

HR

9

# HOUSE COMMITTEE REPORT

(9)

Date referred: 5/4/87

FURTHER REFERRALS:

DATE: May 14, 1987

The Resources Committee has considered HR 9

Relating to the development of the mineral resources in the state.

**RECOMMENDS:**

- replace with \_\_\_\_\_  the same title
- attached amendment(s)  a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the \_\_\_\_\_ Committee

**ADOPTS:**  \_\_\_\_\_ letter of intent

**ATTACHES NEW FISCAL NOTE(S):**

- fiscal impact  same as previous fiscal note published \_\_\_\_\_
- zero fiscal note  same as previous zero fiscal note published \_\_\_\_\_
- zero with analysis

**SIGNING DO PASS:**

Ju G T Cotten

Adelheid Herrmann Herrmann

Heinrich Springer Springer

Dirk Shultz Shultz

Cip Davidson Davidson

And Sund Sund

Mike Pearce Pearce

Bob Hoffman Hoffman

Mike Navarre Navarre

**SIGNING OTHER RECOMMENDATIONS:**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_


Ju G T Cotten  
Chairman's signature

**JOHN SUND, REPRESENTATIVE**  
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MEMORANDUM

TO: Representative Sam Cotten  
Representative Adelheid Herrmann

FROM: Representative John Sund 

DATE: May 5, 1987

RE: House Resolution #9 Relating to the development of the mineral resources in the state.

I would appreciate it if you would schedule HR9 at your earliest convenience.

I support the careful consideration of projects like Quartz Hill. With proper safeguards for the protection of the environment, particularly water and air quality and the fisheries, this hard rock mine will employ thousands of Alaskans in my district over its 55 year life.

HR9 supports the issuance of permits for the project to ensure that future development is environmentally responsible and cost-effective, and does not adversely affect fishery resources.

Quartz Hill was discovered by U.S. Borax geologists in 1974. The Alaska National Interest Lands Conservation Act (ANILCA) recognized the importance of the Quartz Hill Molybdenum deposit in 1980 and legislated its development under special environmental controls.

Quartz Hill's near-surface location, its large size (1.5 billion tons) and its high grade will allow for a large scale, low cost mining and ore-processing operation. Its reserves (55 years) and its close location to tidewater (10 miles) give this orebody great potential as a dependable, long term, competitive source of molybdenum.

According to company officials, U.S. Borax has already invested more than \$100 million in the exploration and development of Quartz Hill. The construction phases as presently planned will require an additional \$800 million investment, and additional capital of almost \$200 million will be required at subsequent stages of development.

The decision to make these investments depends on the continued issuance of permits for the project.