

HB 287

House Resources Committee

Testimony Packet

Dear House Resources Committee Members,

Please move forward HB 287 to fund the 2022 FY Exploration Credits for the following reasons:

- House Bill 287 provides the \$60 million dollars that is still owed for Oil Tax Credit that were overlooked in the in the 2022 state budget.
- There was an apparent conflict for legislators in 2021 while trying to decide the proper funding source for the Oil Tax Credit amount of \$60 million. HB 287 provides funding from the Undesignated General Funds.
- A greater portion of these Oil Tax Credits are being purchased from their original and rightful owners by larger companies for pennies on the dollar. The reason for selling them is companies are tired of waiting for the needed investment capital these credits were to provide our partners in the industry. Some of the companies we have owed money to have gone bankrupt waiting for those credits to be paid.
- Due to not funding these credits, in smaller business circles, Alaska is being looked at as the state least likely to invest in. HB 287 will help reverse that, along with paying our bills on time every time.
- Funding these credits will help Alaska to once again attract investors in this high oil price environment.

Very Truly Yours,

Pete Stokes

2705 Arlington Drive

Anchorage, AK

All,

Thank you so much for hearing HB 287! I hope you'll support the bill and help get it through quickly. Following through and paying our overdue, promised tax credits will go a long way in providing stability in Alaska's oil and gas markets, and it will make our state a more attractive place to pursue business. I strongly believe that the passage of HB 287 will pay major dividends to our state (no pun intended!).

Thanks for all the hard work you're doing down there,

Chuck Heath

Committee Members,

Business such as the one I manage make business and investment decisions based on expected costs and revenue projections. When anticipated operating costs are supposed to be offset with tax credits, owner companies can make long range plans to reinvest that money for additional output that in return puts added money in the State coffers through royalties. The nonpayment of these tax credits not only induces doubt in future expansion, it's just bad business to renege on an agreement. I request swift support for HB 287

Thank you for your time,

Nate Andrews



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Esteemed House Resources Committee,

Please support HB-287, Alaska's credibility needs to be repaired and It seems that the funding to finally make good on our promises made long ago has been overlooked on the 2022 budget. Alaska Resource Development has been the cornerstone that has elevated the State of Alaska from a Maine like existence to a modern State that has enviable financial opportunities for the Residents and Government alike. We need to fulfill our contractual obligations and do what we said we would do in a timely manner. Failing to address our obligations has caused uncertainty in further investment and brought about a credibility problem for the State of Alaska. Please support getting the funding in place to repair a wrong that we did as a State.

Thank you,

TOM HENDRIX

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