

HOUSE FINANCE COMMITTEE  
March 03, 2004  
2:10 PM

TAPE HFC 04 - 40, Side A

CALL TO ORDER

Co-Chair Williams called the House Finance Committee meeting to order at 2:10 PM.

MEMBERS PRESENT

Representative John Harris, Co-Chair  
Representative Bill Williams, Co-Chair  
Representative Kevin Meyer, Vice-Chair  
Representative Mike Chenault  
Representative Eric Croft  
Representative Hugh Fate  
Representative Richard Foster  
Representative Mike Hawker  
Representative Reggie Joule  
Representative Carl Moses  
Representative Bill Stoltze

MEMBERS ABSENT

None

ALSO PRESENT

Tom Irwin, Commissioner, Department of Natural Resources;  
Kevin Banks, Petroleum Market Analyst, Oil and Gas Division,  
Department of Natural Resources; Jeff Cook, Williams Alaska  
Petro.

PRESENT VIA TELECONFERENCE

(None)

SUMMARY

CS SB 283(FIN)

An Act making an appropriation to reverse the deposit of money available for appropriation in the general fund at the end of fiscal year 2003 into the constitutional budget reserve fund; making an appropriation for investment management fees for the constitutional budget reserve fund; making appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska, from the constitutional budget reserve fund; and providing for an effective date.

CSSB 283 (FIN) was REPORTED out of Committee with a "do pass" recommendation.

CSSB 348(FIN)

An Act approving and ratifying the sale of royalty oil by the State of Alaska to Flint Hills Resources Alaska, LLC, and Flint Hills Resources, LLC; and providing for an effective date.

CSSB 348 (FIN) was REPORTED out of Committee with a "do pass" recommendation and with previously published fiscal impact note: #1 DNR.

CS FOR SENATE BILL NO. 348(FIN)

An Act approving and ratifying the sale of royalty oil by the State of Alaska to Flint Hills Resources Alaska, LLC, and Flint Hills Resources, LLC; and providing for an effective date.

Co-Chair Harris spoke in support of SB 348 and observed that SB 348 would ratify the agreement with the state of Alaska and Fling Hills Resources Alaska, LLC. The fiscal note shows a \$7 million increase to the state of Alaska. He pointed out that the Committee could not alter the agreement.

TOM IRWIN, COMMISSIONER, DEPARTMENT OF NATURAL RESOURCES, spoke in support of the legislation. He observed that the negotiations were intense, but good. He thought that the contract would be in the state of Alaska's best interest.

JEFF COOK, WILLIAMS ALASKA PETRO, testified via teleconference in support of the legislation. He noted that the refinery has been for sale for 21 months and they are happy with the caliber of the buyer. He stressed that the legislation is need for the sale to go forward.

Representative Foster MOVED to report CSSB 348 (FIN) out of Committee with the accompanying fiscal note. There being NO OBJECTION, it was so ordered.

CSSB 348 (FIN) was REPORTED out of Committee with a "do pass" recommendation and with previously published fiscal impact note: #1 DNR.

CS FOR SENATE BILL NO. 283(FIN)

An Act making an appropriation to reverse the deposit of money available for appropriation in the general fund at the end of fiscal year 2003 into the constitutional budget reserve fund; making an appropriation for investment management fees for the constitutional budget reserve fund; making appropriations under art. IX, sec. 17(c), Constitution

of the State of Alaska, from the constitutional budget reserve fund; and providing for an effective date.

Co-Chair Williams WITHDREW his motion to adopt Amendment 1. There being NO OBJECTION, it was so ordered.

Co-Chair Harris noted that the Committee had previously heard the legislation. He suggested the legislation be moved without amendment.

Representative Foster MOVED to report CSSB 283 (FIN) out of Committee with the accompanying fiscal note. There being NO OBJECTION, it was so ordered.

CSSB 283 (FIN) was REPORTED out of Committee with a "do pass" recommendation.

ADJOURNMENT

The meeting was adjourned at 2:25 PM