

**SENATE JOURNAL**  
**ALASKA STATE LEGISLATURE**  
**THIRTIETH LEGISLATURE**  
**FIRST SESSION**

## Juneau, Alaska

## Monday

May 15, 2017

## One Hundred Nineteenth Day

Pursuant to adjournment the Senate was called to order by President Kelly at 11:10 a.m.

The roll showed nineteen members present. Senator Stedman was excused from a call of the Senate.

The prayer was offered by the Chaplain, Senator Bishop. Senator Hoffman moved and asked unanimous consent that the prayer be spread. Without objection, it was so ordered.

Senator Dunleavy led the Senate in the Pledge of Allegiance.

## Certification

Senator Micciche moved and asked unanimous consent that the journals for the one hundred seventeenth and one hundred eighteenth legislative days be approved as certified by the Secretary. Without objection, it was so ordered.

**Messages from the Governor****HB 49**

Message was read stating the Governor signed the following bill on May 13 and transmitted the engrossed and enrolled copies to the Lieutenant Governor's Office for permanent filing:

SENATE CS FOR CS FOR HOUSE BILL  
NO. 49(L&C) "An Act extending the termination  
date of the Board of Certified Direct-Entry  
Midwives; and providing for an effective date."

Chapter 7, SLA 2017  
Effective Date: 5/14/17

**Standing Committee Reports****HB 111**

Forthcoming fiscal information (page 1192) for the Finance Senate Committee Substitute for CS FOR HOUSE BILL NO. 111(FIN)(efd fld) "An Act relating to the oil and gas production tax, tax payments, and credits; relating to interest applicable to delinquent oil and gas production tax; relating to carried-forward lease expenditures based on losses and limiting those lease expenditures to an amount equal to the gross value at the point of production of oil and gas produced from the lease or property where the lease expenditure was incurred; relating to information concerning tax credits, lease expenditures, and oil and gas taxes; relating to the disclosure of that information to the public; relating to an adjustment in the gross value at the point of production; and relating to a legislative working group" was published today:

Fiscal Note No. 6, Department of Revenue

**Consideration of the Calendar****Third Reading of House Bills****HB 16**

SENATE CS FOR HOUSE BILL NO. 16(RLS) "An Act relating to training regarding disabilities for police officers, probation officers, parole officers, correctional officers, and village public safety officers;

relating to rights and responsibilities for drivers when encountering or being stopped by a peace officer; relating to a voluntary disability designation on a state identification card and a driver's license; relating to the implementation of the federal REAL ID Act of 2005; relating to issuance of identification cards and drivers' licenses; relating to data sharing by the Department of Administration; and providing for an effective date" was read the third time.

Senator Micciche moved that the bill be returned to second reading for the purpose of considering all amendments offered today. Without objection, the bill was returned to second reading.

Senator Wielechowski offered Amendment No. 1:

Page 1, lines 4 - 7:

Delete "**relating to a voluntary disability designation on a state identification card and a driver's license; relating to the implementation of the federal REAL ID Act of 2005; relating to issuance of identification cards and drivers' licenses; relating to data sharing by the Department of Administration; and providing for an effective date"**

Insert "**and relating to a voluntary disability designation on a state identification card and driver's license"**

Page 1, line 9, through page 2, line 1:

Delete all material.

Page 2, line 2:

Delete "**Sec. 2**"

Insert "**Section 1**"

Renumber the following bill sections accordingly.

Page 3, lines 8 - 22:

Delete all material.

Renumber the following bill sections accordingly.

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Page 3, line 23:

Delete "new subsections"  
Insert "a new subsection"

Page 4, line 7, through page 6, line 1:

Delete all material.

Page 6, line 19, through page 10, line 25:

Delete all material.

Renumber the following bill sections accordingly.

Page 10, line 26:

Delete "new subsections"  
Insert "a new subsection"

Page 11, line 10, through page 12, line 24:

Delete all material.

Senator Wielechowski moved for the adoption of Amendment No. 1.  
Senator Coghill objected.

The question being: "Shall Amendment No. 1 be adopted?" The roll was taken with the following result:

SCS HB 16(RLS)

Second Reading

Amendment No. 1?

**YEAS: 7 NAYS: 12 EXCUSED: 1 ABSENT: 0**

Yea: Begich, Dunleavy, Egan, Gardner, Hughes, Olson, Wielechowski

Nay: Bishop, Coghill, Costello, Giessel, Hoffman, Kelly, MacKinnon, Meyer, Micciche, Stevens, von Imhof, Wilson

Excused: Stedman

and so, Amendment No. 1 failed.

Senator Wielechowski offered Amendment No. 2:

Page 3, line 13:

Delete "\$20"  
Insert "\$10"

Page 12, line 8:

Delete "\$20"  
Insert "\$10"

Senator Wielechowski moved for the adoption of Amendment No. 2.  
Senator Coghill objected.

The question being: "Shall Amendment No. 2 be adopted?" The roll was taken with the following result:

SCS HB 16(RLS)  
Second Reading  
Amendment No. 2?

**YEAS: 6 NAYS: 13 EXCUSED: 1 ABSENT: 0**

Yea: Begich, Egan, Gardner, Hughes, Olson, Wielechowski

Nay: Bishop, Coghill, Costello, Dunleavy, Giessel, Hoffman, Kelly, MacKinnon, Meyer, Micciche, Stevens, von Imhof, Wilson

Excused: Stedman

and so, Amendment No. 2 failed.

Senator Wielechowski offered Amendment No. 3:

Page 6, following line 28:

Insert a new subsection to read:

"(b) Notwithstanding (a) of this section, the department may not convey, distribute, or communicate to a private entity any scanned or stored documents collected in order to carry out the provisions of AS 28.15."

Reletter the following subsections accordingly.

Page 7, line 8:

Delete "(b) and (c)"  
Insert "(c) and (d)"

Page 7, line 18:

Delete "(b) - (e)"  
Insert "(c) - (f)"

Page 12, line 15:

Delete "AS 28.05.068(f)"  
Insert "AS 28.05.068(g)"

Senator Wielechowski moved for the adoption of Amendment No. 3.  
Senator Coghill objected.

Senator Wielechowski moved to table Amendment No. 3. Without  
objection, Amendment No. 3 was tabled.

Senator Wielechowski offered Amendment No. 4:

Page 4, lines 13 - 14:

Delete "15 years after the date of application unless otherwise  
required by another"  
Insert "the minimum amount of time required by P.L. 109-13,  
Division B (REAL ID Act of 2005), or other"

Page 7, lines 28 - 29:

Delete "15 years after the date of application unless otherwise  
required by another"  
Insert "the minimum amount of time required by P.L. 109-13,  
Division B (REAL ID Act of 2005), or other"

Senator Wielechowski moved for the adoption of Amendment No. 4.  
Senator MacKinnon objected.

The question being: "Shall Amendment No. 4 be adopted?" The roll  
was taken with the following result:

SCS HB 16(RLS)  
Second Reading  
Amendment No. 4?

**YEAS: 7 NAYS: 12 EXCUSED: 1 ABSENT: 0**

Yea: Begich, Dunleavy, Egan, Gardner, Olson, von Imhof, Wielechowski

Nay: Bishop, Coghill, Costello, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Stevens, Wilson

Excused: Stedman

and so, Amendment No. 4 failed.

Senator Wielechowski offered Amendment No. 5:

Page 4, line 30:

Delete "15 years"  
Insert "5 years"

Page 8, lines 13 - 14:

Delete "15 years"  
Insert "5 years"

Senator Wielechowski moved for the adoption of Amendment No. 5.  
Senator Micciche objected.

The question being: "Shall Amendment No. 5 be adopted?" The roll was taken with the following result:

SCS HB 16(RLS)  
Second Reading  
Amendment No. 5?

**YEAS: 7 NAYS: 12 EXCUSED: 1 ABSENT: 0**

Yea: Begich, Dunleavy, Egan, Gardner, Hughes, Olson, Wielechowski

Nay: Bishop, Coghill, Costello, Giessel, Hoffman, Kelly, MacKinnon, Meyer, Micciche, Stevens, von Imhof, Wilson

Excused: Stedman

and so, Amendment No. 5 failed.

Senator Wielechowski offered Amendment No. 6:

Page 1, line 1, following "Act":

Insert "**relating to liability for private entities who store driver's license personal data;**"

Page 1, following line 8:

Insert a new bill section to read:

"\* **Section 1.** AS 09.65 is amended by adding a new section to read:

**Sec. 09.65.350. Liability for release of driver's personal license data.** A person who suffers damages as a result of a loss of driver's license personal data as a result of an act or omission by a person who receives driver's license personal data under AS 28.05.068 may bring a civil action against the person to recover

(1) actual economic damages;

(2) court costs allowed by the rules of court and reasonable attorney fees; and

(3) other relief that the court determines to be appropriate."

Page 1, line 9:

Delete "**Section 1**"

Insert "**Sec. 2**"

Renumber the following bill sections accordingly.

Page 12, line 22:

Delete "Sections 17 and 19"

Insert "Sections 18 and 20"

Page 12, line 23:

Delete "Sections 1, 3, 4, 8 - 13, 15, and 16"

Insert "Sections 1, 2, 4, 5, 9 - 14, 16, and 17"

Delete "sec. 5"

Insert "sec. 6"

Page 12, line 24:

Delete "sec. 14"

Insert "sec. 15"

Senator Wielechowski moved for the adoption of Amendment No. 6. Senator Micciche objected.

The question being: "Shall Amendment No. 6 be adopted?" The roll was taken with the following result:

SCS HB 16(RLS)  
Second Reading  
Amendment No. 6?

**YEAS: 6 NAYS: 13 EXCUSED: 1 ABSENT: 0**

Yea: Begich, Dunleavy, Egan, Gardner, Olson, Wielechowski

Nay: Bishop, Coghill, Costello, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Stevens, von Imhof, Wilson

Excused: Stedman

and so, Amendment No. 6 failed.

Senator Wilson offered Amendment No. 7:

Page 7, following line 20:

Insert a new subsection to read:

"(g) Notwithstanding any other law to the contrary, the department may not share any data collected to carry out the provisions of AS 28.15 with a state agency other than the Department of Public Safety. In this subsection, "state agency" has the meaning given in AS 44.99.240."

Senator Wilson moved for the adoption of Amendment No. 7. Senator Micciche objected.

The question being: "Shall Amendment No. 7 be adopted?" The roll was taken with the following result:

SCS HB 16(RLS)  
Second Reading  
Amendment No. 7?

**YEAS: 4 NAYS: 15 EXCUSED: 1 ABSENT: 0**

Yea: Dunleavy, Olson, Wielechowski, Wilson

Nay: Begich, Bishop, Coghill, Costello, Egan, Gardner, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Stevens, von Imhof

Excused: Stedman

and so, Amendment No. 7 failed.

Senator Wielechowski moved and asked unanimous consent to take Amendment No. 3 from the table. Without objection, Amendment No. 3 was before the Senate.

Senator Coghill withdrew his objection to Amendment No. 3. There being no further objection, Amendment No. 3 was adopted.

SENATE CS FOR HOUSE BILL NO. 16(RLS) am S was automatically in third reading.

Senator Costello moved and asked unanimous consent that her name be withdrawn as a cross sponsor on the bill. Without objection, it was so ordered.

The question being: "Shall SENATE CS FOR HOUSE BILL NO. 16(RLS) am S "An Act relating to training regarding disabilities for police officers, probation officers, parole officers, correctional officers, and village public safety officers; relating to rights and responsibilities for drivers when encountering or being stopped by a peace officer; relating to a voluntary disability designation on a state identification card and a driver's license; relating to the implementation of the federal REAL ID Act of 2005; relating to issuance of identification cards and drivers' licenses; relating to data sharing by the Department of Administration; and providing for an effective date" pass the Senate?" The roll was taken with the following result:

SCS HB 16(RLS) am S  
Third Reading - Final Passage

**YEAS: 14 NAYS: 5 EXCUSED: 1 ABSENT: 0**

Yea: Bishop, Coghill, Costello, Egan, Gardner, Giessel, Hoffman, Kelly, MacKinnon, Meyer, Micciche, Olson, Stevens, von Imhof

Nay: Begich, Dunleavy, Hughes, Wielechowski, Wilson

Excused: Stedman

and so, SENATE CS FOR HOUSE BILL NO. 16(RLS) am S passed the Senate.

Senator Micciche moved and asked unanimous consent that the vote on the passage of the bill be considered the vote on the effective date clauses. Senator Wielechowski objected.

The question being: "Shall the effective date clauses be adopted?" The roll was taken with the following result:

SCS HB 16(RLS) am S  
Effective Date Clauses

**YEAS: 14 NAYS: 5 EXCUSED: 1 ABSENT: 0**

Yea: Bishop, Coghill, Costello, Egan, Gardner, Giessel, Hoffman, Kelly, MacKinnon, Meyer, Micciche, Olson, Stevens, von Imhof

Nay: Begich, Dunleavy, Hughes, Wielechowski, Wilson

Excused: Stedman

and so, the effective date clauses were adopted and referred to the Secretary for engrossment.

Senator Micciche moved and asked unanimous consent that his name be withdrawn as a cross sponsor on the bill. Without objection, it was so ordered.

#### **SCR 8**

Senator Micciche moved and asked unanimous consent to take up SENATE CONCURRENT RESOLUTION NO. 8, which had been held on the Secretary's desk (page 661). Senator Wielechowski objected.

The question being: "Shall the Senate take up SENATE CONCURRENT RESOLUTION NO. 8 Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning House Bill No. 16, relating to training regarding disabilities for police officers, probation officers, parole officers, correctional officers, and village public safety officers; relating to guidelines for drivers when encountering or being stopped by a peace officer; relating to driver's license examinations; and relating to a voluntary disability designation on a state identification card and a driver's license?" The roll was taken with the following result:

SCR 8  
Take Up?

