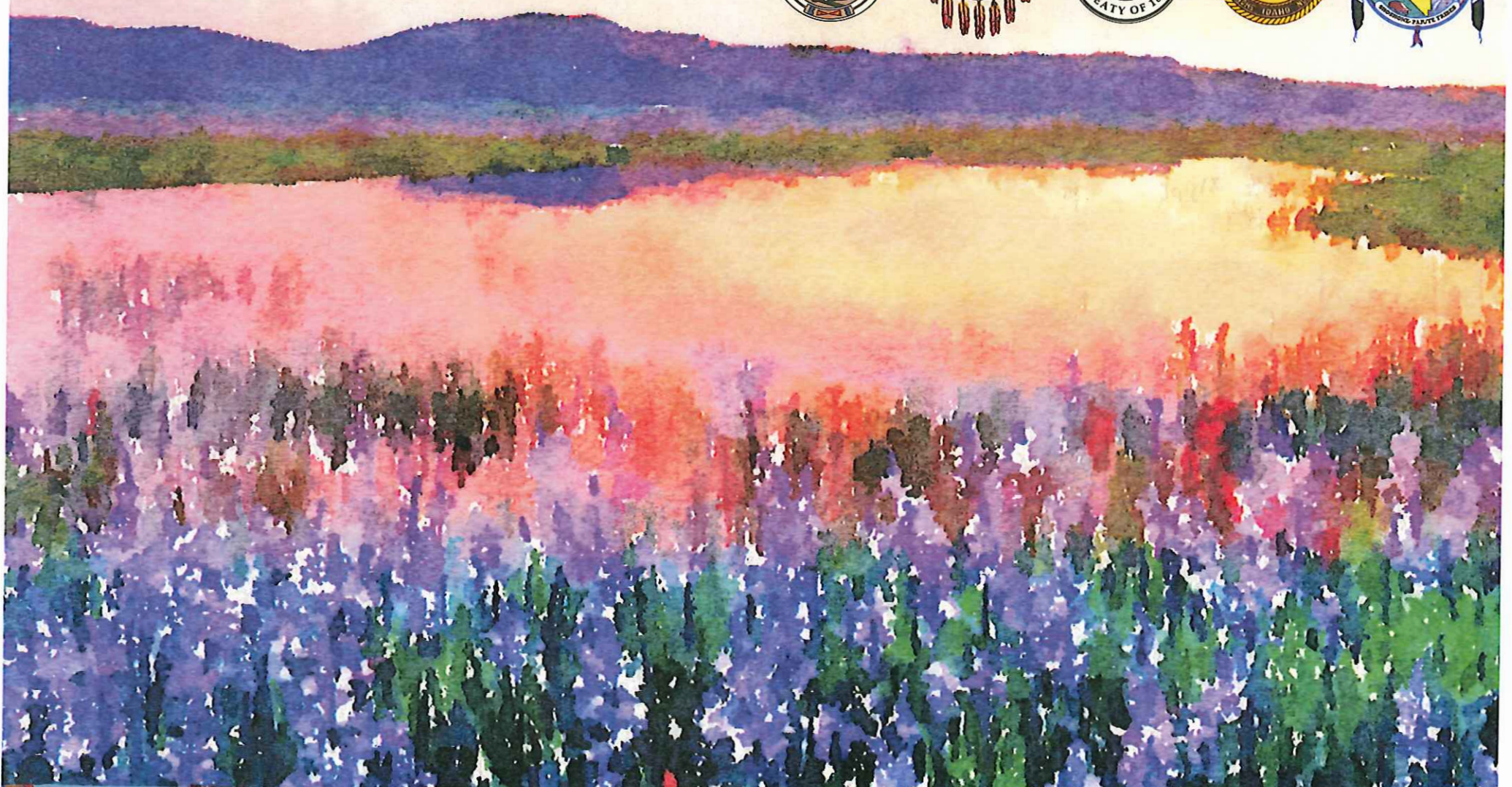


Tribal Economic Impacts

The Economic Impacts of the Five Idaho Tribes on the Economy of Idaho



Impacts of the Five Tribes to Idaho's Economy

The five tribes of Idaho have an important, rapidly growing impact on Idaho's economy. As sovereign nations, these tribes have their own governments, health and education services, police forces, judicial systems, economic development projects, gaming casinos and resorts, agricultural operations, retail trade and service businesses, cultural and social functions, and other important regulatory activities. Providing these services creates significant economic and social impacts not only on the Indian reservations, but also in the communities surrounding them. Combined, the five tribes of Idaho are contributing to the economic and social health of the State of Idaho.



The five tribes of Idaho add **13,840 jobs** to Idaho's economy including the multiplier effects.



