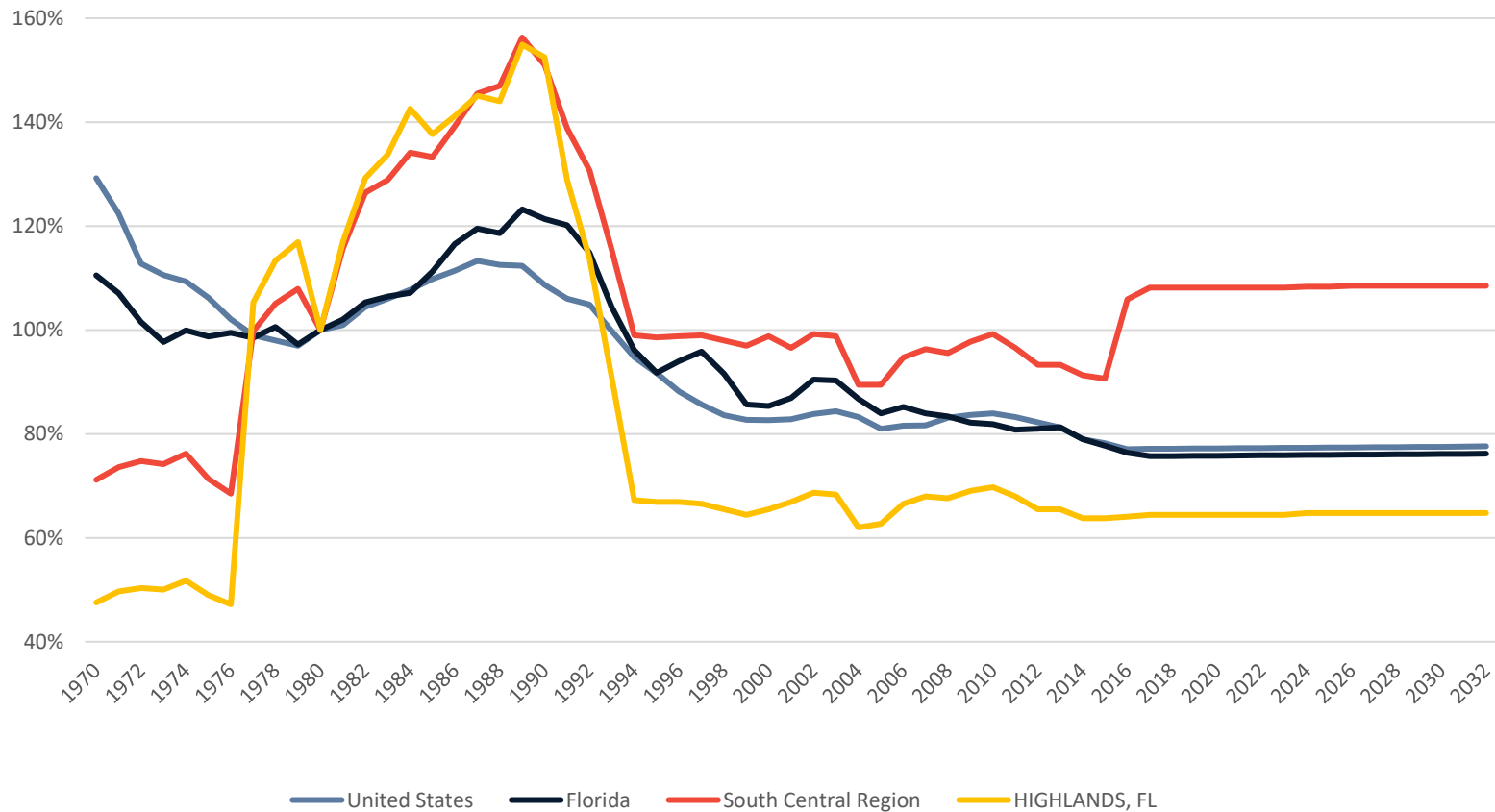
Florida Defense Industry Economic Impact Analysis – 2022 Update



Change in Military Employment

The figure below presents military employment indexed to 1980 levels. It allows us to compare changes in military employment at the county level against regional, statewide, and national trends in military employment over the past 40 years that appear to remain steady through 2032.

FIGURE 101. TOTAL MILITARY EMPLOYMENT INDEXED TO 1980, 1970 – 2032: UNITED STATES, FLORIDA, SOUTH CENTRAL FL, AND HIGHLANDS COUNTY



Demographics and the Regional Economy

The table displayed below presents figures related to regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Personal income, as defined by the Bureau of Economic Analysis (BEA) and REMI, is income that people obtain from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources.

Table 77. Demographic Estimates, Highlands County

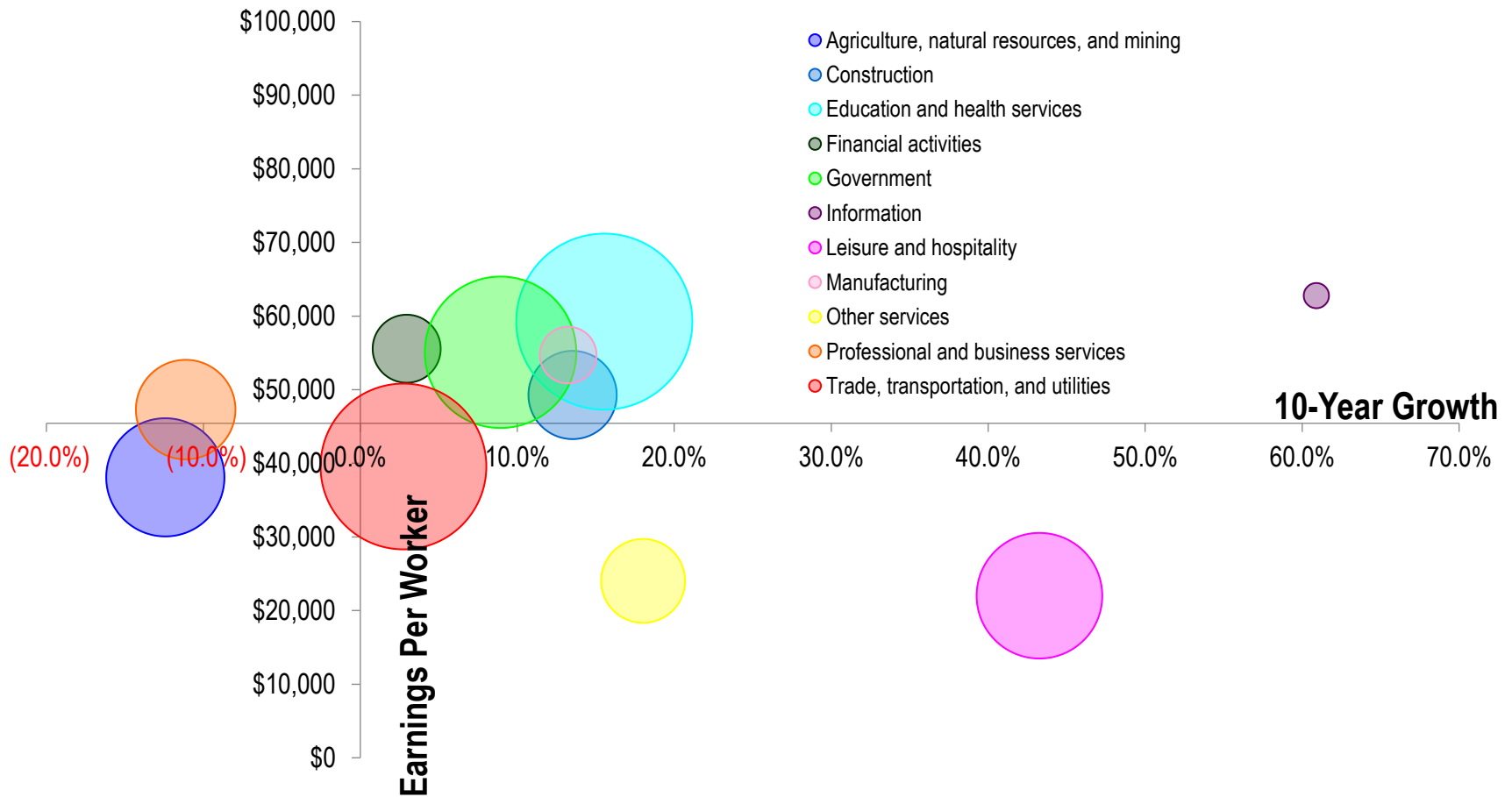
Total Population	Estimate
Population in 2011	98,477
Population in 2021	110,146
Population in 2031	123,316
Growth from 2011 to 2021	11.8%
Growth from 2021 to 2031	12.0%
Personal Income (Inclusive of all forms of income)	
Regional Personal Income per Capita	\$38,511
Florida Personal Income per Capita	\$57,186

Florida Defense Industry Economic Impact Analysis – 2022 Update

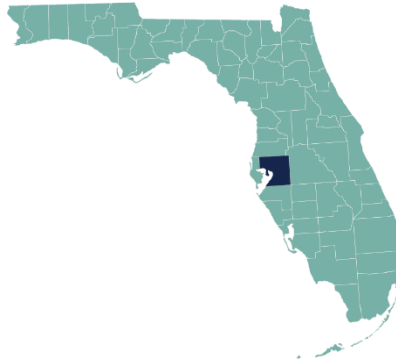


The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and average earnings per worker are displayed on the vertical axis. In order to interpret the graph correctly, the center of the bubble correlates with each industries' respective growth rate and earnings level.

Figure 102. Regional Industry and Earnings Growth – Highlands County



Hillsborough County



Hillsborough County Summary

- Location:** Tampa Bay Region
- Home to:** MacDill Air Force Base
- U.S. Central Command
- U.S. Special Operations

Economic Impacts Estimates

As Table 76 indicates, Hillsborough County is a prominent beneficiary of defense activities receiving over \$4.6 billion direct dollars in 2020. Transfers accounted for the largest share at 47% or roughly \$2.2 billion of the \$4.6 billion total. Salaries accounted for \$702 million or 15%, and procurement accounted for \$1.7 billion or 37%.

Table 78. Hillsborough County: Combined Direct Defense Expenditures

Spending Flow	Millions USD
Procurement	\$1,720.9
Salaries	\$702.0
Transfers	\$2,183.3
Total Combined Direct Expenditures	\$4,606.2

FIGURE 103. HILLSBOROUGH COUNTY: DISTRIBUTION OF DIRECT DEFENSE SPENDING

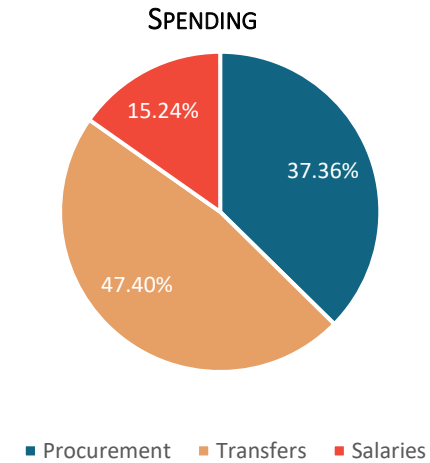




Table 79. Hillsborough County: Economic Impact Forecast, 2020 – 2024
Current Millions USD

Impact Type	2020	2021	2022	2023	2024
Total Employment	87,319	86,871	88,102	89,976	91,918
Gross Regional Product	\$11,196.38	\$11,138.24	\$11,263.25	\$11,458.42	\$11,660.72
<i>Total Consumption</i>	\$5,725.12	\$5,780.44	\$5,909.21	\$6,068.13	\$6,233.09
<i>Investment Residential</i>	\$1,334.53	\$1,347.03	\$1,376.86	\$1,413.80	\$1,452.14
<i>Investment Non-residential</i>	\$377.77	\$375.99	\$382.23	\$391.56	\$401.21
<i>Producer's Durable Equipment</i>	\$219.51	\$218.47	\$222.10	\$227.52	\$233.13
<i>Business Inventories</i>	-\$43.72	-\$42.44	-\$42.91	-\$44.04	-\$45.20
<i>Government</i>	\$285.62	\$283.21	\$287.53	\$294.42	\$301.54
<i>Exports</i>	\$8,356.92	\$8,236.45	\$8,269.89	\$8,360.44	\$8,454.09
<i>Imports (subtract)</i>	\$5,059.37	\$5,060.92	\$5,141.66	\$5,253.41	\$5,369.31

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

Overall, defense activities accounted for 87,319 jobs in Hillsborough County, in 2020, and just under \$11.2 billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region), which is roughly 10.8% of the county's 2020 Gross Regional Product. The total impact for the region is forecast to increase slightly from 2020 to 2024. Defense activities are expected to generate 91,918 jobs and \$11.66 billion of GRP in 2024. In comparison to 2020, there will be an additional 4,600 jobs \$460 million in the county related to defense activities.

In addition to the employment and GRP estimates, Table 77 provides the constituent components of GRP. As was explained in the introduction, direct defense expenditures expended in the state generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table above. The impact categories are defined as follows:



Florida Defense Industry Economic Impact Analysis – 2022 Update

- Total Employment measures jobs generated by military activities.
- Total Consumption consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- Investment expenditures include residential and non-residential real estate as well as investment in producers' durable equipment and business inventories.
- Government revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- Gross Regional Product is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.



Table 80. Hillsborough County: Total Economic Impacts by Component, Jobs, and Gross Regional Product (2020)
Millions USD

Hillsborough	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Economic Impact	\$2,587	\$0	\$10	\$2,596
	Total Jobs	23,622	0	88	23,710
Employment	Economic Impact	\$4,923	\$515	\$57	\$5,494
	Total Jobs	29,359	3,114	490	32,963
Transfers	Economic Impact	\$3,087	\$0	\$19	\$3,106
	Total Jobs	30,464	0	183	30,647
Totals	Economic Impact	\$10,596	\$515	\$85	\$11,196
	Total Jobs	83,445	3,114	761	87,320

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

Military Impacts by Type

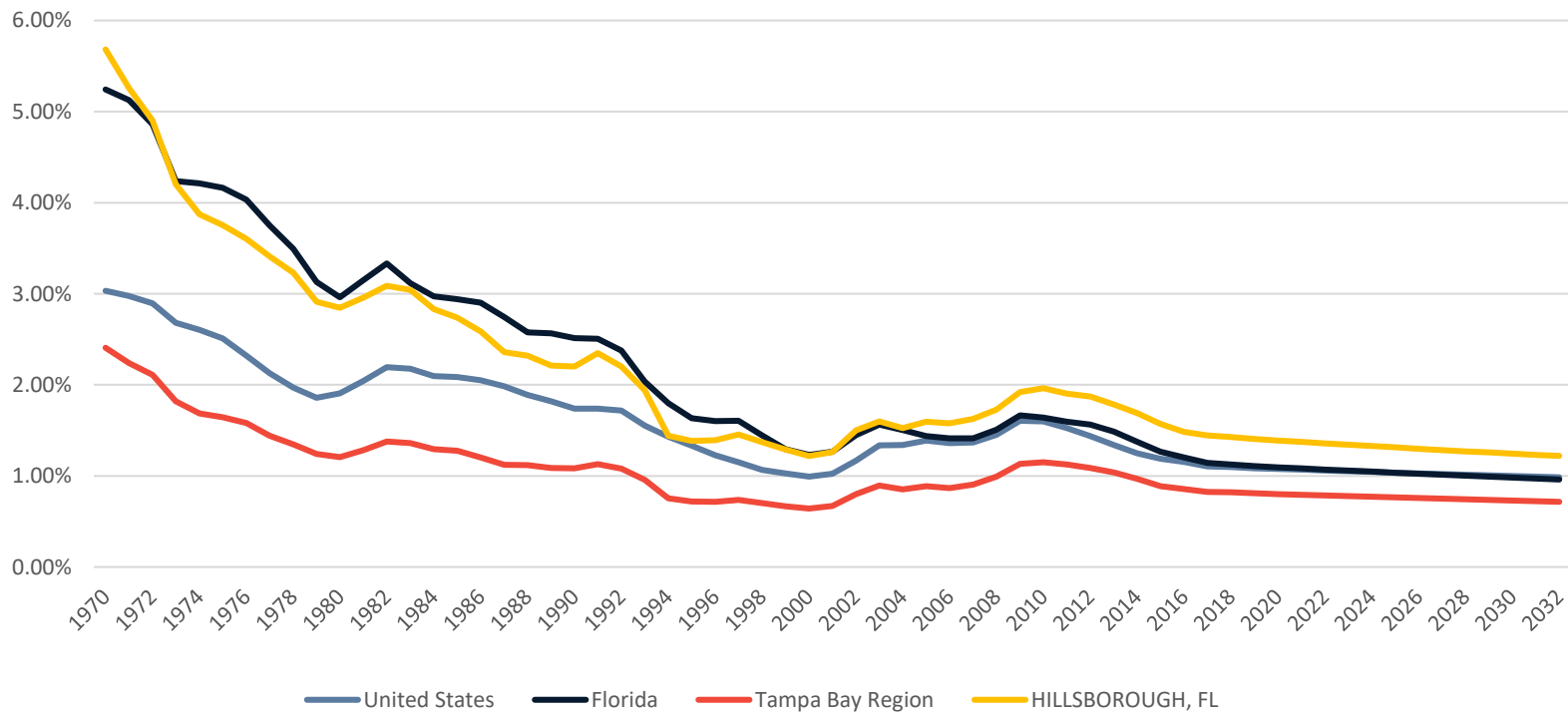
The table above displays the economic impacts (GRP and jobs created) in Hillsborough County by component and source for 2020. The components include procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2020 US Dollars) are displayed directly above the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner. As the data indicate, military transfers generated the most jobs in the county at 30,464, military procurement generated 23,622 jobs while military employment accounted for 29,359 jobs as well.

Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Share of Total Earnings

Earnings account for the majority of income paid to employees as remuneration for their work and include wage and salary disbursements as well as supplements to wages and salaries. Earnings are therefore a proxy economic impact measure, which is inclusive of more than just wages. The figure below benchmarks the total share of Hillsborough County’s regional income that can be attributed to the military (over time) against the greater Tampa Bay Region, Florida, and the U.S. As the data reflect, the military contributes to a similar share of earnings at the County level compared to the national or state level. Nevertheless, as economies continue to diversify, their military share of total earnings has happened to decline. This trend is expected to continue through 2032.

FIGURE 104. MILITARY SHARE OF TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, TAMPA BAY REGION, AND HILLSBOROUGH COUNTY



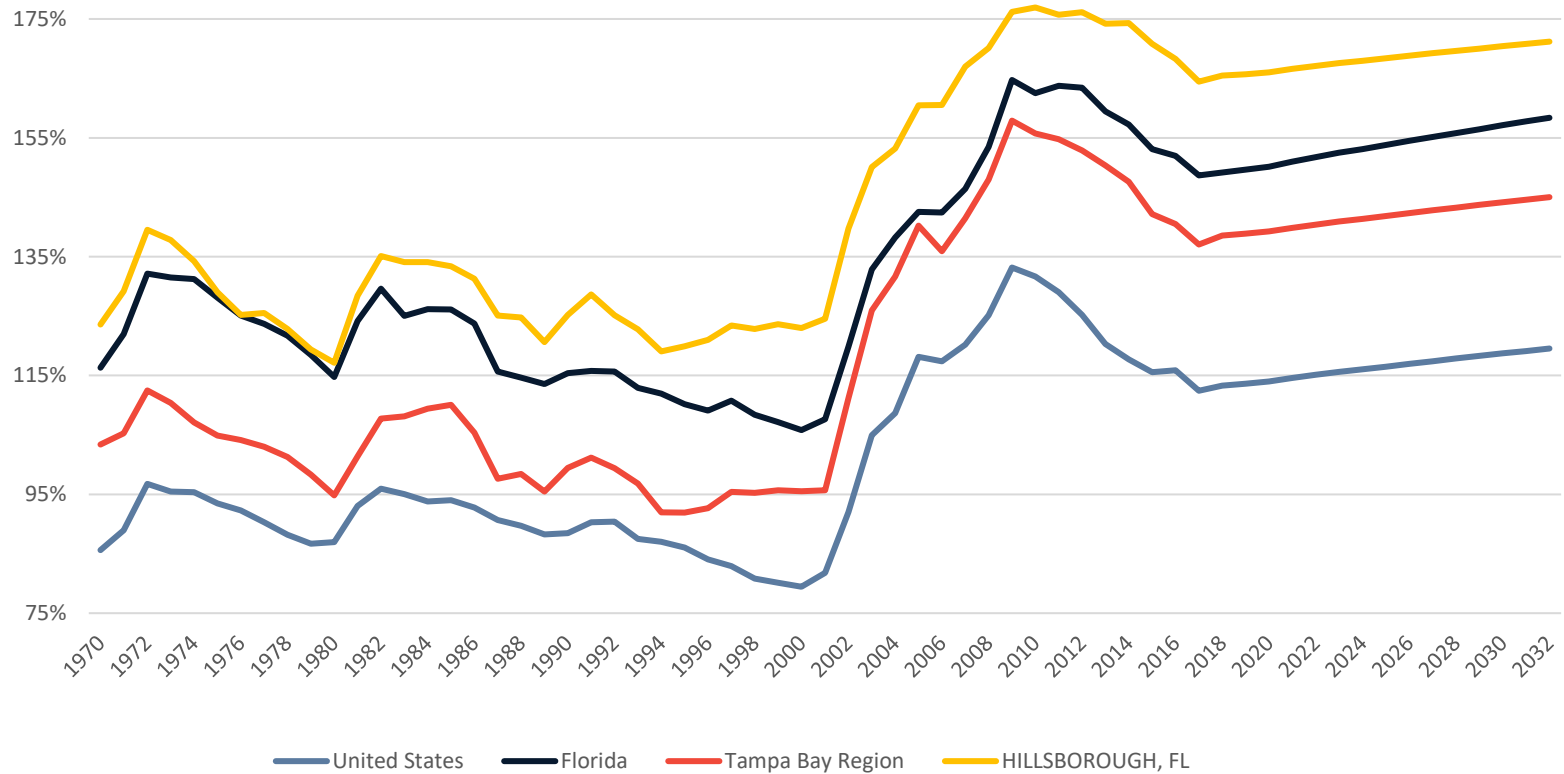
Florida Defense Industry Economic Impact Analysis – 2022 Update



Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It allows us to benchmark the earnings of military employees at the county level against the earning patterns of all workers. The graph below provides a comparison of performance at the county level versus the greater region, state, and the nation.

FIGURE 105. AVERAGE MILITARY EARNINGS VS AVERAGE TOTAL EARNINGS, 1970 – 2032: U.S., FL, TAMPA BAY REGION, AND HILLSBOROUGH COUNTY

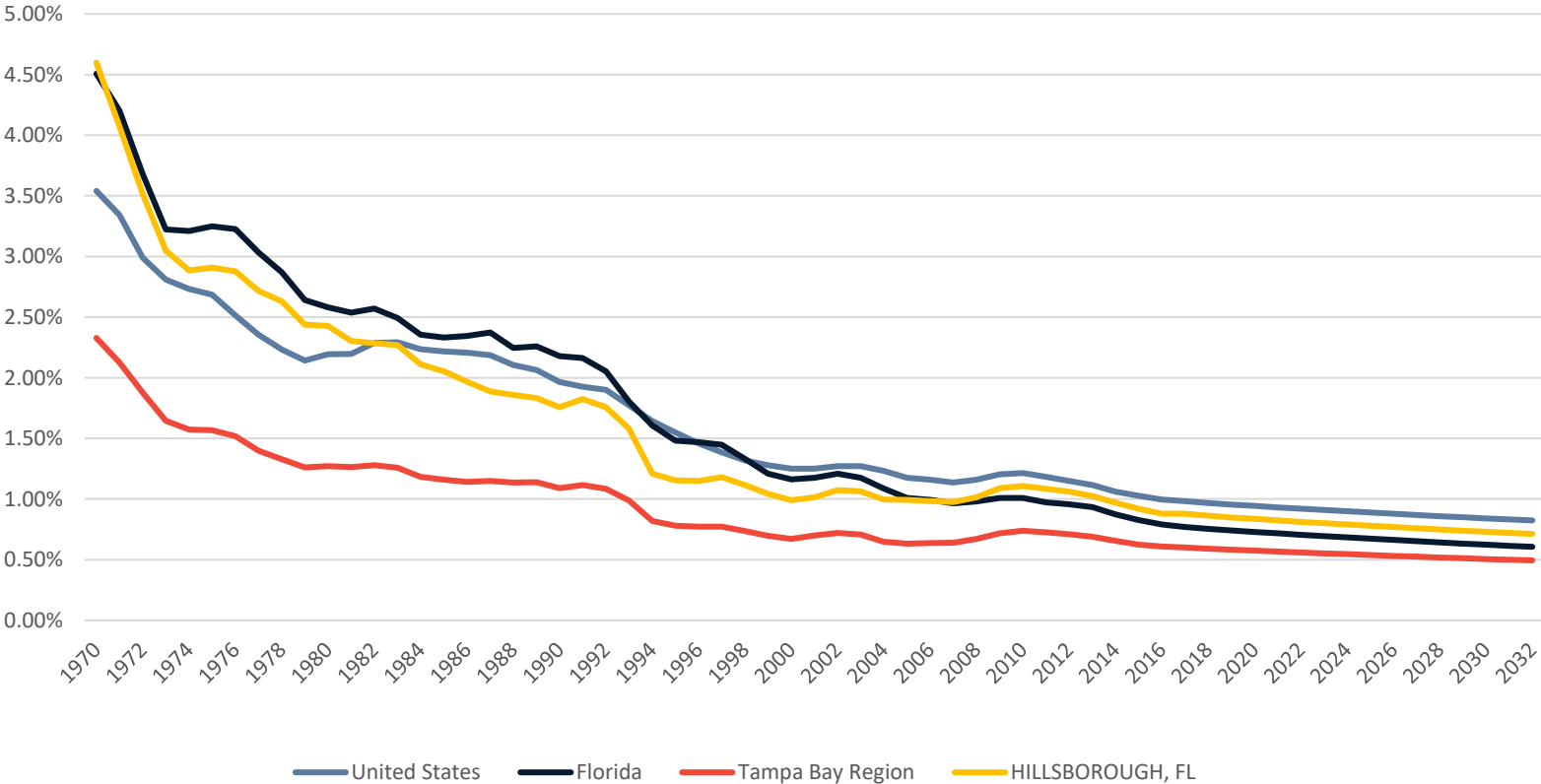


Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Employment as a Share of Total Employment

The figure below presents military employment as a share of total employment for the county, region, state of Florida, and the US. It allows us to benchmark military employment at the county level against the employment patterns of all workers in the region, statewide and nationwide.

FIGURE 106. MILITARY EMPLOYMENT AS A SHARE OF TOTAL EMPLOYMENT, 1970 – 2032: U.S., FL, TAMPA BY REGION, AND HILLSBOROUGH COUNTY

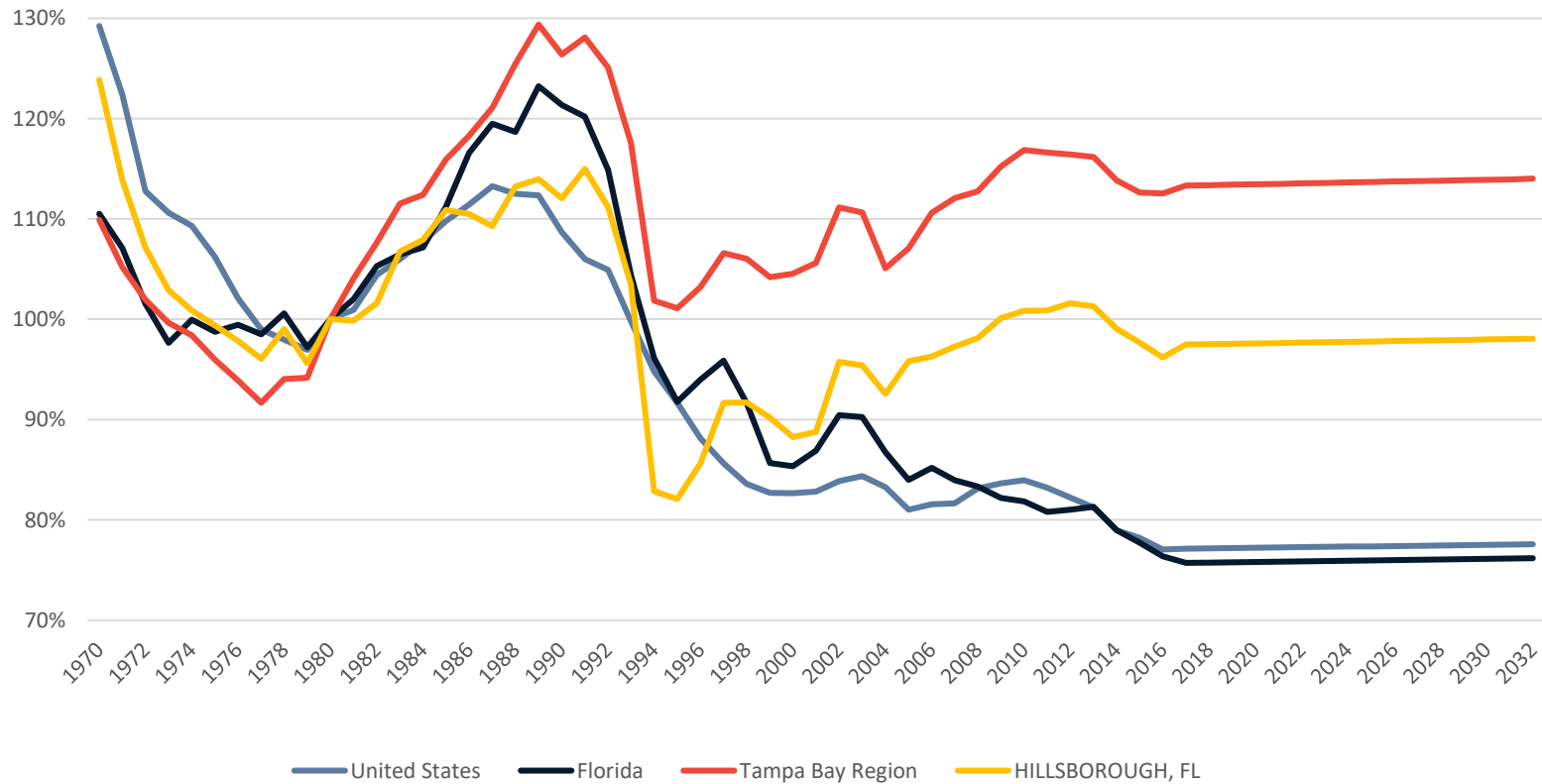




Change in Military Employment

The figure below presents military employment indexed to 1980 levels. It allows us to compare changes in military employment at the county level against regional, statewide, and national trends in military employment over the past 40 years that appear to remain steady through 2032.

