

**AMENDMENT**

OFFERED IN THE HOUSE

BY REPRESENTATIVE TARR

TO: CSSB 138(FIN) am

Page 18, following line 17:

Insert a new bill section to read:

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

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

Renumber the following bill sections accordingly.

Page 21, line 16:

Delete "sec. 27"

Insert "sec. 28"

Page 25, line 9:

Delete "sec. 30"

Insert "sec. 31"

Page 31, line 18:

Delete "sec. 37"

Insert "sec. 38"

Page 53, lines 24 - 25:

Delete "sec. 23"

Insert "sec. 24"

Page 56, line 6:

Delete "23 - 27, 29, 30, 37, 39, and 55 - 61"

Insert "24 - 28, 30, 31, 38, 40, and 56 - 62"

Page 56, line 8:

Delete "Section 38"

Insert "Section 39"

Page 56, line 9:

Delete "secs. 62 and 63"

Insert "secs. 63 and 64"