Including multiplier effects, total annual sales transactions from tribal economic activity exceed **\$1.1 billion.**



The five tribes of Idaho have raised gross state product (value-added) by **\$653 million** on average, which represents **1% of the gross state product** in 2013.



More than **500,000**
people visit Idaho
tribal casinos per year.
60% are from out of
state, adding new dollars
into Idaho's economy.

This report summarizes the results of a study, “The Economic Impacts of the Five Tribes of Idaho on Idaho’s Economy.” It was sponsored jointly by the five tribes of Idaho and completed January 2015. The study’s principal investigator is Steven Peterson, Research Economist and Clinical Assistant Professor, Economics, Department of Business, University of Idaho, who has more than 25 years’ experience in regional economic modeling. This study also complements regional economic impact analyses conducted for the Coeur d’Alene Tribe, Kootenai Tribe, Nez Perce Tribe, Shoshone-Bannock Tribes, and Shoshone Paiute Tribes. This study is an update of two previous studies conducted in 2002 and 2010. The results and findings of this study are those of the author Steven Peterson and do not necessarily represent the University of Idaho or any other organization or individuals.

Key Findings

DIRECT ECONOMIC EFFECTS

Total direct tribal government expenditures from all tribes located in Idaho was approximately \$317 million for 2013. Tribal enterprise expenditures were \$451 million. In total, direct revenues/expenditures were \$769 million for 2013. These numbers represent the actual spending arising from all tribal operations.

Direct tribal employment is the sum of the total employees of the Five Tribes of Idaho. In total, the five tribes of Idaho directly employ 4,641 employees, collectively making them one of the top 10 employers in Idaho. The tribal governments employ approximately 1,893 workers. The casinos and related operations employ 1,886 workers; tribal enterprises: 146 workers; housing operations: 84 workers; and health clinics: 523 workers.

In addition, the tribes create additional outside direct employment through contracts and related operations, totaling 2,720, which includes construction, agriculture, and the hospitality industry and service industry employment. In total, the five tribes of Idaho are responsible for 7,361 direct employees not including the multiplier effects (i.e. indirect and induced impacts).

The tribal gaming facilities have approximately 4,834 video gaming machines; 506 available hotel rooms; and gross gaming revenues of more than \$820 million before payouts and prizes. Total combined unique tourist-visitors are difficult to estimate, but they likely exceed 500,000 per year. Many patrons visit more than once yearly and total hourly visitor counts may be as high as 12 million annually.

In total, the five tribes of Idaho own over 963,323 acres and have 9,553 members living in Idaho. If compared with Idaho's total 44 counties, the five tribes of Idaho would be ranked 20th place in terms of land area. The tribes have over 150,000 acres in cultivation in Idaho, producing direct revenues/expenditures of \$100 million annually.

The tribes donated approximately \$2.15 million to Idaho charities and schools in 2014.

ECONOMIC IMPACTS

An IMPLAN input/output model was created to estimate the economic impacts of the five tribes on the State of Idaho. IMPLAN is a well-established, widely used economic modeling software program. Economic impacts are calculated separately for each of the tribal functional divisions. New monies (i.e. base activities) brought into Idaho from tribal economic activities drive economic impacts. Multipliers are calculated and they determine how the direct change in exports (final demands) of a single tribal industry ripples throughout all the other industries in Idaho.

When the estimated impacts are aggregated, the sum of all of the direct, indirect, and induced effects in 2013 for all tribal activities (see table on next page) are:

- \$1.1 billion in sales transactions
- \$653 million in value-added (gross state product)
- \$479 million in earnings (payroll)
- \$39 million in taxes
 - \$9.7 million property taxes
 - \$19.6 million sales/excise taxes
 - \$10 million in personal/corporate income taxes
- 13,840 jobs

Terminology

Sales: the total transactions in dollars from direct and indirect tribal economic activity. *Earnings:* The wage/salary and proprietors' income to individuals. *Gross regional product (value-added):* This is a measure of gross domestic product at the state level. *Jobs:* The total employment resulting from tribal economic activity. *Indirect Taxes:* All taxes generated from tribal economic activity excluding personal and corporate income taxes. *Direct spending* represents the actual sales, income, and jobs from tribal operations. *Indirect impacts* are the downstream economic impacts on sales, income, jobs, and indirect taxes in the regional economy from direct spending. *Induced impacts* are the downstream effects of employee and consumer spending on the economy.

