**2017 SESSION OPERATING BUDGET AMENDMENT PROPOSAL**

**OFFERED IN:** The House Finance Department of Natural Resources Subcommittee

**TO:** HB 57 / HB 59

**OFFERED BY:** Representative Guttenberg

**RECOMMENDED STATUTE CHANGE:**

Repeal AS 27.30.010

**EXPLANATION:**

The Exploration Incentive Credit (EIC) has not been used since FY11 and does not appear effective in spurring mineral exploration. When it was last used, it only benefitted one beneficiary per year.

It costs DNR approximately $2,500 per year to administer this credit program. In their January 2017 Indirect Expenditure Report, LFD recommended the legislature reconsider this EIC.