**YEAS: 15 NAYS: 4 EXCUSED: 1 ABSENT: 0**

Yea: Bishop, Coghill, Costello, Egan, Gardner, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Stevens, von Imhof, Wilson

Nay: Begich, Dunleavy, Olson, Wielechowski

Excused: Stedman

and so, SENATE CONCURRENT RESOLUTION NO. 8 was before the Senate on final passage.

The question being: "Shall SENATE CONCURRENT RESOLUTION NO. 8 Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning House Bill No. 16, relating to training regarding disabilities for police officers, probation officers, parole officers, correctional officers, and village public safety officers; relating to guidelines for drivers when encountering or being stopped by a peace officer; relating to driver's license examinations; and relating to a voluntary disability designation on a state identification card and a driver's license, pass the Senate?" The roll was taken with the following result:

SCR 8  
Final Passage

**YEAS: 15 NAYS: 4 EXCUSED: 1 ABSENT: 0**

Yea: Bishop, Coghill, Costello, Egan, Gardner, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Stevens, von Imhof, Wilson

Nay: Begich, Dunleavy, Olson, Wielechowski

Excused: Stedman

and so, SENATE CONCURRENT RESOLUTION NO. 8 passed the Senate and was referred to the Secretary for engrossment.

### **Second Reading of Senate Resolutions**

#### **SR 6**

Senator Micciche moved and asked unanimous consent to take up SENATE RESOLUTION NO. 6 Urging the Alaska division of motor vehicles to advocate for discontinued use of social security numbers as a means of identity verification, which had been held on the Secretary's desk (page 1185). Senator Gardner objected then withdrew her objection. There being no further objection, the resolution was before the Senate on final passage.

The question being: "Shall SENATE RESOLUTION NO. 6 Urging the Alaska division of motor vehicles to advocate for discontinued use of social security numbers as a means of identity verification, pass the Senate?" The roll was taken with the following result:

SR 6

Final Passage

**YEAS: 19 NAYS: 0 EXCUSED: 1 ABSENT: 0**

Yea: Begich, Bishop, Coghill, Costello, Dunleavy, Egan, Gardner, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Olson, Stevens, von Imhof, Wielechowski, Wilson

Excused: Stedman

and so, SENATE RESOLUTION NO. 6 passed the Senate and was referred to the Secretary for engrossment and enrollment.

**Third Reading of House Bills (continued)****HB 111**

SENATE CS FOR CS FOR HOUSE BILL NO. 111(FIN) "An Act relating to credits against the oil and gas production tax; relating to the applicability of certain credits earned under the oil and gas production tax to the tax on corporations; relating to tax credit certificates against the oil and gas production tax and the issuance and assignment of those certificates; relating to interest applicable to delinquent taxes; relating to lease expenditures; relating to the oil and gas tax credit fund; and providing for an effective date" was read the third time.

Senator Micciche moved that the bill be returned to second reading for the purpose of considering all amendments offered today. Without objection, the bill was returned to second reading.

Senator Wielechowski offered Amendment No. 1:

Page 1, line 1:

Delete "**credits against the oil and gas production tax**"

Insert "**the oil and gas production tax, tax payments, and credits**"

Page 3, following line 18:

Insert new bill sections to read:

"\* **Sec. 4. AS 43.55.011(f)** is amended to read:

(f) The levy of tax under (e) of this section for

(1) oil and gas produced before **January 1, 2018** [JANUARY 1, 2022], from leases or properties that include land north of 68 degrees North latitude, other than gas subject to (o) of this section, may not be less than

(A) four percent of the gross value at the point of production when the average price per barrel for Alaska North Slope crude oil for sale on the United States West Coast during the calendar year for which the tax is due is more than \$25;

(B) three percent of the gross value at the point of production when the average price per barrel for Alaska North Slope crude oil for sale on the United States West Coast during the calendar year for which the tax is due is over \$20 but not over \$25;

(C) two percent of the gross value at the point of production when the average price per barrel for Alaska North Slope crude oil for sale on the United States West Coast during the calendar year for which the tax is due is over \$17.50 but not over \$20;

(D) one percent of the gross value at the point of production when the average price per barrel for Alaska North Slope crude oil for sale on the United States West Coast during the calendar year for which the tax is due is over \$15 but not over \$17.50; or

(E) zero percent of the gross value at the point of production when the average price per barrel for Alaska North Slope crude oil for sale on the United States West Coast during the calendar year for which the tax is due is \$15 or less; [AND]

(2) gas [OIL] produced on and after January 1, 2018, and before January 1, 2022, from leases or properties that include land north of 68 degrees North latitude, other than gas subject to (o) of this section, may not be less than 15

[(A) FOUR] percent of the gross value at the point of production; and

(3) oil produced on and after January 1, 2018, from leases or properties that include land north of 68 degrees North latitude may not be less than 15 percent of the gross value at the point of production [WHEN THE AVERAGE PRICE PER BARREL FOR ALASKA NORTH SLOPE CRUDE OIL FOR SALE ON THE UNITED STATES WEST COAST DURING THE CALENDAR YEAR FOR WHICH THE TAX IS DUE IS MORE THAN \$25;

(B) THREE PERCENT OF THE GROSS VALUE AT THE POINT OF PRODUCTION WHEN THE AVERAGE PRICE PER BARREL FOR ALASKA NORTH SLOPE CRUDE OIL FOR SALE ON THE UNITED STATES WEST COAST DURING THE CALENDAR YEAR FOR WHICH THE TAX IS DUE IS OVER \$20 BUT NOT OVER \$25;

(C) TWO PERCENT OF THE GROSS VALUE AT THE POINT OF PRODUCTION WHEN THE AVERAGE PRICE PER BARREL FOR ALASKA NORTH SLOPE CRUDE OIL FOR SALE ON THE UNITED STATES WEST

COAST DURING THE CALENDAR YEAR FOR WHICH THE TAX IS DUE IS OVER \$17.50 BUT NOT OVER \$20;

(D) ONE PERCENT OF THE GROSS VALUE AT THE POINT OF PRODUCTION WHEN THE AVERAGE PRICE PER BARREL FOR ALASKA NORTH SLOPE CRUDE OIL FOR SALE ON THE UNITED STATES WEST COAST DURING THE CALENDAR YEAR FOR WHICH THE TAX IS DUE IS OVER \$15 BUT NOT OVER \$17.50; OR

(E) ZERO PERCENT OF THE GROSS VALUE AT THE POINT OF PRODUCTION WHEN THE AVERAGE PRICE PER BARREL FOR ALASKA NORTH SLOPE CRUDE OIL FOR SALE ON THE UNITED STATES WEST COAST DURING THE CALENDAR YEAR FOR WHICH THE TAX IS DUE IS \$15 OR LESS].

\* **Sec. 5.** AS 43.55.011 is amended by adding a new subsection to read:

(q) A credit under this chapter may not be applied to reduce the tax under (e) of this section below the amount calculated under (f) of this section.

\* **Sec. 6.** AS 43.55.019(e) is amended to read:

(e) The credit under this section may not reduce a person's tax liability under AS 43.55.011(e) to below zero or the amount calculated under AS 43.55.011(f), if applicable, for any tax year. An unused credit or portion of a credit not used under this section for a tax year may not be sold, traded, transferred, or applied in a subsequent tax year.

\* **Sec. 7.** AS 43.55.020(a) is amended to read:

(a) For a calendar year, a producer subject to tax under AS 43.55.011 shall pay the tax as follows:

(1) for oil and gas produced before January 1, 2014, an installment payment of the estimated tax levied by AS 43.55.011(e), net of any tax credits applied as allowed by law, is due for each month of the calendar year on the last day of the following month; except as otherwise provided under (2) of this subsection, the amount of the installment payment is the sum of the following amounts, less 1/12 of the tax credits that are allowed by law to be applied against the tax levied by AS 43.55.011(e) for the calendar year, but the amount of the installment payment may not be less than zero:

(A) for oil and gas not subject to AS 43.55.011(o) or (p) produced from leases or properties in the state outside the Cook Inlet sedimentary basin, other than leases or properties subject to AS 43.55.011(f), the greater of

(i) zero; or

(ii) the sum of 25 percent and the tax rate calculated for the month under AS 43.55.011(g) multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible for the oil and gas under AS 43.55.160 from the gross value at the point of production of the oil and gas produced from the leases or properties during the month for which the installment payment is calculated;

(B) for oil and gas produced from leases or properties subject to AS 43.55.011(f), the greatest of

(i) zero;

(ii) zero percent, one percent, two percent, three percent, or four percent, as applicable, of the gross value at the point of production of the oil and gas produced from the leases or properties during the month for which the installment payment is calculated; or

(iii) the sum of 25 percent and the tax rate calculated for the month under AS 43.55.011(g) multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible for the oil and gas under AS 43.55.160 from the gross value at the point of production of the oil and gas produced from those leases or properties during the month for which the installment payment is calculated;

(C) for oil or gas subject to AS 43.55.011(j), (k), or (o), for each lease or property, the greater of

(i) zero; or

(ii) the sum of 25 percent and the tax rate calculated for the month under AS 43.55.011(g) multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the

calendar year of production under AS 43.55.165 and 43.55.170 that are deductible under AS 43.55.160 for the oil or gas, respectively, produced from the lease or property from the gross value at the point of production of the oil or gas, respectively, produced from the lease or property during the month for which the installment payment is calculated;

(D) for oil and gas subject to AS 43.55.011(p), the lesser of

(i) the sum of 25 percent and the tax rate calculated for the month under AS 43.55.011(g) multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible for the oil and gas under AS 43.55.160 from the gross value at the point of production of the oil and gas produced from the leases or properties during the month for which the installment payment is calculated, but not less than zero; or

(ii) four percent of the gross value at the point of production of the oil and gas produced from the leases or properties during the month, but not less than zero;

(2) an amount calculated under (1)(C) of this subsection for oil or gas subject to AS 43.55.011(j), (k), or (o) may not exceed the product obtained by carrying out the calculation set out in AS 43.55.011(j)(1) or (2) or 43.55.011(o), as applicable, for gas or set out in AS 43.55.011(k) for oil, but substituting in AS 43.55.011(j)(1)(A) or (2)(A) or 43.55.011(o), as applicable, the amount of taxable gas produced during the month for the amount of taxable gas produced during the calendar year and substituting in AS 43.55.011(k) the amount of taxable oil produced during the month for the amount of taxable oil produced during the calendar year;

(3) an installment payment of the estimated tax levied by AS 43.55.011(i) for each lease or property is due for each month of the calendar year on the last day of the following month; the amount of the installment payment is the sum of

(A) the applicable tax rate for oil provided under AS 43.55.011(i), multiplied by the gross value at the point of production of the oil taxable under AS 43.55.011(i) and produced from the lease or property during the month; and

(B) the applicable tax rate for gas provided under AS 43.55.011(i), multiplied by the gross value at the point of production of the gas taxable under AS 43.55.011(i) and produced from the lease or property during the month;

(4) any amount of tax levied by AS 43.55.011, net of any credits applied as allowed by law, that exceeds the total of the amounts due as installment payments of estimated tax is due on March 31 of the year following the calendar year of production;

(5) for oil and gas produced on and after January 1, 2014, and before January 1, 2022, an installment payment of the estimated tax levied by AS 43.55.011(e), net of any tax credits applied as allowed by law, is due for each month of the calendar year on the last day of the following month; except as otherwise provided under (6) of this subsection, the amount of the installment payment is the sum of the following amounts, less 1/12 of the tax credits that are allowed by law to be applied against the tax levied by AS 43.55.011(e) for the calendar year, but the amount of the installment payment may not be less than zero:

(A) for oil and gas not subject to AS 43.55.011(o) or (p) produced from leases or properties in the state outside the Cook Inlet sedimentary basin, other than leases or properties subject to AS 43.55.011(f), the greater of

(i) zero; or

(ii) 35 percent multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible for the oil and gas under AS 43.55.160 from the gross value at the point of production of the oil and gas produced from the leases or properties during the month for which the installment payment is calculated;

(B) for oil and gas produced from leases or properties subject to AS 43.55.011(f), the greatest of

(i) zero;

(ii) the percentage applicable under AS 43.55.011(f) [ZERO PERCENT, ONE PERCENT, TWO PERCENT, THREE PERCENT, OR FOUR PERCENT, AS APPLICABLE,] of the gross value at the point of production of the oil and gas produced from the leases or properties during the month for which the installment payment is calculated; or

(iii) 35 percent multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible for the oil and gas under AS 43.55.160 from the gross value at the point of production of the oil and gas produced from those leases or properties during the month for which the installment payment is calculated, except that, for the purposes of this calculation, a reduction from the gross value at the point of production may apply for oil and gas subject to AS 43.55.160(f) or (g);

(C) for oil or gas subject to AS 43.55.011(j), (k), or (o), for each lease or property, the greater of

(i) zero; or

(ii) 35 percent multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible under AS 43.55.160 for the oil or gas, respectively, produced from the lease or property from the gross value at the point of production of the oil or gas, respectively, produced from the lease or property during the month for which the installment payment is calculated;

(D) for oil and gas subject to AS 43.55.011(p), the lesser of

(i) 35 percent multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible for the oil and gas under AS 43.55.160 from the gross value at the point of production of the oil and gas produced

from the leases or properties during the month for which the installment payment is calculated, but not less than zero; or

(ii) four percent of the gross value at the point of production of the oil and gas produced from the leases or properties during the month, but not less than zero;