The 2013/2014 Economic Impacts of the 5 Tribes of Idaho Including the Direct, Indirect, and Induced impacts (i.e. Multiplier Effects)

TRIBAL OPERATION	SALES	GROSS STATE PRODUCT	WAGES/SALARIES	EMPLOYMENT
Government				
Central Government	\$134,563,566	\$112,071,398	\$88,454,808	2,013
Income Supplements/Other Government	36,076,487	20,391,277	11,165,914	347
Environmental Management	91,862,929	60,153,582	59,163,660	2,025
Public Health & Welfare	34,950,663	20,927,242	15,564,694	522
Education	20,480,450	17,057,163	13,462,740	339
Public Works/Economic Development	5,429,920	3,173,235	2,481,955	56
Public Safety	16,049,850	13,367,133	10,550,303	240
Community Services	6,632,150	3,597,629	2,840,111	113
Capital Outlay/Investment	79,277,279	39,785,434	31,520,412	793
Total Government	\$425,323,294	\$290,524,093	\$235,204,597	6,447
Enterprises				
Casino	\$255,652,830	\$128,884,001	\$81,587,588	3,361
Housing	11,871,215	6,278,432	4,977,285	125
Retail Trade	78,166,323	49,395,807	26,422,610	897
Medical Clinics	76,905,057	46,268,044	37,357,796	719
Bureau of Indian Affairs	33,493,139	27,675,953	22,877,210	208
Culture and Recreation	954,874	534,793	257,802	8
Tourism	59,379,922	32,546,278	21,482,489	866
Agriculture	161,093,663	71,193,506	48,905,093	1,209
Total Enterprises	\$677,517,024	\$362,776,813	\$243,867,871	7,393
Total Tribal Economic Impacts	\$1,102,840,318	\$653,300,906	\$479,072,468	13,840



Shoshone-Bannock Tribes

The Shoshone-Bannock Tribes are located on the Fort Hall Reservation in southeastern Idaho. The tribes consist of various mixed bands of Shoshone and Bannock Indians whose aboriginal homelands extended throughout the Great Basin and Northwest territories once plentiful with the tribes' food mainstays including salmon, buffalo, wild game, and camas roots. In 1834, emigrant Nathaniel Wyeth founded Fort Hall as a popular Trading Post. In 1836, the first of the Oregon Trail emigrant wagon trains arrived at Fort Hall. Over the next 30 years, an estimated 270,000 settlers passed through the Shoshone-Bannock homeland on the Oregon and California trails. These passages increased conflicts between the Indians and non-Indians, creating pressure to set aside a reservation to ensure the safety of the Shoshone, Bannock, and white settlers. In 1867, the Fort Hall Reservation was established by executive order in 1868; the Fort Bridger Treaty of 1868 affirmed the reservation as a "permanent homeland" for the Bannock and Shoshone peoples. Today, the reservation land base is 544,000 acres with more than 98% of the lands remaining in tribal and individual Indian ownership; 300,000 acres are rangeland and 110,000 acres is farmable. There are approximately 5,800 plus tribal members with 4,100 members living on the reservation.

Government

The tribal government operates under a Constitution and Bylaws adopted in 1936, two years after passage of the Indian Reorganization Act. The act was passed to slow the allowed practice of selling reservation lands to non-Indians and to give tribes more of a say in the management of their lands and business affairs. The tribe's governing body is the Fort Hall Business Council; it consists of seven members, each elected for staggered two-year terms. A primary election is held every March and the top vote-getters in the primary run against the incumbents in a general election in May. Council members serve full time. In recent years, the primary focus of the Council has been overseeing the growth of the tribes' businesses; protecting the tribes' off-reservation treaty rights; asserting the tribes' jurisdictional authority; enacting tribal laws to ensure protection of reservation land, water and air and human health; strengthening public safety; promoting wellness; expanding its tribal farming operations and marketing the reservation's **Famous Potatoes**.



The Fort Hall Business Council.

(l to r) Nathan Small, Tino Batt, Darrell Dixey, Lee Juan Tyler, Blaine Edmo, Mitzi Sabori, Devon Boyer. Photo courtesy of SBT Public Affairs office.

Economic Development

In the last ten years, the tribes have experienced a rapid growth spurred not only by gaming operations but also through the expansion of the tribes farming operations and tribal enterprises. The updated economic impact study of the Shoshone-Bannock Tribes indicated that the tribes' economic activity adds more than **4,400 jobs and \$400 million annually** to the eastern Idaho economy. The tribes directly employ 1,277 people in both their governmental operations and business enterprises, making them the fourth largest employer in southeastern Idaho. An additional 1,431 jobs are created by the tribes through activities such as agriculture, tourism, and construction. The study also found that the 110,000 acres of agricultural lands owned by the tribes and individual Indians on the reservation produces an estimated **\$125 million annually in direct crop revenues** and results in the creation of over 900 jobs including the multiplier effects. Another surprising statistic uncovered by the study is that approximately 40% of visitor traffic to the tribes' three casinos comes from out of state, representing new money to the region that might not otherwise have been captured. Despite the high numbers the tribes still experience a 17% unemployment rate and poverty and workforce issues.



