

# ALASKA STATE LEGISLATURE

## HOUSE RESOURCES COMMITTEE



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Official Business

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### Statement of Changes – HB 381 ver A to CS for HB 381 (RES) ver T Work Order 34-GH2038\A to 34-GH2038\T 5.8.2026

#### Members:

Representative  
Carolyn Hall

**Section 1:** New intent language added. States that tax treatment in the bill is needed to advance the AK LNG project, maximize access to affordable gas, and protect communities from project impacts.

Representative  
Donna Mears

**Section 2:** Modified to narrow the exemption from the “full and true value” calculation in AS 14.17.510, relating to local contributions for education funding, to apply only to property subject to an alternative volumetric tax under the bill, not all project property as in Version A.

Representative  
Zack Fields

Representative  
Dan Saddler

**Section 3:** Version A exempts AVT revenue from the definition of local contribution in AS 14.17.990(6). Version T also excludes tax revenue from a gas treatment plant, carbon capture facility, or LNG facility as defined in Section 16 of Version T.

Representative  
Mike Prax

Representative  
Julie Coulombe

**Section 4:** New to Version T. Municipalities applying municipal property taxes to a property related to this project are permitted to defer or exempt that property from property taxes for a duration, or to provide an alternative tax rate for that property for a designated period.

Representative  
Bill Elam

**Section 5:** New to Version T. Municipalities may exempt from municipal taxation a gas treatment plant, a carbon capture facility, or a liquefied natural gas plant to receive an equity stake in the project equivalent to foregone revenue.

**Section 6:** New to Version T. If the Alaska Education Fund is established as a constitutionally separate fund in the state treasury, to be funded by North Slope natural gas project revenue remaining after payments to the Permanent Fund, municipalities, and the renewable energy grant fund, with the Commissioner of Revenue as fiduciary.

**Section 7:** New to Version T. Makes a conforming amendment to the renewable energy grant fund statute to reflect the new appropriation mechanism added in Section 8.

**Section 8:** New to Version T. Authorizes the legislature to appropriate up to 20 percent of the state's royalty gas revenue from an Alaska LNG project, after Permanent Fund payments, to the renewable energy grant fund each year.

**Section 9:** Renumbered from Section 5 in Version A. Statute references changed to reflect the new chapter (AS 43.59) created when Legal redrafted the bill. Exempts property subject to an AVT from oil and gas property taxes.

**Section 10:** New to Version T. A sunset provision that restores the standard 20-mill property tax language by removing the volumetric tax exception added in Section 9, effective January 1, 2056.

**Section 11:** New to Version T. Amends the oil and gas property tax statute to add a cross-reference to the new equity option provision, clarifying that municipalities may also exempt property under that new authority.

**Section 12:** New to Version T. A sunset provision that removes the equity option cross-reference added in Section 12, effective January 1, 2056.

**Section 13:** Renumbered from Section 7 in Version A. Narrows the exemption to oil and gas property taxes to property subject to an AVT.

**Section 14:** New to Version T. A sunset provision that restores the prior, narrower AGDC-specific and pre-commercial-operations property tax exemption language, effective January 1, 2056.

**Section 15:** New to Version T. Amends the definition of "taxable property" under the oil and gas property tax chapter to exclude property related to a gas treatment plant, as defined in Section 17 of this legislation.

**Section 16:** New to Version T. Establishes a 15 cent/mcf AVT on the pipeline adjusted for inflation, instead of a 6 cent/mcf AVT increasing at 1 percent per year. Version A had a ramp up period ending after 10 years or at 1 billion cubic feet of average daily throughput; Version T has no ramp up period where taxes are abated and applies the AVT at first gas. Construction must commence by 2032 or the section is repealed.

AVT revenue is now distributed 50% proportional to the miles of pipe in each property tax jurisdiction along the corridor, and 50% by population to all communities in the State.

**Section 17:** New to Version T. Repeals Sections 2 through 5, 7, 16, and 17 effective January 1 2056.

**Section 18:** New to Version T. Repeals the Affordable Energy Fund from SB 138 from the 28<sup>th</sup> Legislature, as the revenue directed into the Affordable Energy Fund is now directed into the Renewable Energy Fund in Section 8.

**Section 19:** New to Version T. Requires AGDC to report to the Legislature on the efficacy of this legislation before FID on Phase 2 of AKLNG, and to suggest statutory changes that may be required to further induce project completion.

**Section 20:** New to Version T. Provides that the inflation adjustment to the volumetric tax rate applies beginning January 1 after the first full year the tax is in effect.

**Section 21:** New to Version T. Requires project developer to commit to the Department of Revenue that they will create a \$40 million community impact fund.

**Section 22:** New to Version T. Conditional effective date for Alaska Education Fund in section 6.

**Section 23:** New to Version T. Conditional effective date language for sunsets.

**Section 24.** Effective dates. New to Version T.