(6) an amount calculated under (5)(C) of this subsection for oil or gas subject to AS 43.55.011(j), (k), or (o) may not exceed the product obtained by carrying out the calculation set out in AS 43.55.011(j)(1) or (2) or 43.55.011(o), as applicable, for gas or set out in AS 43.55.011(k) for oil, but substituting in AS 43.55.011(j)(1)(A) or (2)(A) or 43.55.011(o), as applicable, the amount of taxable gas produced during the month for the amount of taxable gas produced during the calendar year and substituting in AS 43.55.011(k) the amount of taxable oil produced during the month for the amount of taxable oil produced during the calendar year;

(7) for oil and gas produced on or after January 1, 2022, an installment payment of the estimated tax levied by AS 43.55.011(e), net of any tax credits applied as allowed by law, is due for each month of the calendar year on the last day of the following month; except as otherwise provided under (10) of this subsection, the amount of the installment payment is the sum of the following amounts, less 1/12 of the tax credits that are allowed by law to be applied against the tax levied by AS 43.55.011(e) for the calendar year, but the amount of the installment payment may not be less than zero:

(A) for oil produced from leases or properties subject to AS 43.55.011(f), the greatest of

(i) zero;

(ii) 15 [ZERO] percent [, ONE PERCENT, TWO PERCENT, THREE PERCENT, OR FOUR PERCENT, AS APPLICABLE,] of the gross value at the point of production of the oil produced from the leases or properties during the month for which the installment payment is calculated; or

(iii) 35 percent multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible for

the oil under AS 43.55.160(h)(1) from the gross value at the point of production of the oil produced from those leases or properties during the month for which the installment payment is calculated, except that, for the purposes of this calculation, a reduction from the gross value at the point of production may apply for oil subject to AS 43.55.160(f) or 43.55.160(f) and (g);

(B) for oil produced before or during the last calendar year under AS 43.55.024(b) for which the producer could take a tax credit under AS 43.55.024(a), from leases or properties in the state outside the Cook Inlet sedimentary basin, no part of which is north of 68 degrees North latitude, other than leases or properties subject to AS 43.55.011(o) or (p), the greater of

(i) zero; or

(ii) 35 percent multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible for the oil under AS 43.55.160(h)(2) from the gross value at the point of production of the oil produced from the leases or properties during the month for which the installment payment is calculated;

(C) for oil and gas produced from leases or properties subject to AS 43.55.011(p), except as otherwise provided under (8) of this subsection, the sum of

(i) 35 percent multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible for the oil under AS 43.55.160(h)(3) from the gross value at the point of production of the oil produced from the leases or properties during the month for which the installment payment is calculated, but not less than zero; and

(ii) 13 percent of the gross value at the point of production of the gas produced from the leases or properties during the month, but not less than zero;

(D) for oil produced from leases or properties in the state, no part of which is north of 68 degrees North latitude, other than leases or properties subject to (B), (C), or (F) of this paragraph, the greater of

(i) zero; or

(ii) 35 percent multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible for the oil under AS 43.55.160(h)(4) from the gross value at the point of production of the oil produced from the leases or properties during the month for which the installment payment is calculated;

(E) for gas produced from each lease or property in the state outside the Cook Inlet sedimentary basin, other than a lease or property subject to AS 43.55.011(o) or (p), 13 percent of the gross value at the point of production of the gas produced from the lease or property during the month for which the installment payment is calculated, but not less than zero;

(F) for oil subject to AS 43.55.011(k), for each lease or property, the greater of

(i) zero; or

(ii) 35 percent multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible under AS 43.55.160 for the oil produced from the lease or property from the gross value at the point of production of the oil produced from the lease or property during the month for which the installment payment is calculated;

(G) for gas subject to AS 43.55.011(j) or (o), for each lease or property, the greater of

(i) zero; or

(ii) 13 percent of the gross value at the point of production of the gas produced from the lease or property during the month for which the installment payment is calculated;

(8) an amount calculated under (7)(C) of this subsection may not exceed four percent of the gross value at the point of production of the oil and gas produced from leases or properties subject to AS 43.55.011(p) during the month for which the installment payment is calculated;

(9) for purposes of the calculation under (1)(B)(ii), (5)(B)(ii), and (7)(A)(ii) of this subsection, the applicable percentage of the gross value at the point of production is determined under AS 43.55.011(f)(1) or (2) but substituting the phrase "month for which the installment payment is calculated" in AS 43.55.011(f)(1) and (2) for the phrase "calendar year for which the tax is due";

(10) an amount calculated under (7)(F) or (G) of this subsection for oil or gas subject to AS 43.55.011(j), (k), or (o) may not exceed the product obtained by carrying out the calculation set out in AS 43.55.011(j)(1) or (2) or 43.55.011(o), as applicable, for gas, or set out in AS 43.55.011(k) for oil, but substituting in AS 43.55.011(j)(1)(A) or (2)(A) or 43.55.011(o), as applicable, the amount of taxable gas produced during the month for the amount of taxable gas produced during the calendar year and substituting in AS 43.55.011(k) the amount of taxable oil produced during the month for the amount of taxable oil produced during the calendar year;

**(11) for purposes of the calculation under (5)(B)(ii) or (7)(A)(ii) of this subsection, a credit under this chapter may not be applied to reduce an installment payment to less than the amount calculated using the applicable percentage under AS 43.55.011(f).**

Renumber the following bill sections accordingly.

Page 4, following line 1:

Insert a new bill section to read:

"\* **Sec. 9.** AS 43.55.023(c), as amended by sec. 8 of this Act, is amended to read:

(c) A credit or portion of a credit under this section  
(1) may not be used to reduce a person's tax liability under AS 43.55.011(e) for any calendar year below zero **or the amount calculated under AS 43.55.011(f), if applicable;**

(2) may, if not used under this subsection, be applied in a later calendar year;

(3) may, regardless of when the credit was earned, be used to satisfy a tax, interest, penalty, fee, or other charge that

(A) is related to the tax due under this chapter for a prior year, except for a surcharge under AS 43.55.201 - 43.55.299 or 43.55.300 or the tax levied by AS 43.55.011(i); and

(B) has not, for the purpose of art. IX, sec. 17(a), Constitution of the State of Alaska, been subject to an administrative proceeding or litigation."

Renumber the following bill sections accordingly.

Page 4, line 20:

Delete "sec. 5"  
Insert "sec. 10"

Page 6, following line 14:

Insert new bill sections to read:

"\* **Sec. 14.** AS 43.55.024(g) is amended to read:

(g) A tax credit authorized by (c) of this section may not be applied to reduce a producer's tax liability for any calendar year under AS 43.55.011(e) below zero or the amount calculated under AS 43.55.011(f), if applicable.

\* **Sec. 15.** AS 43.55.024(i) is amended to read:

(i) A producer may apply against the producer's tax liability for the calendar year under AS 43.55.011(e) a tax credit of \$5 for each barrel of oil taxable under AS 43.55.011(e) that receives a reduction in the gross value at the point of production under AS 43.55.160(f) or (g) and that is produced during a calendar year after December 31, 2013. A tax credit authorized by this subsection may not reduce a producer's tax liability for a calendar year under AS 43.55.011(e) below zero or the amount calculated under AS 43.55.011(f), as applicable."

Renumber the following bill sections accordingly.

Page 7, line 8:

Delete "sec. 9"  
Insert "sec. 16"

Page 12, following line 28:

Insert a new bill section to read:

"\* **Sec. 23.** AS 43.55.025(i), as amended by sec. 22 of this Act, is amended to read:

- (i) For a production tax credit under this section,
  - (1) a credit may not be applied to reduce a taxpayer's tax liability for a calendar year under AS 43.55.011(e) below zero **or the amount calculated under AS 43.55.011(f), if applicable** [FOR A CALENDAR YEAR];
  - (2) if the production tax credit is for exploration expenditures incurred for work performed on or after July 1, 2016, the explorer may apply the credit to reduce the explorer's tax liability under AS 43.20, except that the credit may not be applied to reduce the explorer's tax liability under AS 43.20 below zero for a tax year; and
  - (3) an amount of the production tax credit in excess of the amount that may be applied for a calendar or tax year under this subsection may be carried forward and applied against the taxpayer's tax liability under AS 43.55.011(e) in one or more later calendar years or under AS 43.20 in one or more later tax years."

Renumber the following bill sections accordingly.

Page 14, line 26:

Delete "sec. 19"  
Insert "sec. 27"

Page 19, line 18:

Delete "secs. 9, 12, and 15"  
Insert "secs. 16, 19, and 22"

Page 19, following line 19:

Insert a new bill section to read:

"\* **Sec. 40.** The uncodified law of the State of Alaska is amended by adding a new section to read:

APPLICABILITY. The additional limitations on the use of tax credits in AS 43.55.011(q), added by sec. 5 of this Act, AS 43.55.023(c), as amended by sec. 9 of this Act, AS 43.55.024(g), as amended by sec. 14 of this Act, AS 43.55.024(i), as amended by sec. 15 of this Act, and AS 43.55.025(i), as amended by sec. 23 of this Act, and the adjustment to the calculation of a tax payment under AS 43.55.020(a)(11), added by sec. 7 of this Act, apply to credits applied to reduce a tax liability for a tax year starting on or after the effective date of secs. 5, 7, 9, 14, 15, and 23 of this Act."

Renumber the following bill sections accordingly.

Page 19, line 23:

Delete "sec. 4"  
Insert "sec. 8"  
Delete "sec. 7"  
Insert "sec. 12"

Page 19, line 24:

Delete "sec. 14"  
Insert "sec. 21"

Page 19, line 31:

Delete "secs. 24 and 27"  
Insert "secs. 32 and 35"

Page 20, line 1:

Delete "secs. 24 and 27"  
Insert "secs. 32 and 35"

Page 20, line 11:

Delete "sec. 30"  
Insert "sec. 38"

Page 20, line 12:

Delete "sec. 30"  
Insert "sec. 38"

Page 20, line 14:

Delete "sec. 30"  
Insert "sec. 38"

Page 20, following line 14:

Insert a new bill section to read:

**/\* Sec. 45.** The uncodified law of the State of Alaska is amended by adding a new section to read:

TRANSITION: PAYMENT OF TAX; FILING. (a) Notwithstanding AS 43.55.020(a), as amended by sec. 7 of this Act, a person subject to tax under AS 43.55 that is required to make one or more installment payments of estimated tax or other payments of tax under AS 43.55.020 for production before the effective date of sec. 7 of this Act shall pay the tax under AS 43.55.020, as that section read on the day before the effective date of sec. 7 of this Act.

(b) The Department of Revenue may continue to apply and enforce AS 43.55.020(a), as that subsection read on the day before the effective date of sec. 7 of this Act, for a tax or installment payment for production before the effective date of sec. 7 of this Act."

Renumber the following bill sections accordingly.

Page 20, line 18:

Delete "sec. 29"  
Insert "sec. 37"

Page 20, line 19:

Delete "secs. 22, 23, 25, and 28"  
Insert "secs. 30, 31, 33, and 36"

Page 20, line 20:

Delete "sec. 29"  
Insert "sec. 37"

Page 20, line 24:

Delete "sec. 29"  
Insert "sec. 37"

Page 20, line 26:

Delete "sec. 29"  
Insert "sec. 37"

Page 20, line 27:

Delete "sec. 29"  
Insert "sec. 37"

Page 21, lines 1 - 2:

Delete "sec. 30"  
Insert "sec. 38"

Page 21, line 12:

Delete "6, 8, 30, 35, and 37"  
Insert "11, 13, 38, 44, and 47"

Page 21, line 27:

Delete "4, 7, 9, 12 - 15, 17, 19, 31, 32, 38, and 39"  
Insert "8, 12, 16, 19 - 22, 25, 27, 39, 41, 48, and 49"

Page 21, line 29:

Delete "Section 24"  
Insert "Section 32"

Page 21, line 31:

Delete "sec. 39"  
Insert "sec. 49"  
Delete "6, 8, 30, 35, and 37"  
Insert "11, 13, 38, 44, and 47"

Page 22, line 3:

Delete "sec. 39"  
Insert "sec. 49"

Page 22, line 5:

Delete "secs. 40 - 42"  
Insert "secs. 50 - 52"

Senator Wielechowski moved for the adoption of Amendment No. 1.

Senator Micciche objected.

The question being: "Shall Amendment No. 1 be adopted?" The roll was taken with the following result:

SCS CSHB 111(FIN)

Second Reading

Amendment No. 1?

**YEAS: 5 NAYS: 14 EXCUSED: 1 ABSENT: 0**

Yea: Begich, Egan, Gardner, Olson, Wielechowski

Nay: Bishop, Coghill, Costello, Dunleavy, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Stevens, von Imhof, Wilson

Excused: Stedman

and so, Amendment No. 1 failed.

Senator Wielechowski offered Amendment No. 2:

Page 1, line 1, following "Act":

Insert "relating to the oil and gas production tax and tax payments;"

Page 3, following line 18:

Insert new bill sections to read:

"\* **Sec. 4.** AS 43.55.011(e) is amended to read:

(e) There is levied on the producer of oil or gas a tax for all oil and gas produced each calendar year from each lease or property in the state, less any oil and gas the ownership or right to which is exempt from taxation or constitutes a landowner's royalty interest or for which a tax is levied by AS 43.55.014. Except as otherwise provided under (f), (j), (k), (o), and (p) of this section, for oil and gas produced

(1) before January 1, 2014, the tax is equal to the sum of

(A) the annual production tax value of the taxable oil and gas as calculated under AS 43.55.160(a)(1) multiplied by 25 percent; and

(B) the sum, over all months of the calendar year, of the tax amounts determined under (g) of this section;

(2) on and after January 1, 2014, and before January 1, **2018** [2022], the tax is equal to the annual production tax value of the taxable oil and gas as calculated under AS 43.55.160(a)(1) multiplied by 35 percent;

(3) on and after January 1, 2018, and before January 1, 2022, the tax is equal to the sum of

(A) the annual production tax value of the taxable oil and gas as calculated under AS 43.55.160(a)(1) multiplied by 35 percent; and

(B) the sum, over all months of the calendar year, of the tax amounts determined under (g) of this section;

(4) on and after January 1, 2022, the tax for

(A) oil is equal to the sum of

(i) the annual production tax value of the taxable oil as calculated under AS 43.55.160(h) multiplied by 35 percent; and

(ii) the sum, over all months of the calendar year, of the tax amounts determined under (g) of this section;

(B) gas is equal to 13 percent of the gross value at the point of production of the taxable gas; if the gross value at the point of production of gas produced from a lease or property is less than zero, that gross value at the point of production is considered zero for purposes of this subparagraph.

