

Fayetteville Shale impact



6/7/12 5:35 PM

FAYETTEVILLE, AR - Economists say exploration and production in the Fayetteville Shale have produced \$4 billion and 16,000 jobs for the state in a four year time span.

"The natural gas industry came in at a time when the nation was facing a recession and provide jobs, particularly manufacturing at a tough time," said Kathy Deck, director of the Center for Business and Economic Research.

Deck presented the multi-year findings to the Arkansas State Chamber of Commerce.

Her research even points out the trickle down effect. When the industry profits, so do the local stores, restaurants and schools.

"This could last for quite some time as a matter of fact but I don't have the ability to know when this will run out," Deck said.

But Sheffield Nelson wants natural gas companies to dish out more cash.

He believes the companies should pay a seven percent severance tax to pay for, among other things, roads.

"I also want them to pay a fair amount of severance tax for taking the depleting commodity. In other words, once natural gas is gone, we don't get to look at it again or be paid for it again," said Nelson, who supports a severance tax.

He's collecting signatures for voters to decide the tax in the fall. State chamber leaders believe a higher tax would send drilling elsewhere.

"The number one issue on people's minds here in Arkansas is more and better jobs and this industry has brought that to Arkansas," Randy Zook, president of the Arkansas State Chamber of Commerce, said.

In order for the tax proposal to appear on the November ballot, Nelson needs 62,508 signatures turned into

the Secretary of State by July 6.