FIGURE 107. TOTAL MILITARY EMPLOYMENT INDEXED TO 1980, 1970 – 2032: UNITED STATES, FL, TAMPA BAY REGION, AND HILLSBOROUGH COUNTY



Demographics and the Regional Economy

The table displayed below presents figures related to regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Personal income, as defined by the Bureau of Economic Analysis (BEA) and REMI, is income that people obtain from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources.

Table 81. Demographic Estimates, Hillsborough County

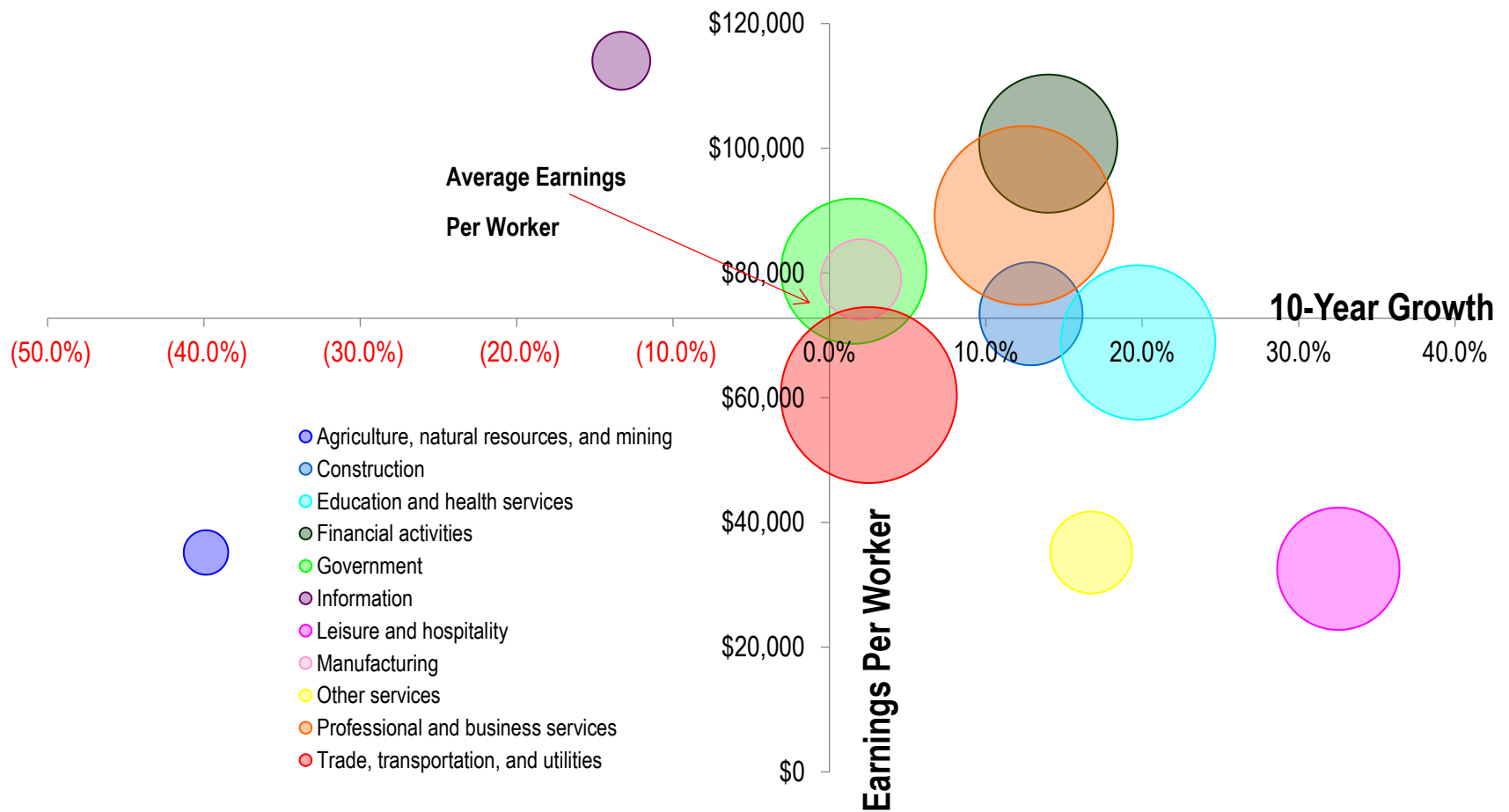
Total Population	Estimate
Population in 2011	1,255,503
Population in 2021	1,531,848
Population in 2031	1,705,634
Growth from 2011 to 2021	22.0%
Growth from 2021 to 2031	11.3%
Personal Income (Inclusive of all forms of income)	
Regional Personal Income per Capita	\$54,053
Florida Personal Income per Capita	\$57,186

Florida Defense Industry Economic Impact Analysis – 2022 Update

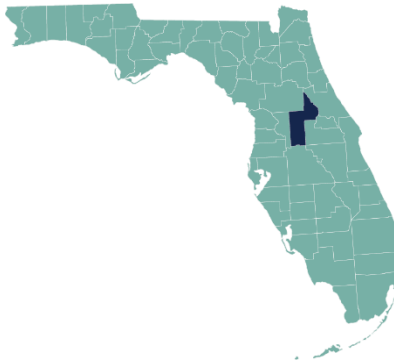


The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and average earnings per worker are displayed on the vertical axis. In order to interpret the graph correctly, the center of the bubble correlates with each industries' respective growth rate and earnings level.

Figure 108. Regional Industry and Earnings Growth – Hillsborough County



Lake County



Economic Impact Estimates

As Table 80 shows, Lake county’s economy is a minor beneficiary of funds flowing through as a result of defense activities – approximately \$544 million in 2020. Transfers accounted for roughly \$525 million or 96.5% of the \$544 million total. Salaries accounted for \$16 million or 3%, and procurement accounted for \$3 million or 0.5%

Table 82. Lake County: Combined Direct Defense Expenditures

Spending Flow	Millions USD
Procurement	\$2.8
Salaries	\$15.8
Transfers	\$525.1
Total Combined Direct Expenditures	\$543.6

FIGURE 109. LAKE COUNTY DISTRIBUTION OF DIRECT DEFENSE SPENDING

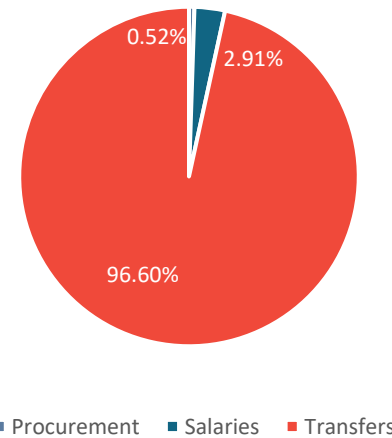




Table 83. Lake County: Economic Impact Forecast, 2020 – 2024
Current Millions USD

Impact Type	2020	2021	2022	2023	2024
Total Employment	8,855	8,925	9,142	9,420	9,710
Gross Regional Product	\$697.68	\$702.68	\$719.03	\$739.95	\$761.86
<i>Total Consumption</i>	\$977.96	\$987.94	\$1,015.30	\$1,049.69	\$1,085.46
<i>Investment Residential</i>	\$230.84	\$233.15	\$239.59	\$247.69	\$256.12
<i>Investment Non-residential</i>	\$40.85	\$41.13	\$42.17	\$43.52	\$44.92
<i>Producer's Durable Equipment</i>	\$23.63	\$23.79	\$24.39	\$25.17	\$25.98
<i>Business Inventories</i>	-\$2.38	-\$2.37	-\$2.42	-\$2.49	-\$2.57
<i>Government</i>	\$93.20	\$93.67	\$96.00	\$99.08	\$102.28
<i>Exports</i>	\$159.04	\$158.87	\$161.96	\$166.32	\$170.89
<i>Imports (subtract)</i>	\$825.47	\$833.50	\$857.96	\$889.03	\$921.23

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

In 2020, the military accounted for roughly 8,900 jobs in Lake County and nearly \$700 million in total Gross Regional Product (GRP - total value of all goods and services produced in the region); this is roughly 6.5% of the county's estimated 2020 Gross Regional Product. The total impacts for the county are forecasted to grow moderately between 2020 and 2024. Defense activities are expected to generate 9,710 jobs and around \$760 million of GRP in 2024. This amounts to roughly 1,000 more jobs and an extra \$160 million related to defense activities within the county.

In addition to the employment and GRP estimates, Table 81 provides the constituent components of GRP. As was explained in the introduction, direct defense expenditures expended in the state generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table above. The impact categories are defined as follows:



Florida Defense Industry Economic Impact Analysis – 2022 Update

- Total Employment measures jobs generated by military activities.
- Total Consumption consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- Investment expenditures include residential and non-residential real estate as well as investment in producers' durable equipment and business inventories.
- Government revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- Gross Regional Product is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.



Table 84. Lake County: Total Economic Impacts by Component, Jobs, and Gross Regional Product (2020)
Millions USD

Lake	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Economic Impact	\$156	\$0	\$0	\$156
	Total Jobs	2,022	0	0	2,022
Employment	Economic Impact	\$120	\$18	\$1	\$140
	Total Jobs	1,265	197	19	1,481
Transfers	Economic Impact	\$399	\$0	\$3	\$402
	Total Jobs	5,306	0	46	5,352
Totals	Economic Impact	\$674	\$18	\$5	\$698
	Total Jobs	8,593	197	65	8,855

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

Military Impacts by Type

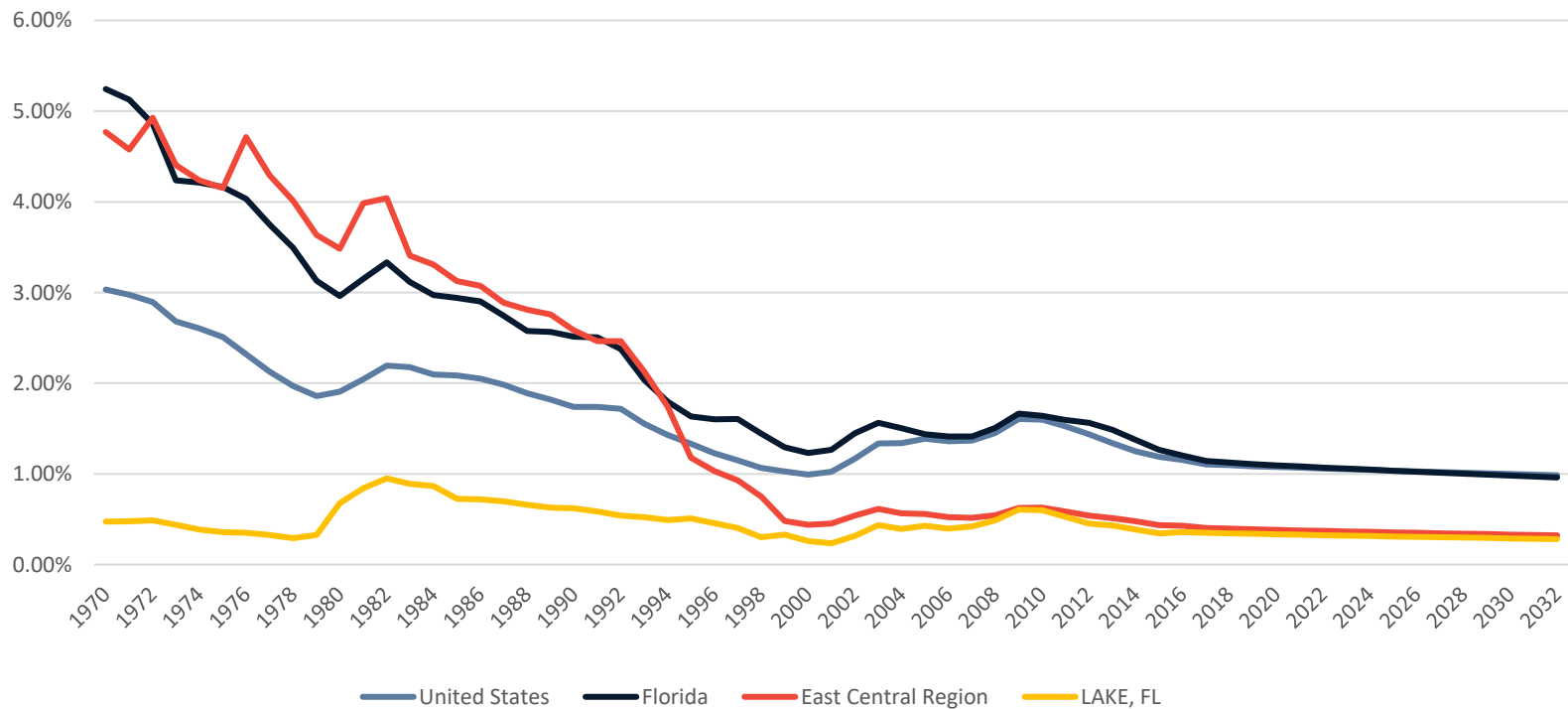
The table above displays the economic impacts (GRP and jobs created) in Lake County by component and source for 2020. The components include procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2020 US Dollars) are displayed directly above the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner. As the data indicate, transfers for the military generated the most jobs in the county at 5,306, military procurement generated 2,022 jobs while military employment accounted for 1,265 jobs as well.

Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Share of Total Earnings

Earnings account for the majority of income paid to employees as remuneration for their work and include wage and salary disbursements as well as supplements to wages and salaries. Earnings are therefore a proxy economic impact measure, which is inclusive of more than just wages. The figure below benchmarks the total share of Lake County’s regional income that can be attributed to the military (over time) against the greater East Central Region, Florida, and the U.S. As the data reflect, the military contributes to a substantially smaller share of earnings at the County level than at the national or state level. Nevertheless, as economies continue to diversify, their military share of total earnings has happened to decline. This trend is expected to continue through 2032.

FIGURE 110. MILITARY SHARE OF TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, EAST CENTRAL REGION, AND LAKE COUNTY



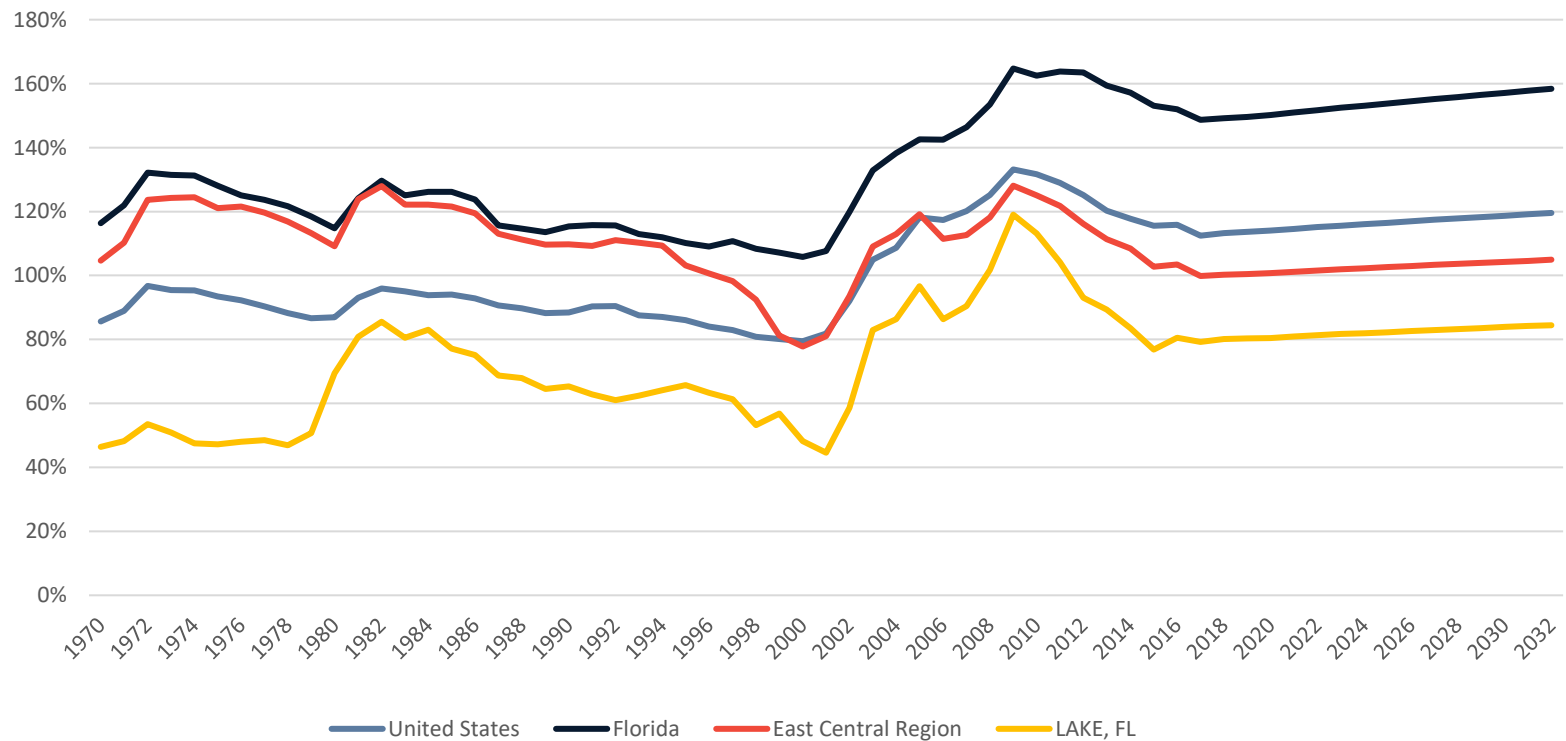
Florida Defense Industry Economic Impact Analysis – 2022 Update



Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It allows us to benchmark the earnings of military employees at the county level against the earning patterns of all workers. The graph below provides a comparison of performance at the county level versus the greater region, state, and the nation.

FIGURE 111. AVERAGE MILITARY EARNINGS VS AVERAGE TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, EAST CENTRAL FL, AND LAKE COUNTY

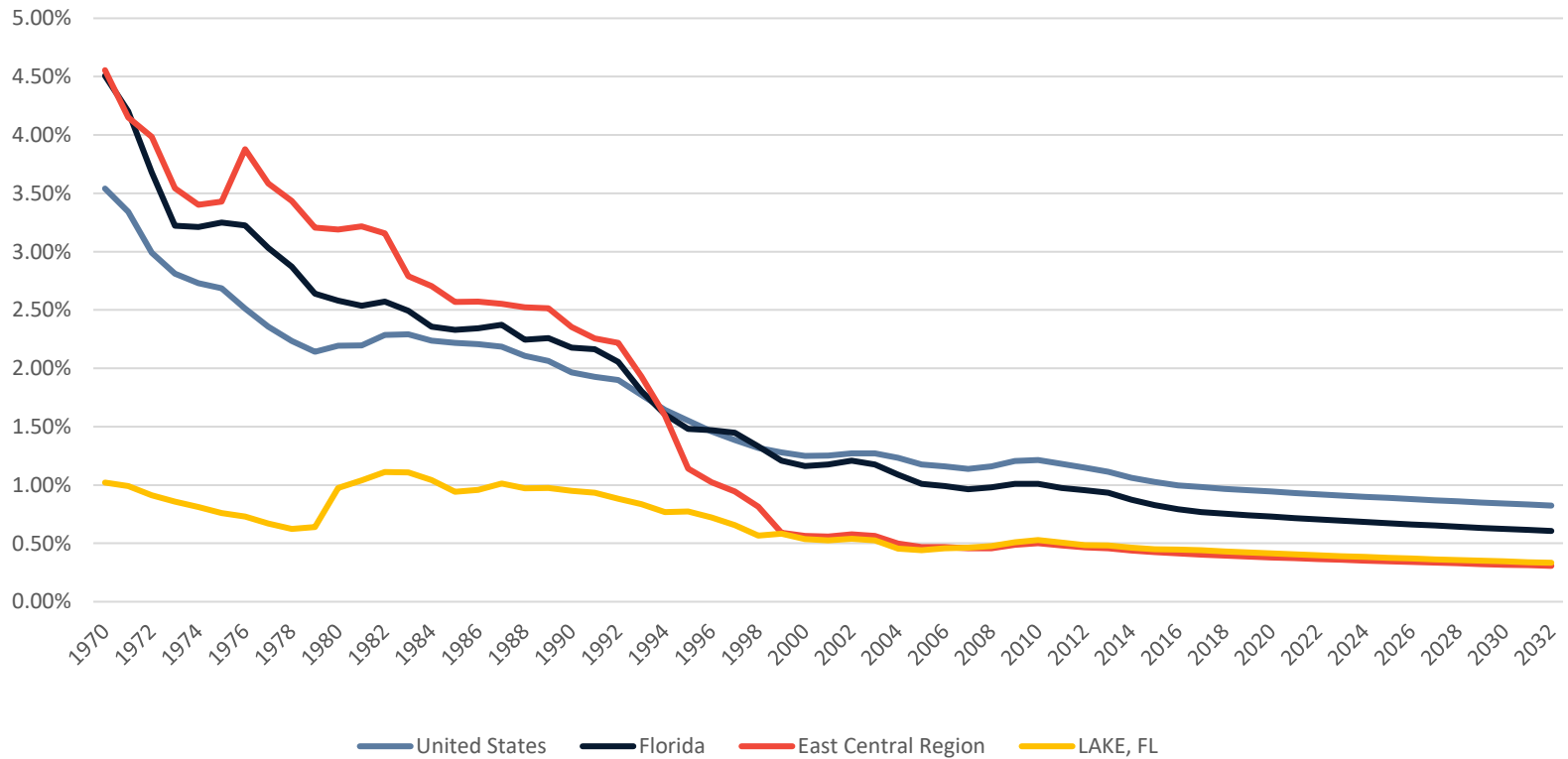


Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Employment as a Share of Total Employment

The figure below presents military employment as a share of total employment for the county, region, state of Florida, and the US. It allows us to benchmark military employment at the county level against the employment patterns of all workers in the region, statewide and nationwide.

FIGURE 112. MILITARY EMPLOYMENT AS A SHARE OF TOTAL EMPLOYMENT, 1970 – 2032: UNITED STATES, FLORIDA, EAST CENTRAL FL, & LAKE COUNTY



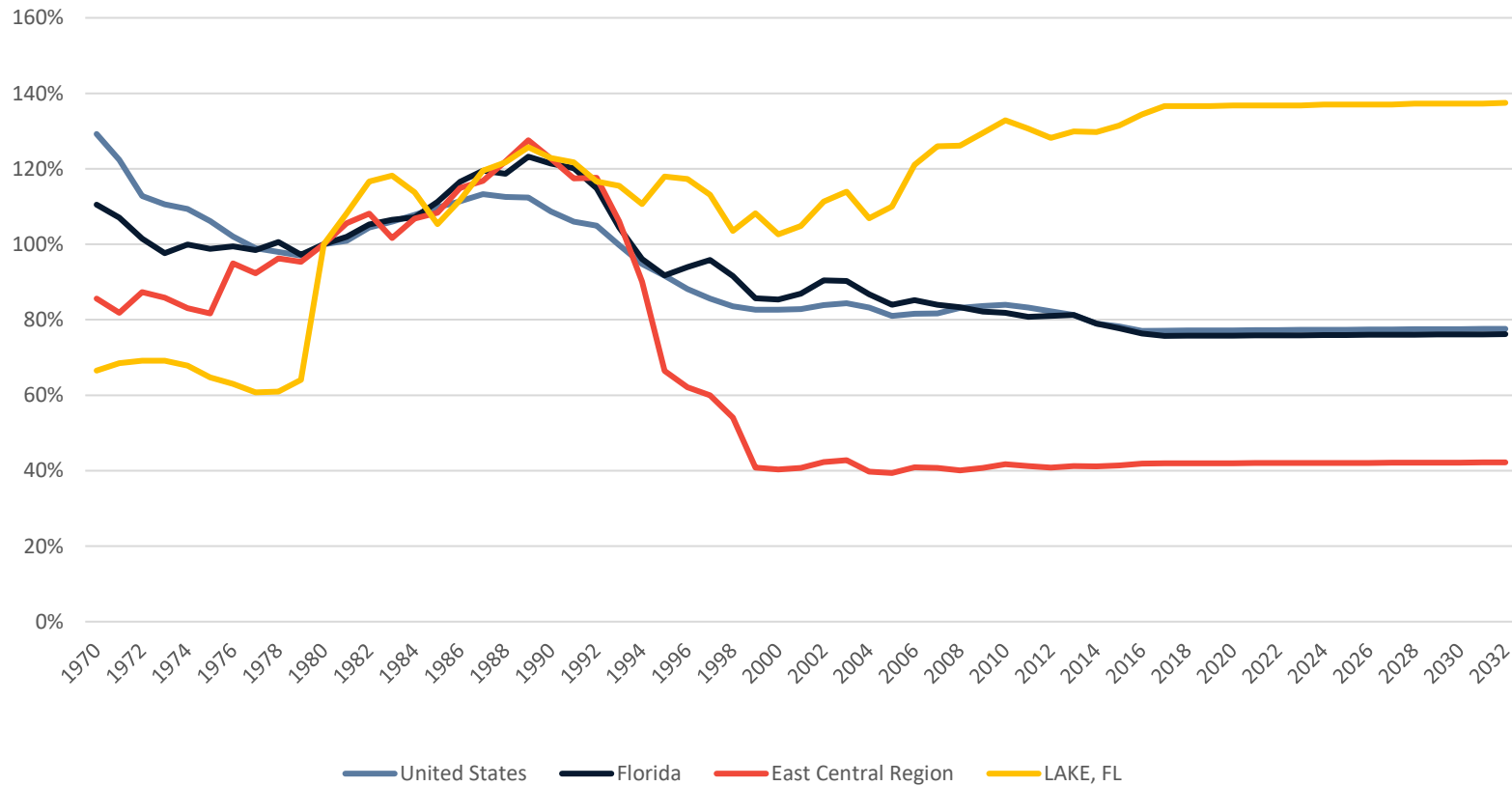
Florida Defense Industry Economic Impact Analysis – 2022 Update



Change in Military Employment

The figure below presents military employment indexed to 1980 levels. It allows us to compare changes in military employment at the county level against regional, statewide, and national trends in military employment over the past 40 years that appear to remain steady through 2032.

FIGURE 113. TOTAL MILITARY EMPLOYMENT INDEXED TO 1980, 1970 – 2032: UNITED STATES, FLORIDA, EAST CENTRAL REGION, AND LAKE COUNTY



Florida Defense Industry Economic Impact Analysis – 2022 Update

Demographics and the Regional Economy

The table displayed below presents figures related to regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Personal income, as defined by the Bureau of Economic Analysis (BEA) and REMI, is income that people obtain from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources.

Table 85. Demographic Estimates, Lake County

Total Population	Estimate
Population in 2011	300,505
Population in 2021	386,085
Population in 2031	468,996
Growth from 2011 to 2021	28.5%
Growth from 2021 to 2031	21.5%
Personal Income (Inclusive of all forms of income)	
Regional Personal Income per Capita	\$47,081
Florida Personal Income per Capita	\$57,186

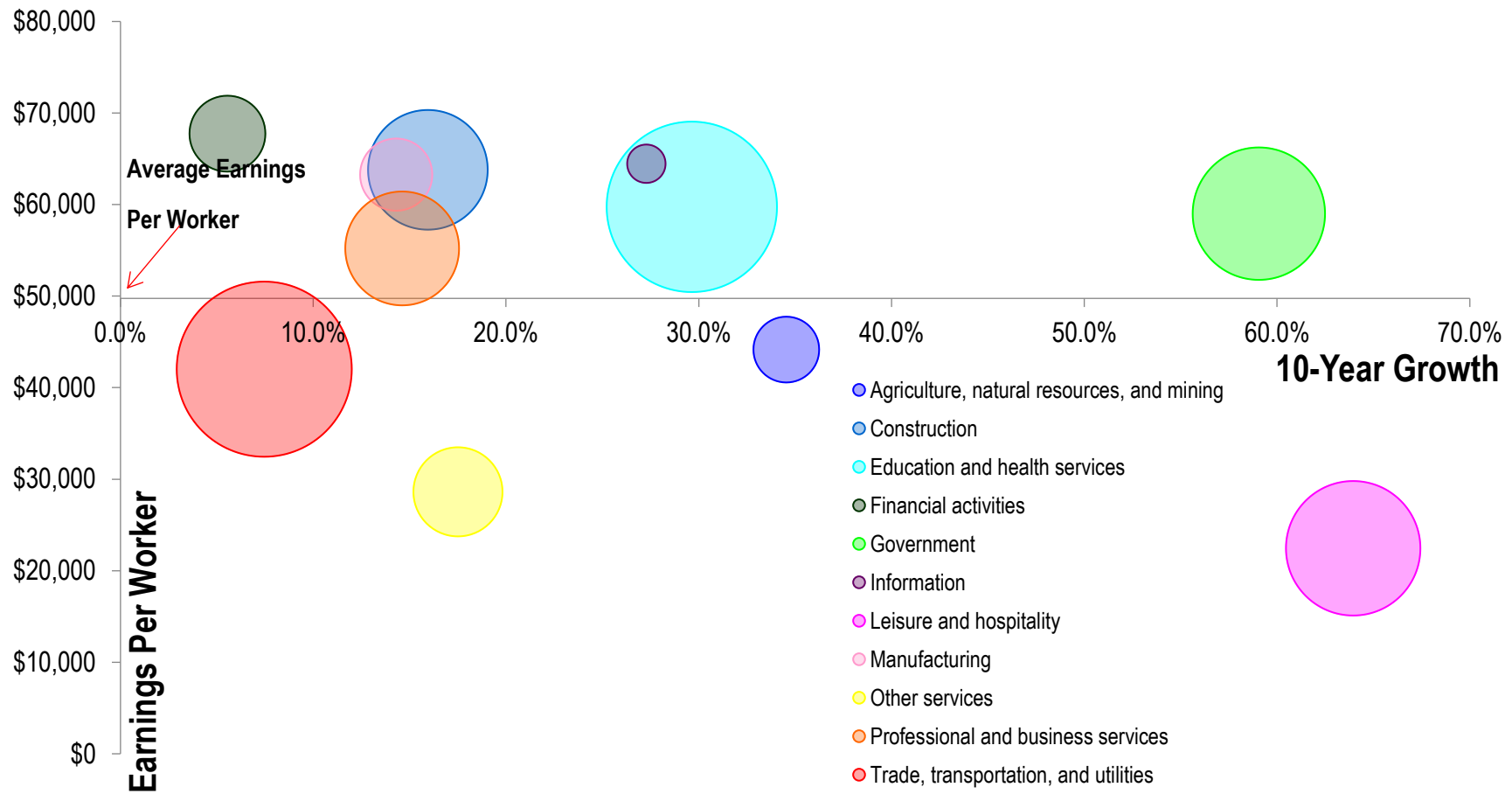
Source: US Bureau of Economic Analysis; US Bureau of Labor Statistics; Moody’s Analytics

Florida Defense Industry Economic Impact Analysis – 2022 Update

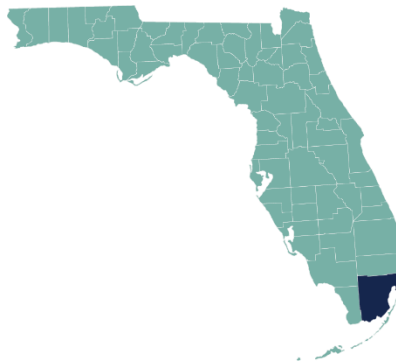


The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and average earnings per worker are displayed on the vertical axis. In order to interpret the graph correctly, the center of the bubble correlates with each industries' respective growth rate and earnings level.