\* **Sec. 5.** AS 43.55.011(g) is amended to read:

(g) For purposes of this section,

(1) before January 1, 2014, for [FOR] each month of a calendar year [BEFORE 2014] for which the producer's average monthly production tax value under AS 43.55.160(a)(2) of a BTU equivalent barrel of the taxable oil and gas is more than \$30, the amount of tax for purposes of (e)(1)(B) of this section is determined by multiplying the monthly production tax value of the taxable oil and gas produced during the month by the tax rate calculated as follows:

(A) [(1)] if the producer's average monthly production tax value of a BTU equivalent barrel of the taxable oil and gas for the month is not more than \$92.50, the tax rate

is 0.4 percent multiplied by the number that represents the difference between that average monthly production tax value of a BTU equivalent barrel and \$30; or

**(B)** [(2)] if the producer's average monthly production tax value of a BTU equivalent barrel of the taxable oil and gas for the month is more than \$92.50, the tax rate is the sum of 25 percent and the product of 0.1 percent multiplied by the number that represents the difference between the average monthly production tax value of a BTU equivalent barrel and \$92.50, except that the sum determined under this **subparagraph** [PARAGRAPH] may not exceed 50 percent;

**(2) on or after January 1, 2018, and before January 1, 2022, for each month of a calendar year for which the producer's average monthly production tax value under AS 43.55.160(a)(2) of a BTU equivalent barrel of the taxable oil and gas is more than \$20, the amount of tax for purposes of (e)(3)(B) of this section is determined by multiplying the monthly production tax value of the taxable oil and gas produced during the month by the tax rate calculated by multiplying 0.3 percent and the number that represents the difference between that average monthly production tax value of a BTU equivalent barrel and \$20;**

**(3) on or after January 1, 2022, for each month of a calendar year for which the producer's average monthly production tax value under AS 43.55.160(a)(2) of a barrel of the taxable oil is more than \$20, the amount of tax for purposes of (e)(4)(A)(ii) of this section is determined by multiplying the monthly production tax value of the taxable oil produced during the month by the tax rate calculated by multiplying 0.3 percent and the number that represents the difference between that average monthly production tax value of a barrel of taxable oil and \$20.**

\* **Sec. 6.** AS 43.55.014(b) is amended to read:

(b) A production tax levied by this section is equal to 13 percent of the gas otherwise taxable under **AS 43.55.011(e)(4)(B)** [AS 43.55.011(e)(3)] produced from each oil and gas lease to which an effective election under (a) of this section applies, when

and as that gas is produced. The producer shall pay the tax in gas by delivering that 13 percent of the gas to the state at the point of production.

\* **Sec. 7.** AS 43.55.020(a) is amended to read:

(a) For a calendar year, a producer subject to tax under AS 43.55.011 shall pay the tax as follows:

(1) for oil and gas produced before January 1, 2014, an installment payment of the estimated tax levied by AS 43.55.011(e), net of any tax credits applied as allowed by law, is due for each month of the calendar year on the last day of the following month; except as otherwise provided under (2) of this subsection, the amount of the installment payment is the sum of the following amounts, less 1/12 of the tax credits that are allowed by law to be applied against the tax levied by AS 43.55.011(e) for the calendar year, but the amount of the installment payment may not be less than zero:

(A) for oil and gas not subject to AS 43.55.011(o) or (p) produced from leases or properties in the state outside the Cook Inlet sedimentary basin, other than leases or properties subject to AS 43.55.011(f), the greater of

(i) zero; or

(ii) the sum of 25 percent and the tax rate calculated for the month under AS 43.55.011(g) multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible for the oil and gas under AS 43.55.160 from the gross value at the point of production of the oil and gas produced from the leases or properties during the month for which the installment payment is calculated;

(B) for oil and gas produced from leases or properties subject to AS 43.55.011(f), the greatest of

(i) zero;

(ii) zero percent, one percent, two percent, three percent, or four percent, as applicable, of the gross value at the point of production of the oil and gas produced from the leases or properties during the month for which the installment payment is calculated; or

(iii) the sum of 25 percent and the tax rate calculated for the month under AS 43.55.011(g) multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible for the oil and gas under AS 43.55.160 from the gross value at the point of production of the oil and gas produced from those leases or properties during the month for which the installment payment is calculated;

(C) for oil or gas subject to AS 43.55.011(j), (k), or (o), for each lease or property, the greater of

(i) zero; or

(ii) the sum of 25 percent and the tax rate calculated for the month under AS 43.55.011(g) multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible under AS 43.55.160 for the oil or gas, respectively, produced from the lease or property from the gross value at the point of production of the oil or gas, respectively, produced from the lease or property during the month for which the installment payment is calculated;

(D) for oil and gas subject to AS 43.55.011(p), the lesser of

(i) the sum of 25 percent and the tax rate calculated for the month under AS 43.55.011(g) multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible for the oil and gas under AS 43.55.160 from the gross value at the point of production of the oil and gas produced from the leases or properties during the month for which the installment payment is calculated, but not less than zero; or

(ii) four percent of the gross value at the point of production of the oil and gas produced from the leases or properties during the month, but not less than zero;

(2) an amount calculated under (1)(C) of this subsection

for oil or gas subject to AS 43.55.011(j), (k), or (o) may not exceed the product obtained by carrying out the calculation set out in AS 43.55.011(j)(1) or (2) or 43.55.011(o), as applicable, for gas or set out in AS 43.55.011(k) for oil, but substituting in AS 43.55.011(j)(1)(A) or (2)(A) or 43.55.011(o), as applicable, the amount of taxable gas produced during the month for the amount of taxable gas produced during the calendar year and substituting in AS 43.55.011(k) the amount of taxable oil produced during the month for the amount of taxable oil produced during the calendar year;

(3) an installment payment of the estimated tax levied by AS 43.55.011(i) for each lease or property is due for each month of the calendar year on the last day of the following month; the amount of the installment payment is the sum of

(A) the applicable tax rate for oil provided under AS 43.55.011(i), multiplied by the gross value at the point of production of the oil taxable under AS 43.55.011(i) and produced from the lease or property during the month; and

(B) the applicable tax rate for gas provided under AS 43.55.011(i), multiplied by the gross value at the point of production of the gas taxable under AS 43.55.011(i) and produced from the lease or property during the month;

(4) any amount of tax levied by AS 43.55.011, net of any credits applied as allowed by law, that exceeds the total of the amounts due as installment payments of estimated tax is due on March 31 of the year following the calendar year of production;

(5) for oil and gas produced on and after January 1, 2014, and before January 1, 2022, an installment payment of the estimated tax levied by AS 43.55.011(e), net of any tax credits applied as allowed by law, is due for each month of the calendar year on the last day of the following month; except as otherwise provided under (6) of this subsection, the amount of the installment payment is the sum of the following amounts, less 1/12 of the tax credits that are allowed by law to be applied against the tax levied by AS 43.55.011(e) for the calendar year, but the amount of the installment payment may not be less than zero:

(A) for oil and gas not subject to AS 43.55.011(o) or (p) produced from leases or properties in the state outside the Cook Inlet sedimentary basin, other than leases or properties subject to AS 43.55.011(f), the greater of

(i) zero; or

(ii) the sum of 35 percent and the tax rate calculated for the month under AS 43.55.011(g), as applicable, multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible for the oil and gas under AS 43.55.160 from the gross value at the point of production of the oil and gas produced from the leases or properties during the month for which the installment payment is calculated;

(B) for oil and gas produced from leases or properties subject to AS 43.55.011(f), the greatest of

(i) zero;

(ii) zero percent, one percent, two percent, three percent, or four percent, as applicable, of the gross value at the point of production of the oil and gas produced from the leases or properties during the month for which the installment payment is calculated; or

(iii) the sum of 35 percent and the tax rate calculated for the month under AS 43.55.011(g), as applicable, multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible for the oil and gas under AS 43.55.160 from the gross value at the point of production of the oil and gas produced from those leases or properties during the month for which the installment payment is calculated, except that, for the purposes of this calculation, a reduction from the gross value at the point of production may apply for oil and gas subject to AS 43.55.160(f) or (g);

(C) for oil or gas subject to AS 43.55.011(j), (k), or (o), for each lease or property, the greater of

(i) zero; or

(ii) the sum of 35 percent and the tax rate calculated for the month under AS 43.55.011(g), as applicable, multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible under AS 43.55.160 for the oil or gas, respectively, produced from the lease or property from the gross value at the point of production of the oil or gas, respectively, produced from the lease or property during the month for which the installment payment is calculated;

(D) for oil and gas subject to AS 43.55.011(p), the lesser of

(i) the sum of 35 percent and the tax rate calculated for the month under AS 43.55.011(g), as applicable, multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible for the oil and gas under AS 43.55.160 from the gross value at the point of production of the oil and gas produced from the leases or properties during the month for which the installment payment is calculated, but not less than zero; or

(ii) four percent of the gross value at the point of production of the oil and gas produced from the leases or properties during the month, but not less than zero;

(6) an amount calculated under (5)(C) of this subsection for oil or gas subject to AS 43.55.011(j), (k), or (o) may not exceed the product obtained by carrying out the calculation set out in AS 43.55.011(j)(1) or (2) or 43.55.011(o), as applicable, for gas or set out in AS 43.55.011(k) for oil, but substituting in AS 43.55.011(j)(1)(A) or (2)(A) or 43.55.011(o), as applicable, the amount of taxable gas produced during the month for the amount of taxable gas produced during the calendar year and substituting in AS 43.55.011(k) the amount of taxable oil produced during the month for the amount of taxable oil produced during the calendar year;

(7) for oil and gas produced on or after January 1, 2022, an installment payment of the estimated tax levied by AS 43.55.011(e), net of any tax credits applied as allowed by law, is due for each month of the calendar year on the last day of the following month; except as otherwise provided under (10) of this subsection, the amount of the installment payment is the sum of the following amounts, less 1/12 of the tax credits that are allowed by law to be applied against the tax levied by AS 43.55.011(e) for the calendar year, but the amount of the installment payment may not be less than zero:

(A) for oil produced from leases or properties subject to AS 43.55.011(f), the greatest of

(i) zero;

(ii) zero percent, one percent, two percent, three percent, or four percent, as applicable, of the gross value at the point of production of the oil produced from the leases or properties during the month for which the installment payment is calculated; or

(iii) the sum of 35 percent and the tax rate calculated for the month under AS 43.55.011(g), as applicable, multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible for the oil under AS 43.55.160(h)(1)(A) [AS 43.55.160(h)(1)] from the gross value at the point of production of the oil produced from those leases or properties during the month for which the installment payment is calculated, except that, for the purposes of this calculation, a reduction from the gross value at the point of production may apply for oil subject to AS 43.55.160(f) or 43.55.160(f) and (g);

(B) for oil produced before or during the last calendar year under AS 43.55.024(b) for which the producer could take a tax credit under AS 43.55.024(a), from leases or properties in the state outside the Cook Inlet sedimentary basin, no part of which is north of 68 degrees North latitude, other than leases or properties subject to AS 43.55.011(o) or (p), the greater of

(i) zero; or  
(ii) the sum of 35 percent and the tax rate calculated for the month under AS 43.55.011(g), as applicable, multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible for the oil under AS 43.55.160(h)(1)(B) [AS 43.55.160(h)(2)] from the gross value at the point of production of the oil produced from the leases or properties during the month for which the installment payment is calculated;

(C) for oil and gas produced from leases or properties subject to AS 43.55.011(p), except as otherwise provided under (8) of this subsection, the sum of

(i) the sum of 35 percent and the tax rate calculated for the month under AS 43.55.011(g), as applicable, multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible for the oil under AS 43.55.160(h)(1)(C) [AS 43.55.160(h)(3)] from the gross value at the point of production of the oil produced from the leases or properties during the month for which the installment payment is calculated, but not less than zero; and

(ii) 13 percent of the gross value at the point of production of the gas produced from the leases or properties during the month, but not less than zero;

(D) for oil produced from leases or properties in the state, no part of which is north of 68 degrees North latitude, other than leases or properties subject to (B), (C), or (F) of this paragraph, the greater of

(i) zero; or  
(ii) the sum of 35 percent and the tax rate calculated for the month under AS 43.55.011(g), as applicable, multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible for the oil under AS 43.55.160(h)(1)(D) [AS 43.55.160(h)(4)] from

the gross value at the point of production of the oil produced from the leases or properties during the month for which the installment payment is calculated;

(E) for gas produced from each lease or property in the state outside the Cook Inlet sedimentary basin, other than a lease or property subject to AS 43.55.011(o) or (p), 13 percent of the gross value at the point of production of the gas produced from the lease or property during the month for which the installment payment is calculated, but not less than zero;

(F) for oil subject to AS 43.55.011(k), for each lease or property, the greater of

(i) zero; or

(ii) the sum of 35 percent and the tax rate calculated for the month under AS 43.55.011(g), as applicable, multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible under AS 43.55.160 for the oil produced from the lease or property from the gross value at the point of production of the oil produced from the lease or property during the month for which the installment payment is calculated;

(G) for gas subject to AS 43.55.011(j) or (o), for each lease or property, the greater of

(i) zero; or

(ii) 13 percent of the gross value at the point of production of the gas produced from the lease or property during the month for which the installment payment is calculated;

(8) an amount calculated under (7)(C) of this subsection may not exceed four percent of the gross value at the point of production of the oil and gas produced from leases or properties subject to AS 43.55.011(p) during the month for which the installment payment is calculated;

(9) for purposes of the calculation under (1)(B)(ii), (5)(B)(ii), and (7)(A)(ii) of this subsection, the applicable percentage of the gross value at the point of production is

determined under AS 43.55.011(f)(1) or (2) but substituting the phrase "month for which the installment payment is calculated" in AS 43.55.011(f)(1) and (2) for the phrase "calendar year for which the tax is due";

(10) an amount calculated under (7)(F) or (G) of this subsection for oil or gas subject to AS 43.55.011(j), (k), or (o) may not exceed the product obtained by carrying out the calculation set out in AS 43.55.011(j)(1) or (2) or 43.55.011(o), as applicable, for gas, or set out in AS 43.55.011(k) for oil, but substituting in AS 43.55.011(j)(1)(A) or (2)(A) or 43.55.011(o), as applicable, the amount of taxable gas produced during the month for the amount of taxable gas produced during the calendar year and substituting in AS 43.55.011(k) the amount of taxable oil produced during the month for the amount of taxable oil produced during the calendar year.

