

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE FEIGE

TO: CSSB 138(FIN) am

Page 2, line 5, following "**credit**";:

Insert "**requiring the commissioner of revenue to provide a report to the legislature on financing options for state ownership and participation in a North Slope natural gas project;**"

Page 54, line 23:

Delete ". (a)"

Insert "; IDENTIFICATION OF AND REPORT ON FINANCING OPTIONS FOR STATE OWNERSHIP AND PARTICIPATION IN A NORTH SLOPE NATURAL GAS PROJECT. (a) The commissioner of revenue shall identify and report to the legislature on a range of financing options for state acquisition of an ownership interest and participation in a North Slope natural gas project. The report must include a description of the risk associated with each option and the effect of each option on the bonding capacity and bond rating of the state. In this subsection, "North Slope natural gas project" has the meaning given in AS 38.05.965, as amended by sec. 23 of this Act.

(b) The commissioner shall make an interim draft of the report described in (a) of this section available to the legislature on the first day of the First Regular Session of the Twenty-Ninth Alaska State Legislature, and a final report at the time the commissioner of natural resources submits the first agreement or contract to the legislature for approval under AS 38.05.020(b)(11), enacted by sec. 14 of this Act."

Reletter the following subsections accordingly.

Page 54, line 28:

Delete "of"

Insert "and analysis by"

Page 55, line 21:

Delete "and"

Page 55, line 23, following "interest":

Insert ";

(8) whether the ownership interest held by a municipality, regional corporation, or resident would be subject to project assessments;

(9) how cash calls for the project and the expansion of the project would be managed;

(10) the income tax consequences to the holder of an ownership interest, including the timing and recognition of income related to the ownership interest, including differentiating income related to the ownership interest from the receipt of dividends or other distributions;

(11) the risk that the receipt of a benefit from the project by a person other than the state would make income received from the project by the state subject to federal income tax; and

(12) constitutional issues that may be implicated by restricting ownership interests under the plan to residents and municipalities in the state"

Page 55, following line 24:

Insert a new paragraph to read:

"(1) "municipality" has the meaning given in AS 01.10.060;"

Renumber the following paragraphs accordingly.