Figure 114. Regional Industry and Earnings Growth – Lake County



Miami-Dade County



Miami-Dade County Summary

Location: Southeast Florida Region
Home to: United States Southern Command
 Homestead Air Reserve Base

Economic Impact Estimates

As Table 84 shows, Miami-Dade county’s economy is a significant beneficiary of funds flowing through as a result of defense activities – almost \$2 billion in 2020. Transfers accounted for roughly \$852 million or 44% of the \$1.96 billion total. Salaries accounted for \$373 million or 19%, and procurement accounted for \$731 million or 37%

Table 86. Miami-Dade County: Combined Direct Defense Expenditures

Spending Flow	Millions USD
Procurement	\$731.3
Salaries	\$373.2
Transfers	\$852.3
Total Combined Direct Expenditures	\$1,956.9

FIGURE 115. MIAMI-DADE COUNTY DISTRIBUTION OF DIRECT DEFENSE SPENDING

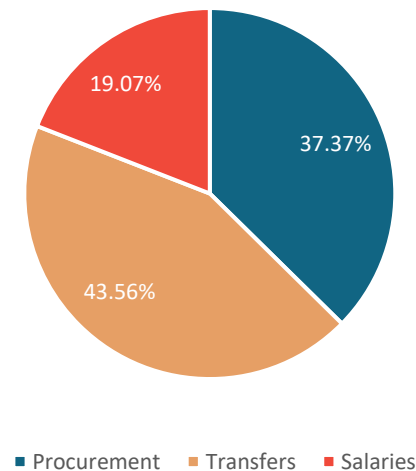




Table 87. Miami-Dade County: Economic Impact Forecast, 2020 – 2024
Current Millions USD

Impact Type	2020	2021	2022	2023	2024
Total Employment	57,139	56,640	57,201	58,161	59,152
Gross Regional Product	\$6,785.61	\$6,756.42	\$6,813.91	\$6,904.41	\$6,997.87
<i>Total Consumption</i>	\$3,138.91	\$3,155.88	\$3,211.27	\$3,282.07	\$3,355.43
<i>Investment Residential</i>	\$739.92	\$743.69	\$756.65	\$773.30	\$790.55
<i>Investment Non-residential</i>	\$244.54	\$242.81	\$246.02	\$251.11	\$256.36
<i>Producer's Durable Equipment</i>	\$151.87	\$150.80	\$152.79	\$155.95	\$159.21
<i>Business Inventories</i>	-\$21.70	-\$21.69	-\$22.03	-\$22.51	-\$23.01
<i>Government</i>	\$194.85	\$190.81	\$192.62	\$196.61	\$200.72
<i>Exports</i>	\$5,285.48	\$5,228.41	\$5,245.17	\$5,289.21	\$5,334.44
<i>Imports (subtract)</i>	\$2,948.26	\$2,934.29	\$2,968.59	\$3,021.34	\$3,075.84

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

In 2020, the military accounted for over 57,000 jobs in Miami- Dade County and nearly \$6.8 billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region); this is roughly 3.9% of the county’s estimated 2020 Gross Regional Product. The total impacts for the county are forecasted to grow slightly between 2020 and 2024. Defense activities are expected to generate 59,152 jobs and nearly \$7 billion of GRP in 2024. This amounts to roughly 2,000 more jobs and an extra \$200 million related to defense activities in the county.

In addition to the employment and GRP estimates, Table 81 provides the constituent components of GRP. As was explained in the introduction, direct defense expenditures expended in the state generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table above. The impact categories are defined as follows:



Florida Defense Industry Economic Impact Analysis – 2022 Update

- Total Employment measures jobs generated by military activities.
- Total Consumption consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- Investment expenditures include residential and non-residential real estate as well as investment in producers' durable equipment and business inventories.
- Government revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- Gross Regional Product is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.



Table 88. Miami-Dade County: Total Economic Impacts by Component, Jobs, and Gross Regional Product (2020)
Millions USD

Miami-Dade	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Economic Impact	\$1,205	\$0	\$21	\$1,225
	Total Jobs	14,794	0	255	15,049
Employment	Economic Impact	\$3,018	\$393	\$738	\$4,148
	Total Jobs	20,584	2,704	4,734	28,022
Transfers	Economic Impact	\$1,401	\$0	\$11	\$1,412
	Total Jobs	13,953	0	114	14,067
Totals	Economic Impact	\$5,623	\$393	\$770	\$6,786
	Total Jobs	49,331	2,704	5,103	57,138

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

Military Impacts by Type

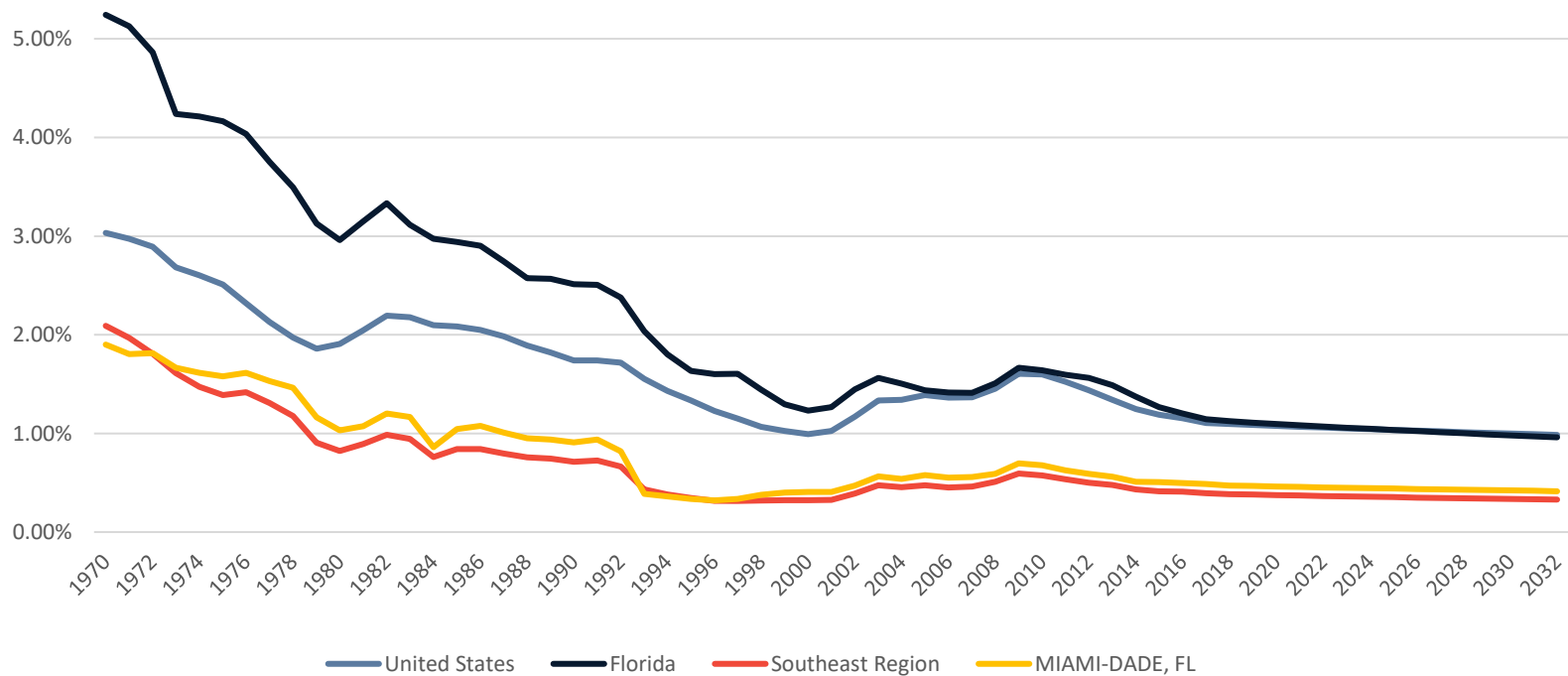
The table above displays the economic impacts (GRP and jobs created) in Miami-Dade County by component and source for 2020. The components include procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2020 US Dollars) are displayed directly above the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner. As the data indicate, military employment generated the most jobs in the county at 20,584, military procurement generated 14,794 jobs while military transfers accounted for 13,953 jobs as well.

Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Share of Total Earnings

Earnings account for the majority of income paid to employees as remuneration for their work and include wage and salary disbursements as well as supplements to wages and salaries. Earnings are therefore a proxy economic impact measure, which is inclusive of more than just wages. The figure below benchmarks the total share of Miami-Dade County’s regional income that can be attributed to the military (over time) against the greater Southeast Region, Florida, and the U.S. As the data reflect, the military contributes to a substantially smaller share of earnings at the County level than at the national or state level. Nevertheless, as economies continue to diversify, their military share of total earnings has happened to decline. This trend is expected to continue through 2032.

FIGURE 116. MILITARY SHARE OF TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, SOUTHEAST REGION, AND MIAMI-DADE COUNTY



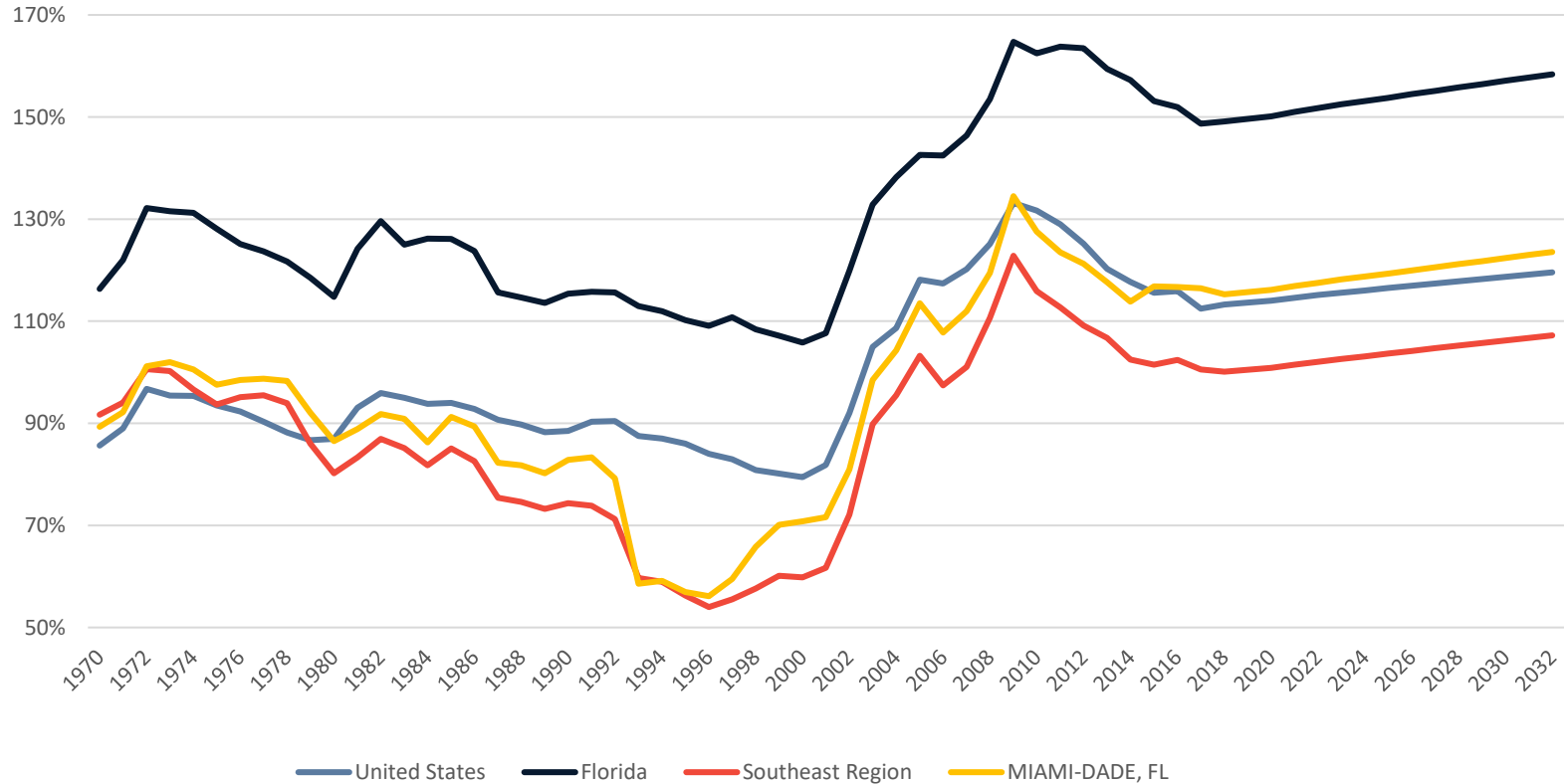
Florida Defense Industry Economic Impact Analysis – 2022 Update



Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It allows us to benchmark the earnings of military employees at the county level against the earning patterns of all workers. The graph below provides a comparison of performance at the county level versus the greater region, state, and the nation.

FIGURE 117. AVERAGE MILITARY EARNINGS VS AVERAGE TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, SE FL, AND MIAMI-DADE COUNTY

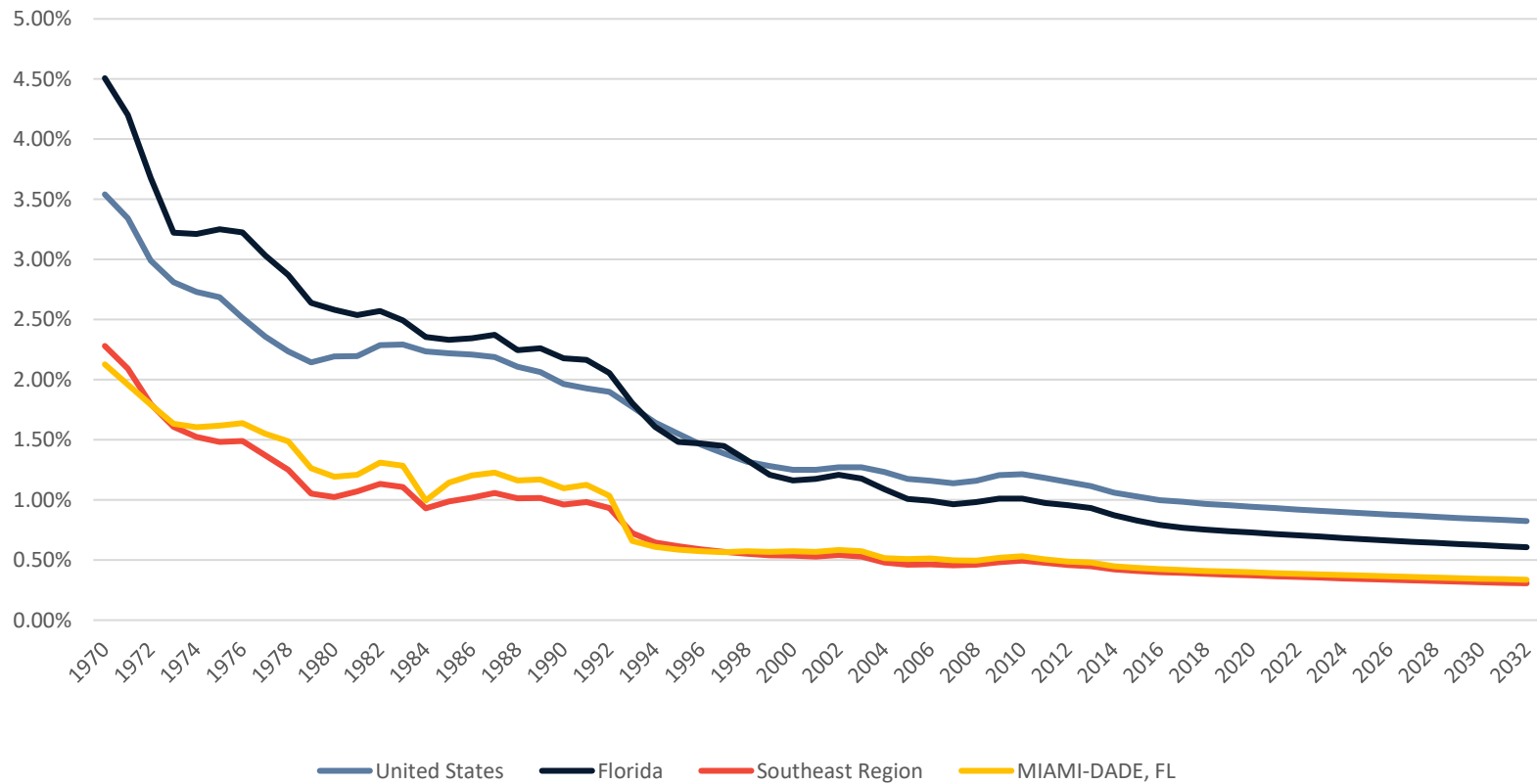


Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Employment as a Share of Total Employment

The figure below presents military employment as a share of total employment for the county, region, state of Florida, and the US. It allows us to benchmark military employment at the county level against the employment patterns of all workers in the region, statewide and nationwide.

FIGURE 118. MILITARY EMPLOYMENT AS A SHARE OF TOTAL EMPLOYMENT, 1970 – 2032: UNITED STATES, FLORIDA, SE FL, AND MIAMI-DADE COUNTY

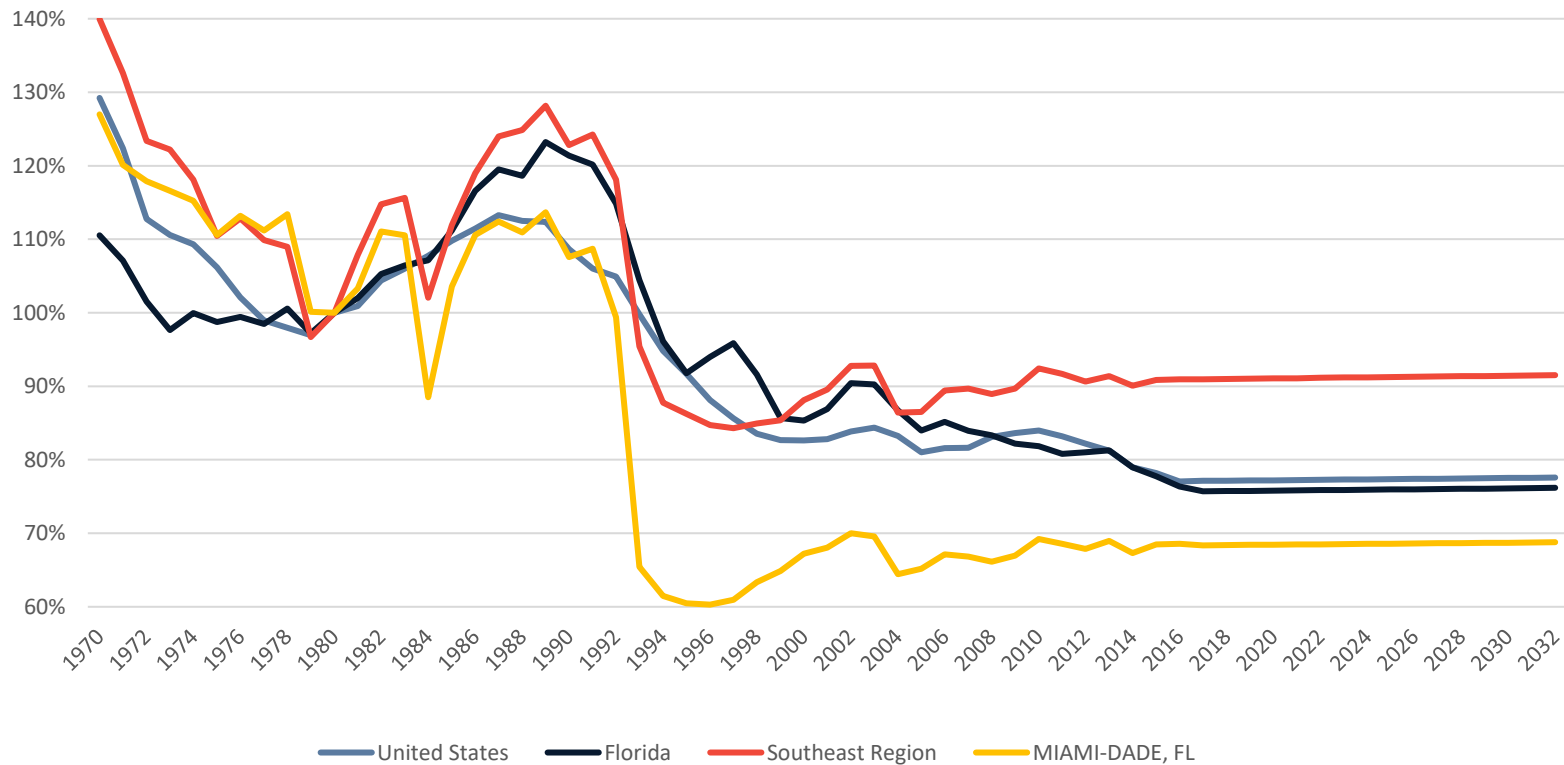




Change in Military Employment

The figure below presents military employment indexed to 1980 levels. It allows us to compare changes in military employment at the county level against regional, statewide, and national trends in military employment over the past 40 years that appear to remain steady through 2032.

FIGURE 119. TOTAL MILITARY EMPLOYMENT INDEXED TO 1980, 1970 – 2032: UNITED STATES, FLORIDA, SOUTHEAST FL, AND MIAMI-DADE COUNTY



Florida Defense Industry Economic Impact Analysis – 2022 Update

Demographics and the Regional Economy

The table displayed below presents figures related to regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Personal income, as defined by the Bureau of Economic Analysis (BEA) and REMI, is income that people obtain from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources.

Table 89. Demographic Estimates, Miami-Dade County

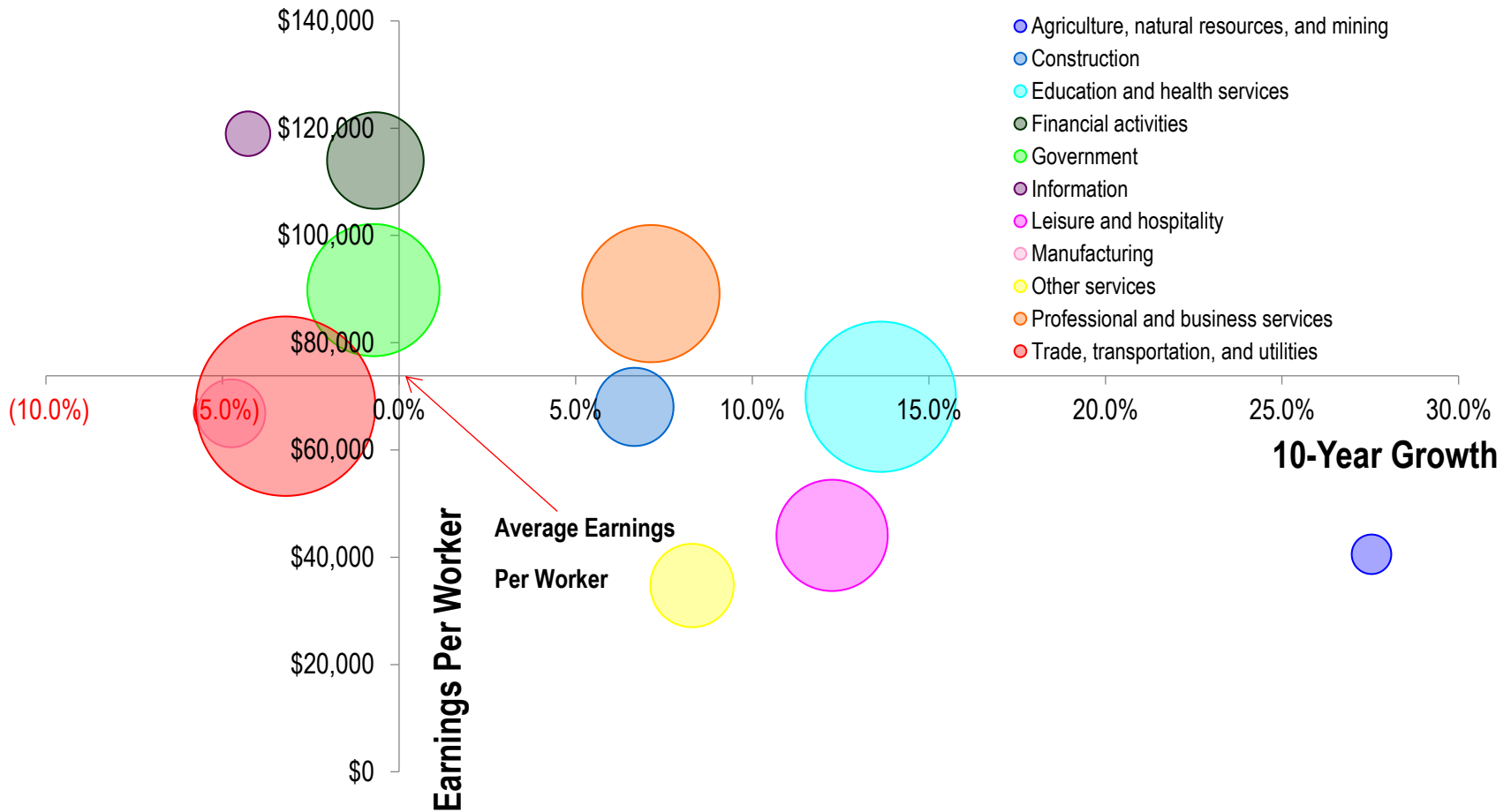
Total Population	Estimate
Population in 2011	2,544,531
Population in 2021	2,771,212
Population in 2031	2,972,786
Growth from 2011 to 2021	8.9%
Growth from 2021 to 2031	7.3%
Personal Income (Inclusive of all forms of income)	
Regional Personal Income per Capita	\$60,056
Florida Personal Income per Capita	\$57,186

Florida Defense Industry Economic Impact Analysis – 2022 Update

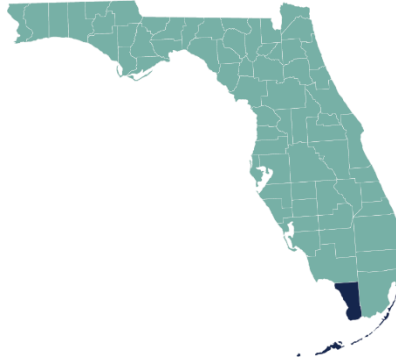


The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and average earnings per worker are displayed on the vertical axis. In order to interpret the graph correctly, the center of the bubble correlates with each industries' respective growth rate and earnings level.

Figure 120. Regional Industry and Earnings Growth – Miami-Dade County



Monroe County



Monroe County Summary

Location: Southeast Florida Region

Home to: Naval Air Station Key West

Economic Impact Estimates

As Table 88 shows, in 2020, defense activities injected over \$278 million directly into the Monroe County economy. Of this, 40% or \$112 million was in the form of salaries and wages paid to military, National Guard, and Coast Guard personnel. Procurement flows accounted for \$73 million or 26%, and transfers accounted for \$94 million or 34%.

Table 90. Monroe County: Combined Direct Defense Expenditures

Spending Flow	Millions USD
Procurement	\$73.2
Salaries	\$111.7
Transfers	\$94.0
Total Combined Direct Expenditures	\$278.9

FIGURE 121. MONROE COUNTY: DISTRIBUTION OF DIRECT DEFENSE

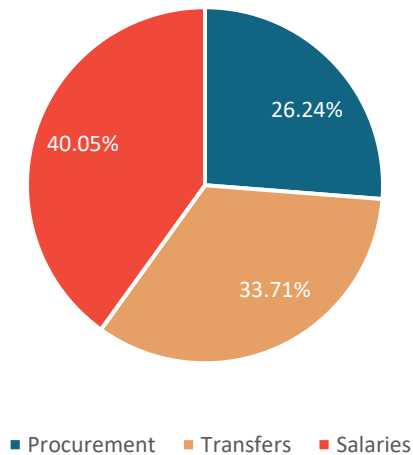




Table 91. Monroe County: Economic Impact Forecast, 2020 – 2024
Current Millions USD

Impact Type	2020	2021	2022	2023	2024
Total Employment	5,966	5,930	5,960	6,010	6,065
Gross Regional Product	\$885.02	\$882.13	\$884.88	\$889.00	\$893.80
<i>Total Consumption</i>	\$392.20	\$394.18	\$398.94	\$404.58	\$410.62
<i>Investment Residential</i>	\$92.72	\$93.17	\$94.28	\$95.61	\$97.04
<i>Investment Non-residential</i>	\$17.11	\$17.04	\$17.19	\$17.42	\$17.67
<i>Producer's Durable Equipment</i>	\$11.07	\$11.02	\$11.12	\$11.28	\$11.44
<i>Business Inventories</i>	-\$1.32	-\$1.30	-\$1.32	-\$1.34	-\$1.37
<i>Government</i>	\$15.93	\$15.81	\$15.92	\$16.12	\$16.34
<i>Exports</i>	\$969.14	\$964.11	\$964.83	\$966.77	\$969.40
<i>Imports (subtract)</i>	\$611.83	\$611.89	\$616.09	\$621.45	\$627.32

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

Overall, the military accounted for 5,966 jobs in Monroe County, in 2020, and \$885 million in total Gross Regional Product (GRP - total value of all goods and services produced in the region), which is roughly 18.6% of the county's total estimated 2020 Gross Regional Product. The total impacts for Monroe County are forecasted to remain stable between 2020 and 2024. Defense activities are expected to generate roughly 6,065 jobs in 2024—only a 100 more over the next four years.

In addition to the employment and GRP estimates, Table 85 provides the constituent components of GRP. As was explained in the introduction, direct defense expenditures expended in the state generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table above. The impact categories are defined as follows:



Florida Defense Industry Economic Impact Analysis – 2022 Update

- Total Employment measures jobs generated by military activities.
- Total Consumption consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- Investment expenditures include residential and non-residential real estate as well as investment in producers' durable equipment and business inventories.
- Government revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- Gross Regional Product is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.