\* **Sec. 8.** AS 43.55.020(k) is amended to read:

(k) For oil and gas produced on and after January 1, 2014, and before January 1, 2022, in making settlement with the royalty owner for oil and gas that is taxable under AS 43.55.011, the producer may deduct the amount of the tax paid on taxable royalty oil and gas, or may deduct taxable royalty oil or gas equivalent in value at the time the tax becomes due to the amount of the tax paid. If the total deductions of installment payments of estimated tax for a calendar year exceed the actual tax for that calendar year, the producer shall, before April 1 of the following year, refund the excess to the royalty owner. Unless otherwise agreed between the producer and the royalty owner, the amount of the tax paid under AS 43.55.011(e) on taxable royalty oil and gas for a calendar year, other than oil and gas the ownership or right to which constitutes a landowner's royalty interest, is considered to be the gross value at the point of production of the taxable royalty oil and gas produced during the calendar year multiplied by a figure that is a quotient, in which

(1) the numerator is the producer's total tax liability under AS 43.55.011(e) [AS 43.55.011(e)(2)] for the calendar year of production; and

(2) the denominator is the total gross value at the point of production of the oil and gas taxable under AS 43.55.011(e) produced by the producer from all leases and properties in the state during the calendar year.

\* **Sec. 9.** AS 43.55.020(l) is amended to read:

(l) For oil and gas produced on and after January 1, 2022, in making settlement with the royalty owner for oil and gas that is taxable under AS 43.55.011, the producer may deduct the amount of the tax paid on taxable royalty oil and gas, or may deduct taxable royalty oil or gas equivalent in value at the time the tax becomes due to the amount of the tax paid. If the total deductions of installment payments of estimated tax for a calendar year exceed the actual tax for that calendar year, the producer shall, before April 1 of the following year, refund the excess to the royalty owner. In making settlement with the royalty owner for gas that is taxable under AS 43.55.014, the producer may deduct the amount of the gas paid as in-kind tax on taxable royalty gas or may deduct the gross value at the point of production of the gas paid as in-kind tax on taxable royalty gas. Unless otherwise agreed between the producer and the royalty owner, the amount of the tax paid under AS 43.55.011(e) on taxable royalty oil for a calendar year, other than oil the ownership or right to which constitutes a landowner's royalty interest, is considered to be the gross value at the point of production of the taxable royalty oil produced during the calendar year multiplied by a figure that is a quotient, in which

(1) the numerator is the producer's total tax liability under AS 43.55.011(e)(4)(A) [AS 43.55.011(e)(3)(A)] for the calendar year of production; and

(2) the denominator is the total gross value at the point of production of the oil taxable under AS 43.55.011(e) produced by the producer from all leases and properties in the state during the calendar year."

Renumber the following bill sections accordingly.

Page 4, line 20:

Delete "sec. 5"  
Insert "sec. 11"

Page 7, line 8:

Delete "sec. 9"  
Insert "sec. 15"

Page 14, line 26:

Delete "sec. 19"  
Insert "sec. 25"

Page 16, following line 3:

Insert a new bill section to read:

"\* **Sec. 28.** AS 43.55.160(a) is amended to read:

(a) For oil and gas produced before January 1, 2022, except as provided in (b), (f), and (g) of this section, for the purposes of

(1) AS 43.55.011(e)(1) - (3) [AS 43.55.011(e)(1) AND

(2)], the annual production tax value of taxable oil, gas, or oil and gas produced during a calendar year in a category for which a separate annual production tax value is required to be calculated under this paragraph is the gross value at the point of production of that oil, gas, or oil and gas taxable under AS 43.55.011(e), less the producer's lease expenditures under AS 43.55.165 for the calendar year applicable to the oil, gas, or oil and gas in that category produced by the producer during the calendar year, as adjusted under AS 43.55.170; a separate annual production tax value shall be calculated for

(A) oil and gas produced from leases or properties in the state that include land north of 68 degrees North latitude, other than gas produced before 2022 and used in the state;

(B) oil and gas produced from leases or properties in the state outside the Cook Inlet sedimentary basin, no part of which is north of 68 degrees North latitude and that qualifies for a tax credit under AS 43.55.024(a) and (b); this subparagraph does not apply to

(i) gas produced before 2022 and used in the state; or

(ii) oil and gas subject to AS 43.55.011(p);

(C) oil produced before 2022 from each lease or property in the Cook Inlet sedimentary basin;

(D) gas produced before 2022 from each lease or property in the Cook Inlet sedimentary basin;

(E) gas produced before 2022 from each lease or property in the state outside the Cook Inlet sedimentary basin and used in the state, other than gas subject to AS 43.55.011(p);

(F) oil and gas subject to AS 43.55.011(p) produced from leases or properties in the state;

(G) oil and gas produced from leases or properties in the state no part of which is north of 68 degrees North latitude, other than oil or gas described in (B), (C), (D), (E), or (F) of this paragraph;

(2) AS 43.55.011(g), for oil and gas produced before January 1, 2014, or on or after January 1, 2018, the monthly production tax value of the taxable

(A) oil and gas produced during a month from leases or properties in the state that include land north of 68 degrees North latitude is the gross value at the point of production of the oil and gas taxable under AS 43.55.011(e) and produced by the producer from those leases or properties, less 1/12 of the producer's lease expenditures under AS 43.55.165 for the calendar year applicable to the oil and gas produced by the producer from those leases or properties, as adjusted under AS 43.55.170; this subparagraph does not apply to gas subject to AS 43.55.011(o);

(B) oil and gas produced during a month from leases or properties in the state outside the Cook Inlet sedimentary basin, no part of which is north of 68 degrees North latitude, is the gross value at the point of production of the oil and gas taxable under AS 43.55.011(e) and produced by the producer from those leases or properties, less 1/12 of the producer's lease expenditures under AS 43.55.165 for the calendar year applicable to the oil and gas produced by the producer from those leases or properties, as adjusted under AS 43.55.170; this subparagraph does not apply to gas subject to AS 43.55.011(o);

(C) oil produced during a month from a lease or property in the Cook Inlet sedimentary basin is the gross value at the point of production of the oil taxable under AS 43.55.011(e) and produced by the producer from that lease or property, less 1/12 of the producer's lease expenditures under AS 43.55.165 for the calendar year applicable to the oil produced by the producer from that lease or property, as adjusted under AS 43.55.170;

(D) gas produced during a month from a lease or property in the Cook Inlet sedimentary basin is the gross value at the point of production of the gas taxable under AS 43.55.011(e) and produced by the producer from that lease or property, less 1/12 of the producer's lease expenditures under AS 43.55.165 for the calendar year applicable to the gas produced by the producer from that lease or property, as adjusted under AS 43.55.170;

(E) gas produced during a month from a lease or property outside the Cook Inlet sedimentary basin and used in the state is the gross value at the point of production of that gas taxable under AS 43.55.011(e) and produced by the producer from that lease or property, less 1/12 of the producer's lease expenditures under AS 43.55.165 for the calendar year applicable to that gas produced by the producer from that lease or property, as adjusted under AS 43.55.170."

Renumber the following bill sections accordingly.

Page 16, line 31:

Delete "(h)(3)"

Insert "(h)(1)(C)"

Page 17, following line 11:

Insert a new bill section to read:

"\* **Sec. 31.** AS 43.55.160(h) is amended to read:

(h) For oil produced on and after January 1, 2022, except as provided in (b), (f), and (g) of this section, for the purposes of

**(1) AS 43.55.011(e)(4)** [AS 43.55.011(e)(3)], the annual production tax value of oil taxable under AS 43.55.011(e) produced by a producer during a calendar year

**(A)** [(1)] from leases or properties in the state that include land north of 68 degrees North latitude is the gross value at the point of production of that oil, less the producer's lease expenditures under AS 43.55.165 for the calendar year incurred to explore for, develop, or produce oil and gas deposits located in the state north of 68 degrees North latitude or located in leases or properties in the state that include land north of 68 degrees North latitude, as adjusted under AS 43.55.170;

(B) [(2)] before or during the last calendar year under AS 43.55.024(b) for which the producer could take a tax credit under AS 43.55.024(a), from leases or properties in the state outside the Cook Inlet sedimentary basin, no part of which is north of 68 degrees North latitude, other than leases or properties subject to AS 43.55.011(p), is the gross value at the point of production of that oil, less the producer's lease expenditures under AS 43.55.165 for the calendar year incurred to explore for, develop, or produce oil and gas deposits located in the state outside the Cook Inlet sedimentary basin and south of 68 degrees North latitude, other than oil and gas deposits located in a lease or property that includes land north of 68 degrees North latitude or that is subject to AS 43.55.011(p) or, before January 1, 2027, from which commercial production has not begun, as adjusted under AS 43.55.170;

(C) [(3)] from leases or properties subject to AS 43.55.011(p) is the gross value at the point of production of that oil, less the producer's lease expenditures under AS 43.55.165 for the calendar year incurred to explore for, develop, or produce oil and gas deposits located in leases or properties subject to AS 43.55.011(p) or, before January 1, 2027, located in leases or properties in the state outside the Cook Inlet sedimentary basin, no part of which is north of 68 degrees North latitude from which commercial production has not begun, as adjusted under AS 43.55.170;

(D) [(4)] from leases or properties in the state no part of which is north of 68 degrees North latitude, other than leases or properties subject to (B) or (C) of this paragraph [(2) OR (3) OF THIS SUBSECTION], is the gross value at the point of production of that oil less the producer's lease expenditures under AS 43.55.165 for the calendar year incurred to explore for, develop, or produce oil and gas deposits located in the state south of 68 degrees North latitude, other than oil and gas deposits located in a lease or property in the state that includes land north of 68 degrees North latitude, and excluding lease expenditures that are deductible under (B) or (C) of this paragraph [(2) OR (3) OF THIS SUBSECTION] or would be deductible under (B) or (C) of this paragraph [(2) OR (3) OF THIS

SUBSECTION] if not prohibited by (b) of this section, as adjusted under AS 43.55.170; a separate annual production tax value shall be calculated for

(i) [(A)] oil produced from each lease or property in the Cook Inlet sedimentary basin;

(ii) [(B)] oil produced from each lease or property outside the Cook Inlet sedimentary basin, no part of which is north of 68 degrees North latitude, other than leases or properties subject to **(C) of this paragraph;**

**(2) AS 43.55.011(g)(3), the monthly production tax value of oil taxable under AS 43.55.011(e) produced by a producer during a month**

**(A) from leases or properties in the state that include land north of 68 degrees North latitude is the gross value at the point of production of that oil, less 1/12 the producer's lease expenditures under AS 43.55.165 for the calendar year incurred to explore for, develop, or produce oil and gas deposits located in the state north of 68 degrees North latitude or located in leases or properties in the state that include land north of 68 degrees North latitude, as adjusted under AS 43.55.170;**

**(B) in a calendar year that is before or during the last calendar year under AS 43.55.024(b) for which the producer could take a tax credit under AS 43.55.024(a), from leases or properties in the state outside the Cook Inlet sedimentary basin, no part of which is north of 68 degrees North latitude, other than leases or properties subject to AS 43.55.011(p), is the gross value at the point of production of that oil, less 1/12 the producer's lease expenditures under AS 43.55.165 for the calendar year incurred to explore for, develop, or produce oil and gas deposits located in the state outside the Cook Inlet sedimentary basin and south of 68 degrees North latitude, other than oil and gas deposits located in a lease or property that includes land north of 68 degrees North latitude or that is subject to AS 43.55.011(p) or, before January 1, 2027, from which commercial production has not begun, as adjusted under AS 43.55.170;**

(C) from leases or properties subject to AS 43.55.011(p) is the gross value at the point of production of that oil, less 1/12 the producer's lease expenditures under AS 43.55.165 for the calendar year incurred to explore for, develop, or produce oil and gas deposits located in leases or properties subject to AS 43.55.011(p) or, before January 1, 2027, located in leases or properties in the state outside the Cook Inlet sedimentary basin, no part of which is north of 68 degrees North latitude from which commercial production has not begun, as adjusted under AS 43.55.170;

(D) from leases or properties in the state no part of which is north of 68 degrees North latitude, other than leases or properties subject to (B) or (C) of this paragraph, is the gross value at the point of production of that oil less 1/12 the producer's lease expenditures under AS 43.55.165 for the calendar year incurred to explore for, develop, or produce oil and gas deposits located in the state south of 68 degrees North latitude, other than oil and gas deposits located in a lease or property in the state that includes land north of 68 degrees North latitude, and excluding lease expenditures that are deductible under (B) or (C) of this paragraph or would be deductible under (B) or (C) of this paragraph if not prohibited by (b) of this section, as adjusted under AS 43.55.170; a separate monthly production tax value shall be calculated for

(i) oil produced from each lease or property in the Cook Inlet sedimentary basin;

(ii) oil produced from each lease or property outside the Cook Inlet sedimentary basin, no part of which is north of 68 degrees North latitude, other than leases or properties subject to (C) of this paragraph

[(3) OF THIS SUBSECTION]."

