

HOUSE BILL NO. 221

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES NELSON, Kerttula, Samuels, Salmon, Wilson, LeDoux, Edgmon, Foster, Joule, Gara, Doll, Gruenberg, Guttenberg, Crawford, Buch, Holmes, Gardner

Introduced: 3/26/07

Referred: Community and Regional Affairs, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act establishing a high energy cost offset fund and describing its use."**

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 *** Section 1.** AS 42.45 is amended by adding a new section to read:

4 **Article 8A. High Energy Cost Offset Fund.**

5 **Sec. 42.45.450. High energy cost offset fund.** (a) The high energy cost offset
6 fund is established as a separate fund in the general fund. At the end of the calendar
7 year, the Department of Revenue shall calculate an amount equal to 10 cents for each
8 barrel of crude oil produced in the state during that calendar year while the average
9 West Coast prevailing value for crude oil was \$35 a barrel or higher and notify the
10 governor and the legislature of that amount. The legislature may appropriate the
11 amount calculated by the Department of Revenue to the high energy cost offset fund
12 together with any income earned on the money in the fund.

13 (b) The high energy cost offset fund shall be invested by the Department of
14 Revenue to yield competitive market rates as provided in AS 37.10.071.

15 (c) The legislature may appropriate money in the fund to provide cost offsets

1 for higher energy costs to consumers.

2 (d) Nothing in this section creates a dedication of funds.