Table 92. Monroe County: Total Economic Impacts by Component, Jobs, and Gross Regional Product (2020)
Millions USD

Monroe	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Economic Impact	\$61	\$0	\$11	\$73
	Total Jobs	749	0	140	889
Employment	Economic Impact	\$342	\$56	\$357	\$755
	Total Jobs	2,143	304	1,936	4,383
Transfers	Economic Impact	\$56	\$0	\$1	\$57
	Total Jobs	677	0	17	694
Totals	Economic Impact	\$459	\$56	\$370	\$885
	Total Jobs	3,569	304	2,093	5,966

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

Military Impacts by Type

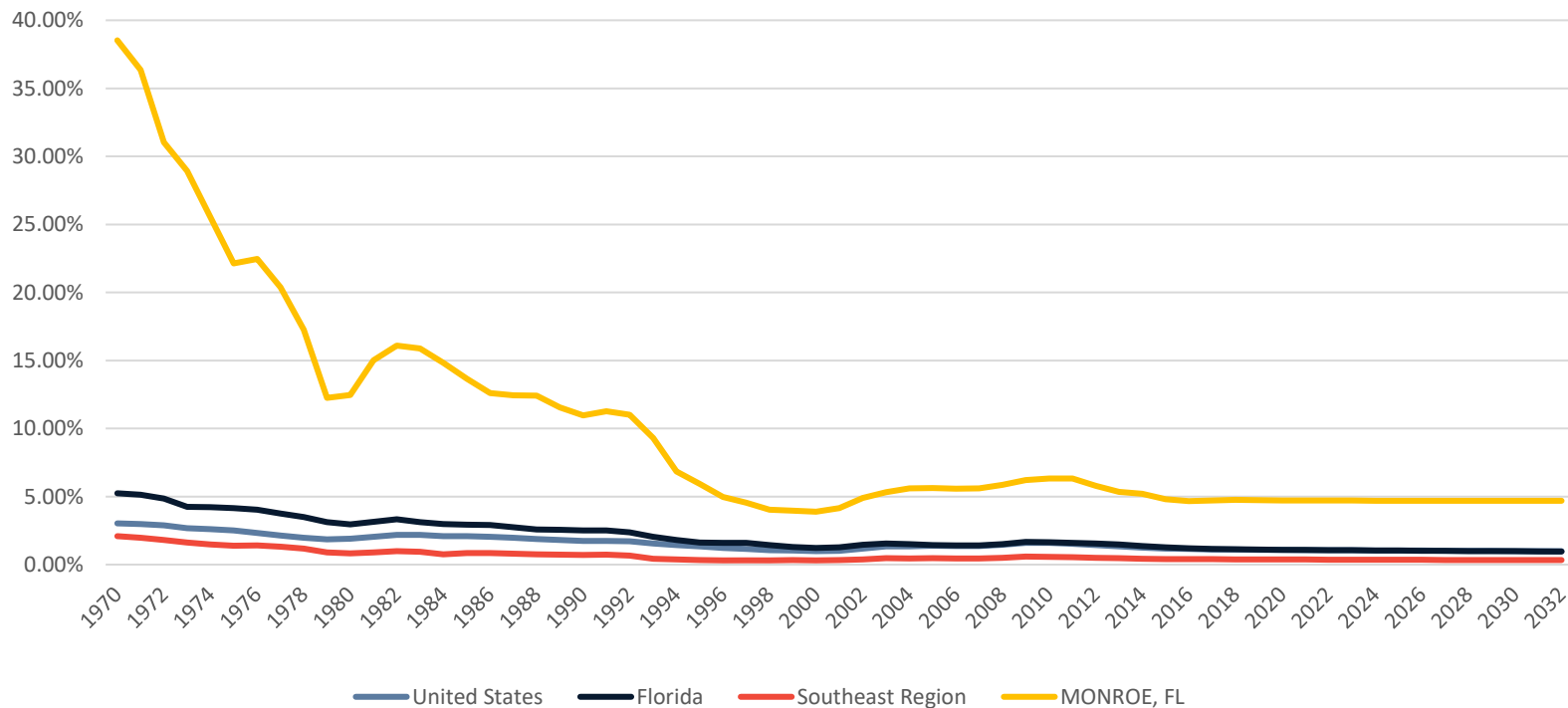
The table above displays the economic impacts (GRP and jobs created) in Monroe County by component and source for 2020. The components include procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2020 US Dollars) are displayed directly above the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner. As the data indicate, military employment generated the most jobs in the county at 2,143, military procurement generated 749 jobs while military transfers accounted for 677 jobs as well.

Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Share of Total Earnings

Earnings account for the majority of income paid to employees as remuneration for their work and include wage and salary disbursements as well as supplements to wages and salaries. Earnings are therefore a proxy economic impact measure, which is inclusive of more than just wages. The figure below benchmarks the total share of Monroe County’s regional income that can be attributed to the military (over time) against the greater Southeast Region, Florida, and the U.S. As the data reflect, the military contributes to a substantially larger share of earnings at the County level than at the national or state level. Nevertheless, as economies continue to diversify, their military share of total earnings has happened to decline. This trend is expected to continue through 2032.

FIGURE 122. MILITARY SHARE OF TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, SOUTHEAST REGION, AND MONROE COUNTY



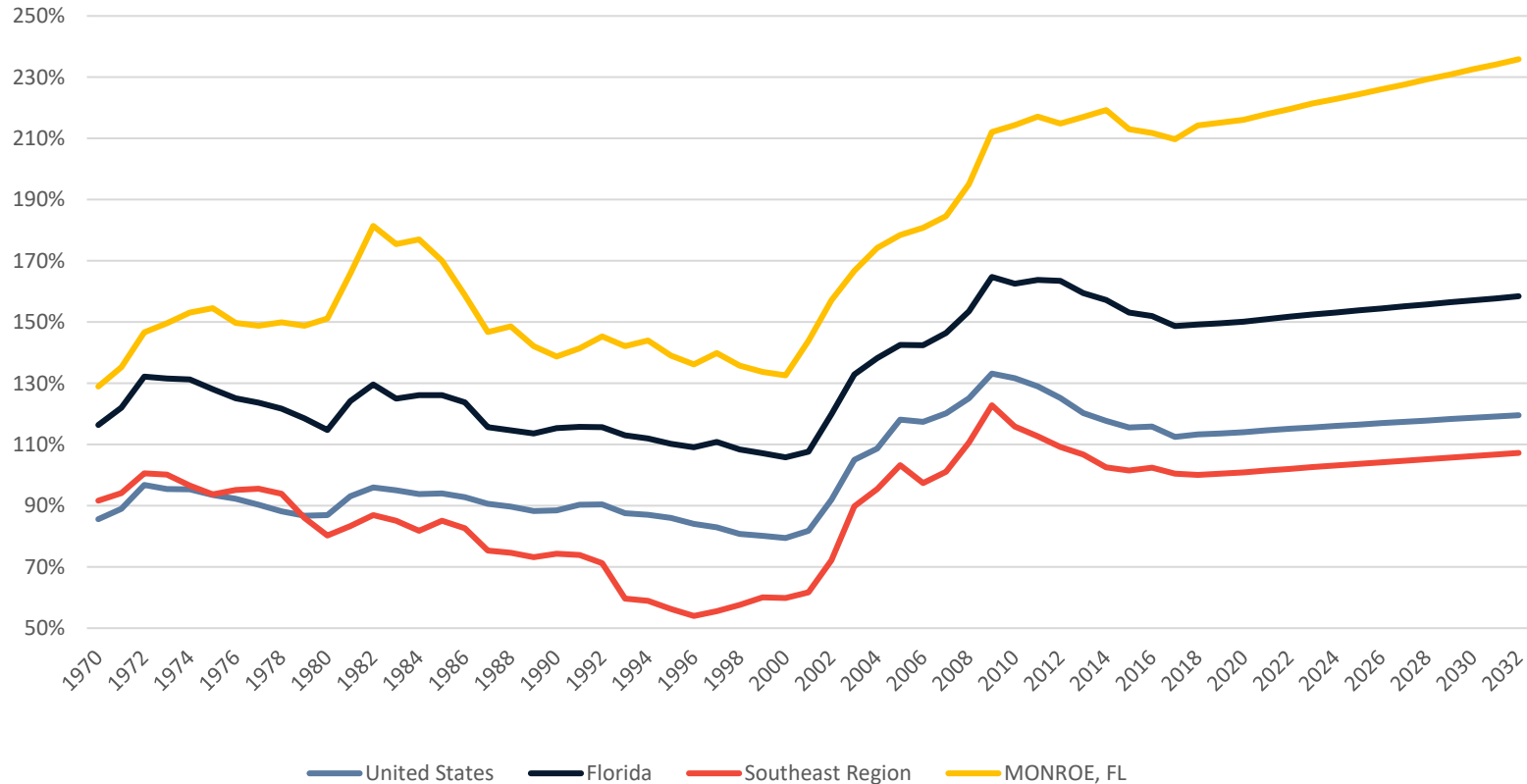
Florida Defense Industry Economic Impact Analysis – 2022 Update



Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It allows us to benchmark the earnings of military employees at the county level against the earning patterns of all workers. The graph below provides a comparison of performance at the county level versus the greater region, state, and the nation.

FIGURE 123. AVERAGE MILITARY EARNINGS VS AVG TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, SOUTHEAST FL, AND MONROE COUNTY

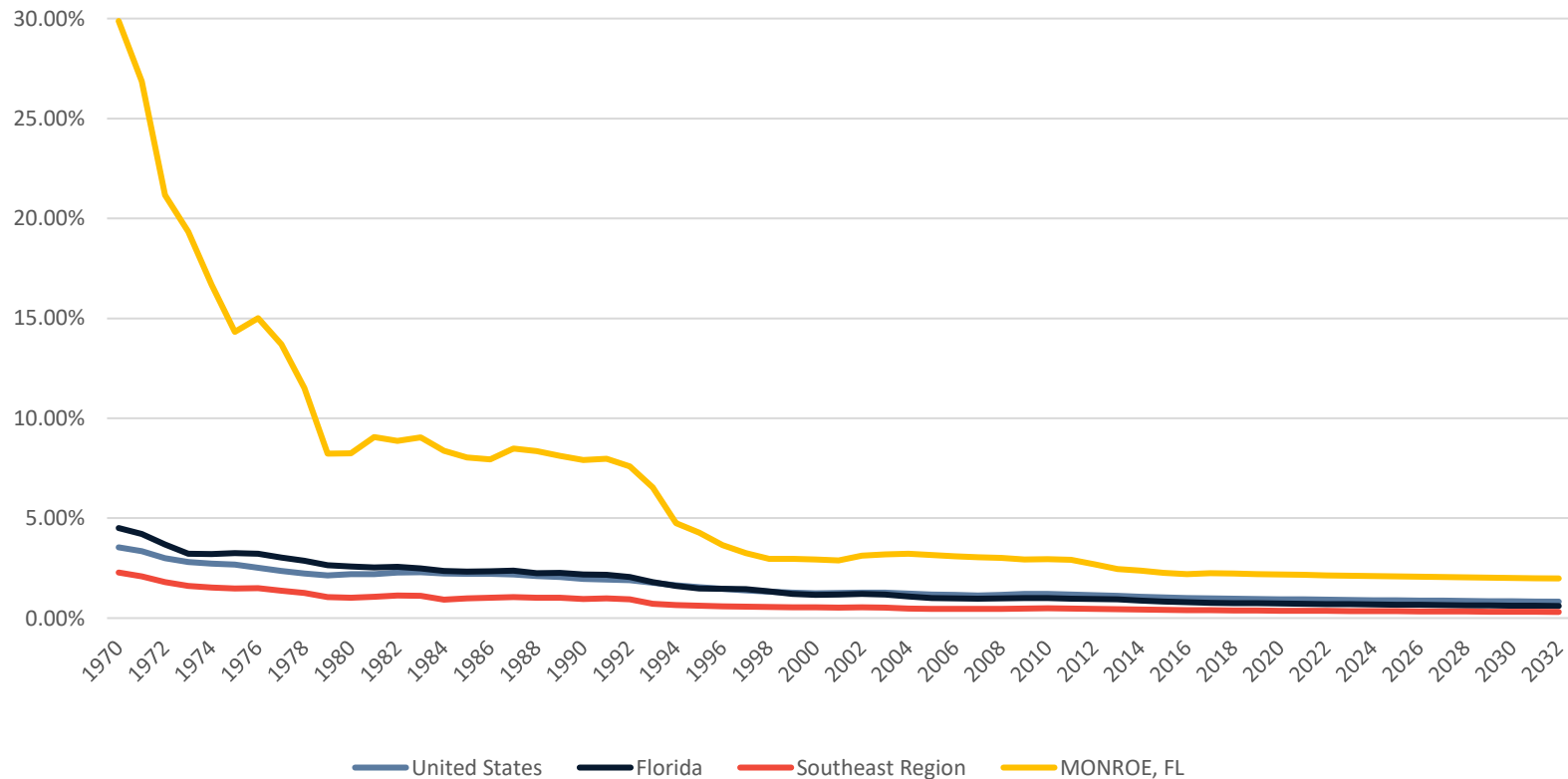


Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Employment as a Share of Total Employment

The figure below presents military employment as a share of total employment for the county, region, state of Florida, and the US. It allows us to benchmark military employment at the county level against the employment patterns of all workers in the region, statewide and nationwide.

FIGURE 124. MILITARY EMPLOYMENT AS A SHARE OF TOTAL EMPLOYMENT, 1970 – 2032: UNITED STATES, FLORIDA, SE FL, AND MONROE COUNTY



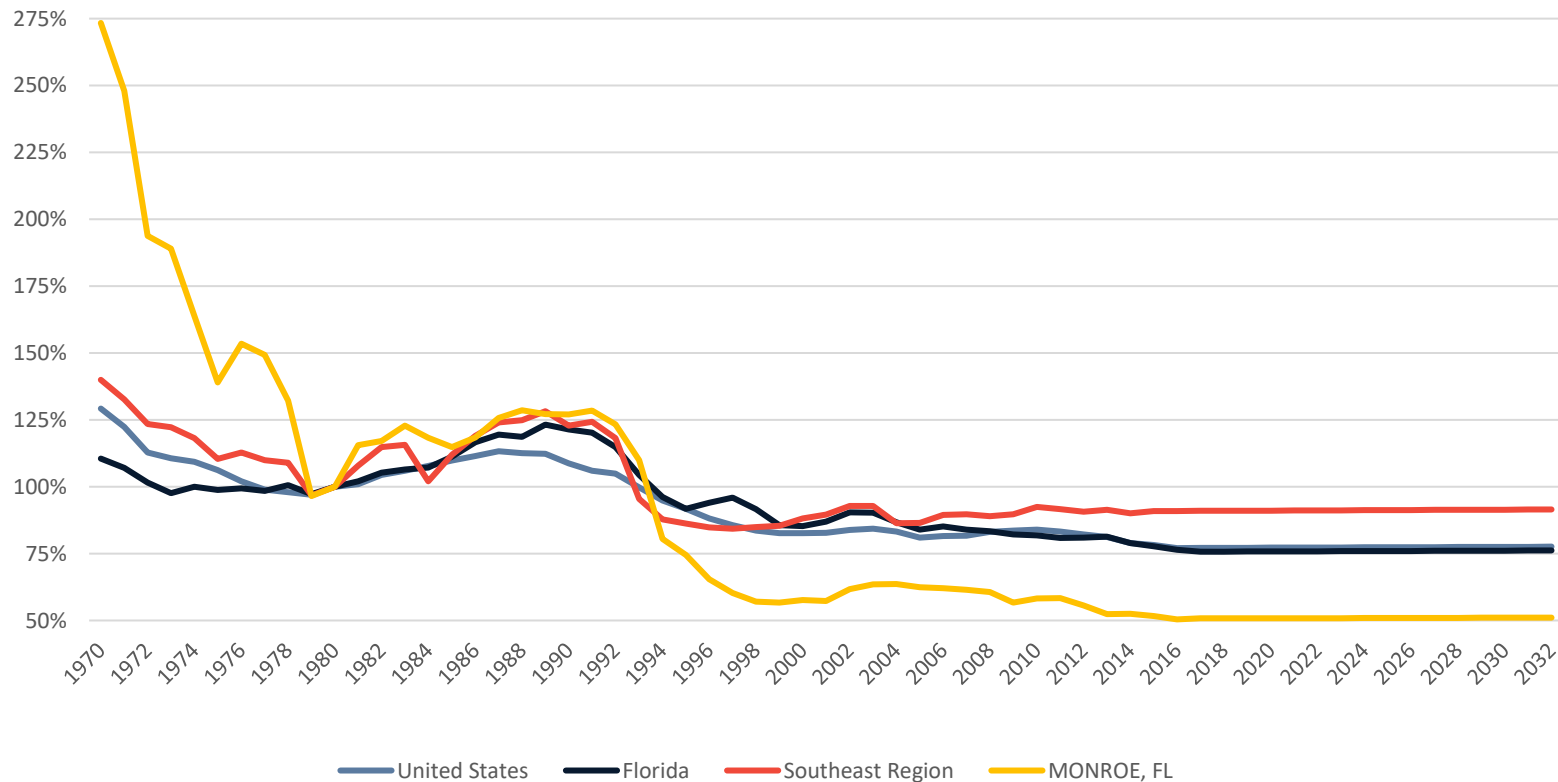
Florida Defense Industry Economic Impact Analysis – 2022 Update



Change in Military Employment

The figure below presents military employment indexed to 1980 levels. It allows us to compare changes in military employment at the county level against regional, statewide, and national trends in military employment over the past 40 years that appear to remain steady through 2032.

FIGURE 125. TOTAL MILITARY EMPLOYMENT INDEXED TO 1980, 1970 – 2032: UNITED STATES, FLORIDA, SOUTHEAST REGION, AND MONROE COUNTY



Florida Defense Industry Economic Impact Analysis – 2022 Update

Demographics and the Regional Economy

The table displayed below presents figures related to regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Personal income, as defined by the Bureau of Economic Analysis (BEA) and REMI, is income that people obtain from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources.

Table 93. Demographic Estimates, Monroe County

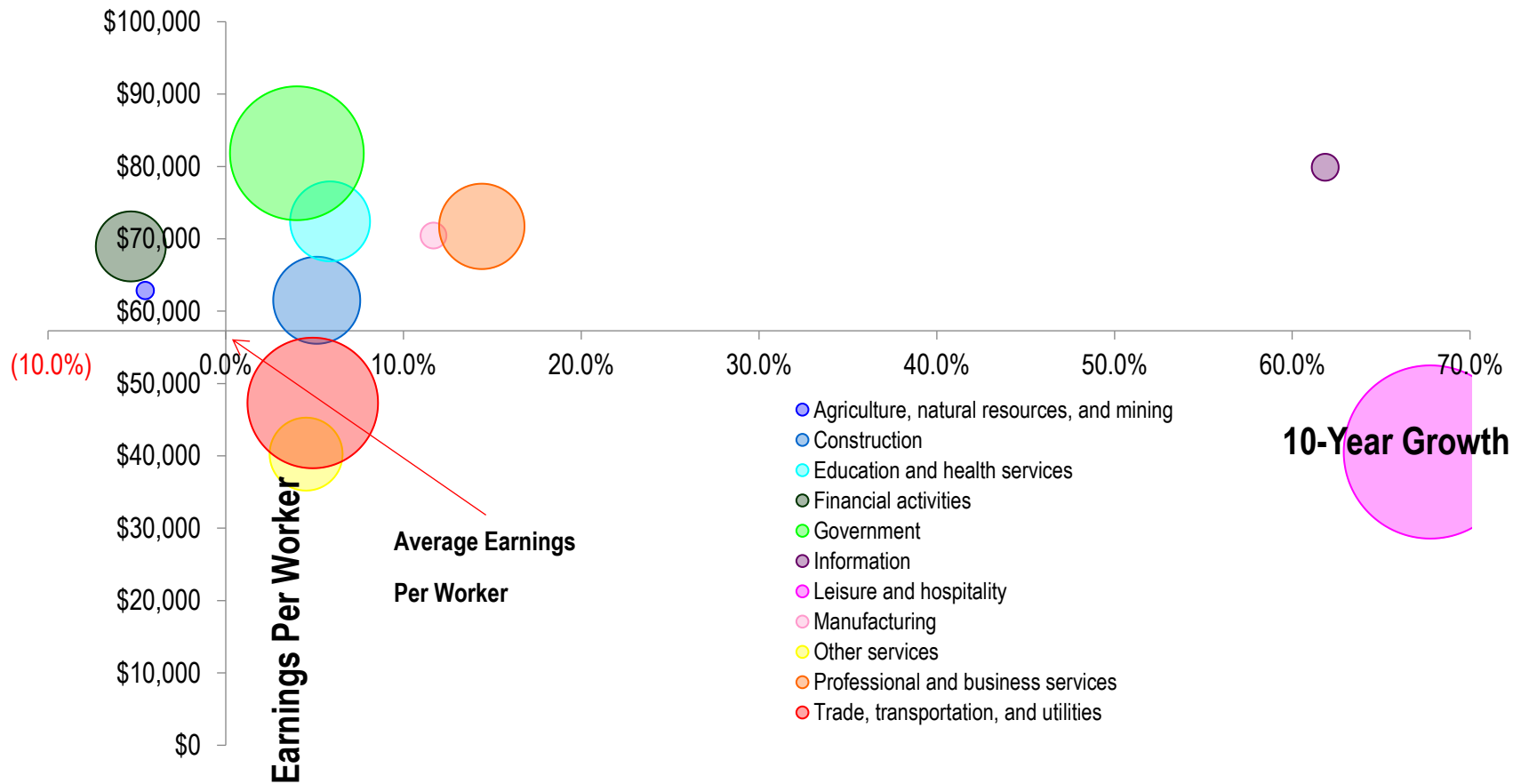
Total Population	Estimate
Population in 2011	73,967
Population in 2021	70,060
Population in 2031	78,354
Growth from 2011 to 2021	-5.3%
Growth from 2021 to 2031	11.8%
Personal Income (Inclusive of all forms of income)	
Regional Personal Income per Capita	\$106,927
Florida Personal Income per Capita	\$57,186

Florida Defense Industry Economic Impact Analysis – 2022 Update

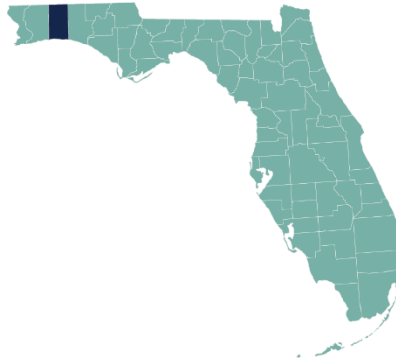


The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and average earnings per worker are displayed on the vertical axis. In order to interpret the graph correctly, the center of the bubble correlates with each industries' respective growth rate and earnings level.

Figure 126. Regional Industry and Earnings Growth – Monroe County



Okaloosa County



Okaloosa County Summary

Location: Northwest Florida Region

Home to: Eglin Air Force Base
Hurlburt Field

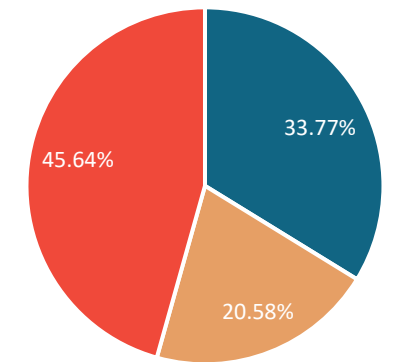
Economic Impact Estimates

Defense activities play a significant role in the Okaloosa County economy. As Table 92 shows, salaries accounted for the largest share of defense spending at 46% or over \$1.9 billion of the \$4.2 billion total. Procurement accounted for \$1.4 billion or 46%, and transfers accounted for \$873 million or 21% of the county total.

Table 94. Okaloosa County: Combined Direct Defense Expenditures

Spending Flow	Millions USD
Procurement	\$1,432.5
Salaries	\$1,936.1
Transfers	\$873.0
Total Combined Direct Expenditures	\$4,241.6

FIGURE 127. OKALOOSA COUNTY: DISTRIBUTION OF DIRECT DEFENSE SPENDING



■ Procurement ■ Transfers ■ Salaries



Table 95. Okaloosa County: Economic Impact Forecast, 2020 – 2024
Current Millions USD

Impact Type	2020	2021	2022	2023	2024
Total Employment	73,224	72,563	72,817	73,411	74,025
Gross Regional Product	\$9,185.93	\$9,119.86	\$9,142.52	\$9,198.17	\$9,255.76
<i>Total Consumption</i>	\$4,007.08	\$4,019.56	\$4,059.86	\$4,111.37	\$4,164.87
<i>Investment Residential</i>	\$931.43	\$934.13	\$943.49	\$955.53	\$968.03
<i>Investment Non-residential</i>	\$220.19	\$215.11	\$216.11	\$219.36	\$222.70
<i>Producer's Durable Equipment</i>	\$120.53	\$117.75	\$118.30	\$120.08	\$121.91
<i>Business Inventories</i>	-\$25.10	-\$24.13	-\$24.15	-\$24.53	-\$24.93
<i>Government</i>	\$229.76	\$226.24	\$227.38	\$230.24	\$233.20
<i>Exports</i>	\$8,950.13	\$8,855.33	\$8,855.94	\$8,891.41	\$8,927.97
<i>Imports (subtract)</i>	\$5,248.10	\$5,224.13	\$5,254.41	\$5,305.29	\$5,357.99

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

In 2020, the military accounted for 73,224 jobs in Okaloosa County and just under \$9.2 billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region), which is roughly 63.3% of the county's estimated 2020 Gross Regional Product. The total impact of the defense industry on the county's economy is forecast to increase slightly between 2020 and 2024 with a minor dip in 2021. By 2024 there will be 74,025 jobs and roughly \$9.26 billion of GRP related to defense activities, up 800 jobs and \$70 million over four years.

In addition to the employment and GRP estimates, Table 89 provides the constituent components of GRP. As was explained in the introduction, direct defense expenditures expended in the state generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table above. The impact categories are defined as follows:



Florida Defense Industry Economic Impact Analysis – 2022 Update

- Total Employment measures jobs generated by military activities.
- Total Consumption consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- Investment expenditures include residential and non-residential real estate as well as investment in producers' durable equipment and business inventories.
- Government revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- Gross Regional Product is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.



Table 96. Okaloosa County: Total Economic Impacts by Component, Jobs, and Gross Regional Product (2020)
Millions USD

Okaloosa	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Economic Impact	\$1,281	\$0	\$1	\$1,282
	Total Jobs	13,166	0	7	13,173
Employment	Economic Impact	\$6,813	\$527	\$12	\$7,352
	Total Jobs	50,274	3,320	77	53,671
Transfers	Economic Impact	\$551	\$0	\$1	\$553
	Total Jobs	6,363	0	17	6,380
Totals	Economic Impact	\$8,645	\$527	\$14	\$9,186
	Total Jobs	69,803	3,320	101	73,224

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

Military Impacts by Type

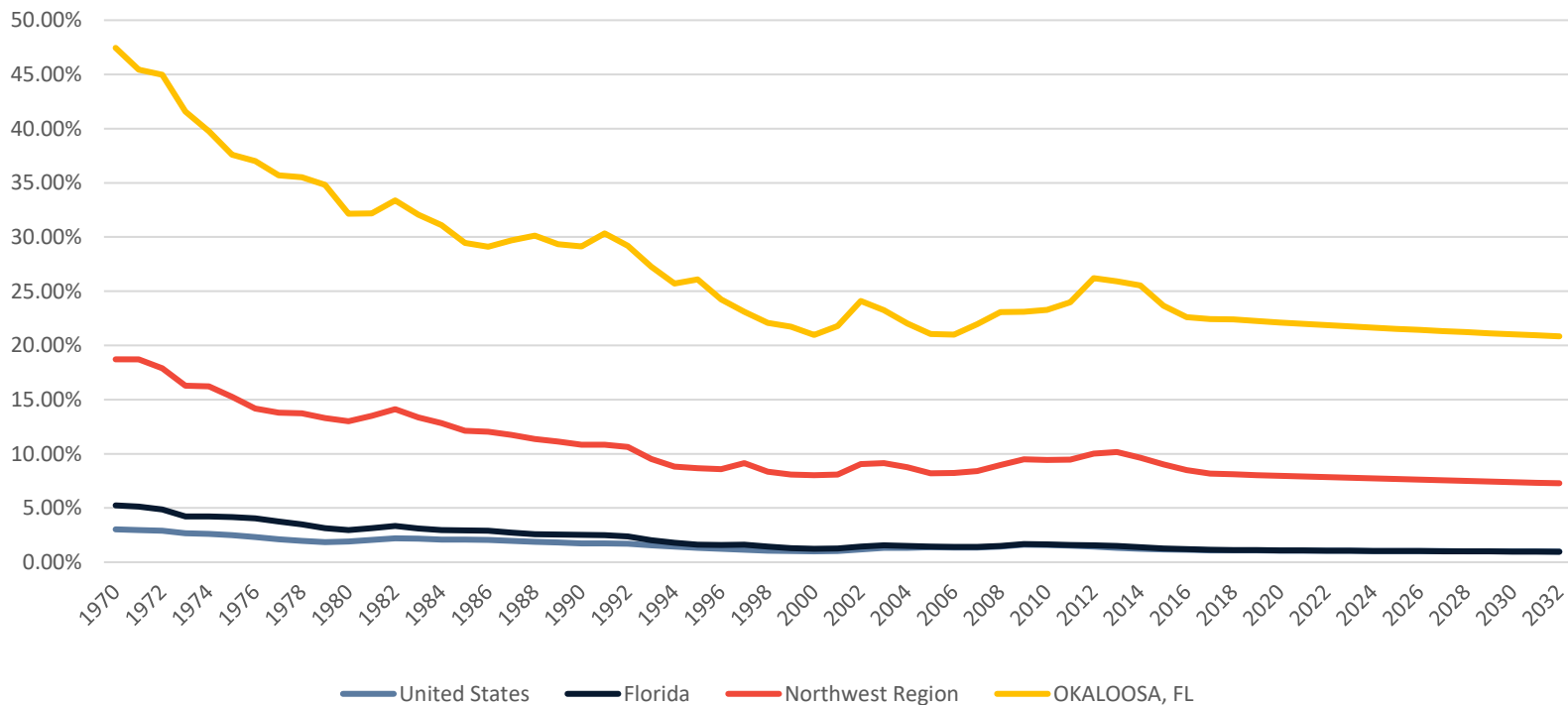
The table above displays the economic impacts (GRP and jobs created) in Okaloosa County by component and source for 2020. The components include procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2020 US Dollars) are displayed directly above the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner. As the data indicate, military employment generated the most jobs in the county at 50,274, military procurement generated 13,166 jobs while military transfers accounted for 6,363 jobs as well.

Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Share of Total Earnings

Earnings account for the majority of income paid to employees as remuneration for their work and include wage and salary disbursements as well as supplements to wages and salaries. Earnings are therefore a proxy economic impact measure, which is inclusive of more than just wages. The figure below benchmarks the total share of Okaloosa County’s regional income that can be attributed to the military (over time) against the greater Northwest Region, Florida, and the U.S. As the data reflect, the military contributes to a substantially larger share of earnings at the County level than at the national or state level. Nevertheless, as economies continue to diversify, their military share of total earnings has happened to decline. This trend is expected to continue through 2032.