Renumber the following bill sections accordingly.

Page 19, line 18:

Delete "secs. 9, 12, and 15"

Insert "secs. 15, 18, and 21"

Page 19, line 23:

Delete "sec. 4"  
Insert "sec. 10"  
Delete "sec. 7"  
Insert "sec. 13"

Page 19, line 24:

Delete "sec. 14"  
Insert "sec. 20"

Page 19, line 31:

Delete "secs. 24 and 27"  
Insert "secs. 32 and 35"

Page 20, line 1:

Delete "secs. 24 and 27"  
Insert "secs. 32 and 35"

Page 20, line 11:

Delete "sec. 30"  
Insert "sec. 38"

Page 20, line 12:

Delete "sec. 30"  
Insert "sec. 38"

Page 20, line 14:

Delete "sec. 30"  
Insert "sec. 38"

Page 20, following line 14:

Insert a new bill section to read:

**\* Sec. 44.** The uncodified law of the State of Alaska is amended by adding a new section to read:

TRANSITION: PAYMENT OF TAX; FILING. (a) Notwithstanding the amendments to AS 43.55.020 by secs. 7 - 9 of this Act,

(1) a person subject to tax under AS 43.55 that is required to make one or more installment payments of estimated tax or other payments of tax under AS 43.55.020 for production before the

effective date of secs. 7 - 9 of this Act shall pay the tax under AS 43.55.020, as that section read on the day before the effective date of secs. 7 - 9 of this Act;

(2) an unpaid amount of an installment payment required under AS 43.55.020 for production before the effective date of secs. 7 - 9 of this Act that is not paid when due bears interest under AS 43.55.020, as that section read on the day before the effective date of secs. 7 - 9 of this Act;

(3) an overpayment of an installment payment required under AS 43.55.020 for production before the effective date of secs. 7 - 9 of this Act bears interest under AS 43.55.020, as that section read on the day before the effective date of secs. 7 - 9 of this Act.

(b) The Department of Revenue may continue to apply and enforce AS 43.55.020, as that section read on the day before the effective date of secs. 7 - 9 of this Act, for a tax or installment payment for production before the effective date of secs. 7 - 9 of this Act."

Renumber the following bill sections accordingly.

Page 20, line 18:

Delete "sec. 29"

Insert "sec. 37"

Page 20, line 19:

Delete "secs. 22, 23, 25, and 28"

Insert "secs. 29, 30, 33, and 36"

Page 20, line 20:

Delete "sec. 29"

Insert "sec. 37"

Page 20, line 24:

Delete "sec. 29"

Insert "sec. 37"

Page 20, line 26:

Delete "sec. 29"

Insert "sec. 37"

Page 20, line 27:

Delete "sec. 29"  
Insert "sec. 37"

Page 21, lines 1 - 2:

Delete "sec. 30"  
Insert "sec. 38"

Page 21, line 12:

Delete "Sections 3, 6, 8, 30, 35, and 37"  
Insert "Sections 3, 12, 14, 38, 43, and 46"

Page 21, line 27:

Delete "Sections 2, 4, 7, 9, 12 - 15, 17, 19, 31, 32, 38, and 39"  
Insert "Sections 2, 10, 13, 15, 18 - 21, 23, 25, 39, 40, 47, and 48"

Page 21, line 29:

Delete "Section 24"  
Insert "Section 32"

Page 21, line 31:

Delete "sec. 39"  
Insert "sec. 48"  
Delete "secs. 3, 6, 8, 30, 35, and 37"  
Insert "secs. 3, 12, 14, 38, 43, and 46"

Page 22, line 3:

Delete "sec. 39"  
Insert "sec. 48"

Page 22, line 5:

Delete "secs. 40 - 42"  
Insert "secs. 49 - 51"

Senator Wielechowski moved for the adoption of Amendment No. 2.  
Senator MacKinnon objected.

The question being: "Shall Amendment No. 2 be adopted?" The roll was taken with the following result:

SCS CSHB 111(FIN)  
Second Reading  
Amendment No. 2?

**YEAS: 5 NAYS: 14 EXCUSED: 1 ABSENT: 0**

Yea: Begich, Egan, Gardner, Olson, Wielechowski

Nay: Bishop, Coghill, Costello, Dunleavy, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Stevens, von Imhof, Wilson

Excused: Stedman

and so, Amendment No. 2 failed.

Senator Wielechowski offered Amendment No. 3:

Page 1, line 4, following "certificates;":

Insert "**relating to information concerning lease expenditures;**"

Page 16, following line 3:

Insert new bill sections to read:

"\* **Sec. 22.** AS 43.55.030(a) is amended to read:

(a) A producer that produces oil or gas from a lease or property in the state during a calendar year, whether or not any tax payment is due under AS 43.55.020(a) for that oil or gas, shall file with the department on March 31 of the following year a statement, under oath, in a form prescribed by the department, giving, with other information required under a regulation adopted by the department, the following:

(1) a description of each lease or property from which oil or gas was produced, by name, legal description, lease number, or accounting codes assigned by the department;

(2) the names of the producer and, if different, the person paying the tax, if any;

(3) the gross amount of oil and the gross amount of gas produced from each lease or property, separately identifying the gross amount of gas produced from each oil and gas lease to which an effective election under AS 43.55.014(a) applies, the amount of gas delivered to the state under AS 43.55.014(b), and the percentage of the gross amount of oil and gas owned by the producer;

(4) the gross value at the point of production of the oil and of the gas produced from each lease or property owned by the producer and the costs of transportation of the oil and gas;

(5) the name of the first purchaser and the price received for the oil and for the gas, unless relieved from this requirement in whole or in part by the department;

(6) the producer's qualified capital expenditures, as defined in AS 43.55.023, other lease expenditures under AS 43.55.165, and adjustments or other payments or credits under AS 43.55.170;

(7) the production tax values of the oil and gas under AS 43.55.160(a) or of the oil under AS 43.55.160(h), as applicable;

(8) any claims for tax credits to be applied; [AND]

(9) calculations showing the amounts, if any, that were or are due under AS 43.55.020(a) and interest on any underpayment or overpayment; and

(10) for each expenditure that is the basis of a lease expenditure carried forward under AS 43.55.165(a)(3), the lease or property for which the expenditure was incurred.

\* **Sec. 23.** AS 43.55.030(e) is amended to read:

(e) An explorer or producer that incurs a lease expenditure under AS 43.55.165 or receives a payment or credit under AS 43.55.170 during a calendar year but does not produce oil or gas from a lease or property in the state during the calendar year shall file with the department, on March 31 of the following year, a statement, under oath, in a form prescribed by the department, giving, with other information required under a regulation adopted by the department, the following:

(1) the explorer's or producer's qualified capital expenditures, as defined in AS 43.55.023, other lease expenditures under AS 43.55.165, and adjustments or other payments or credits under AS 43.55.170; [AND]

(2) if the explorer or producer receives a payment or credit under AS 43.55.170, calculations showing whether the explorer or producer is liable for a tax under AS 43.55.160(d) or 43.55.170(b) and, if so, the amount; and

(3) for each expenditure that is the basis of a lease expenditure carried forward under AS 43.55.165(a)(3), the lease or property for which the expenditure was incurred."

Renumber the following bill sections accordingly.

Page 18, line 5:

Delete "**(m)** **and (n)**"  
Insert "**(m) - (o)**"

Page 19, following line 5:

Insert a new subsection to read:

"(o) A carried-forward annual loss may not reduce a taxpayer's gross value at the point of production by an amount that exceeds the gross value at the point of production of the oil and gas produced from the lease or property where the carried-forward annual loss was incurred during the calendar year the carried-forward annual loss is applied."

Page 19, lines 30 - 31:

Delete "43.55.165(m) and (n)"  
Insert "43.55.165(m) - (o)"

Page 19, line 31:

Delete "secs. 24 and 27"  
Insert "secs. 26 and 29"

Page 20, line 1:

Delete "secs. 24 and 27"  
Insert "secs. 26 and 29"

Page 20, line 11:

Delete "sec. 30"  
Insert "sec. 32"

Page 20, line 12:

Delete "sec. 30"  
Insert "sec. 32"

Page 20, line 14:

Delete "sec. 30"  
Insert "sec. 32"

Page 20, line 18:

Delete "sec. 29"  
Insert "sec. 31"

Page 20, line 19:

Delete "secs. 22, 23, 25, and 28"  
Insert "secs. 24, 25, 27, and 30"

Page 20, line 20:

Delete "sec. 29"  
Insert "sec. 31"

Page 20, line 24:

Delete "sec. 29"  
Insert "sec. 31"

Page 20, line 26:

Delete "sec. 29"  
Insert "sec. 31"

Page 20, line 27:

Delete "sec. 29"  
Insert "sec. 31"

Page 21, lines 1 - 2:

Delete "sec. 30"  
Insert "sec. 32"

Page 21, line 12:

Delete "30, 35, and 37"  
Insert "32, 37, and 39"

Page 21, line 27:

Delete "31, 32, 38, and 39"  
Insert "33, 34, 40, and 41"

Page 21, line 29:

Delete "Section 24"  
Insert "Section 26"

Page 21, line 31:

Delete "sec. 39"  
Insert "sec. 41"  
Delete "30, 35, and 37"  
Insert "32, 37, and 39"

Page 22, line 3:

Delete "sec. 39"  
Insert "sec. 41"

Page 22, line 5:

Delete "40 - 42"  
Insert "42 - 44"

Senator Wielechowski moved for the adoption of Amendment No. 3.  
Senator MacKinnon objected.

The question being: "Shall Amendment No. 3 be adopted?" The roll was taken with the following result:

SCS CSHB 111(FIN)  
Second Reading  
Amendment No. 3?

**YEAS: 5 NAYS: 14 EXCUSED: 1 ABSENT: 0**

Yea: Begich, Egan, Gardner, Olson, Wielechowski

Nay: Bishop, Coghill, Costello, Dunleavy, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Stevens, von Imhof, Wilson

Excused: Stedman

and so, Amendment No. 3 failed.

Senator Wielechowski offered Amendment No. 4:

Page 1, line 6, following "**fund**";:

Insert "**relating to an adjustment in the gross value at the point of production;**"

Page 1, following line 7:

Insert a new bill section to read:

"\* **Section 1.** AS 31.05.030(n) is amended to read:

(n) Upon request of the commissioner of revenue, the commission shall determine the commencement of regular production from a lease or property for purposes of AS 43.55.160(f) [AND (g)]."

Page 1, line 8:

Delete "**Section 1**"

Insert "**Sec. 2**"

Renumber the following bill sections accordingly.

Page 3, following line 18:

Insert a new bill section to read:

"\* **Sec. 5.** AS 43.55.020(a) is amended to read:

(a) For a calendar year, a producer subject to tax under AS 43.55.011 shall pay the tax as follows:

(1) for oil and gas produced before January 1, 2014, an installment payment of the estimated tax levied by AS 43.55.011(e), net of any tax credits applied as allowed by law, is due for each month of the calendar year on the last day of the following month; except as otherwise provided under (2) of this subsection, the amount of the installment payment is the sum of the following amounts, less 1/12 of the tax credits that are allowed by law to be applied against the tax levied by AS 43.55.011(e) for the calendar year, but the amount of the installment payment may not be less than zero:

(A) for oil and gas not subject to AS 43.55.011(o) or (p) produced from leases or properties in the state outside the Cook Inlet sedimentary basin, other than leases or properties subject to AS 43.55.011(f), the greater of

(i) zero; or

(ii) the sum of 25 percent and the tax rate calculated for the month under AS 43.55.011(g) multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible for the oil and gas under

AS 43.55.160 from the gross value at the point of production of the oil and gas produced from the leases or properties during the month for which the installment payment is calculated;

(B) for oil and gas produced from leases or properties subject to AS 43.55.011(f), the greatest of

(i) zero;

(ii) zero percent, one percent, two percent, three percent, or four percent, as applicable, of the gross value at the point of production of the oil and gas produced from the leases or properties during the month for which the installment payment is calculated; or

(iii) the sum of 25 percent and the tax rate calculated for the month under AS 43.55.011(g) multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible for the oil and gas under AS 43.55.160 from the gross value at the point of production of the oil and gas produced from those leases or properties during the month for which the installment payment is calculated;

(C) for oil or gas subject to AS 43.55.011(j), (k), or (o), for each lease or property, the greater of

(i) zero; or

(ii) the sum of 25 percent and the tax rate calculated for the month under AS 43.55.011(g) multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible under AS 43.55.160 for the oil or gas, respectively, produced from the lease or property from the gross value at the point of production of the oil or gas, respectively, produced from the lease or property during the month for which the installment payment is calculated;

(D) for oil and gas subject to AS 43.55.011(p), the lesser of

(i) the sum of 25 percent and the tax rate calculated for the month under AS 43.55.011(g) multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible for the oil and gas under AS 43.55.160 from the gross value at the point of production of the oil and gas produced from the leases or properties during the month for which the installment payment is calculated, but not less than zero; or

(ii) four percent of the gross value at the point of production of the oil and gas produced from the leases or properties during the month, but not less than zero;

