

HOUSE BILL NO. 325

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-EIGHTH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVES MUÑOZ, Seaton, Peggy Wilson, Kawasaki, Kito III

Introduced: 2/21/14

Referred: Resources, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act increasing the balance of the oil and hazardous substance release prevention
2 and response fund required to suspend the surcharge levied on oil produced in the state;
3 increasing the amount of the surcharge levied on oil produced in the state that may be
4 appropriated to the oil and hazardous substance release prevention account; and
5 providing for an effective date."

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

7 * **Section 1.** AS 43.55.221(d) is amended to read:

8 (d) If the commissioner of administration reports that the sum reported under
9 (b) of this section equals or exceeds \$75,000,000 [\$50,000,000], the commissioner of
10 revenue shall suspend imposition and collection of the surcharge levied and collected
11 under AS 43.55.201. Suspension of the imposition and collection of the surcharge
12 begins on the first day of the calendar quarter next following the commissioner's
13 receipt of the commissioner of administration's report under (b) of this section. Before

1 the first day of a suspension authorized by this subsection, the commissioner shall
2 make a reasonable effort to notify all persons who are known to the department to be
3 paying the surcharge under AS 43.55.201 that the surcharge will be suspended.

4 * **Sec. 2.** AS 43.55.221(e) is amended to read:

5 (e) Except as provided in AS 43.55.231, if the commissioner of administration
6 reports that the sum reported under (b) of this section is less than \$75,000,000
7 [\$50,000,000], the commissioner of revenue shall require imposition and collection of
8 the surcharge authorized under AS 43.55.201. If the surcharge is not in effect,
9 reimposition of the surcharge begins on the first day of the calendar quarter next
10 following the commissioner's receipt of the commissioner of administration's report
11 under (b) of this section. Before the first day of reimposition of the surcharge
12 authorized by this subsection, the commissioner shall make a reasonable effort to
13 notify all persons who are known to the department to be required to pay the surcharge
14 under AS 43.55.201 that the surcharge will be reimposed.

15 * **Sec. 3.** AS 43.55.300(a) is amended to read:

16 (a) Every producer of oil shall pay a surcharge of \$.07 for each [\$.04 PER]
17 barrel of oil produced from each lease or property in the state, less any oil the
18 ownership or right to which is exempt from taxation.

19 * **Sec. 4.** This Act takes effect immediately under AS 01.10.070(c).