Since 2008, the tribes have completed several major projects, including the \$49 million **Shoshone-Bannock Hotel & Event Center** ▲ that opened in June 2012. The **Chiefs Event Center** can host over 900 people and includes a sports grill and deli. The 156-room hotel includes 11 luxurious suites and the largest hotel ballroom in the area. Other notable economic projects include: a \$1.9 million grocery store, the \$10 million **Sage Hill Travel Center & Casino** south of the city of Blackfoot, and the state-of-the-art \$20.3 million **Justice Center** that houses the tribes' courts, law enforcement services, and corrections programs. These projects were underway at the same time as growth had slowed in the regional economy due to the recession, providing needed local construction and trade jobs to both Indian and non-Indian workers.

Future Growth

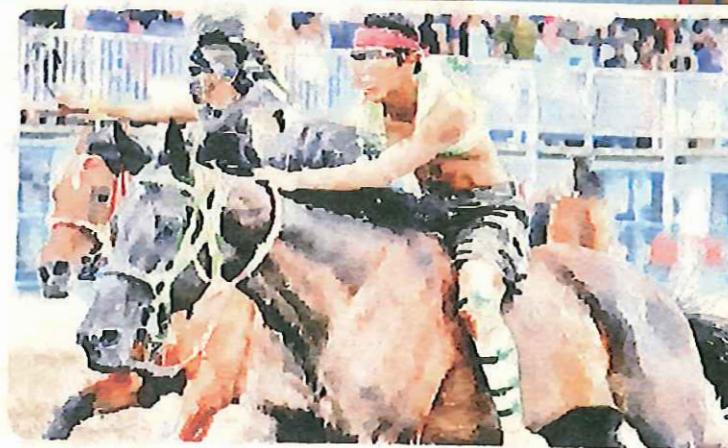
In spring of 2015, the Tribes are moving forward with the phased-in expansion of its flagship gaming operation just off the Fort Hall Interstate-15 exit.

Another upcoming project is a \$1.25 million renovation of the tribes' historical 'Old Hospital' building to house the tribes' Fish and Wildlife Department. The building will house over 50 employees. The unique aspect of the project is to return the exterior to its original historical condition with the front entry door, windows, and exterior lighting reproduced to match what was in the original building.

Cultural Protection

The Shoshone-Bannock philosophy is that the protection and enhancement of culture is directly tied to the exercise of the tribes' on and off reservation hunting and fishing rights as guaranteed under the Fort Bridger Treaty of 1868. Subsistence hunting and fishing both on and off the reservation enables families to pass along the prayers, songs and stories to preserve the tribes' identity and way of life.

Phase 2 of the Fort Hall Casino expansion to the Hotel & Event Center. Among the additions in Phase 2 are a casino floor, a bingo space, and a steakhouse.



In 2016, the Shoshone-Bannock Tribes plan to construct and operate a \$12 million **spring/summer Chinook salmon hatchery** ▼ to release fish into the Salmon River basin referred to as Crystal Springs. The planned site is adjacent an obsolete trout hatchery in Bingham County, Idaho. The hatchery will be part of the tribes' efforts to bring fish back to their historic habitat. This program will provide significant harvest opportunities for Indian and non-Indian fishers in the basin and contribute to the restoration of natural spawning populations. The hatchery would also rear, re-establish, and release Yellowstone cutthroat trout into waters within the tribes' reservation.



A rendition of the planned hatchery. LCA Architects.

Indian Reservations in Idaho

Kootenai Tribe of Idaho

Enrollment: 149 (all in Idaho)

Reservation established in 1887/1974

Clara Dunnington, Tribal Council Secretary

P.O. Box 1269

Bonniers Ferry, Idaho 83805

(208) 267-3519 ext. 535

c (208) 267-2960

clara@kootenai.org

Bonniers Ferry

Coeur d'Alene

Lewiston

Nez Perce Tribe

Enrollment: 3,526 (2,269 in Idaho)

Reservation established in 1863

Ann McCormack, Economic Development Planner

PO Box 365

Lapwai, Idaho 83540

(208) 621-3710

annm@nezperce.org

Coeur d'Alene Tribe

Enrollment: 2,400 (1,500 in Idaho)

Reservation established in 1873

Heather Keen, Public Relations Director

(208) 686-2023

c (208) 582-2719

hkeen@cdatribe-nsn.gov

Shoshone-Bannock Tribes of Fort Hall

Enrollment: 5,854 (4,964 in Idaho)

Reservation established in 1867

Randy L Teton, Public Affairs Manager

(208) 478-3818

c (208) 589-8595

rteton@sbtribes.com

Shoshone-Paiute Tribes

Enrollment: 2,152 (700 in Idaho)

Reservation established in 1877

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Boise

Idaho Falls

Pocatello