

**ALASKA STATE LEGISLATURE
LEGISLATIVE BUDGET AND AUDIT COMMITTEE**

January 30, 2006

1:39 p.m.

MEMBERS PRESENT

Senator Gene Therriault, Chair
Senator Ben Stevens
Senator Bert Stedman
Senator Lyda Green
Senator Lyman Hoffman
Senator Gary Wilken (alternate)

Representative Ralph Samuels, Vice Chair
Representative Mike Hawker
Representative Pete Kott
Representative Beth Kerttula

MEMBERS ABSENT

Representative Mike Chenault
Representative Reggie Joule (alternate)
Representative Kevin Meyer (alternate)

COMMITTEE CALENDAR

EXECUTIVE SESSION
RELEASE OF AUDITS
PROFESSIONAL SERVICES CONTRACTS

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

No witnesses to record

ACTION NARRATIVE

CHAIR GENE THERRIAULT called the Legislative Budget and Audit Committee meeting to order at [1:39:44 PM](#). Senators Therriault, Stevens, Stedman, Green, Hoffman, and Wilken (alternate) and Representatives Samuels, Hawker, Kott, and Kerttula were present at the call to order.

EXECUTIVE SESSION

[1:40:32 PM](#)

REPRESENTATIVE SAMUELS made a motion to move to executive session for the purpose of discussing confidential audit reports and consulting contracts under AS 24.20.301 and Uniform Rule 22(b). There being no objection, the committee went into executive session at 1:41 p.m.

[3:05:10 PM](#)

CHAIR THERRIAULT brought the committee back to order at 3:05 p.m. Upon returning from the executive session, Senators Therriault, Stevens, Stedman, Green, Hoffman, and Wilken and Representatives Samuels, Hawker, Kott, and Kerttula were present.

RELEASE OF AUDITS

[3:05:47 PM](#)

REPRESENTATIVE SAMUELS made a motion for the preliminary audits of the State Travel Office and the second portion of the University of Alaska Travel audit to be released to the appropriate agencies for response. There being no objection, those audits were released.

PROFESSIONAL SERVICES CONTRACTS

[3:06:06 PM](#)

REPRESENTATIVE SAMUELS, in order to respond to a request from the administration to consider revisions to AS 43.55.011, the state's oil and gas production tax, and in order to be prepared to accept a fiscal contract to develop Alaska's natural gas resources, made a motion to authorize the chair to enter into a sole source contract in an amount not to exceed \$325,000 with Daniel Johnston & Co. Inc. for expert economic advice on international competitiveness of Alaska's fiscal regime. There being no objection, it was so ordered.

[3:07:00 PM](#)

REPRESENTATIVE SAMUELS, in order to respond to a request from the administration to consider revisions to AS 43.55.011, the

state's oil and gas production tax, and in order to be prepared to accept a fiscal contract to develop Alaska's natural gas resources, made a motion to authorize the chair to enter into a sole source contract or an amendment to a contract in an amount not to exceed \$175,000 with James E. Eason for expert advice on Alaska's lease and unit agreements as well as historical institutional knowledge about the state's prior and current commercial relationships with lease holders. There being no objection, it was so ordered.

3:07:47 PM

REPRESENTATIVE SAMUELS made a motion to authorize the chair to enter into a contract in an amount not to exceed \$200,000 with Barnes & Cascio LLP for expert legal advice on international petroleum laws and agreements. There being no objection, it was so ordered.

3:08:09 PM

REPRESENTATIVE SAMUELS made a motion to authorize the chair to amend the existing contract with Econ One Research, Inc., in an amount not to exceed \$1.5 million, up from \$1 million at the current level. There being no objection, it was so ordered.

3:08:37 PM

REPRESENTATIVE SAMUELS made a motion to authorize the chair to amend the existing contract with Greenberg Traurig in an amount not to exceed \$400,000, up from \$125,000. There being no objection, it was so ordered.

3:09:02 PM

CHAIR THERRIAULT noted that the committee will put together information regarding the historic expenditures of the Legislative Budget and Audit Committee.

3:09:21 PM

ADJOURNMENT

There being no further business before the committee, the Legislative Budget and Audit Committee meeting was adjourned at 3:09 p.m.