(2) an amount calculated under (1)(C) of this subsection for oil or gas subject to AS 43.55.011(j), (k), or (o) may not exceed the product obtained by carrying out the calculation set out in AS 43.55.011(j)(1) or (2) or 43.55.011(o), as applicable, for gas or set out in AS 43.55.011(k) for oil, but substituting in AS 43.55.011(j)(1)(A) or (2)(A) or 43.55.011(o), as applicable, the amount of taxable gas produced during the month for the amount of taxable gas produced during the calendar year and substituting in AS 43.55.011(k) the amount of taxable oil produced during the month for the amount of taxable oil produced during the calendar year;

(3) an installment payment of the estimated tax levied by AS 43.55.011(i) for each lease or property is due for each month of the calendar year on the last day of the following month; the amount of the installment payment is the sum of

(A) the applicable tax rate for oil provided under AS 43.55.011(i), multiplied by the gross value at the point of production of the oil taxable under AS 43.55.011(i) and produced from the lease or property during the month; and

(B) the applicable tax rate for gas provided under AS 43.55.011(i), multiplied by the gross value at the point of production of the gas taxable under AS 43.55.011(i) and produced from the lease or property during the month;

(4) any amount of tax levied by AS 43.55.011, net of any credits applied as allowed by law, that exceeds the total of the amounts due as installment payments of estimated tax is due on March 31 of the year following the calendar year of production;

(5) for oil and gas produced on and after January 1, 2014, and before January 1, 2022, an installment payment of the estimated tax levied by AS 43.55.011(e), net of any tax credits applied as allowed by law, is due for each month of the calendar year on the last day of the following month; except as otherwise provided under (6) of this subsection, the amount of the installment payment is the sum of the following amounts, less 1/12 of the tax credits that are allowed by law to be applied against the tax levied by AS 43.55.011(e) for the calendar year, but the amount of the installment payment may not be less than zero:

(A) for oil and gas not subject to AS 43.55.011(o) or (p) produced from leases or properties in the state outside the Cook Inlet sedimentary basin, other than leases or properties subject to AS 43.55.011(f), the greater of

(i) zero; or

(ii) 35 percent multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible for the oil and gas under AS 43.55.160 from the gross value at the point of production of the oil and gas produced from the leases or properties during the month for which the installment payment is calculated;

(B) for oil and gas produced from leases or properties subject to AS 43.55.011(f), the greatest of

(i) zero;

(ii) zero percent, one percent, two percent, three percent, or four percent, as applicable, of the gross value at the point of production of the oil and gas produced from the leases or properties during the month for which the installment payment is calculated; or

(iii) 35 percent multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible for the oil and gas under AS 43.55.160 from the gross value at the point of production of the oil and gas produced from those leases or properties during the month for which the installment payment is calculated, except that,

for the purposes of this calculation, a reduction from the gross value at the point of production may apply for oil and gas subject to AS 43.55.160(f) [OR (g)];

(C) for oil or gas subject to AS 43.55.011(j), (k), or (o), for each lease or property, the greater of

(i) zero; or

(ii) 35 percent multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible under AS 43.55.160 for the oil or gas, respectively, produced from the lease or property from the gross value at the point of production of the oil or gas, respectively, produced from the lease or property during the month for which the installment payment is calculated;

(D) for oil and gas subject to AS 43.55.011(p), the lesser of

(i) 35 percent multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible for the oil and gas under AS 43.55.160 from the gross value at the point of production of the oil and gas produced from the leases or properties during the month for which the installment payment is calculated, but not less than zero; or

(ii) four percent of the gross value at the point of production of the oil and gas produced from the leases or properties during the month, but not less than zero;

(6) an amount calculated under (5)(C) of this subsection for oil or gas subject to AS 43.55.011(j), (k), or (o) may not exceed the product obtained by carrying out the calculation set out in AS 43.55.011(j)(1) or (2) or 43.55.011(o), as applicable, for gas or set out in AS 43.55.011(k) for oil, but substituting in AS 43.55.011(j)(1)(A) or (2)(A) or 43.55.011(o), as applicable, the amount of taxable gas produced during the month for the amount of taxable gas produced during the calendar year and substituting in AS 43.55.011(k) the amount of taxable oil produced during the month for the amount of taxable oil produced during the calendar year;

(7) for oil and gas produced on or after January 1, 2022, an installment payment of the estimated tax levied by AS 43.55.011(e), net of any tax credits applied as allowed by law, is due for each month of the calendar year on the last day of the following month; except as otherwise provided under (10) of this subsection, the amount of the installment payment is the sum of the following amounts, less 1/12 of the tax credits that are allowed by law to be applied against the tax levied by AS 43.55.011(e) for the calendar year, but the amount of the installment payment may not be less than zero:

(A) for oil produced from leases or properties subject to AS 43.55.011(f), the greatest of

(i) zero;

(ii) zero percent, one percent, two percent, three percent, or four percent, as applicable, of the gross value at the point of production of the oil produced from the leases or properties during the month for which the installment payment is calculated; or

(iii) 35 percent multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible for the oil under AS 43.55.160(h)(1) from the gross value at the point of production of the oil produced from those leases or properties during the month for which the installment payment is calculated, except that, for the purposes of this calculation, a reduction from the gross value at the point of production may apply for oil subject to AS 43.55.160(f) or 43.55.160(f) [AND (g)];

(B) for oil produced before or during the last calendar year under AS 43.55.024(b) for which the producer could take a tax credit under AS 43.55.024(a), from leases or properties in the state outside the Cook Inlet sedimentary basin, no part of which is north of 68 degrees North latitude, other than leases or properties subject to AS 43.55.011(o) or (p), the greater of

(i) zero; or

(ii) 35 percent multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production

under AS 43.55.165 and 43.55.170 that are deductible for the oil under AS 43.55.160(h)(2) from the gross value at the point of production of the oil produced from the leases or properties during the month for which the installment payment is calculated;

(C) for oil and gas produced from leases or properties subject to AS 43.55.011(p), except as otherwise provided under (8) of this subsection, the sum of

(i) 35 percent multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible for the oil under AS 43.55.160(h)(3) from the gross value at the point of production of the oil produced from the leases or properties during the month for which the installment payment is calculated, but not less than zero; and

(ii) 13 percent of the gross value at the point of production of the gas produced from the leases or properties during the month, but not less than zero;

(D) for oil produced from leases or properties in the state, no part of which is north of 68 degrees North latitude, other than leases or properties subject to (B), (C), or (F) of this paragraph, the greater of

(i) zero; or

(ii) 35 percent multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible for the oil under AS 43.55.160(h)(4) from the gross value at the point of production of the oil produced from the leases or properties during the month for which the installment payment is calculated;

(E) for gas produced from each lease or property in the state outside the Cook Inlet sedimentary basin, other than a lease or property subject to AS 43.55.011(o) or (p), 13 percent of the gross value at the point of production of the gas produced from the lease or property during the month for which the installment payment is calculated, but not less than zero;

(F) for oil subject to AS 43.55.011(k), for each lease or property, the greater of

(i) zero; or

(ii) 35 percent multiplied by the remainder obtained by subtracting 1/12 of the producer's adjusted lease expenditures for the calendar year of production under AS 43.55.165 and 43.55.170 that are deductible under AS 43.55.160 for the oil produced from the lease or property from the gross value at the point of production of the oil produced from the lease or property during the month for which the installment payment is calculated;

(G) for gas subject to AS 43.55.011(j) or (o), for each lease or property, the greater of

(i) zero; or

(ii) 13 percent of the gross value at the point of production of the gas produced from the lease or property during the month for which the installment payment is calculated;

(8) an amount calculated under (7)(C) of this subsection may not exceed four percent of the gross value at the point of production of the oil and gas produced from leases or properties subject to AS 43.55.011(p) during the month for which the installment payment is calculated;

(9) for purposes of the calculation under (1)(B)(ii), (5)(B)(ii), and (7)(A)(ii) of this subsection, the applicable percentage of the gross value at the point of production is determined under AS 43.55.011(f)(1) or (2) but substituting the phrase "month for which the installment payment is calculated" in AS 43.55.011(f)(1) and (2) for the phrase "calendar year for which the tax is due";

(10) an amount calculated under (7)(F) or (G) of this subsection for oil or gas subject to AS 43.55.011(j), (k), or (o) may not exceed the product obtained by carrying out the calculation set out in AS 43.55.011(j)(1) or (2) or 43.55.011(o), as applicable, for gas, or set out in AS 43.55.011(k) for oil, but substituting in AS 43.55.011(j)(1)(A) or (2)(A) or 43.55.011(o), as applicable, the amount of taxable gas produced during the month

for the amount of taxable gas produced during the calendar year and substituting in AS 43.55.011(k) the amount of taxable oil produced during the month for the amount of taxable oil produced during the calendar year."

Renumber the following bill sections accordingly.

Page 4, line 20:

Delete "sec. 5"  
Insert "sec. 7"

Page 6, following line 14:

Insert new bill sections to read:

**\*\* Sec. 11. AS 43.55.024(i)** is amended to read:

(i) A producer may apply against the producer's tax liability for the calendar year under AS 43.55.011(e) a tax credit of \$5 for each barrel of oil taxable under AS 43.55.011(e) that receives a reduction in the gross value at the point of production under AS 43.55.160(f) [OR (g)] and that is produced during a calendar year after December 31, 2013. A tax credit authorized by this subsection may not reduce a producer's tax liability for a calendar year under AS 43.55.011(e) below zero.

**\* Sec. 12. AS 43.55.024(j)** is amended to read:

(j) A producer may apply against the producer's tax liability for the calendar year under AS 43.55.011(e) a tax credit in the amount specified in this subsection for each barrel of oil taxable under AS 43.55.011(e) that does not receive a reduction in the gross value at the point of production under AS 43.55.160(f) [OR (g)] and that is produced during a calendar year after December 31, 2013, from leases or properties north of 68 degrees North latitude. A tax credit under this subsection may not reduce a producer's tax liability for a calendar year under AS 43.55.011(e) below the amount calculated under AS 43.55.011(f). The amount of the tax credit for a barrel of taxable oil subject to this subsection produced during a month of the calendar year is

(1) \$8 for each barrel of taxable oil if the average gross value at the point of production for the month is less than \$80 a barrel;

- (2) \$7 for each barrel of taxable oil if the average gross value at the point of production for the month is greater than or equal to \$80 a barrel, but less than \$90 a barrel;
- (3) \$6 for each barrel of taxable oil if the average gross value at the point of production for the month is greater than or equal to \$90 a barrel, but less than \$100 a barrel;
- (4) \$5 for each barrel of taxable oil if the average gross value at the point of production for the month is greater than or equal to \$100 a barrel, but less than \$110 a barrel;
- (5) \$4 for each barrel of taxable oil if the average gross value at the point of production for the month is greater than or equal to \$110 a barrel, but less than \$120 a barrel;
- (6) \$3 for each barrel of taxable oil if the average gross value at the point of production for the month is greater than or equal to \$120 a barrel, but less than \$130 a barrel;
- (7) \$2 for each barrel of taxable oil if the average gross value at the point of production for the month is greater than or equal to \$130 a barrel, but less than \$140 a barrel;
- (8) \$1 for each barrel of taxable oil if the average gross value at the point of production for the month is greater than or equal to \$140 a barrel, but less than \$150 a barrel;
- (9) zero if the average gross value at the point of production for the month is greater than or equal to \$150 a barrel."

Renumber the following bill sections accordingly.

Page 7, line 8:

Delete "sec. 9"  
Insert "sec. 13"

Page 14, line 26:

Delete "sec. 19"  
Insert "sec. 23"

Page 16, following line 3:

Insert a new bill section to read:

"\* **Sec. 26.** AS 43.55.160(a) is amended to read:

(a) For oil and gas produced before January 1, 2022, except as provided in (b) and [,] (f) [, AND (g)] of this section, for the purposes of

(1) AS 43.55.011(e)(1) and (2), the annual production tax value of taxable oil, gas, or oil and gas produced during a calendar year in a category for which a separate annual production tax value is required to be calculated under this paragraph is the gross value at the point of production of that oil, gas, or oil and gas taxable under AS 43.55.011(e), less the producer's lease expenditures under AS 43.55.165 for the calendar year applicable to the oil, gas, or oil and gas in that category produced by the producer during the calendar year, as adjusted under AS 43.55.170; a separate annual production tax value shall be calculated for

(A) oil and gas produced from leases or properties in the state that include land north of 68 degrees North latitude, other than gas produced before 2022 and used in the state;

(B) oil and gas produced from leases or properties in the state outside the Cook Inlet sedimentary basin, no part of which is north of 68 degrees North latitude and that qualifies for a tax credit under AS 43.55.024(a) and (b); this subparagraph does not apply to

(i) gas produced before 2022 and used in the state; or

(ii) oil and gas subject to AS 43.55.011(p);

(C) oil produced before 2022 from each lease or property in the Cook Inlet sedimentary basin;

(D) gas produced before 2022 from each lease or property in the Cook Inlet sedimentary basin;

(E) gas produced before 2022 from each lease or property in the state outside the Cook Inlet sedimentary basin and used in the state, other than gas subject to AS 43.55.011(p);

(F) oil and gas subject to AS 43.55.011(p) produced from leases or properties in the state;

(G) oil and gas produced from leases or properties in the state no part of which is north of 68 degrees North latitude, other than oil or gas described in (B), (C), (D), (E), or (F) of this paragraph;

(2) AS 43.55.011(g), for oil and gas produced before January 1, 2014, the monthly production tax value of the taxable

(A) oil and gas produced during a month from leases or properties in the state that include land north of 68 degrees North latitude is the gross value at the point of production of the oil and gas taxable under AS 43.55.011(e) and produced by the producer from those leases or properties, less 1/12 of the producer's lease expenditures under AS 43.55.165 for the calendar year applicable to the oil and gas produced by the producer from those leases or properties, as adjusted under AS 43.55.170; this subparagraph does not apply to gas subject to AS 43.55.011(o);

(B) oil and gas produced during a month from leases or properties in the state outside the Cook Inlet sedimentary basin, no part of which is north of 68 degrees North latitude, is the gross value at the point of production of the oil and gas taxable under AS 43.55.011(e) and produced by the producer from those leases or properties, less 1/12 of the producer's lease expenditures under AS 43.55.165 for the calendar year applicable to the oil and gas produced by the producer from those leases or properties, as adjusted under AS 43.55.170; this subparagraph does not apply to gas subject to AS 43.55.011(o);

(C) oil produced during a month from a lease or property in the Cook Inlet sedimentary basin is the gross value at the point of production of the oil taxable under AS 43.55.011(e) and produced by the producer from that lease or property, less 1/12 of the producer's lease expenditures under AS 43.55.165 for the calendar year applicable to the oil produced by the producer from that lease or property, as adjusted under AS 43.55.170;

(D) gas produced during a month from a lease or property in the Cook Inlet sedimentary basin is the gross value at the point of production of the gas taxable under AS 43.55.011(e) and produced by the producer from that lease or property, less 1/12 of the producer's lease expenditures under AS 43.55.165 for the calendar year applicable to the gas produced by the producer from that lease or property, as adjusted under AS 43.55.170;

(E) gas produced during a month from a lease or property outside the Cook Inlet sedimentary basin and used in the state is the gross value at the point of production of that

gas taxable under AS 43.55.011(e) and produced by the producer from that lease or property, less 1/12 of the producer's lease expenditures under AS 43.55.165 for the calendar year applicable to that gas produced by the producer from that lease or property, as adjusted under AS 43.55.170."

