

HOUSE FINANCE COMMITTEE
August 9, 2006
11:11 a.m.

CALL TO ORDER

Co-Chair Meyer called the House Finance Committee meeting to order at [11:11:29 AM](#).

MEMBERS PRESENT

Representative Mike Chenault, Co-Chair
Representative Kevin Meyer, Co-Chair
Representative Bill Stoltze, Vice-Chair
Representative Mike Hawker
Representative Jim Holm
Representative Mike Kelly
Representative Beth Kerttula
Representative Bruce Weyhrauch

MEMBERS ABSENT

Representative Carl Moses
Representative Richard Foster
Representative Reggie Joule

ALSO PRESENT

William Corbus, Commissioner, Department of Revenue

PRESENT VIA TELECONFERENCE

None

SUMMARY

SB 3002 An Act relating to the Alaska Stranded Gas Development Act; relating to municipal impact money received under the terms of a stranded gas fiscal contract; relating to determination of full and true value of property and required contributions for education in municipalities affected by stranded gas fiscal contracts; and providing for an effective date.

SB 3002 was REPORTED out of Committee with a "do pass" recommendation and with a zero fiscal note: REV #3.

[11:11:46 AM](#)

#sb3002

CS FOR SENATE BILL NO. 3002(NGD)

An Act amending the time allowed under the Alaska Stranded Gas Development Act for the commissioner of revenue to summarize public comments, propose amendments, if any, and make findings and a determination; and providing for an effective date.

WILLIAM CORBUS, COMMISSIONER, DEPARTMENT OF REVENUE, observed that under the Stranded Gas Development Act the Administration has 30 days following the closure of the public comment process to prepare a summary of public comments received. The Department renegotiates the contract and issues the final fiscal interest findings. The purpose of the legislation is to extend the time allowed for negotiation and the final fiscal interest findings for up to 120 days. The public process was begun on May 10th and ended on July 24, 2006 (75 days). Included in the public process were: eleven days of legislative briefings, seven public hearings, and six public forums by the Administration. The Administration received 2,158 comments, which need to be analyzed. He stressed that additional time was needed to complete the process of renegotiating the contract and preparing findings.

[11:15:19 AM](#)

Commissioner Corbus observed that contract analysis and renegotiation is also partially dependent on [the adoption of] Petroleum Production Tax (PPT) legislation, which added to the delay.

[11:16:24 AM](#)

In response to a question by Representative Stoltze, Commissioner Corbus reiterated that the public process ended on July 24, 2006. The legislation would extend the process to 120 days (toward the end of November).

[11:18:46 AM](#)

Co-Chair Chenault noted the two previous fiscal notes pertained to previous versions and would not accompany the legislation. He observed that a new zero fiscal note, dated 8/9/06, would be issued by the Department of Revenue.

[11:19:29 AM](#)

Representative Hawker MOVED to report CSSB 3002(NGD) out of Committee with the accompanying new REV fiscal note. There being NO OBJECTION, it was so ordered.

SB 3002 was REPORTED out of Committee with a "do pass" recommendation and with a zero fiscal note: REV #3.

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ADJOURNMENT

The meeting was adjourned at 11:20 AM.