

Columbia Basin Fund

Initial Economic Assessment | April 12, 2021

In February 2021, U.S. Representative Mike Simpson of Idaho released the framework of a proposed “Columbia Basin Fund,” which would invest \$33.5 billion in infrastructure, economic development, and salmon recovery across the Northwest. A thorough assessment by BERK Consulting found that the Fund’s unique approach to addressing the future of the four dams on the Lower Snake River would create tens of thousands of jobs throughout the region.

KEY FINDINGS

Proposed Investment: Key Findings

1. Over 90% of the Columbia Basin Fund would be spent to support a regional economic transition; only 7% of the proposed investment would go toward bypassing the four lower Snake River dams.
2. \$2.2B will be invested in Tribal communities.
3. More than half (59%) of the investment would likely be spent before breach of dams.
4. More than half (63%) of the investment would likely be spent on construction and infrastructure.
5. Money will be spent in local communities.
 - At least \$7.9 billion, or nearly a quarter of the package, would likely be spent in the 9 counties closest to the lower Snake River.

Economic Impact: Key Findings

6. \$21.2B would likely be spent on infrastructure, stimulating jobs and spending in the region.
 - The \$12.3B spent on planning, design, and services would also benefit the economy, though benefits would be more geographically diffuse.
7. During the relatively more active Phases 1 and 2 (through 2031), spending would support an annual average of more than 20,000 jobs across the Northwest.
 - Over the full 25-year life of the investment, spending would support an annual average of 11,000 jobs across the Northwest.
8. Local and state net fiscal impacts would likely be positive via additional sales tax and other one-time revenues.
 - Costs of providing services are unlikely to shift significantly.

Agriculture Sector: Key Findings

9. The \$3.5B for transportation mitigation is more than double the highest estimate of mitigation costs.
10. The \$1.5B fund for grain producers exceeds previous estimates of increased shipping costs under a

dam breach scenario, indicating producers will likely face lower shipping costs under the proposal.

11. The \$750M for irrigation mitigation is 10% greater than the highest estimate of mitigation costs.

Energy Sector: Key Findings

12. Energy investment is the largest component of the investment, with \$16B for energy replacement, efficiency, and grid improvements and \$1.25B for the Snake River Center for Advanced Energy Storage.

13. \$10B would help mitigate impacts to ratepayers and potentially augment capacity beyond the current level.

14. Investment has the potential to promote regional employment, grid stability, innovation, research, and development.

Recreation and Tourism Sector: Key Findings

15. The recreation and tourism industry would likely benefit from the investment of \$425M for tourism, \$7.3B for salmon and conservation, and \$175M for regional economic development.