

HOUSE BILL NO. 177

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES GARA, Petersen, Kawasaki

Introduced: 3/7/11

Referred: Labor and Commerce, Judiciary, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act requiring a public report on the profits realized in the state by oil producers."**

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

3 * **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
4 to read:

5 SHORT TITLE. This Act may be known as the Truth in Alaska Oil Company Profits
6 Act.

7 * **Sec. 2.** AS 43.05.230(a) is amended to read:

8 (a) It is unlawful for a current or former officer, employee, or agent of the
9 state to divulge the amount of income or the particulars set out or disclosed in a report
10 or return made under this title, except

11 (1) in connection with official investigations or proceedings of the
12 department, whether judicial or administrative, involving taxes due under this title;

13 (2) in connection with official investigations or proceedings of the
14 child support enforcement agency, whether judicial or administrative, involving child
15 support obligations imposed or imposable under AS 25 or AS 47;

1 (3) as provided in AS 38.05.036 pertaining to audit functions of the
2 Department of Natural Resources;

3 (4) as provided in AS 43.05.405 - 43.05.499; [AND]

4 (5) as otherwise provided in this section or AS 43.55.890; **and**

5 **(6) as required in AS 43.98.040.**

6 * **Sec. 3.** AS 43.98 is amended by adding a new section to read:

7 **Sec. 43.98.040. Oil producer profit report.** (a) A person that produces more
8 than an average of 75,000 barrels of oil a day in the state during a calendar quarter or
9 that receives tax credits under AS 43.55 in excess of \$50,000,000 in a calendar year
10 shall file a report with the department that states the person's net income earned in the
11 state during each calendar quarter and an annual report that states the person's net
12 income earned in the state during the calendar year. The net income to be reported is
13 the net income from the production of oil in the state that would be reported to the
14 United States Securities and Exchange Commission for the same calendar quarter or
15 calendar year, as applicable.

16 (b) A quarterly report or an annual report required to be filed under (a) of this
17 section must be filed with the department at the time a quarterly report or an annual
18 report must be filed with the United States Securities and Exchange Commission.

19 (c) At the commissioner's discretion, the department may audit the report
20 required to be filed under this section.

21 (d) The department may assess a penalty of not more than two percent of the
22 net income earned in the state against a person that negligently, or with reckless
23 disregard of the facts, files a false report with the department.

24 (e) The department shall make each report filed under this section available to
25 (1) the public, on the Internet; and
26 (2) each member of the legislature, in print.