

HOUSE FINANCE COMMITTEE
June 4, 2016
3:00 p.m.

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CALL TO ORDER

Co-Chair Thompson called the House Finance Committee meeting to order at 3:00 p.m.

MEMBERS PRESENT

Representative Mark Neuman, Co-Chair
Representative Steve Thompson, Co-Chair
Representative Dan Saddler, Vice-Chair
Representative Bryce Edgmon
Representative Les Gara
Representative Lynn Gattis
Representative David Guttenberg
Representative Scott Kawasaki
Representative Cathy Munoz
Representative Lance Pruitt
Representative Tammie Wilson

MEMBERS ABSENT

None

ALSO PRESENT

PRESENT VIA TELECONFERENCE

Kara Moriarty, President and CEO, Alaska Oil and Gas Association; Mike Coons, Self, Palmer.

SUMMARY

HB 246 AIDEA: FUNDS; LOANS; PROGRAMS; DIVIDEND

Co-Chair Thompson reviewed the agenda for the meeting. The committee would be hearing public testimony.

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#hb246

HOUSE BILL NO. 246

"An Act creating the oil and gas infrastructure development program and the oil and gas infrastructure development fund in the Alaska Industrial Development and Export Authority; relating to the interest rates of the Alaska Industrial Development and Export Authority; relating to the sustainable energy transmission and supply development and Arctic infrastructure development programs of the Alaska Industrial Development and Export Authority; relating to dividends from the Alaska Industrial Development and Export Authority; and adding definitions for 'oil and gas development infrastructure' and 'proven reserves.' "

Co-Chair Thompson OPENED public testimony.

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KARA MORIARTY, PRESIDENT AND CEO, ALASKA OIL AND GAS ASSOCIATION (via teleconference), spoke in opposition of HB 246. She mentioned sending the committee material the previous day. She wanted to make three points. AIDEA's intent for the bill was to attract new companies to Alaska, to get more production, and generate new revenue. She believed that the current fiscal system already accomplished these things through production credits. She furthered that loans should not be viewed as a replacement for credits. Credits bring more value to the state than a loan program. Third, she questioned why the state would want to spend limited resources on loans when credits were already achieving the desired results. She thanked the committee for its time.

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MIKE COONS, SELF, PALMER (via teleconference), opposed HB 246. He suggested that the governor's proposal had been nothing but smoke and mirrors and anything but fiscally conservative. He read from the fiscal note and again mentioned smoke and mirrors. He urged committee members to kill the bill and thanked them for their time.

Co-Chair Thompson relayed that written testimony could be submitted to lhscfin@akleg.gov. He noted that Representative Gara, Representative Pruitt, and Representative Munoz had joined the meeting prior to the beginning of public testimony.

Co-Chair Thompson CLOSED public testimony.

Co-Chair Thompson indicated that the next House Finance Committee meeting would be held Monday, June 6th at 3:00 p.m.

ADJOURNMENT

[3:06:10 PM](#)

The meeting was adjourned at 3:06 p.m.