FIGURE 128. MILITARY SHARE OF TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, NORTHWEST REGION, AND OKALOOSA COUNTY



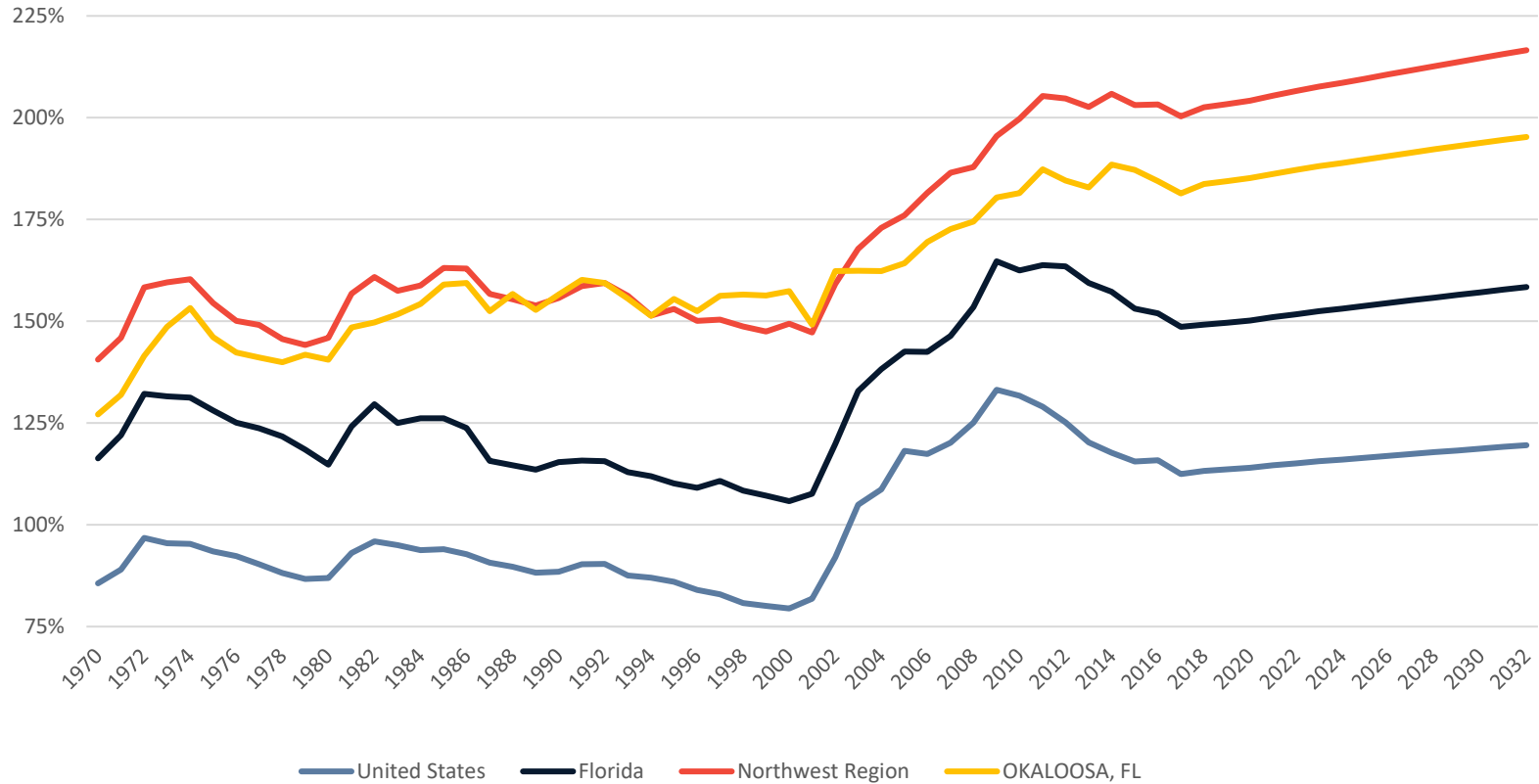
Florida Defense Industry Economic Impact Analysis – 2022 Update



Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It allows us to benchmark the earnings of military employees at the county level against the earning patterns of all workers. The graph below provides a comparison of performance at the county level versus the greater region, state, and the nation.

FIGURE 129. AVERAGE MILITARY EARNINGS VS AVG. TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, NORTHWEST FL, AND OKALOOSA COUNTY

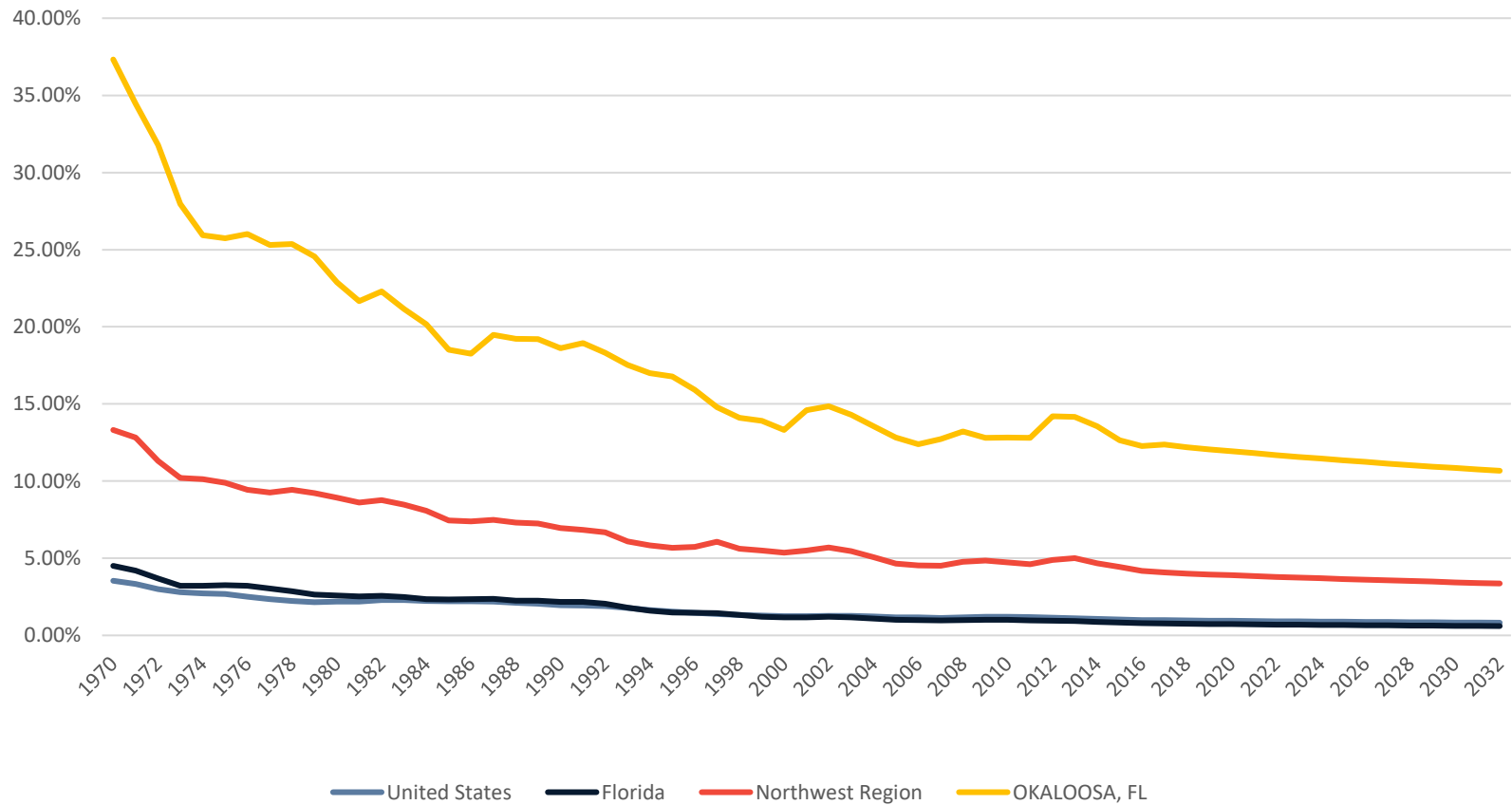


Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Employment as a Share of Total Employment

The figure below presents military employment as a share of total employment for the county, region, state of Florida, and the US. It allows us to benchmark military employment at the county level against the employment patterns of all workers in the region, statewide and nationwide.

FIGURE 130. MILITARY EMPLOYMENT AS A SHARE OF TOTAL EMPLOYMENT, 1970 – 2032: UNITED STATES, FLORIDA, NW FL, AND OKALOOSA COUNTY



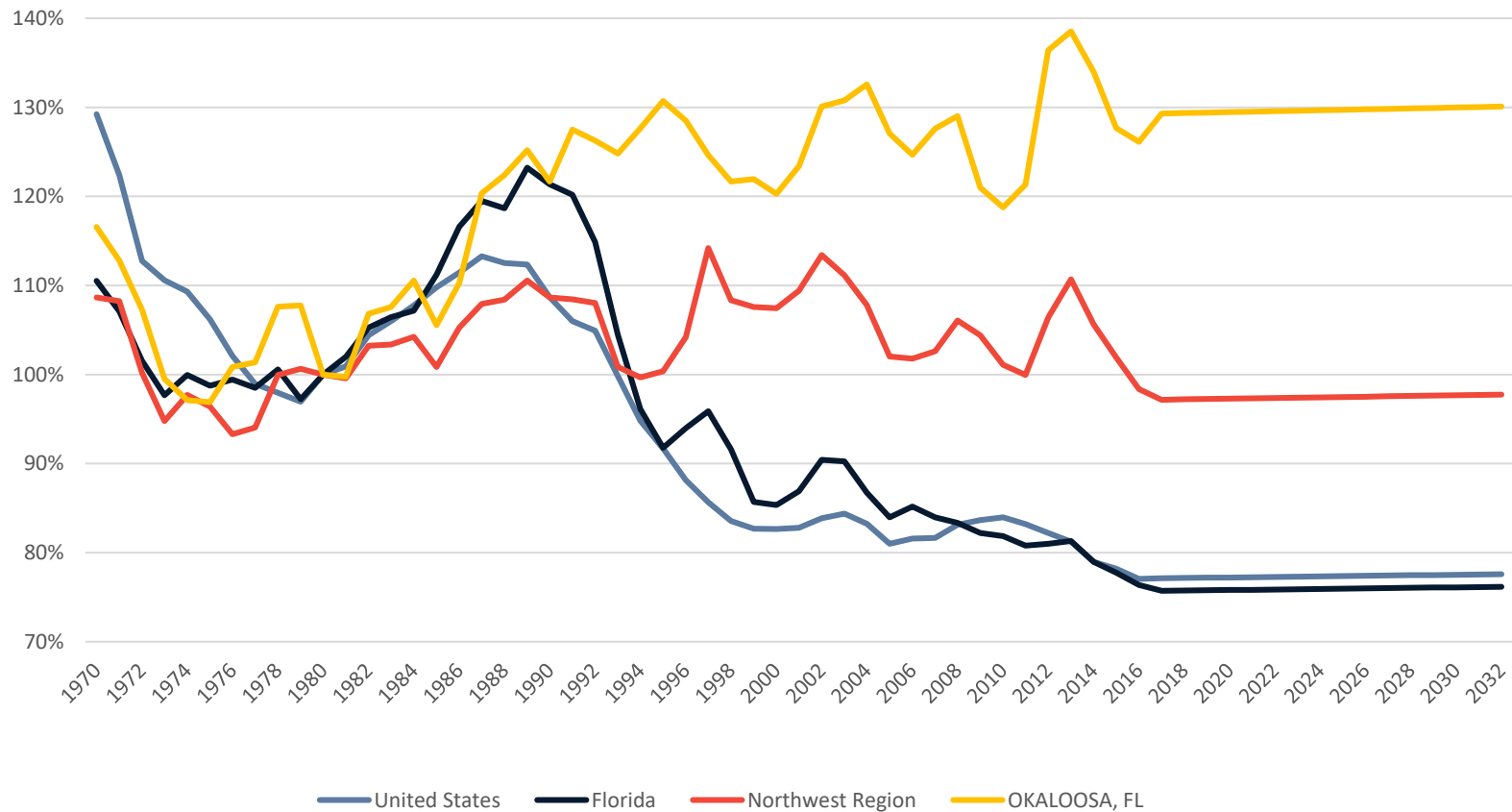
Florida Defense Industry Economic Impact Analysis – 2022 Update



Change in Military Employment

The figure below presents military employment indexed to 1980 levels. It allows us to compare changes in military employment at the county level against regional, statewide, and national trends in military employment over the past 40 years that appear to remain steady through 2032.

FIGURE 131. TOTAL MILITARY EMPLOYMENT INDEXED TO 1980, 1970 – 2032: UNITED STATES, FLORIDA, NORTHWEST REGION, AND OKALOOSA COUNTY



Florida Defense Industry Economic Impact Analysis – 2022 Update

Demographics and the Regional Economy

The table displayed below presents figures related to regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Personal income, as defined by the Bureau of Economic Analysis (BEA) and REMI, is income that people obtain from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources.

Table 97. Demographic Estimates, Okaloosa County

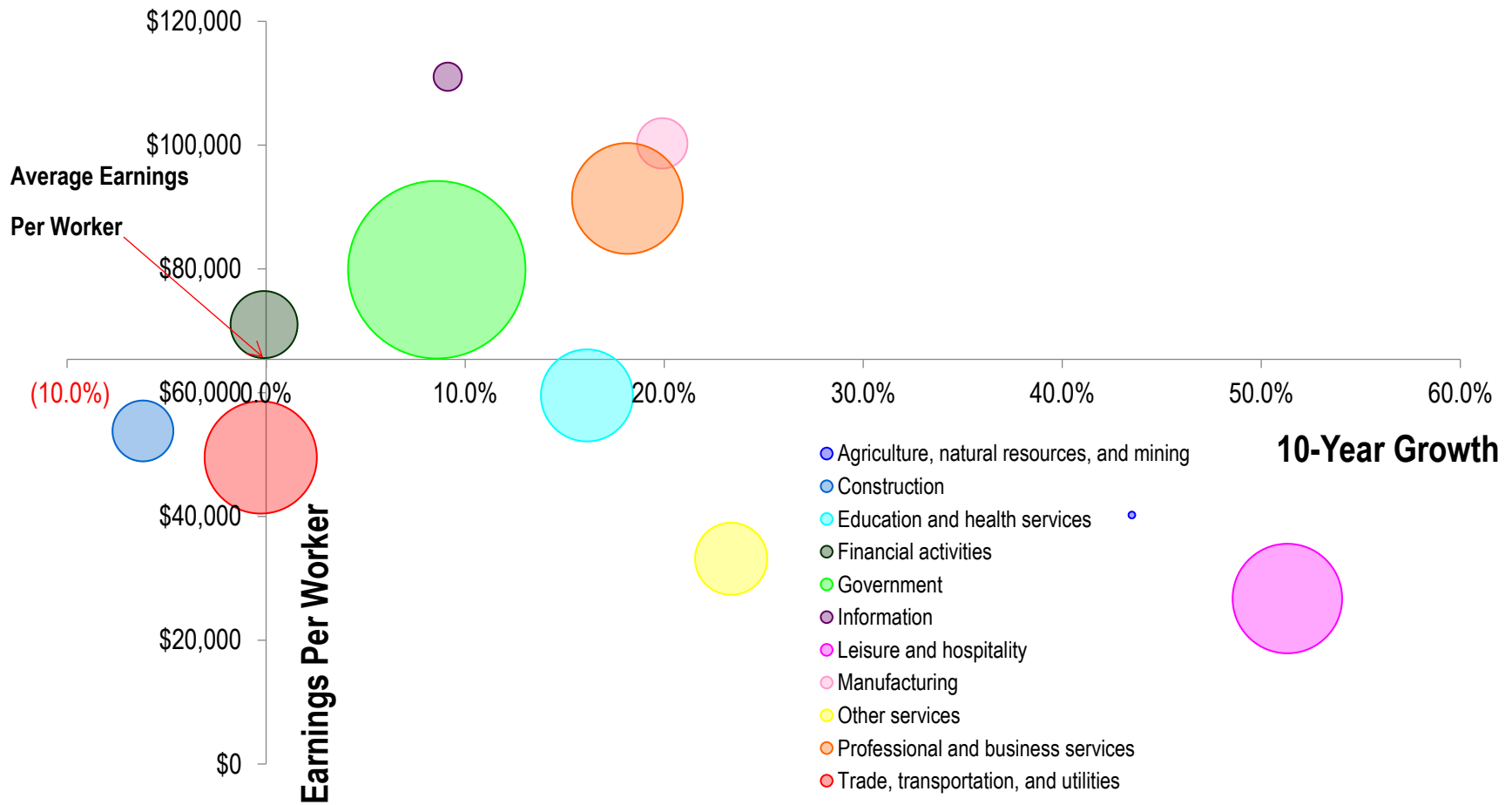
Total Population	Estimate
Population in 2011	183,102
Population in 2021	223,521
Population in 2031	270,589
Growth from 2011 to 2021	22.1%
Growth from 2021 to 2031	21.1%
Personal Income (Inclusive of all forms of income)	
Regional Personal Income per Capita	\$55,315
Florida Personal Income per Capita	\$57,186

Florida Defense Industry Economic Impact Analysis – 2022 Update

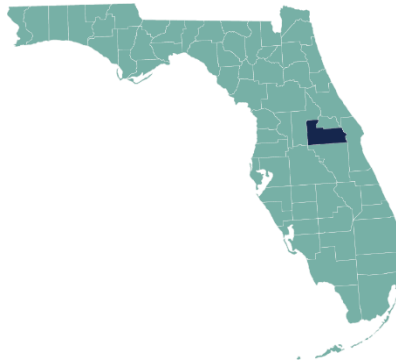


The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and average earnings per worker are displayed on the vertical axis. In order to interpret the graph correctly, the center of the bubble correlates with each industries' respective growth rate and earnings level.

Figure 132. Regional Industry and Earnings Growth – Okaloosa County



Orange County



Orange County Summary

Location: East Central Region

Home to: Naval Air Warfare Center Training
Systems Division/Naval Support Activity
Orlando/Team Orlando

Economic Impact Estimates

As Table 96 shows, the Orange County economy is a significant beneficiary of funds flowing through as a result of defense activities. Of the \$6.8 billion flow in 2020, procurement accounted for the largest share at 82% or roughly \$5.5 billion. Salaries accounted for \$122 million or 2%, and transfers accounted for \$1.1 billion or 18%.

Table 98. Orange County: Combined Direct Defense Expenditures

Spending Flow	Millions USD
Procurement	\$5,521.4
Salaries	\$121.9
Transfers	\$1,131.8
Total Combined Direct Expenditures	\$6,775.2

Figure 133. Orange County: Distribution of Direct Defense Spending

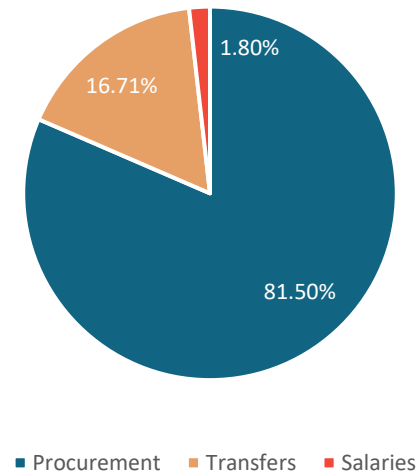




Table 99. Orange County: Economic Impact Forecast, 2020 – 2024
Current Millions USD

Impact Type	2020	2021	2022	2023	2024
Total Employment	91,356	88,113	88,860	91,079	93,359
Gross Regional Product	\$10,132.53	\$9,739.91	\$9,806.77	\$10,042.67	\$10,284.75
<i>Total Consumption</i>	\$4,380.54	\$4,290.03	\$4,355.68	\$4,479.90	\$4,607.99
<i>Investment Residential</i>	\$1,030.78	\$1,009.11	\$1,024.41	\$1,053.57	\$1,083.63
<i>Investment Non-residential</i>	\$423.59	\$408.34	\$412.11	\$422.90	\$433.99
<i>Producer's Durable Equipment</i>	\$260.68	\$251.29	\$253.61	\$260.25	\$267.08
<i>Business Inventories</i>	-\$170.42	-\$160.26	-\$160.42	-\$164.35	-\$168.37
<i>Government</i>	\$273.44	\$262.11	\$264.04	\$270.87	\$277.87
<i>Exports</i>	\$8,408.15	\$7,974.02	\$7,994.85	\$8,181.89	\$8,373.18
<i>Imports (subtract)</i>	\$4,474.24	\$4,294.73	\$4,337.51	\$4,462.35	\$4,590.62

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

In 2020, the military accounted for 91,356 jobs in Orange County and roughly \$10.1 billion in total Gross Regional Product (GRP – total value of all goods and services produced in the region), which is roughly 10.1% of the county’s estimated 2020 Gross Regional Product. The total impact for the region is forecast to remain rather stable between 2020 and 2024, experiencing a dip in 2021 and 2022. Defense activities are forecast to generate 93,359 jobs and \$10.3 billion of GRP in 2024: this amounts to an additional 2,000 jobs and \$150 million over four years.

In addition to the employment and GRP estimates, Table 97 provides the constituent components of GRP. As was explained in the introduction, direct defense expenditures expended in the state generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table above. The impact categories are defined as follows:



Florida Defense Industry Economic Impact Analysis – 2022 Update

- Total Employment measures jobs generated by military activities.
- Total Consumption consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- Investment expenditures include residential and non-residential real estate as well as investment in producers' durable equipment and business inventories.
- Government revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- Gross Regional Product is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.



Table 100. Orange County: Total Economic Impacts by Component, Jobs, and Gross Regional Product (2020)
Millions USD

Orange	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Economic Impact	\$6,590	\$34	\$0	\$6,623
	Total Jobs	57,140	290	0	57,430
Employment	Economic Impact	\$1,337	\$176	\$22	\$1,535
	Total Jobs	11,097	1,480	201	12,778
Transfers	Economic Impact	\$1,965	\$0	\$10	\$1,975
	Total Jobs	21,048	0	102	21,150
Totals	Economic Impact	\$9,892	\$210	\$31	\$10,133
	Total Jobs	89,285	1,770	303	91,358

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

Military Impacts by Type

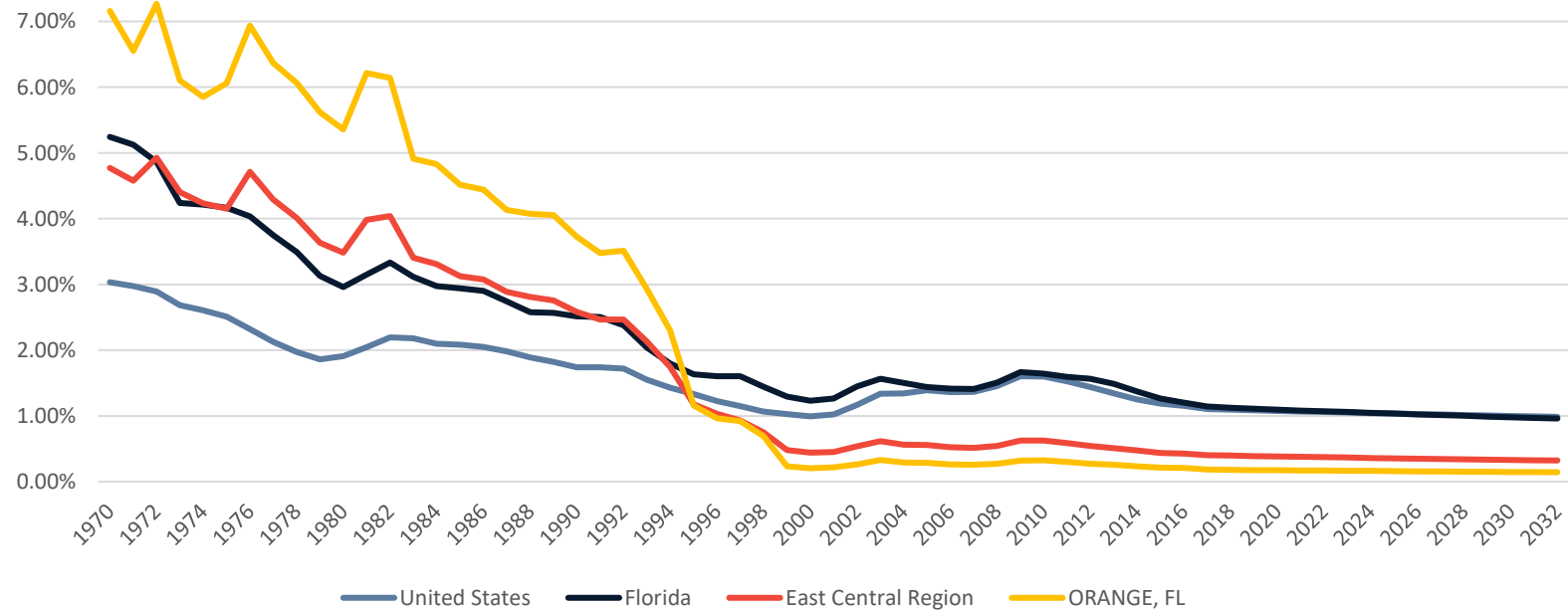
The table above displays the economic impacts (GRP and jobs created) in Orange County by component and source for 2020. The components include procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2020 US Dollars) are displayed directly above the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner. As the data indicate, military procurement generated the most jobs in the county at 57,140, military employment generated 11,097 jobs while military transfers accounted for 21,048 jobs as well.

Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Share of Total Earnings

Earnings account for the majority of income paid to employees as remuneration for their work and include wage and salary disbursements as well as supplements to wages and salaries. Earnings are therefore a proxy economic impact measure, which is inclusive of more than just wages. The figure below benchmarks the total share of Orange County’s regional income that can be attributed to the military (over time) against the greater East Central Region, Florida, and the U.S. As the data reflect, the military has contributed to a substantially smaller share of earnings at the County level than at the national or state level over the past 25 years. Nevertheless, as economies continue to diversify, their military share of total earnings has happened to decline. This trend is expected to continue through 2032.

FIGURE 134. MILITARY SHARE OF TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, EAST CENTRAL REGION, AND ORANGE COUNTY



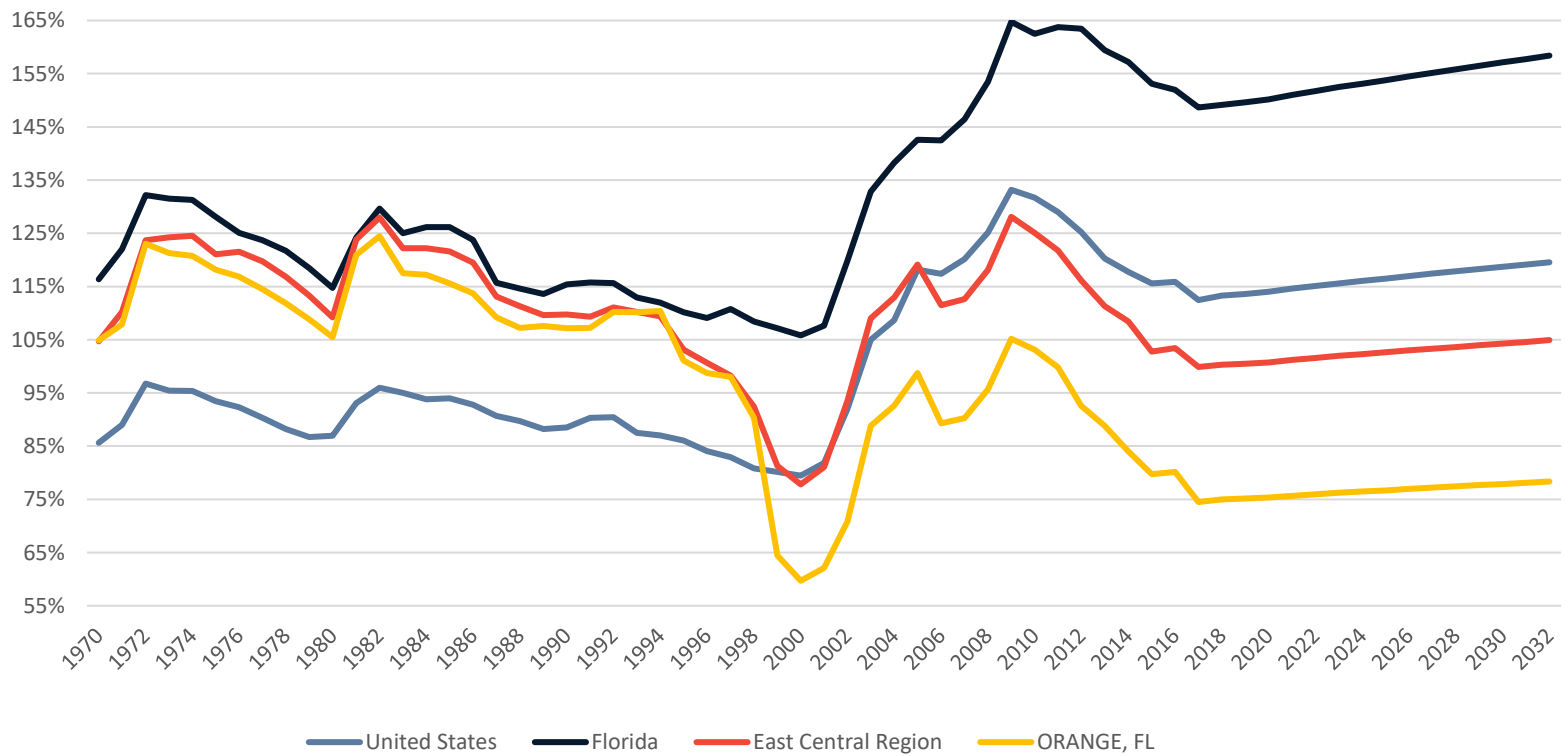
Florida Defense Industry Economic Impact Analysis – 2022 Update



Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It allows us to benchmark the earnings of military employees at the county level against the earning patterns of all workers. The graph below provides a comparison of performance at the county level versus the greater region, state, and the nation.

