

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 38.05.180(f)(5)

EXPLANATION:

This provision has not been used since FY12, and appears to have served its purpose in restarting production from Cook Inlet leases. It is unclear how the state benefits from oil production for which it receives no royalties or taxes. In their January 2017 Indirect Expenditure Report, LFD recommended the legislature reconsider this provision.