

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.

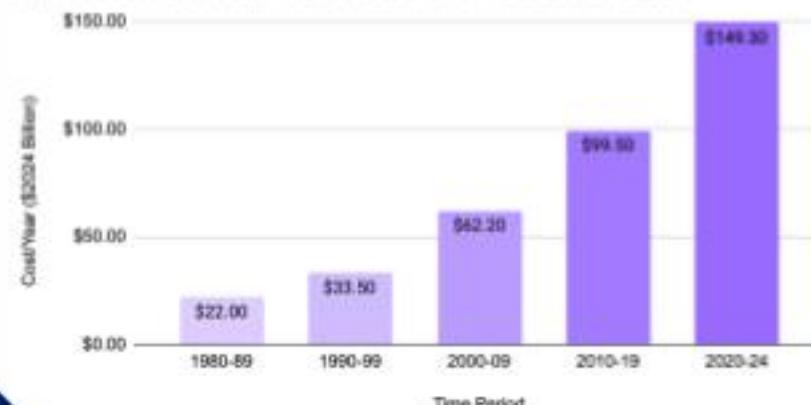


Climate Disasters are Surging – And So Are The Costs

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

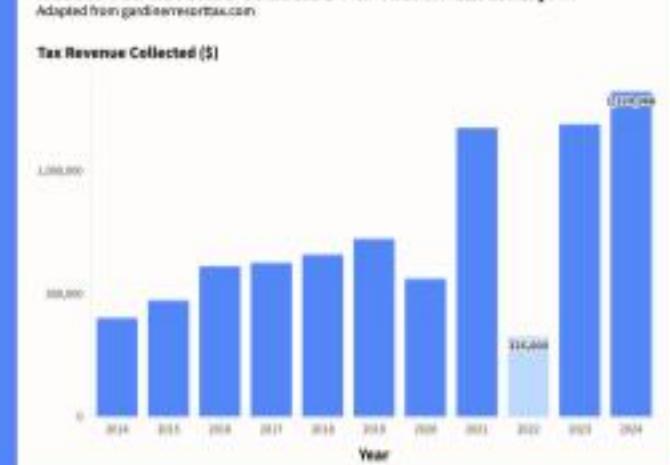
The outdoor recreation economy is a major economic engine:

- ✳ **\$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

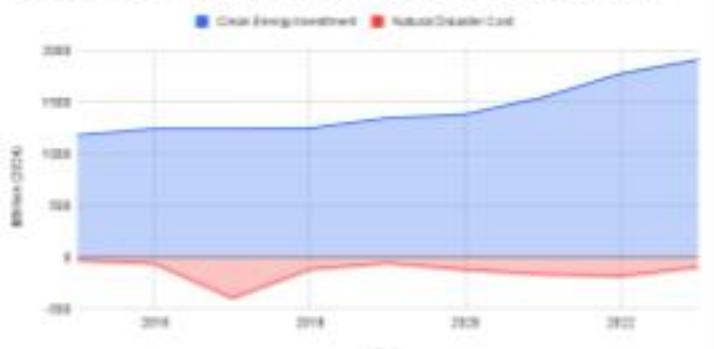


Historic flooding forced week-long closures in Yellowstone NP during peak season, reducing visitation by **1.5 million** people and eliminating **\$156 million** in visitor spending. Gateway communities like Gardiner, MT lost up to **75%** of their lodging tax revenue that summer.

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 Investment vs Natural Disaster Cost in the U.S. 2015 – 2023
Data from NOAA's Billion-Dollar Weather and Climate Events and the EIA's Global Energy Investment in Clean Energy and Related Fuels



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.