FIGURE 135. AVERAGE MILITARY EARNINGS VS AVERAGE TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, EAST CENTRAL FL, & ORANGE COUNTY

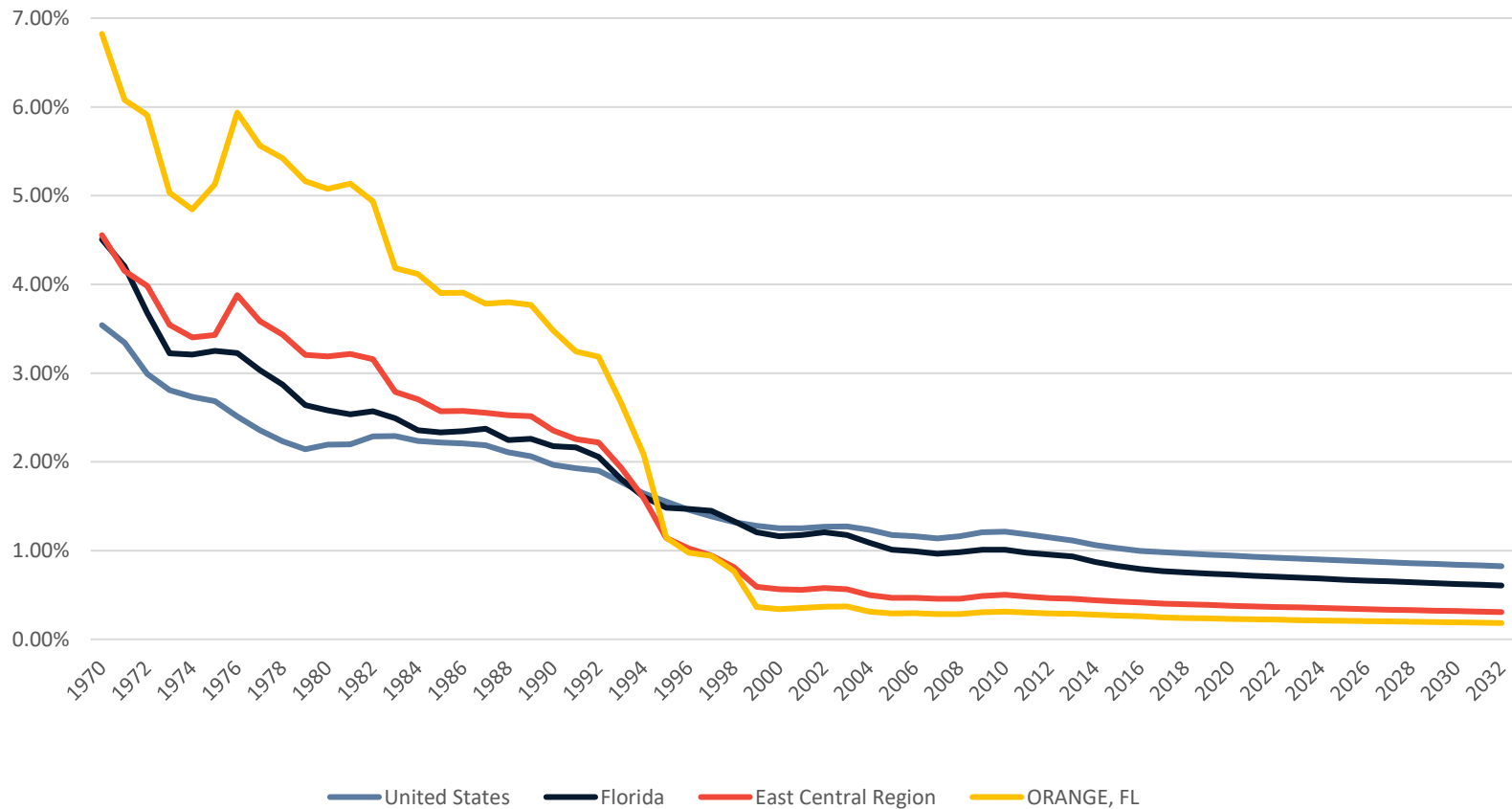


Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Employment as a Share of Total Employment

The figure below presents military employment as a share of total employment for the county, region, state of Florida, and the US. It allows us to benchmark military employment at the county level against the employment patterns of all workers in the region, statewide and nationwide.

FIGURE 136. MILITARY EMPLOYMENT AS A SHARE OF TOTAL EMPLOYMENT, 1970 – 2032: UNITED STATES, FL, EAST CENTRAL FL, AND ORANGE COUNTY



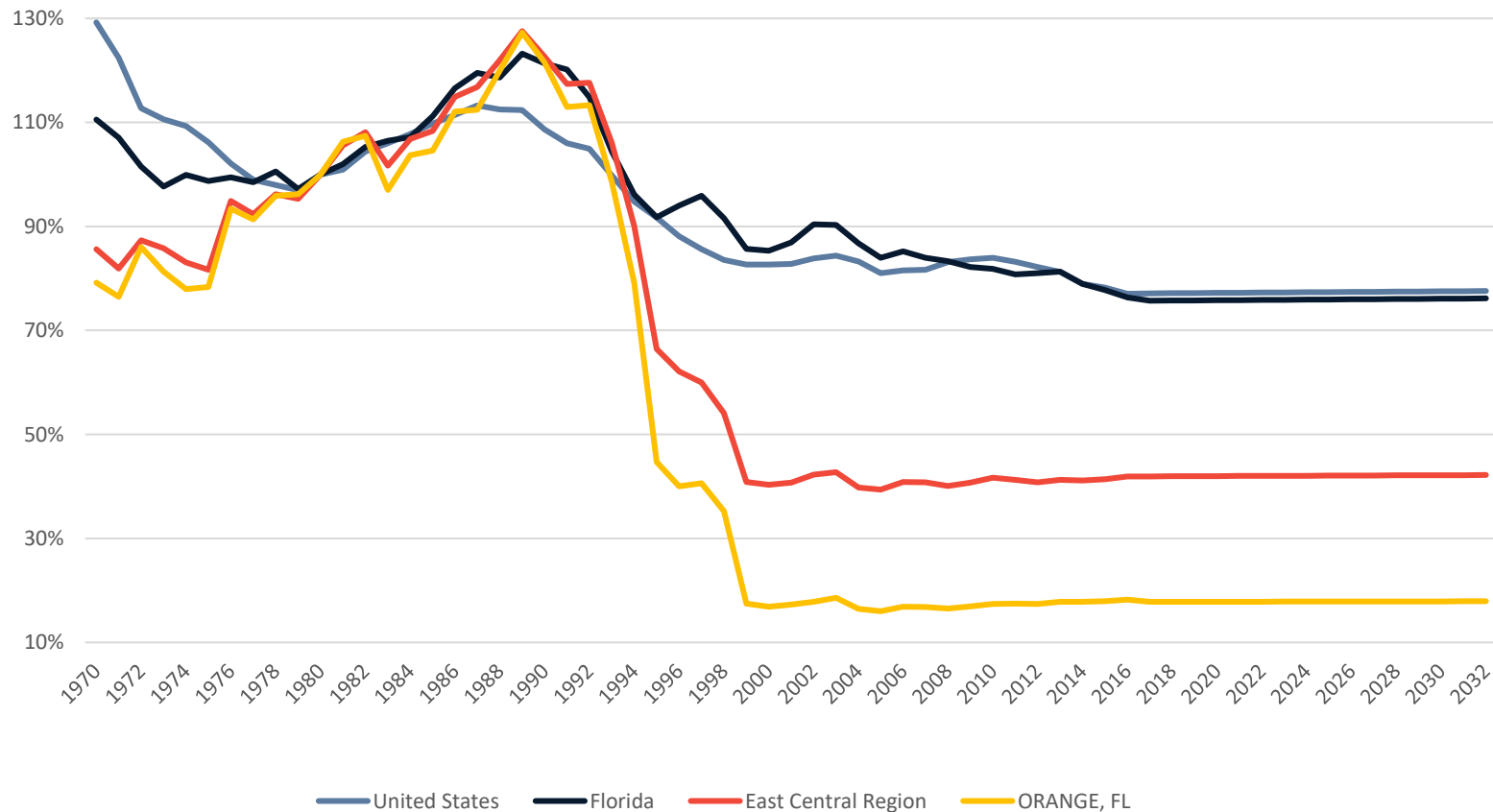
Florida Defense Industry Economic Impact Analysis – 2022 Update



Change in Military Employment

The figure below presents military employment indexed to 1980 levels. It allows us to compare changes in military employment at the county level against regional, statewide, and national trends in military employment over the past 40 years that appear to remain steady through 2032.

FIGURE 137. TOTAL MILITARY EMPLOYMENT INDEXED TO 1980, 1970 – 2032: UNITED STATES, FLORIDA, EAST CENTRAL REGION, AND ORANGE COUNTY



Florida Defense Industry Economic Impact Analysis – 2022 Update

Demographics and the Regional Economy

The table displayed below presents figures related to regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Personal income, as defined by the Bureau of Economic Analysis (BEA) and REMI, is income that people obtain from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources.

Table 101. Demographic Estimates, Orange County

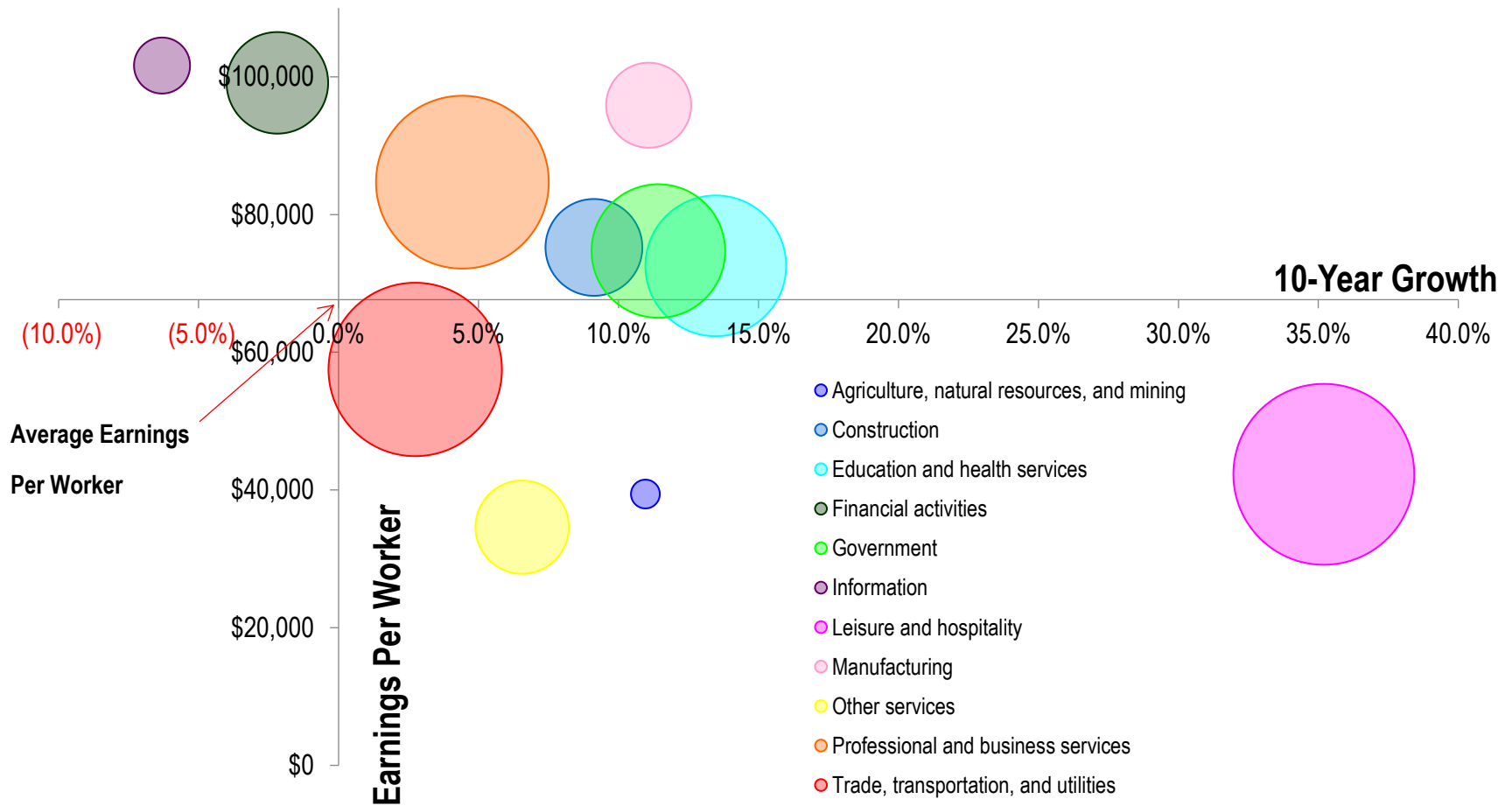
Total Population	Estimate
Population in 2011	1,170,579
Population in 2021	1,415,459
Population in 2031	1,572,267
Growth from 2011 to 2021	20.9%
Growth from 2021 to 2031	11.1%
Personal Income (Inclusive of all forms of income)	
Regional Personal Income per Capita	\$51,498
Florida Personal Income per Capita	\$57,186

Florida Defense Industry Economic Impact Analysis – 2022 Update

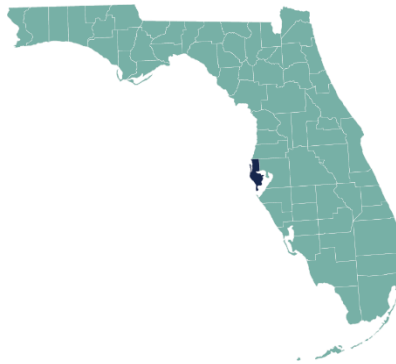


The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and average earnings per worker are displayed on the vertical axis. In order to interpret the graph correctly, the center of the bubble correlates with each industries' respective growth rate and earnings level.

Figure 138. Regional Industry and Earnings Growth – Orange County



Pinellas County



Pinellas County Summary

Location: Tampa Bay Florida Region

Home to: United States Coast Guard Air Station Clearwater

Economic Impact Estimates

As Table 100 shows, the Pinellas County economy is a significant beneficiary of dollars provided by defense activities—roughly \$2.4 billion direct dollars in 2020 alone. Transfers accounted for the largest share at 55% or roughly \$1.3 billion of the \$2.4 billion total. Salaries accounted for \$126 million or 5%, and procurement accounted for \$953 million or 40%.

Table 102. Pinellas County: Combined Direct Defense Expenditures

Spending Flow	Millions USD
Procurement	\$952.7
Salaries	\$125.9
Transfers	\$1,303.5
Total Combined Direct Expenditures	\$2,382.2

FIGURE 139. PINELLAS COUNTY: DISTRIBUTION OF DIRECT DEFENSE SPENDING

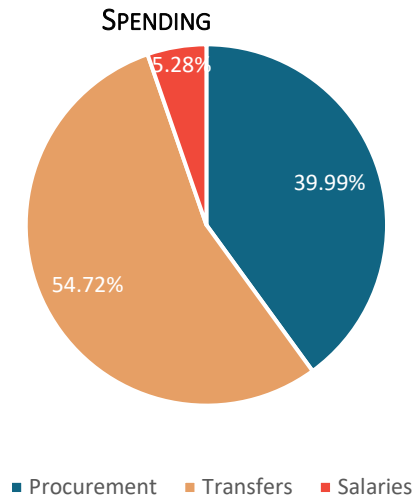




Table 103. Pinellas County: Economic Impact Forecast, 2020 – 2024
Current Millions USD

Impact Type	2020	2021	2022	2023	2024
Total Employment	40,213	40,030	40,711	41,729	42,778
Gross Regional Product	\$4,558.59	\$4,513.22	\$4,575.12	\$4,678.21	\$4,784.10
<i>Total Consumption</i>	\$2,901.02	\$2,934.88	\$3,009.95	\$3,102.16	\$3,197.58
<i>Investment Residential</i>	\$679.09	\$686.82	\$704.29	\$725.82	\$748.09
<i>Investment Non-residential</i>	\$202.06	\$200.23	\$203.70	\$209.20	\$214.88
<i>Producer's Durable Equipment</i>	\$129.24	\$128.07	\$130.28	\$133.81	\$137.44
<i>Business Inventories</i>	-\$74.75	-\$71.34	-\$71.72	-\$73.48	-\$75.28
<i>Government</i>	\$129.93	\$128.79	\$131.02	\$134.54	\$138.16
<i>Exports</i>	\$2,925.94	\$2,839.24	\$2,849.82	\$2,896.52	\$2,943.93
<i>Imports (subtract)</i>	\$2,333.94	\$2,333.46	\$2,382.23	\$2,450.35	\$2,520.69

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

Overall, the military accounted for 40,213 jobs in Pinellas County, in 2020, and over \$4.5 billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region); this is 7.9% of the county's estimated 2020 Gross Regional Product. The total impact for the region is forecast to rise moderately between 2020 and 2024. Defense activities are expected to generate 42,778 jobs and almost \$4.8 billion of GRP in 2024. This is over 2,500 additional jobs and \$200 million of GRP to be accumulated between 2020 and 2024.

In addition to the employment and GRP estimates, Table 97 provides the constituent components of GRP. As was explained in the introduction, direct defense expenditures expended in the state generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table above. The impact categories are defined as follows:



Florida Defense Industry Economic Impact Analysis – 2022 Update

- Total Employment measures jobs generated by military activities.
- Total Consumption consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- Investment expenditures include residential and non-residential real estate as well as investment in producers' durable equipment and business inventories.
- Government revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- Gross Regional Product is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.



Table 104. Pinellas County: Total Economic Impacts by Component, Jobs, and Gross Regional Product (2020)
Millions USD

Pinellas	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Economic Impact	\$1,501	\$5	\$15	\$1,521
	Total Jobs	12,005	38	118	12,161
Employment	Economic Impact	\$729	\$232	\$515	\$1,475
	Total Jobs	5,761	1,904	3,396	11,061
Transfers	Economic Impact	\$1,544	\$0	\$19	\$1,563
	Total Jobs	16,784	0	206	16,990
Totals	Economic Impact	\$3,774	\$237	\$548	\$4,559
	Total Jobs	34,550	1,942	3,720	40,212

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

Military Impacts by Type

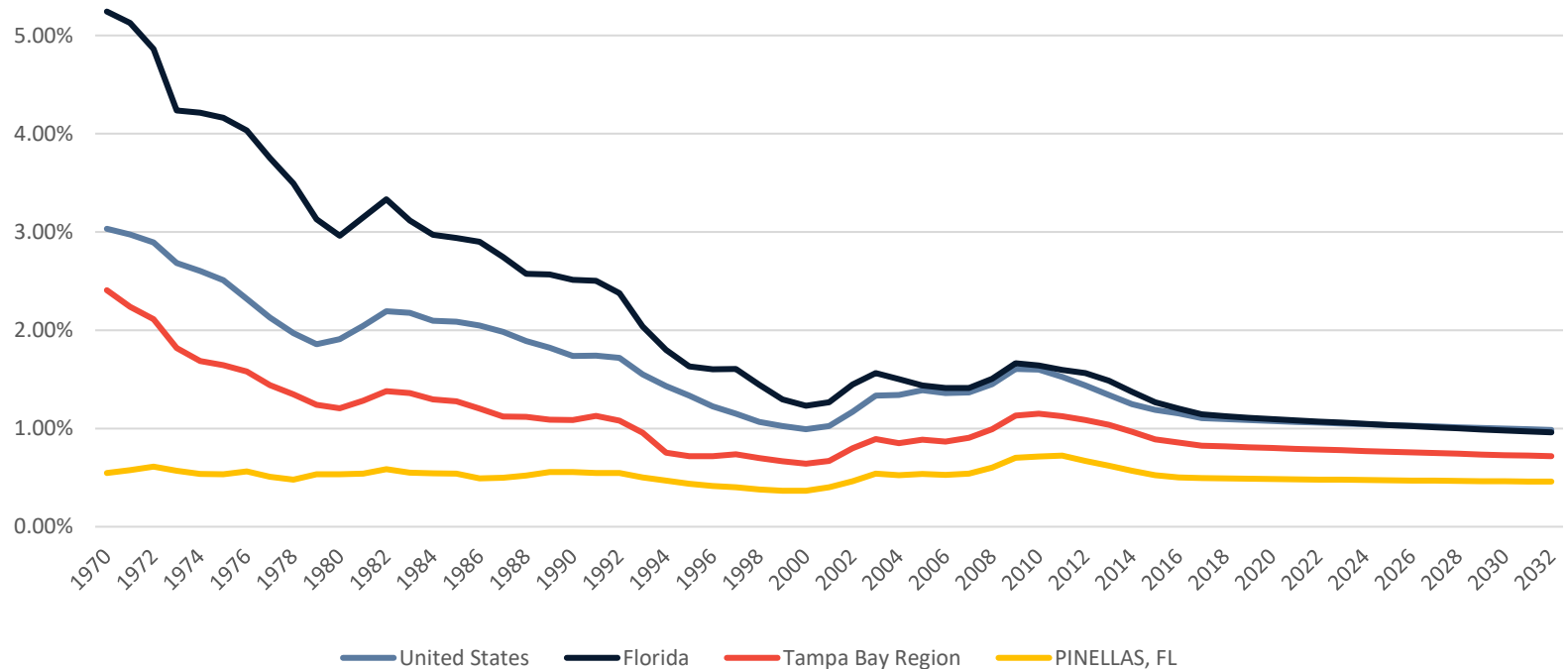
The table above displays the economic impacts (GRP and jobs created) in Pinellas County by component and source for 2020. The components include procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2020 US Dollars) are displayed directly above the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner. As the data indicate, military transfers generated the most jobs in the county at 16,784, military employment generated 5,761 jobs while military procurement accounted for 12,005 jobs as well.

Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Share of Total Earnings

Earnings account for the majority of income paid to employees as remuneration for their work and include wage and salary disbursements as well as supplements to wages and salaries. Earnings are therefore a proxy economic impact measure, which is inclusive of more than just wages. The figure below benchmarks the total share of Pinellas County’s regional income that can be attributed to the military (over time) against the greater Tampa Bay Region, Florida, and the U.S. As the data reflect, the military contributes to a substantially smaller share of earnings at the County level than at the national or state level. Nevertheless, as economies continue to diversify, their military share of total earnings has happened to decline. This trend is expected to continue through 2032.

FIGURE 140. MILITARY SHARE OF TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, TAMPA BAY REGION, AND PINELLAS COUNTY

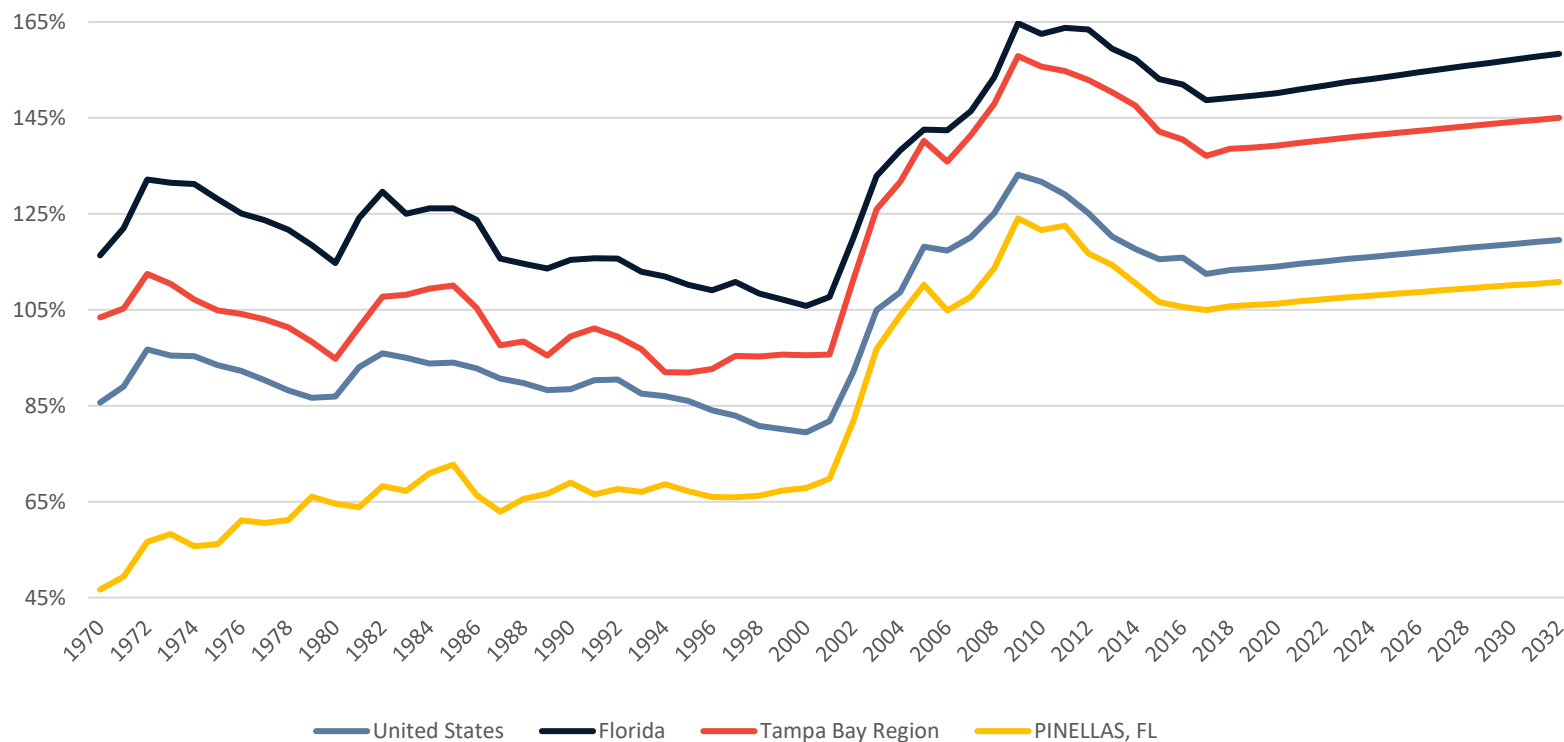




Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It allows us to benchmark the earnings of military employees at the county level against the earning patterns of all workers. The graph below provides a comparison of performance at the county level versus the greater region, state, and the nation.

FIGURE 141. AVERAGE MILITARY EARNINGS VS AVG. TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, TAMPA BAY REGION, & PINELLAS COUNTY

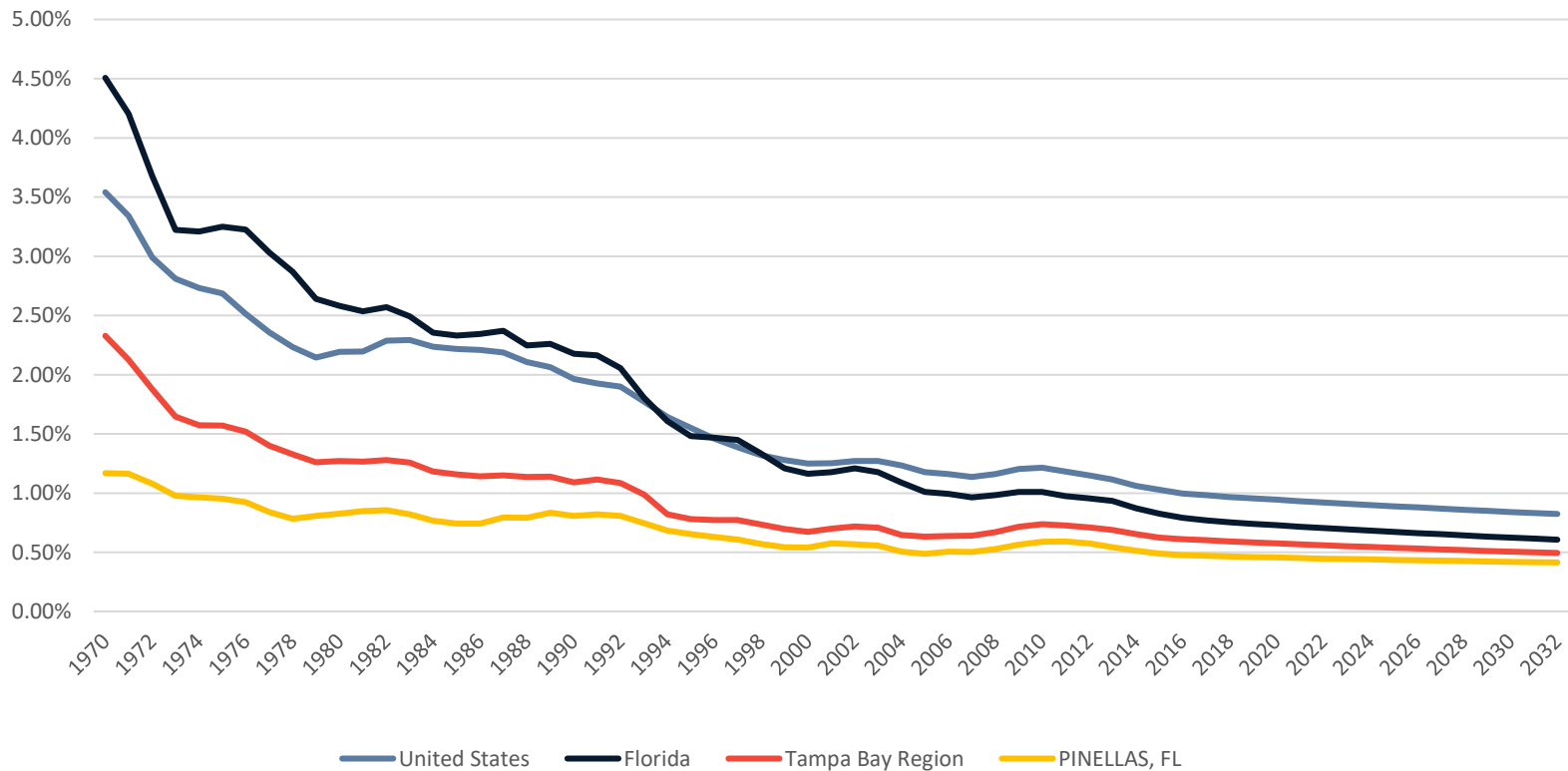


Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Employment as a Share of Total Employment

The figure below presents military employment as a share of total employment for the county, region, state of Florida, and the US. It allows us to benchmark military employment at the county level against the employment patterns of all workers in the region, statewide and nationwide.

