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Session
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SPONSOR STATEMENT FOR HB 271

An expanded railroad could be the engine of prosperity for Alaska.

Transportation of the heavy sand, steel, cement, equipment and fuel that is necessary to bring shale oil development to Alaska's oil fields is estimated to be over 2 million tons. That equals approximately five 10,000 ton freight trains per week (i.e. one hundred cars per train or 336 eighteen-wheelers per day).

It is estimated that an expanded railroad could bring a 30% return on investment. This is an estimate of one user. Other substantial benefits include connecting communities, delivery of goods, a stronger financial base for our railroad and access to additional mineral deposits. Rail would increase the viability of development and lower the operation costs while providing greater safety in the transportation of materials.

HB 271 would give the University of Alaska Fairbanks \$2 million to perform an economic feasibility study to substantiate these findings before proceeding with a more costly environmental impact statement (EIS). UAF is best suited because of their world class researchers, who excel in a number of pertinent disciplines. UAF has the ability to build on current and previous research and to provide the commissioned information economically and quickly.

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