

THE COST OF INACTION

The Economic and Policy Implications
of Climate-Driven Disasters and
the Clean Energy Solution

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Protect Our Winters

mobilizes millions of outdoor enthusiasts, athletes, brands, creatives, and scientists, to advance for bipartisan climate advocacy, public land protections, and political and economic action for a healthy planet.



PROJECT PURPOSE

Natural disasters are costing trillions, and climate change is to blame. Wildfires, floods, and extreme weather cost governments **\$182.7 billion** in 2024 alone.

The Cost of Inaction highlights how climate disasters strain federal, state, and local budgets and threaten the \$1.2 trillion outdoor recreation economy. The report and project deliverables call for bold investment in clean energy and grid resilience to cut costs, protect natural resources, and secure long-term economic stability.



METHODOLOGY



- ❄️ **27 stakeholder interviews** across policy, energy, governmental, and outdoor recreation sectors
- ❄️ **400+ secondary sources** analyzed
- ❄️ Ongoing collaboration with advisor and partner
- ❄️ Tracking political climate and aligning with POW's initiatives

DELIVERABLES

1. **Comprehensive Research Report:** A publicly available, annually updated report synthesizing economic data, case studies, stakeholder insights, and climate-disaster trends to highlight the staggering financial stakes of climate inaction.

2. **Federal Leave-Behind Pamphlet:** A concise, visually compelling summary of key findings designed to equip Protect Our Winters Alliance members with clear, high-impact messaging for lobbying efforts with federal decision-makers.

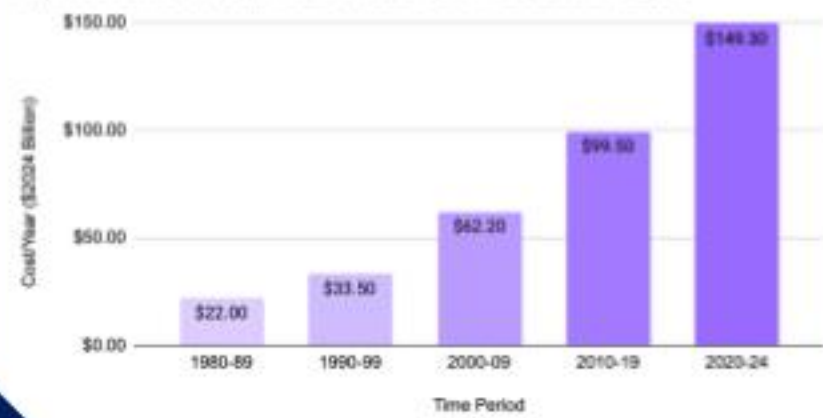


Climate Disasters are Surging – And So Are The Costs

Natural disasters have cost the U.S. **over \$3 trillion** since 1980. Since 2020, annual damages have averaged **\$149 billion**, a **47% increase** from the previous decade and **4x the cost of the 1990s**.

These trends show that the U.S. is entering a new era of climate risk, one where disaster spending is accelerating faster than budgets can keep up.

Average Natural Disaster Cost per Year in the U.S.
Adjusted from NOAA's Billion-Dollar Weather and Climate Disasters Report



Outdoor Recreation Communities Are On The Front Lines

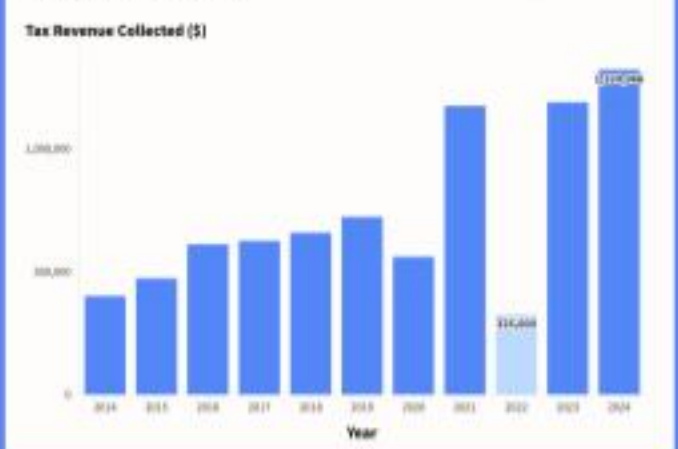
The outdoor recreation economy is a major economic engine:

- ✳ **\$1.2 trillion** annual contribution to the U.S. economy
- ✳ **7.6 million** jobs
- ✳ **\$125 billion** in tax revenue

For rural communities, ORE provides essential economic diversification and reliable tax revenue, yet nearly half of recreation-dependent counties face high wildfire or flood risk and often lack the resources to recover from repeated disasters.

Case In Point: Yellowstone 2022

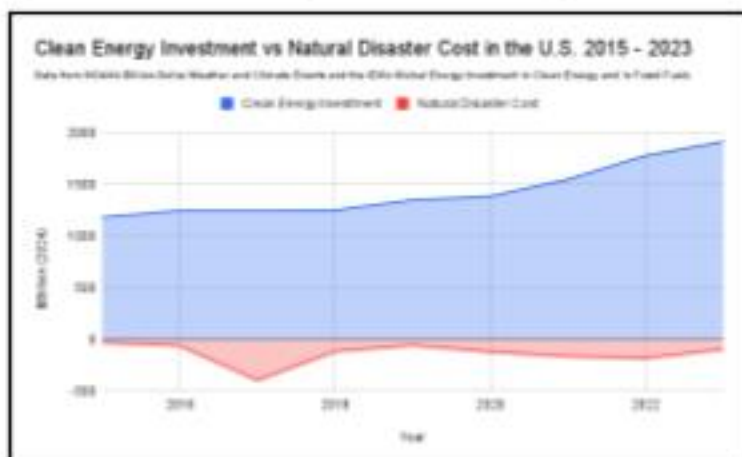
Resort Tax Revenue Collected Per Year in Gardiner, MT
Adapted from gardinerresorttax.com



Historic flooding forced week-long closures in Yellowstone NP during peak season, reducing visitation by **1.5 million** people and eliminating **\$156 million** in visitor spending. Gateway communities like Gardiner, MT lost up to **75%** of their lodging tax revenue that summer.

Disasters Drain Clean Energy Pays Back

- ✳ Disaster costs *drain trillions* from public budgets with no financial return.
- ✳ Clean energy *generates* revenue, *lowers* energy costs, *strengthens* local economies, *reduces* emissions, and provides *long-term* budget stability.



Clean Energy Strengthens Economic Resilience

Clean energy is *rapidly* scaling and *directly* benefits government budgets and rural communities by generating \$660 million in federal, state, and local government revenue, 3.5 million U.S. jobs, and some of the *lowest* and *most stable* power costs available.

The Cost of Inaction provides a clear, **evidence-based** narrative showing that the U.S. can either continue paying the **skyrocketing price** of climate disasters, or choose a path that **reduces risk** while **strengthening** local and national economies.