FIGURE 142. MILITARY EMPLOYMENT AS A SHARE OF TOTAL EMPLOYMENT, 1970 – 2032: U.S., FL, TAMPA BAY REGION, & PINELLAS COUNTY



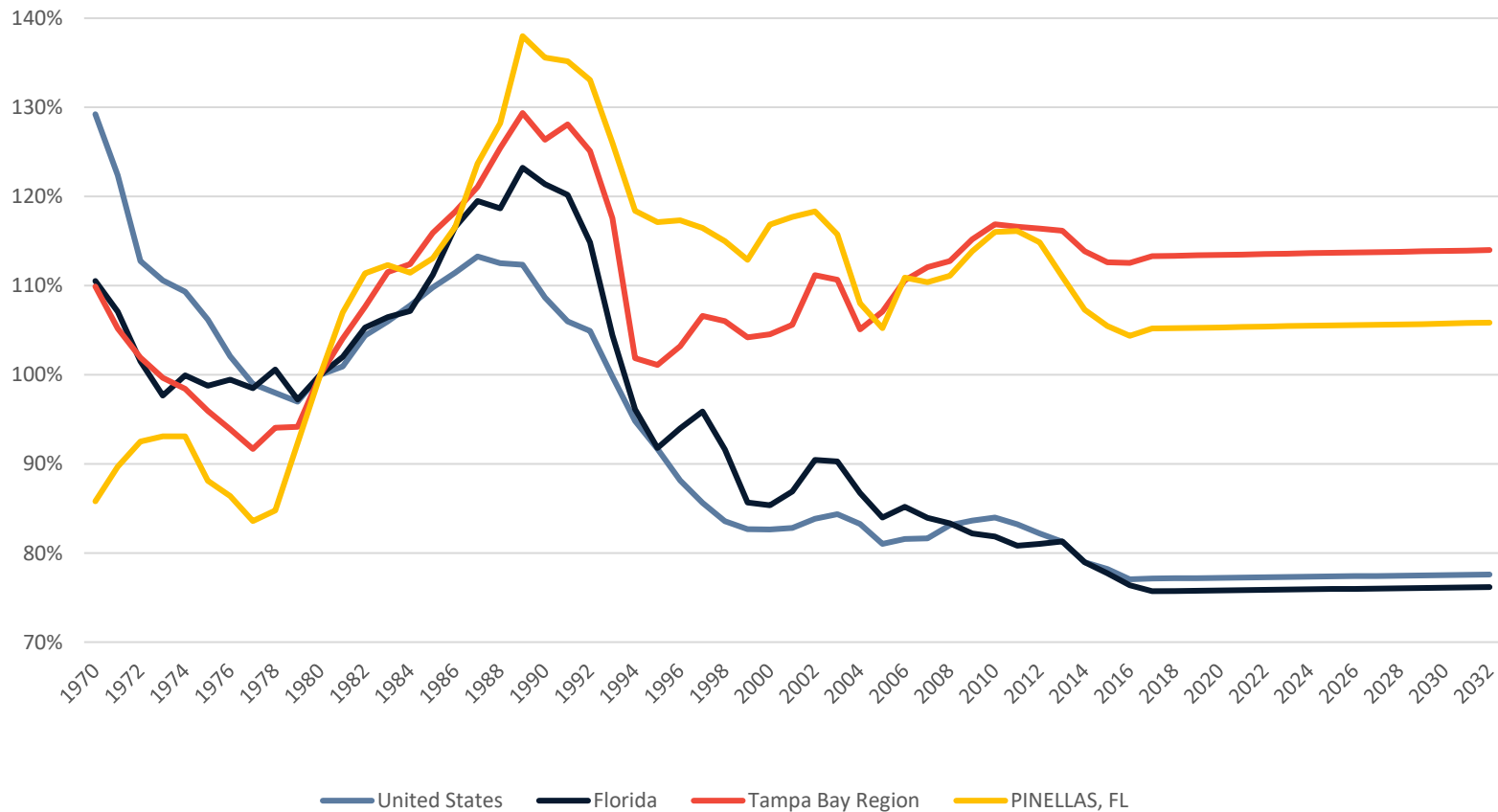
Florida Defense Industry Economic Impact Analysis – 2022 Update



Change in Military Employment

The figure below presents military employment indexed to 1980 levels. It allows us to compare changes in military employment at the county level against regional, statewide, and national trends in military employment over the past 40 years that appear to remain steady through 2032.

FIGURE 143. TOTAL MILITARY EMPLOYMENT INDEXED TO 1980, 1970 – 2032: UNITED STATES, FLORIDA, TAMPA BAY REGION, AND PINELLAS COUNTY



Demographics and the Regional Economy

The table displayed below presents figures related to regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Personal income, as defined by the Bureau of Economic Analysis (BEA) and REMI, is income that people obtain from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources.

Table 105. Demographic Estimates, Pinellas County

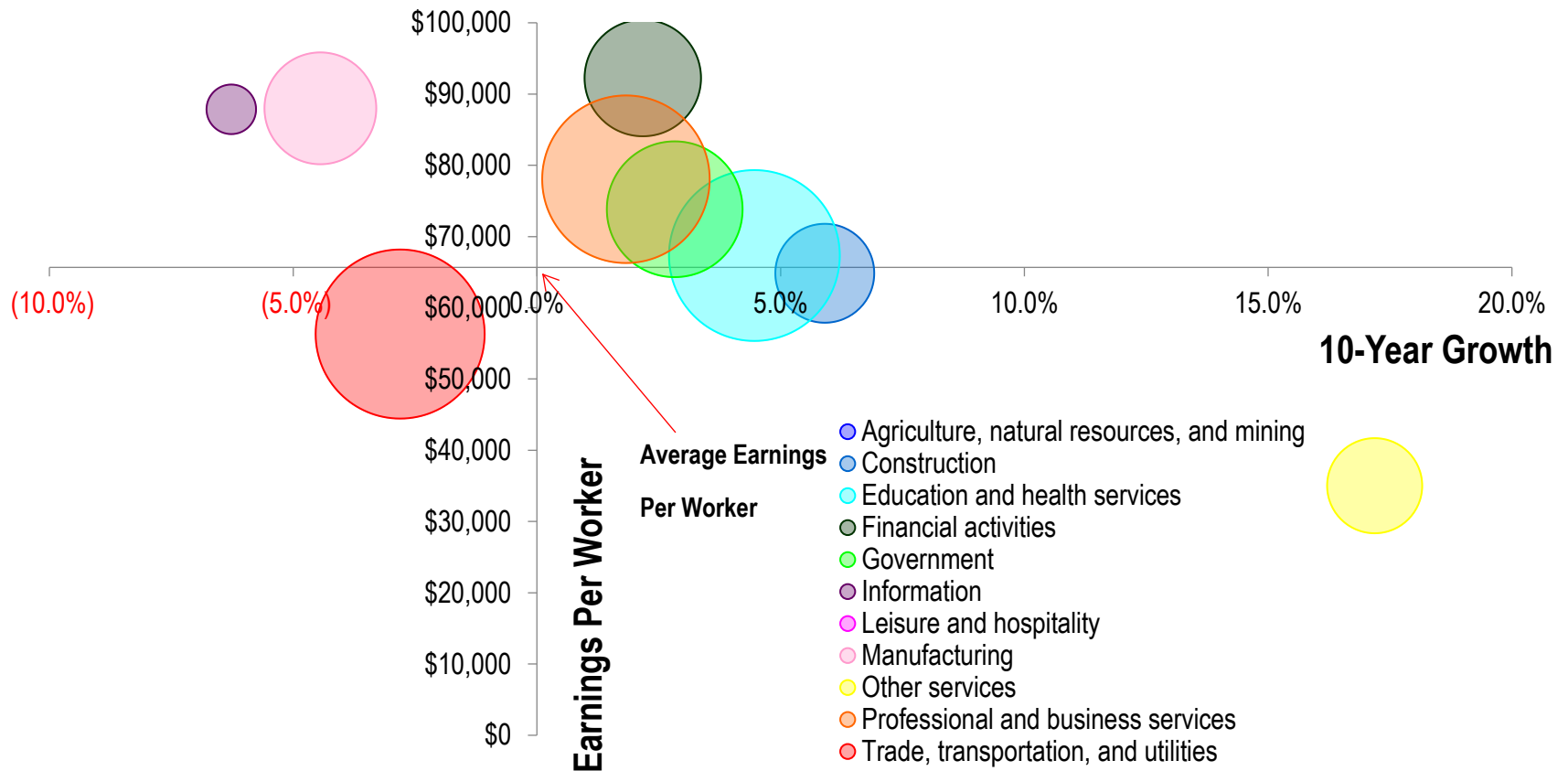
Total Population	Estimate
Population in 2011	918,455
Population in 2021	994,897
Population in 2031	1,078,156
Growth from 2011 to 2021	8.3%
Growth from 2021 to 2031	8.4%
Personal Income (Inclusive of all forms of income)	
Regional Personal Income per Capita	\$61,617
Florida Personal Income per Capita	\$57,186

Florida Defense Industry Economic Impact Analysis – 2022 Update

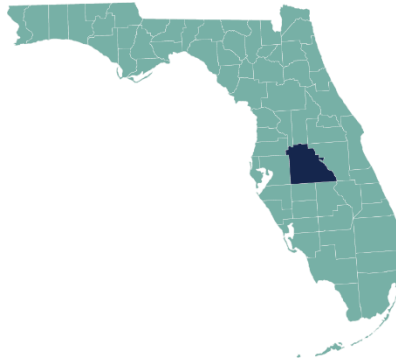


The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and average earnings per worker are displayed on the vertical axis. In order to interpret the graph correctly, the center of the bubble correlates with each industries' respective growth rate and earnings level.

Figure 144. Regional Industry and Earnings Growth, Pinellas County



Polk County



Polk County Summary

Location: Tampa Bay Florida Region

Home to: Avon Park Air Force Range

Economic Impact Estimates

As indicated in Table 104, Polk County has experienced moderate defense related benefits in 2020, an estimated \$700 million of spending flowed through the county. Transfer payments accounted for the largest share at 91% or roughly \$638 million of the \$700 million total. Salaries accounted for \$34 million or 5%, and procurement accounted for \$27 million or 4%.

Table 106. Polk County: Combined Direct Defense Expenditures

Spending Flow	Millions USD
Procurement	\$27.3
Salaries	\$34.0
Transfers	\$637.9
Total Combined Direct Expenditures	\$699.2

FIGURE 145. POLK COUNTY: DISTRIBUTION OF DIRECT DEFENSE SPENDING

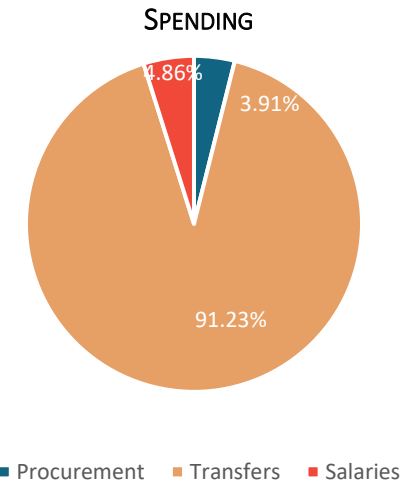




Table 107. Polk County: Economic Impact Forecast, 2020 – 2024
Current Millions USD

Impact Type	2020	2021	2022	2023	2024
Total Employment	13,344	13,458	13,769	14,157	14,561
Gross Regional Product	\$1,372.63	\$1,382.51	\$1,412.77	\$1,450.85	\$1,490.60
<i>Total Consumption</i>	\$1,156.89	\$1,178.53	\$1,213.75	\$1,254.69	\$1,297.29
<i>Investment Residential</i>	\$270.89	\$275.89	\$284.11	\$293.68	\$303.63
<i>Investment Non-residential</i>	\$66.64	\$67.04	\$68.59	\$70.58	\$72.66
<i>Producer's Durable Equipment</i>	\$40.20	\$40.44	\$41.38	\$42.58	\$43.83
<i>Business Inventories</i>	-\$9.90	-\$9.82	-\$10.02	-\$10.31	-\$10.62
<i>Government</i>	\$91.07	\$91.66	\$93.86	\$96.70	\$99.65
<i>Exports</i>	\$734.49	\$729.72	\$742.26	\$761.23	\$780.98
<i>Imports (subtract)</i>	\$977.64	\$990.95	\$1,021.16	\$1,058.30	\$1,096.83

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

Overall, defense activities generated nearly 13,344 jobs in Polk County, in 2020, and \$1.37 billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region), which is roughly 4.5% of the county's estimated 2020 Gross Regional Product. The total impact for the county is forecasted to increase between 2020 and 2024. Defense activities are expected to generate about 14,561 jobs and nearly \$1.5 billion of GRP in 2024, amounting to an additional 1,200 jobs and \$120 million of GRP in the county by 2024.

In addition to the employment and GRP estimates, Table 101 provides the constituent components of GRP. As was explained in the introduction, direct defense expenditures expended in the state generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table above. The impact categories are defined as follows:



Florida Defense Industry Economic Impact Analysis – 2022 Update

- Total Employment measures jobs generated by military activities.
- Total Consumption consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- Investment expenditures include residential and non-residential real estate as well as investment in producers' durable equipment and business inventories.
- Government revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- Gross Regional Product is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.



Table 108. Polk County: Total Economic Impacts by Component, Jobs, and Gross Regional Product (2020)
Millions USD

Polk	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Economic Impact	\$275	\$0	\$0	\$275
	Total Jobs	2,647	0	0	2,647
Employment	Economic Impact	\$313	\$41	\$8	\$361
	Total Jobs	2,698	350	72	3,120
Transfers	Economic Impact	\$733	\$0	\$4	\$736
	Total Jobs	7,538	0	38	7,576
Totals	Economic Impact	\$1,321	\$41	\$11	\$1,373
	Total Jobs	12,883	350	110	13,343

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

Military Impacts by Type

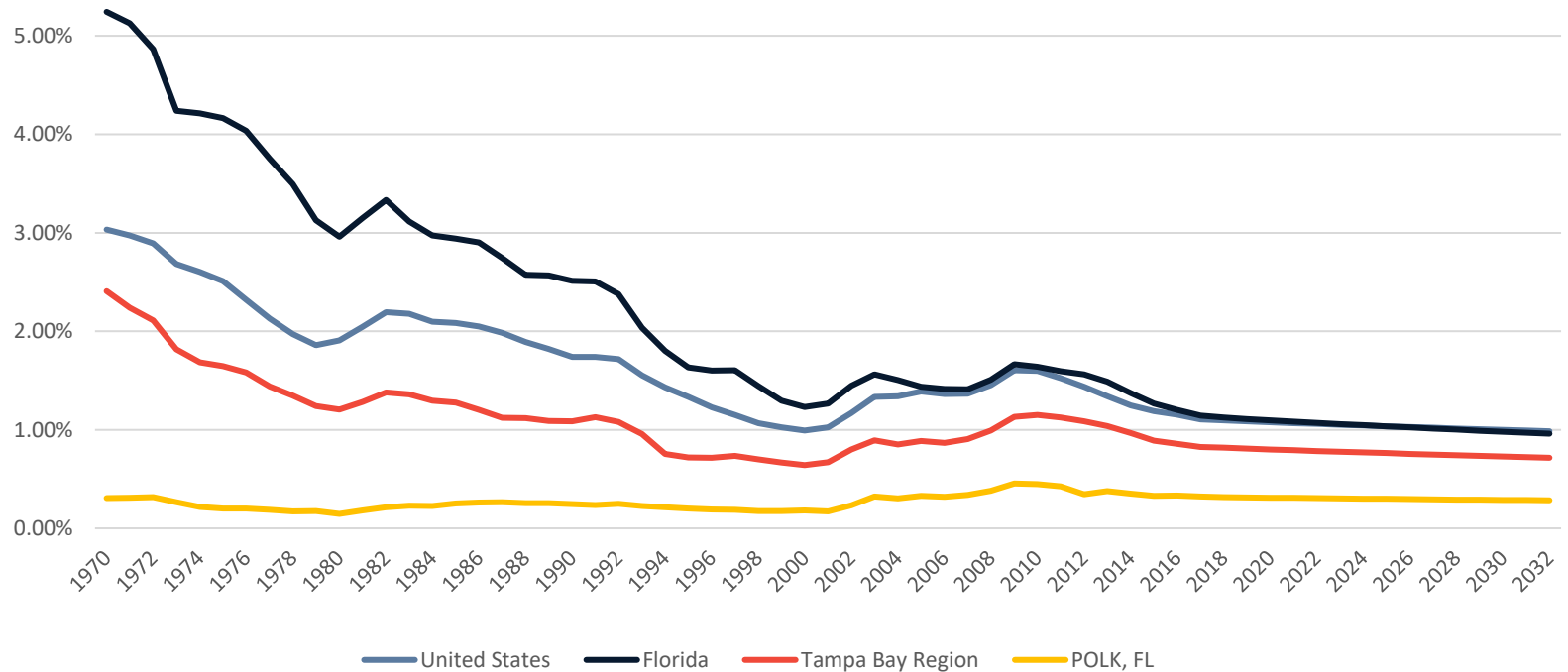
The table above displays the economic impacts (GRP and jobs created) in Polk County by component and source for 2020. The components include procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2020 US Dollars) are displayed directly above the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner. As the data indicate, military transfers generated the most jobs in the county at 7,538, military employment generated 2,698 jobs while military procurement accounted for 2,647 jobs as well.

Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Share of Total Earnings

Earnings account for the majority of income paid to employees as remuneration for their work and include wage and salary disbursements as well as supplements to wages and salaries. Earnings are therefore a proxy economic impact measure, which is inclusive of more than just wages. The figure below benchmarks the total share of Polk County’s regional income that can be attributed to the military (over time) against the greater Tampa Bay Region, Florida, and the U.S. As the data reflect, the military contributes to a substantially smaller share of earnings at the County level than at the national or state level. Nevertheless, as economies continue to diversify, their military share of total earnings has happened to decline. This trend is expected to continue through 2032.

FIGURE 146. MILITARY SHARE OF TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, TAMPA BAY REGION, AND POLK COUNTY



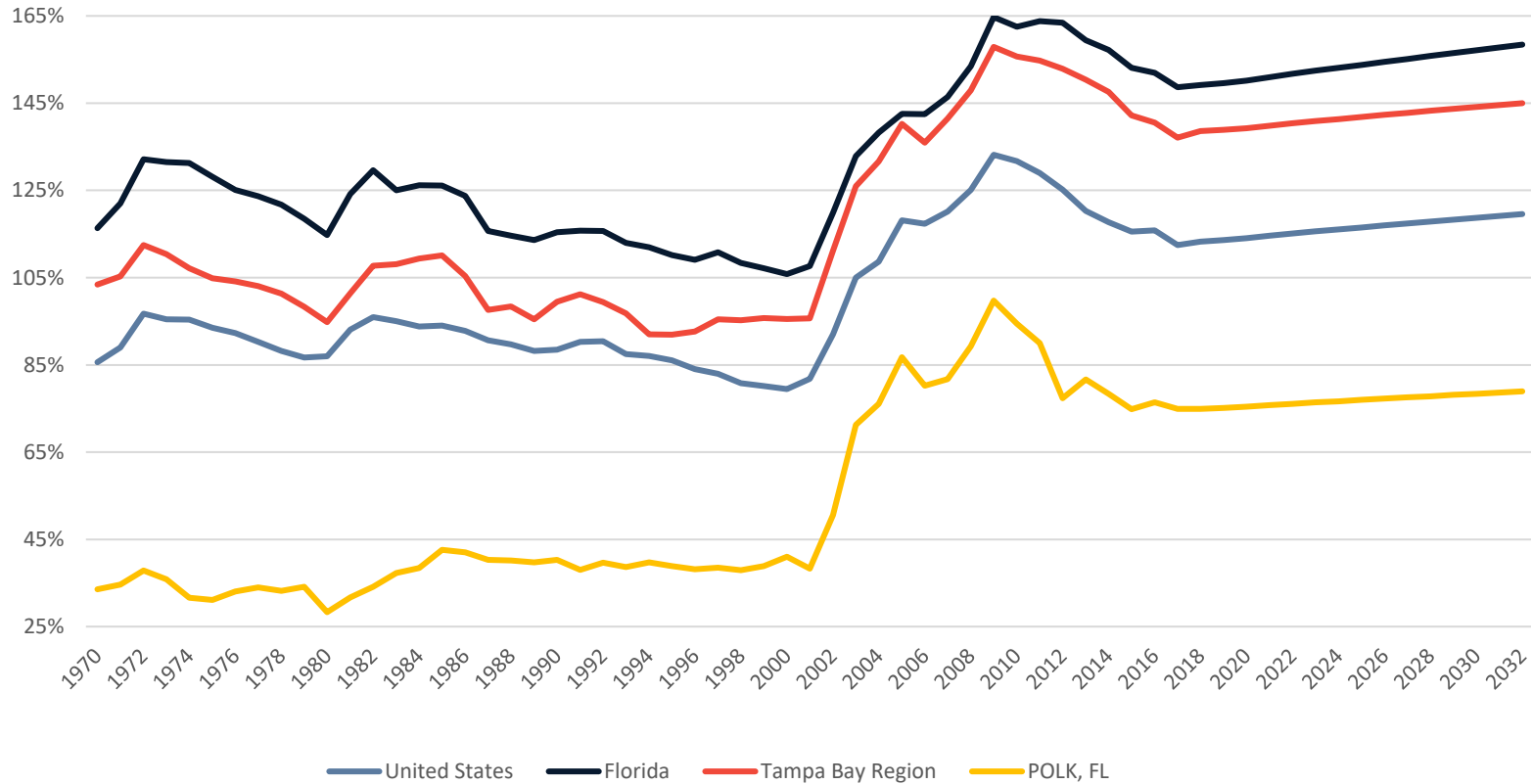
Florida Defense Industry Economic Impact Analysis – 2022 Update



Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It allows us to benchmark the earnings of military employees at the county level against the earning patterns of all workers. The graph below provides a comparison of performance at the county level versus the greater region, state, and the nation.

FIGURE 147. AVERAGE MILITARY EARNINGS VS AVG. TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, TAMPA BAY REGION, AND POLK COUNTY

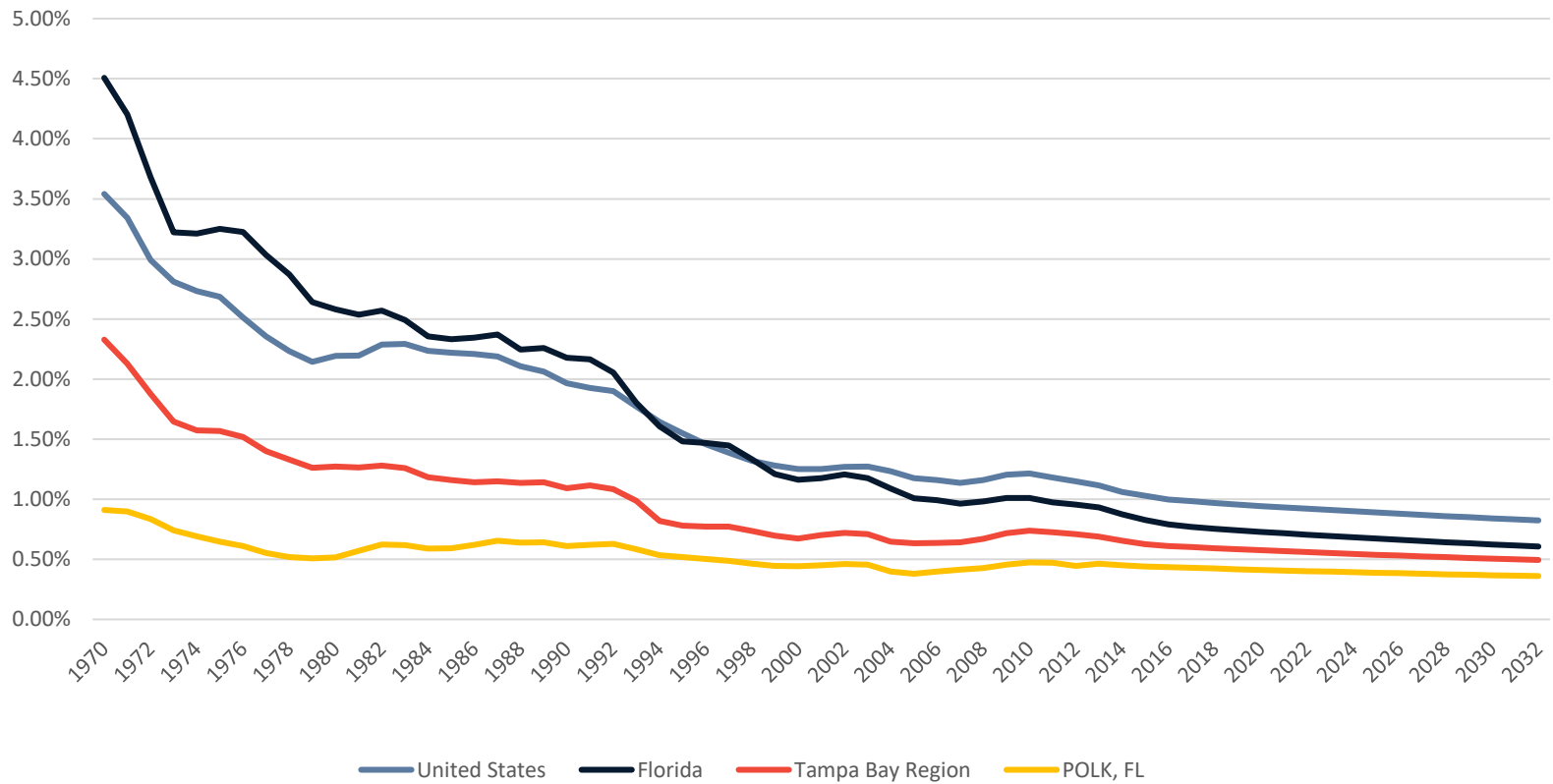


Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Employment as a Share of Total Employment

The figure below presents military employment as a share of total employment for the county, region, state of Florida, and the US. It allows us to benchmark military employment at the county level against the employment patterns of all workers in the region, statewide and nationwide.

FIGURE 148. MILITARY EMPLOYMENT AS A SHARE OF TOTAL EMPLOYMENT, 1970 – 2032: UNITED STATES, FL, TAMPA BAY REGION, AND POLK COUNTY



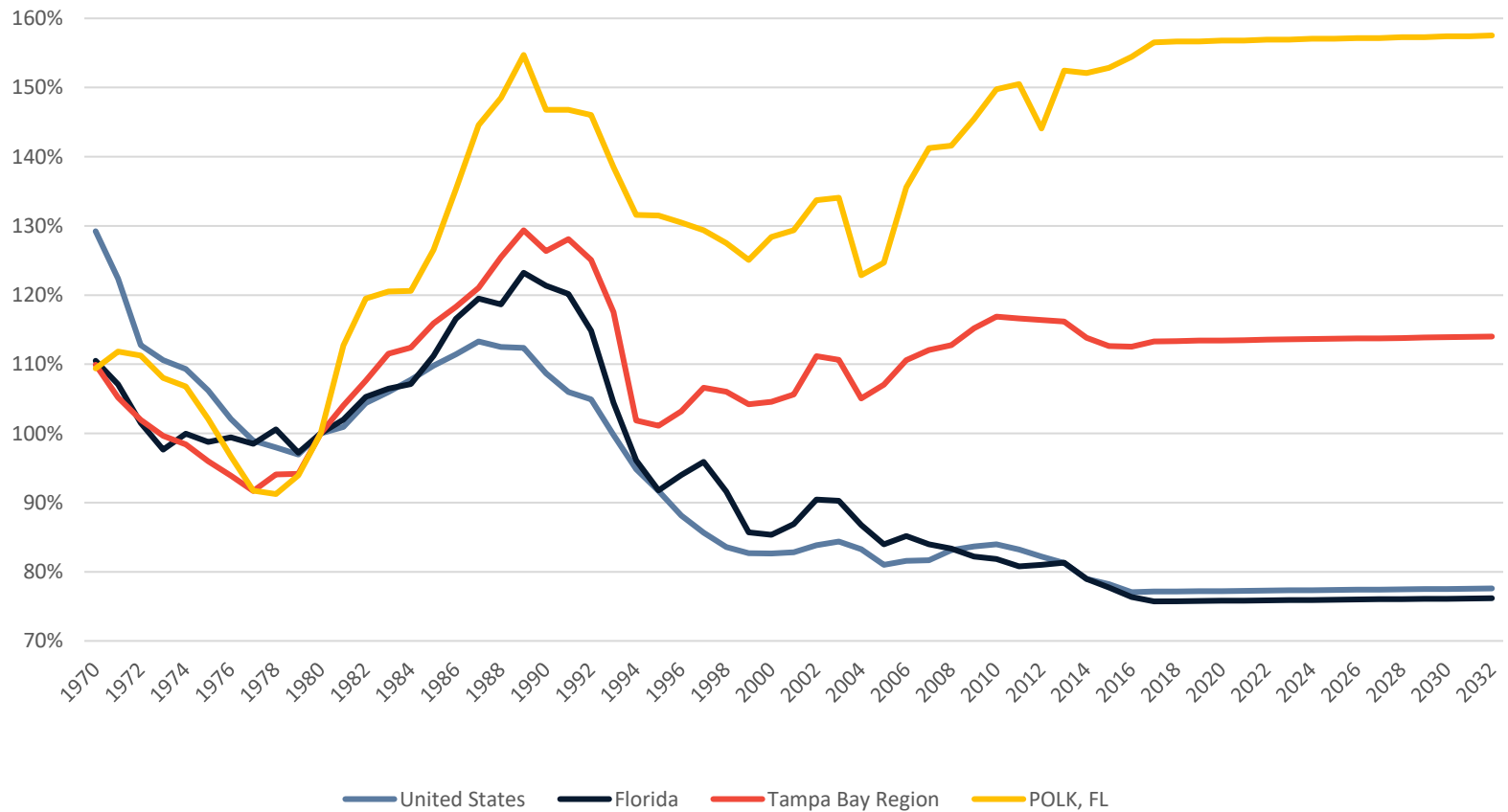
Florida Defense Industry Economic Impact Analysis – 2022 Update



Change in Military Employment

The figure below presents military employment indexed to 1980 levels. It allows us to compare changes in military employment at the county level against regional, statewide, and national trends in military employment over the past 40 years that appear to remain steady through 2032.

FIGURE 149. TOTAL MILITARY EMPLOYMENT INDEXED TO 1980, 1970 – 2032: UNITED STATES, FLORIDA, TAMPA BAY REGION, AND POLK COUNTY



Demographics and the Regional Economy

The table displayed below presents figures related to regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Personal income, as defined by the Bureau of Economic Analysis (BEA) and REMI, is income that people obtain from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources.

