

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE TARR

TO: CSSB 138(FIN) am

1 Page 18, following line 17:

2 Insert a new bill section to read:

3 **** Sec. 19.** AS 38.05.182(a) is amended to read:

4 (a) Any royalty provided for in AS 38.05.135 - 38.05.181 may be taken in
5 kind rather than in money if the commissioner determines that the taking in kind
6 would be in the best interest of the state. However, royalties on oil and gas shall be
7 taken in kind unless the commissioner determines that the taking in money would be
8 in the best interest of the state. **It is not in the best interest of the state to take**
9 **royalty on gas in money from a lessee transporting gas in the North Slope natural**
10 **gas project if the lessee has committed to dispose of or market the state's royalty**
11 **gas taken in kind on the same terms and conditions as the lessee markets or**
12 **disposes of the lessee's gas.**

13

14 Renumber the following bill sections accordingly.

15

16 Page 21, line 16:

17 Delete "sec. 27"

18 Insert "sec. 28"

19

20 Page 25, line 9:

21 Delete "sec. 30"

22 Insert "sec. 31"

23

- 1 Page 31, line 18:
- 2 Delete "sec. 37"
- 3 Insert "sec. 38"
- 4
- 5 Page 53, lines 24 - 25:
- 6 Delete "sec. 23"
- 7 Insert "sec. 24"
- 8
- 9 Page 56, line 6:
- 10 Delete "23 - 27, 29, 30, 37, 39, and 55 - 61"
- 11 Insert "24 - 28, 30, 31, 38, 40, and 56 - 62"
- 12
- 13 Page 56, line 8:
- 14 Delete "Section 38"
- 15 Insert "Section 39"
- 16
- 17 Page 56, line 9:
- 18 Delete "secs. 62 and 63"
- 19 Insert "secs. 63 and 64"