

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)(1), (2), (3), (4)(A), (5)

EXPLANATION:

This royalty modification benefits only 2 producers, and totaled \$109.8 million in foregone revenues between FY11 and FY15.

The benefits of this provision are unclear based on information provided by the Department of Natural Resources.

In their January 2017 Indirect Expenditure Report, LFD recommended the legislature reconsider this provision.