Table 109. Demographic Estimates, Polk County

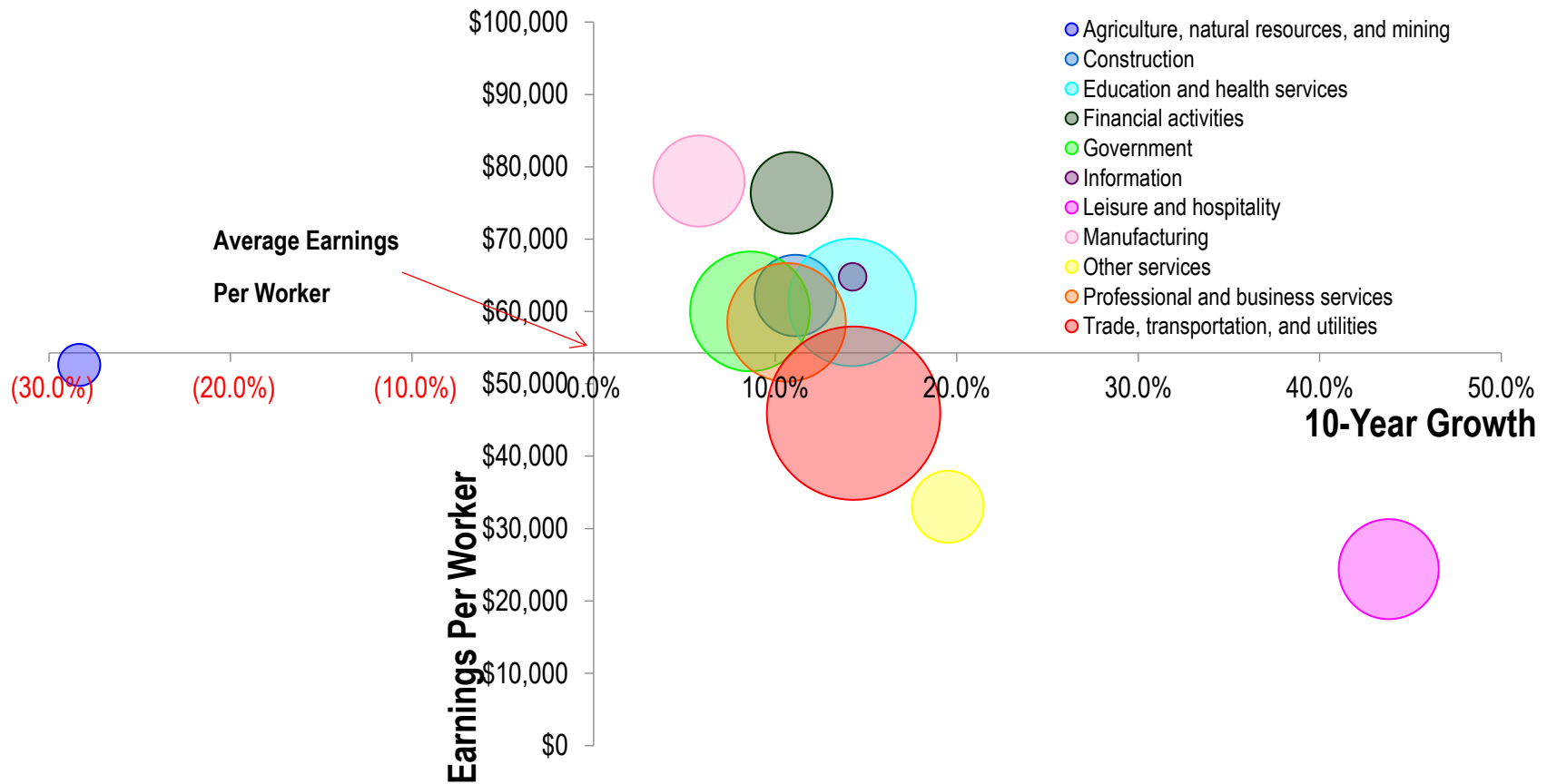
Total Population	Estimate
Population in 2011	609,948
Population in 2021	770,126
Population in 2031	902,709
Growth from 2011 to 2021	26.3%
Growth from 2021 to 2031	17.2%
Personal Income (Inclusive of all forms of income)	
Regional Personal Income per Capita	\$40,842
Florida Personal Income per Capita	\$57,186

Florida Defense Industry Economic Impact Analysis – 2022 Update

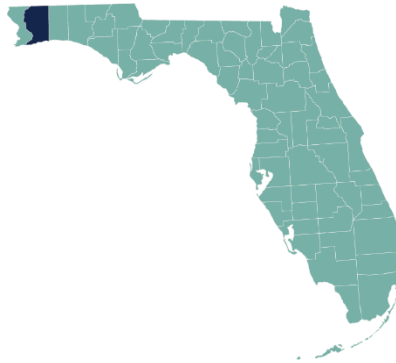


The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and average earnings per worker are displayed on the vertical axis. In order to interpret the graph correctly, the center of the bubble correlates with each industries' respective growth rate and earnings level.

Figure 150. Regional Industry and Earnings Growth, Polk County



Santa Rosa County



Santa Rosa County Summary

Location: Northwest Florida Region

Home to: Naval Air Station Whiting Field

Economic Impact Estimates

As the data in Table 108 indicate, Santa Rosa County experiences moderate benefits related to spending associated with defense activities at \$718 million in 2020. Transfer payments accounted for the largest share at 80% or roughly \$578 million of the total. Salaries accounted for \$57 million or 8%, and procurement accounted for \$86 million or 12%.

Table 110. Santa Rosa County: Combined Direct Defense Expenditures

Spending Flow	Millions USD
Procurement	\$86.5
Salaries	\$57.1
Transfers	\$574.7
Total Combined Direct Expenditures	\$718.2

FIGURE 151. SANTA ROSA COUNTY: DISTRIBUTION OF DIRECT DEFENSE SPENDING

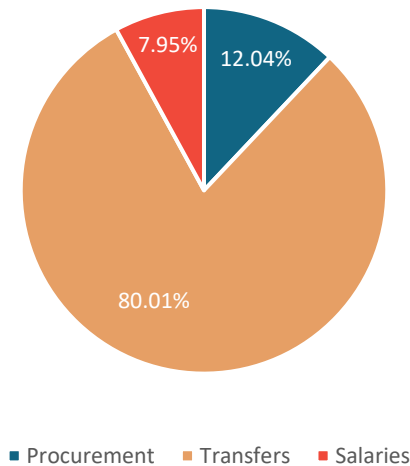




Table 111. Santa Rosa County: Economic Impact Forecast, 2020 – 2024
Current Millions USD

Impact Type	2020	2021	2022	2023	2024
Total Employment	16,330	16,287	16,467	16,723	16,994
Gross Regional Product	\$1,636.96	\$1,636.93	\$1,651.40	\$1,670.38	\$1,690.85
<i>Total Consumption</i>	\$1,902.89	\$1,915.83	\$1,947.17	\$1,985.08	\$2,025.06
<i>Investment Residential</i>	\$441.49	\$444.39	\$451.61	\$460.37	\$469.61
<i>Investment Non-residential</i>	\$79.23	\$78.74	\$79.68	\$81.11	\$82.62
<i>Producer's Durable Equipment</i>	\$46.57	\$46.29	\$46.83	\$47.68	\$48.57
<i>Business Inventories</i>	-\$4.18	-\$4.18	-\$4.22	-\$4.29	-\$4.36
<i>Government</i>	\$165.71	\$165.50	\$167.53	\$170.32	\$173.28
<i>Exports</i>	\$1,124.60	\$1,117.90	\$1,119.48	\$1,123.09	\$1,127.53
<i>Imports (subtract)</i>	\$2,119.34	\$2,127.55	\$2,156.67	\$2,192.98	\$2,231.46

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

In 2020, defense activities generated 16,330 jobs in Santa Rosa County and over \$1.63 billion in total Gross Regional Product (GRP - total value of all goods and services produced in the region); this is roughly 30.4% of the county's estimated 2020 Gross Regional Product. The total impact for the county is expected to increase very slightly between 2020 and 2024. Defense activities are forecasted to generate 16,994 jobs and about \$1.69 billion of GRP by 2024. This amounts to a slight addition of 664 jobs and an extra \$54 million of GRP in the county.

In addition to the employment and GRP estimates, Table 105 provides the constituent components of GRP. As was explained in the introduction, direct defense expenditures expended in the state generated additional employment, wages, consumption spending, and investment with total impacts indicated in the table above. The impact categories are defined as follows:



Florida Defense Industry Economic Impact Analysis – 2022 Update

- Total Employment measures jobs generated by military activities.
- Total Consumption consists of total purchases across the economy to include food, housing, transportation, medical care, computers, furniture, etc.
- Investment expenditures include residential and non-residential real estate as well as investment in producers' durable equipment and business inventories.
- Government revenues include state and local government spending that occurs as a result of the combined activities that are modeled.
- Gross Regional Product is the sum of consumption, investment, government revenues, and exports less imports. It represents the total dollar value added of all goods and services produced as a result of defense spending.



Table 112. Santa Rosa County: Total Economic Impacts by Component, Jobs, and Gross Regional Product (2020)
Millions USD

Santa Rosa	Impact Type	Military	National Guard	Coast Guard	Totals
Procurement	Economic Impact	\$191	\$0	\$0	\$191
	Total Jobs	3,028	0	0	3,028
Employment	Economic Impact	\$1,021	\$83	\$4	\$1,107
	Total Jobs	8,396	539	39	8,974
Transfers	Economic Impact	\$337	\$0	\$2	\$339
	Total Jobs	4,305	0	24	4,329
Totals	Economic Impact	\$1,548	\$83	\$6	\$1,637
	Total Jobs	15,729	539	63	16,331

Source: REMI PI v2.5.0 (build 5955)

Columns may not sum due to rounding.

Military Impacts by Type

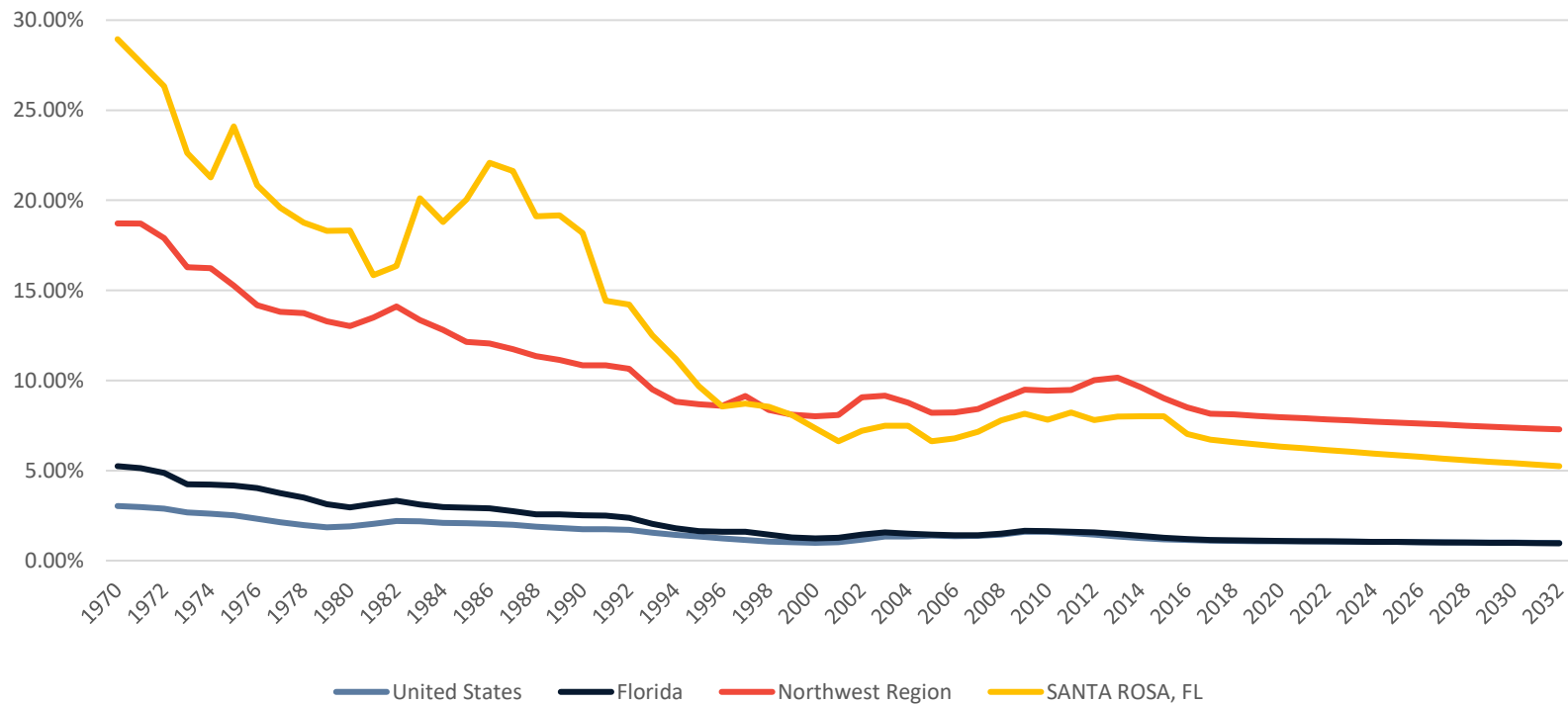
The table above displays the economic impacts (GRP and jobs created) in Santa Rosa County by component and source for 2020. The components include procurement, federal military employment (salaries and wages), and transfers for the military, National Guard, and Coast Guard. The GRP impacts (in 2020 US Dollars) are displayed directly above the employment impacts. The total impacts across all categories are displayed in the bottom right-hand corner. As the data indicate, military employment generated the most jobs in the county at 8,396, military transfers generated 4,305 jobs while military procurement accounted for 3,028 jobs as well.

Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Share of Total Earnings

Earnings account for the majority of income paid to employees as remuneration for their work and include wage and salary disbursements as well as supplements to wages and salaries. Earnings are therefore a proxy economic impact measure, which is inclusive of more than just wages. The figure below benchmarks the total share of Santa Rosa County’s regional income that can be attributed to the military (over time) against the greater Northwest Region, Florida, and the U.S. As the data reflect, the military contributes to a substantially larger share of earnings at the County level than at the national or state level. Nevertheless, as economies continue to diversify, their military share of total earnings has happened to decline. This trend is expected to continue through 2032.

FIGURE 152. MILITARY SHARE OF TOTAL EARNINGS, 1970 – 2032: UNITED STATES, FLORIDA, NORTHWEST FLORIDA REGION, AND SANTA ROSA COUNTY



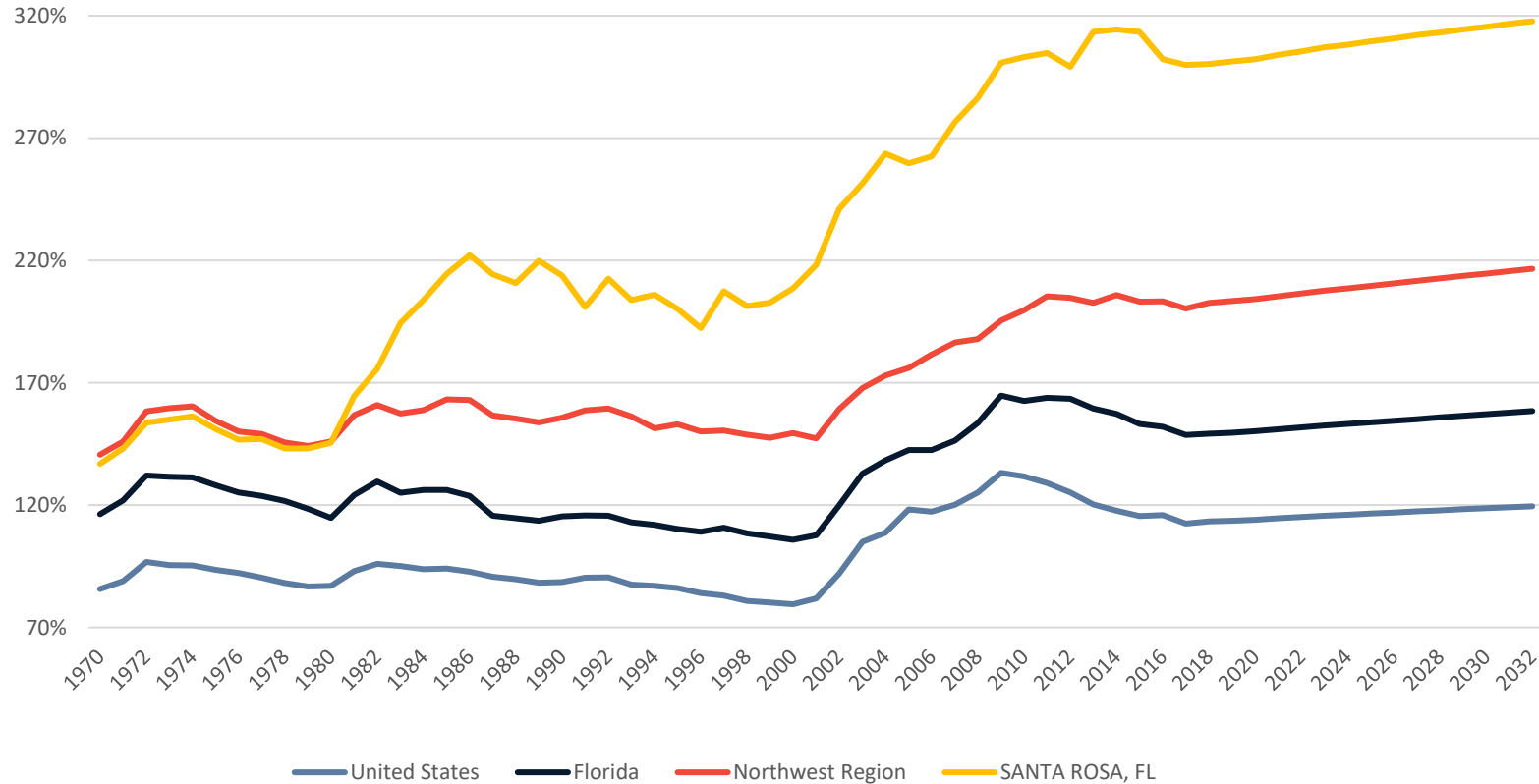
Florida Defense Industry Economic Impact Analysis – 2022 Update



Average Military Earnings versus Average Total Earnings

The figure below displays the ratio of average military earnings per military worker to average earnings per worker. It allows us to benchmark the earnings of military employees at the county level against the earning patterns of all workers. The graph below provides a comparison of performance at the county level versus the greater region, state, and the nation.

FIGURE 153. AVERAGE MILITARY EARNINGS VS AVG. TOTAL EARNINGS, 1970 -2032: UNITED STATES, FLORIDA, NW FLORIDA, AND SANTA ROSA COUNTY

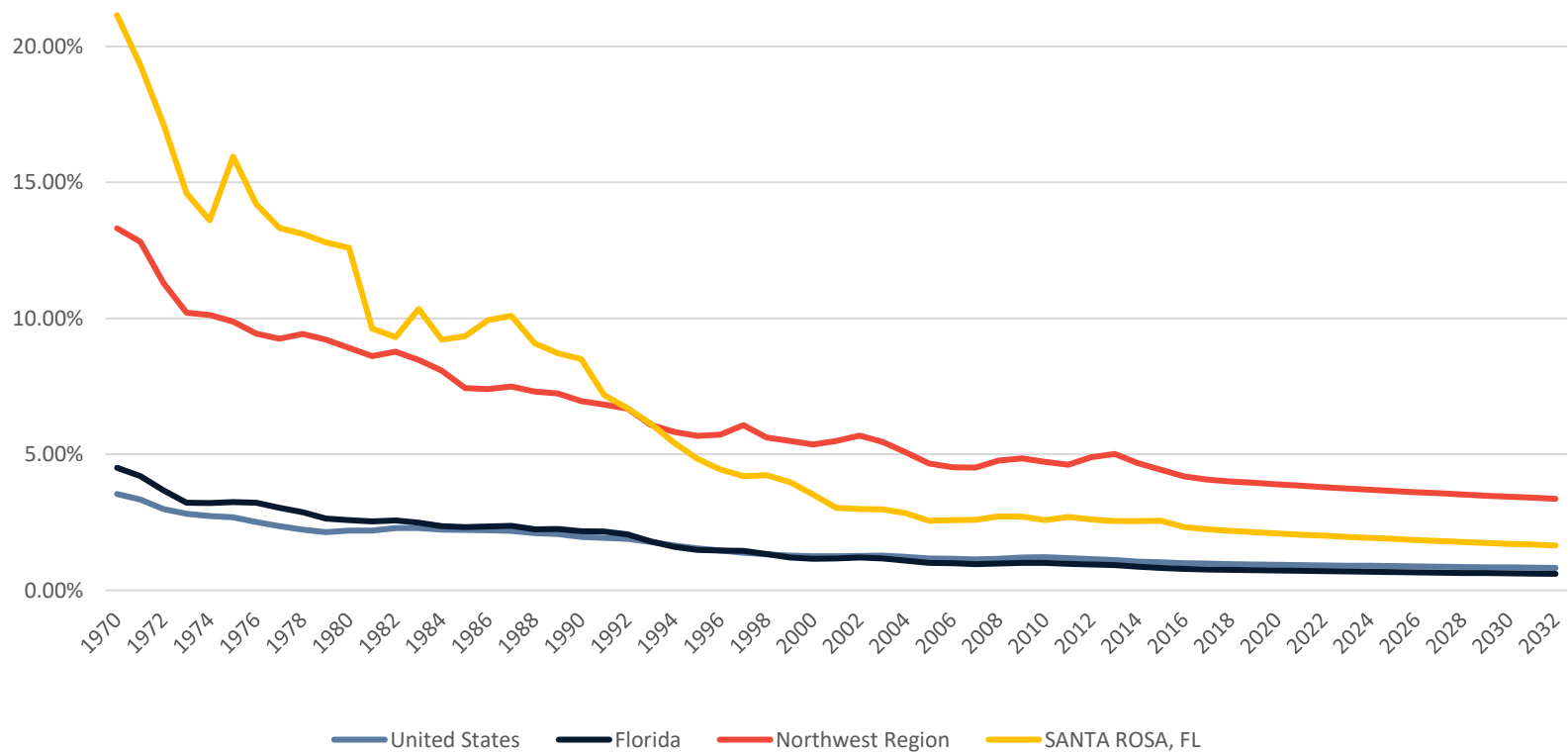


Florida Defense Industry Economic Impact Analysis – 2022 Update

Military Employment as a Share of Total Employment

The figure below presents military employment as a share of total employment for the county, region, state of Florida, and the US. It allows us to benchmark military employment at the county level against the employment patterns of all workers in the region, statewide and nationwide.

FIGURE 154. MILITARY EMPLOYMENT AS A SHARE OF TOTAL EMPLOYMENT, 1970 -2032: UNITED STATES, FL, NW FLORIDA, AND SANTA ROSA COUNTY



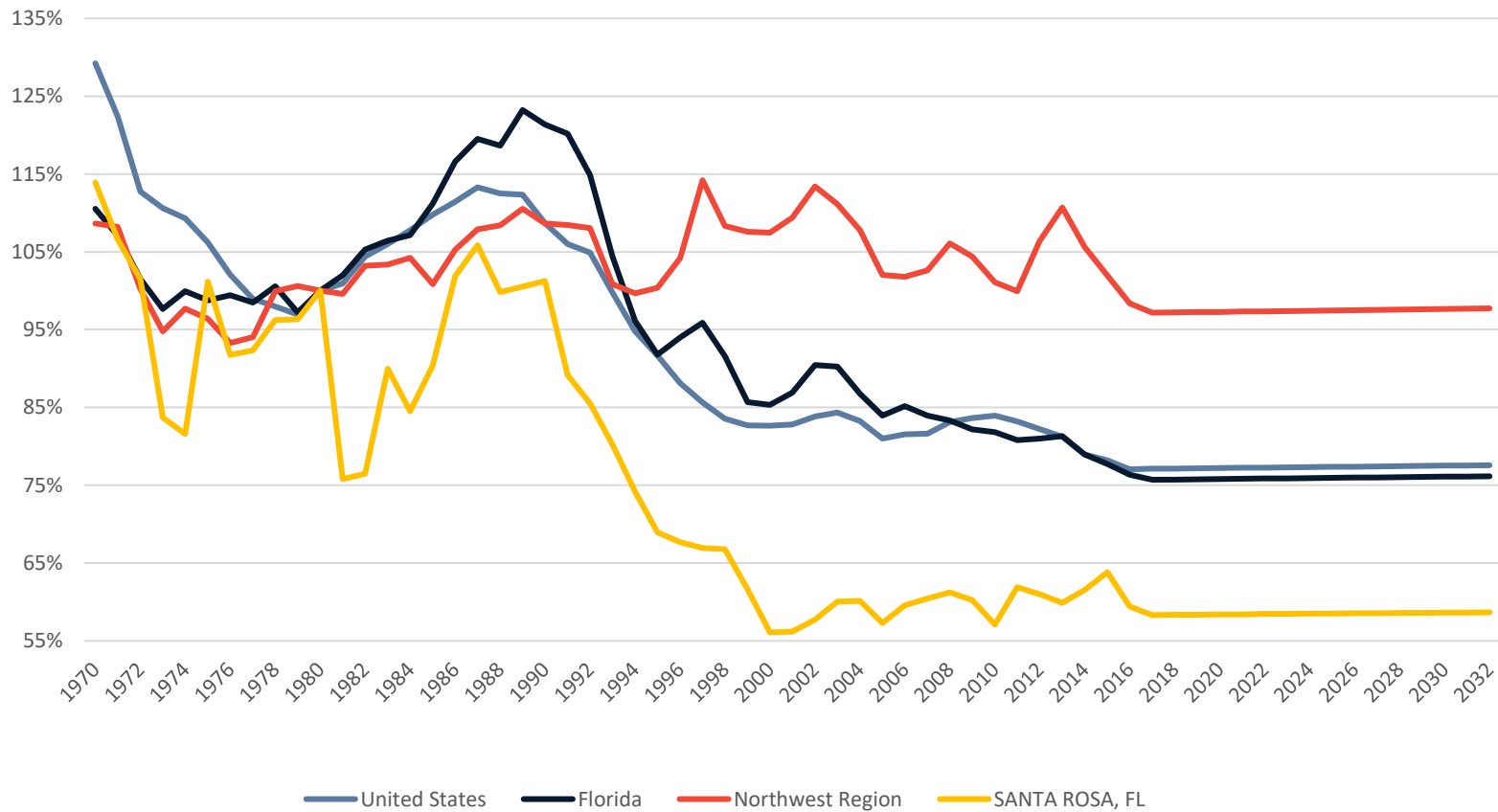
Florida Defense Industry Economic Impact Analysis – 2022 Update



Change in Military Employment

The figure below presents military employment indexed to 1980 levels. It allows us to compare changes in military employment at the county level against regional, statewide, and national trends in military employment over the past 40 years that appear to remain steady through 2032.

FIGURE 155. TOTAL EMPLOYMENT INDEXED TO 1980, 1970 – 2032: UNITED STATES, FLORIDA, NORTHWEST FLORIDA, AND SANTA ROSA COUNTY



Demographics and the Regional Economy

The table displayed below presents figures related to regional population growth rates as well as income (for all industries, not just defense) statistics. These include the most recent quarter of data available at the time of publication. Personal income, as defined by the Bureau of Economic Analysis (BEA) and REMI, is income that people obtain from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources.

Table 113. Demographic Estimates, Santa Rosa County

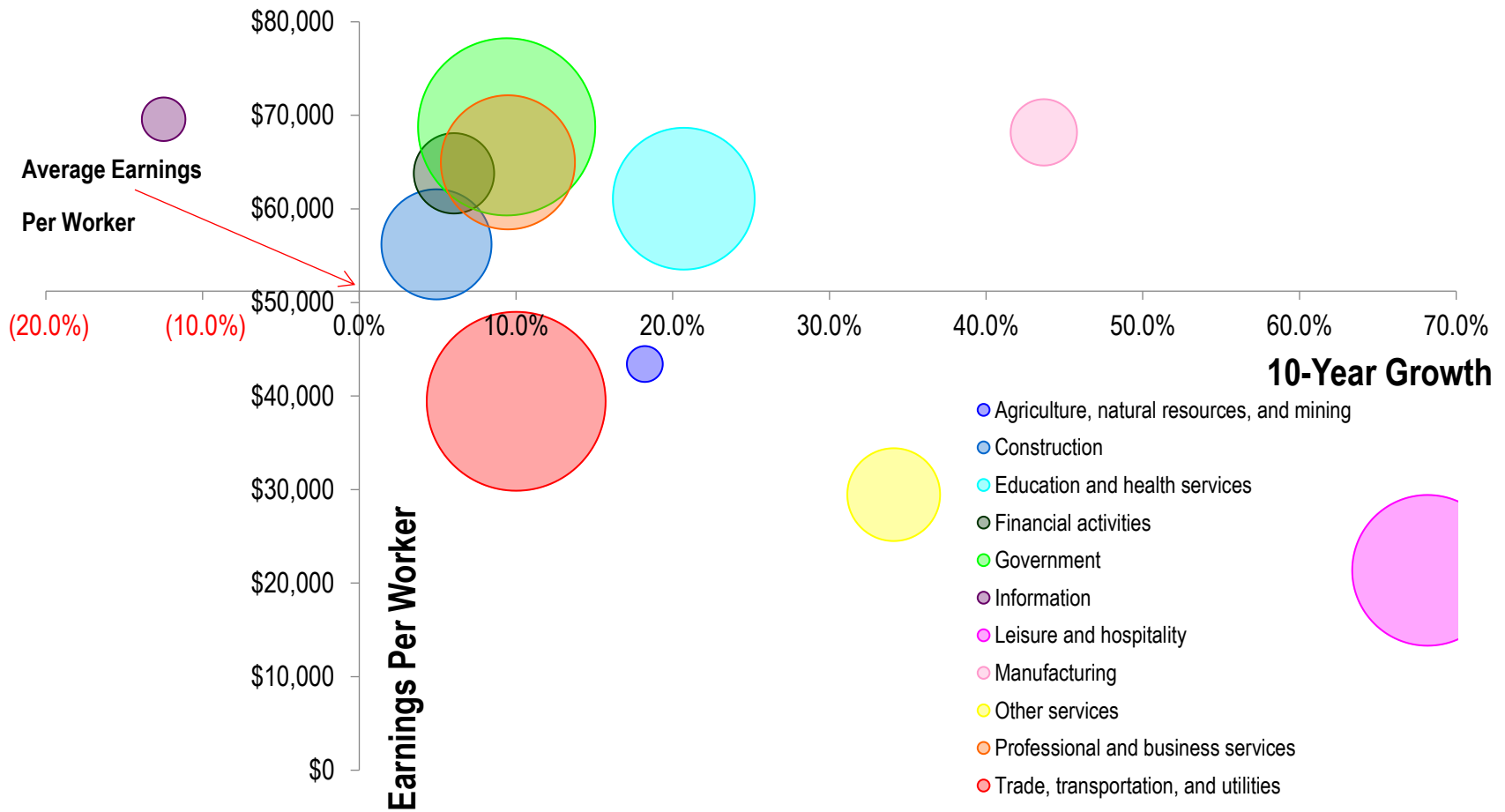
Total Population	Estimate
Population in 2011	155,738
Population in 2021	195,846
Population in 2031	239,272
Growth from 2011 to 2021	25.8%
Growth from 2021 to 2031	22.2%
Personal Income (Inclusive of all forms of income)	
Regional Personal Income per Capita	\$50,194
Florida Personal Income per Capita	\$57,186

Florida Defense Industry Economic Impact Analysis – 2022 Update



The figure below tracks earnings and growth rates for key industries in the region. The size of the bubble represents overall direct employment, while growth rates are displayed on the horizontal axis, and average earnings per worker are displayed on the vertical axis. In order to interpret the graph correctly, the center of the bubble correlates with each industries' respective growth rate and earnings level.

Figure 156. Regional Industry and Earnings Growth, Santa Rosa County





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Enterprise Florida the Florida Defense Support Task Force.
For information, please visit
www.enterpriseflorida.com/fdstf.*



in association with