Renumber the following bill sections accordingly.

Page 17, following line 11:

Insert a new bill section to read:

"\* **Sec. 29.** AS 43.55.160(h) is amended to read:

(h) For oil produced on and after January 1, 2022, except as provided in (b) and [,] (f) [, AND (g)] of this section, for the purposes of AS 43.55.011(e)(3), the annual production tax value of oil taxable under AS 43.55.011(e) produced by a producer during a calendar year

(1) from leases or properties in the state that include land north of 68 degrees North latitude is the gross value at the point of production of that oil, less the producer's lease expenditures under AS 43.55.165 for the calendar year incurred to explore for, develop, or produce oil and gas deposits located in the state north of 68 degrees North latitude or located in leases or properties in the state that include land north of 68 degrees North latitude, as adjusted under AS 43.55.170;

(2) before or during the last calendar year under AS 43.55.024(b) for which the producer could take a tax credit under AS 43.55.024(a), from leases or properties in the state outside the Cook Inlet sedimentary basin, no part of which is north of 68 degrees North latitude, other than leases or properties subject to AS 43.55.011(p), is the gross value at the point of production of that oil, less the producer's lease expenditures under AS 43.55.165 for the calendar year incurred to explore for, develop, or produce oil and gas deposits located in the state outside the Cook Inlet sedimentary basin and south of 68 degrees North latitude, other than oil and gas deposits located in a lease or property that includes land north of 68 degrees North latitude or that is subject to AS 43.55.011(p) or, before January 1, 2027, from which commercial production has not begun, as adjusted under AS 43.55.170;

(3) from leases or properties subject to AS 43.55.011(p) is the gross value at the point of production of that oil, less the producer's lease expenditures under AS 43.55.165 for the calendar year incurred to explore for, develop, or produce oil and gas deposits located in leases or properties subject to AS 43.55.011(p) or, before January 1, 2027, located in leases or properties in the state outside the Cook Inlet sedimentary basin, no part of which is north of 68 degrees North latitude from which commercial production has not begun, as adjusted under AS 43.55.170;

(4) from leases or properties in the state no part of which is north of 68 degrees North latitude, other than leases or properties subject to (2) or (3) of this subsection, is the gross value at the point of production of that oil less the producer's lease expenditures under AS 43.55.165 for the calendar year incurred to explore for, develop, or produce oil and gas deposits located in the state south of 68 degrees North latitude, other than oil and gas deposits located in a lease or property in the state that includes land north of 68 degrees North latitude, and excluding lease expenditures that are deductible under (2) or (3) of this subsection or would be deductible under (2) or (3) of this subsection if not prohibited by (b) of this section, as adjusted under AS 43.55.170; a separate annual production tax value shall be calculated for

(A) oil produced from each lease or property in the Cook Inlet sedimentary basin;

(B) oil produced from each lease or property outside the Cook Inlet sedimentary basin, no part of which is north of 68 degrees North latitude, other than leases or properties subject to (3) of this subsection."

Renumber the following bill sections accordingly.

Page 19, following line 10:

Insert a new bill section to read:

"\* **Sec. 35.** AS 43.98.050 is amended to read:

**Sec. 43.98.050. Duties.** The duties of the board include the following:

(1) establish and maintain a salient collection of information related to oil and gas exploration, development, and production in the state and related to tax structures, rates, and credits in other regions with oil and gas resources;

- (2) review historical, current, and potential levels of investment in the state's oil and gas sector;
- (3) identify factors that affect investment in oil and gas exploration, development, and production in the state, including tax structure, rates, and credits; royalty requirements; infrastructure; workforce availability; and regulatory requirements;
- (4) review the competitive position of the state to attract and maintain investment in the oil and gas sector in the state as compared to the competitive position of other regions with oil and gas resources;
- (5) in order to facilitate the work of the board, establish procedures to accept and keep confidential information that is beneficial to the work of the board, including the creation of a secure data room and confidentiality agreements to be signed by individuals having access to confidential information;
- (6) make written findings and recommendations to the Alaska State Legislature before
  - (A) January 31, 2015, or as soon thereafter as practicable, regarding
    - (i) changes to the state's regulatory environment and permitting structure that would be conducive to encouraging increased investment while protecting the interests of the people of the state and the environment;
    - (ii) the status of the oil and gas industry labor pool in the state and the effectiveness of workforce development efforts by the state;
    - (iii) the status of the oil-and-gas-related infrastructure of the state, including a description of infrastructure deficiencies; and
    - (iv) the competitiveness of the state's fiscal oil and gas tax regime when compared to other regions of the world;
  - (B) January 15, 2017, regarding
    - (i) the state's tax structure and rates on oil and gas produced south of 68 degrees North latitude;
    - (ii) a tax structure that takes into account the unique economic circumstances for each oil and gas producing area south of 68 degrees North latitude;

(iii) a reduction in the gross value at the point of production for oil and gas produced south of 68 degrees North latitude that is similar to the reduction in gross value at the point of production in AS 43.55.160(f) and **former AS 43.55.160(g)** [(g)];

(iv) other incentives for oil and gas production south of 68 degrees North latitude;

(C) January 31, 2021, or as soon thereafter as practicable, regarding

(i) changes to the state's fiscal regime that would be conducive to increased and ongoing long-term investment in and development of the state's oil and gas resources;

(ii) alternative means for increasing the state's ability to attract and maintain investment in and development of the state's oil and gas resources; and

(iii) a review of the current effectiveness and future value of any provisions of the state's oil and gas tax laws that are expiring in the next five years."

Renumber the following bill sections accordingly.

Page 19, line 11:

Delete "is"

Insert "and 43.55.160(g) are"

Page 19, line 17:

Delete "sec. 2"

Insert "sec. 3"

Page 19, line 18:

Delete "secs. 9, 12, and 15"

Insert "secs. 13, 16, and 19"

Page 19, line 23:

Delete "sec. 4"

Insert "sec. 6"

Delete "sec. 7"

Insert "sec. 9"

Page 19, line 24:

Delete "sec. 14"  
Insert "sec. 18"

Page 19, line 31:

Delete "secs. 24 and 27"  
Insert "secs. 30 and 33"

Page 20, line 1:

Delete "secs. 24 and 27"  
Insert "secs. 30 and 33"

Page 20, line 5:

Delete "sec. 1"  
Insert "sec. 2"

Page 20, line 7:

Delete "sec. 1"  
Insert "sec. 2"

Page 20, line 11:

Delete "sec. 30"  
Insert "sec. 37"

Page 20, line 12:

Delete "sec. 30"  
Insert "sec. 37"

Page 20, line 14:

Delete "sec. 30"  
Insert "sec. 37"

Page 20, following line 14:

Insert new bill sections to read:

"\* **Sec. 43.** The uncodified law of the State of Alaska is amended by adding a new section to read:

TRANSITION: PAYMENT OF TAX; FILING. (a) Notwithstanding the amendment to AS 43.55.020 by sec. 5 of this Act,

(1) a person subject to tax under AS 43.55 that is required to make one or more installment payments of estimated tax or other payments of tax under AS 43.55.020 for production before the effective date of sec. 5 of this Act shall pay the tax under AS 43.55.020, as that section read on the day before the effective date of sec. 5 of this Act;

(2) an unpaid amount of an installment payment required under AS 43.55.020 for production before the effective date of sec. 5 of this Act that is not paid when due bears interest under AS 43.55.020, as that section read on the day before the effective date of sec. 5 of this Act;

(3) an overpayment of an installment payment required under AS 43.55.020 for production before the effective date of sec. 5 of this Act bears interest under AS 43.55.020, as that section read on the day before the effective date of sec. 5 of this Act.

(b) The Department of Revenue may continue to apply and enforce AS 43.55.020, as that section read on the day before the effective date of sec. 5 of this Act, for a tax or installment payment for production before the effective date of sec. 5 of this Act.

\* **Sec. 44.** The uncodified law of the State of Alaska is amended by adding a new section to read:

TRANSITION: GROSS VALUE REDUCTION. Notwithstanding the repeal of AS 43.55.160(g) by sec. 36 of this Act and the amendments to AS 43.55.020(a), 43.55.024(i), and 43.55.160(a) and (h) by secs. 5, 11, 26, and 29 of this Act, a taxpayer who produces oil or gas before January 1, 2018, that qualifies for a reduction in gross value under AS 43.55.160(g), as that subsection read on the day before the effective date of sec. 36 of this Act, may reduce the gross value at the point of production of and may qualify for a credit under AS 43.55.024(i) for that oil or gas, in accordance with AS 43.55.160(g) and 43.55.024(i), as those subsections read on the day before the effective date of sec. 36 of this Act."

Renumber the following bill sections accordingly.

Page 20, line 18:

Delete "sec. 29"

Insert "sec. 36"

Page 20, line 19:

Delete "secs. 22, 23, 25, and 28"  
Insert "secs. 27, 28, 31, and 34"

Page 20, line 20:

Delete "sec. 29"  
Insert "sec. 36"

Page 20, line 24:

Delete "sec. 29"  
Insert "sec. 36"

Page 20, line 26:

Delete "sec. 29"  
Insert "sec. 36"

Page 20, line 27:

Delete "sec. 29"  
Insert "sec. 36"

Page 21, lines 1 - 2:

Delete "sec. 30"  
Insert "sec. 37"

Page 21, line 12:

Delete "Sections 3, 6, 8, 30, 35, and 37"  
Insert "Sections 4, 8, 10, 37, 42, and 46"

Page 21, line 27:

Delete "Sections 2, 4, 7, 9, 12 - 15, 17, 19, 31, 32, 38, and 39"  
Insert "Sections 3, 6, 9, 13, 16 - 19, 21, 23, 38, 39, 47, and 48"

Page 21, line 29:

Delete "Section 24"  
Insert "Section 30"

Page 21, line 31:

Delete "sec. 39"  
Insert "sec. 48"  
Delete "secs. 3, 6, 8, 30, 35, and 37"  
Insert "secs. 4, 8, 10, 37, 42, and 46"

Page 22, line 3:  
Delete "sec. 39"  
Insert "sec. 48"

Page 22, line 5:  
Delete "secs. 40 - 42"  
Insert "secs. 49 - 51"

Senator Wielechowski moved for the adoption of Amendment No. 4.  
Senator MacKinnon objected.

The question being: "Shall Amendment No. 4 be adopted?" The roll was taken with the following result:

SCS CSHB 111(FIN)  
Second Reading  
Amendment No. 4?

**YEAS: 5 NAYS: 14 EXCUSED: 1 ABSENT: 0**

Yea: Begich, Egan, Gardner, Olson, Wielechowski

Nay: Bishop, Coghill, Costello, Dunleavy, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Stevens, von Imhof, Wilson

Excused: Stedman

and so, Amendment No. 4 failed.

Senator Wielechowski offered Amendment No. 5:

Page 19, line 11:  
Delete "is"  
Insert "and 43.55.024(j) are"

Senator Wielechowski moved for the adoption of Amendment No. 5.  
Senator MacKinnon objected.

The question being: "Shall Amendment No. 5 be adopted?" The roll was taken with the following result:

SCS CSHB 111(FIN)  
Second Reading  
Amendment No. 5?

**YEAS: 4 NAYS: 14 EXCUSED: 1 ABSENT: 1**

Yea: Begich, Egan, Gardner, Wielechowski

Nay: Bishop, Coghill, Costello, Dunleavy, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Stevens, von Imhof, Wilson

Excused: Stedman

Absent: Olson

and so, Amendment No. 5 failed.

Senator Wielechowski offered Amendment No. 6:

Page 1, line 5, following "**delinquent**":

Insert "**oil and gas production**"

Page 1, line 8, through page 2, line 21:

Delete all material and insert:

"\* **Section 1.** AS 43.05.225 is amended to read:

**Sec. 43.05.225. Interest.** Unless otherwise provided,

(1) a delinquent tax

(A) under this title, before January 1, 2014, bears interest in each calendar quarter at the rate of five percentage points above the annual rate charged member banks for advances by the 12th Federal Reserve District as of the first day of that calendar quarter, or at the annual rate of 11 percent, whichever is greater, compounded quarterly as of the last day of that quarter;

(B) under this title, on and after January 1, 2014, except as provided in (C) of this paragraph, bears interest in each calendar quarter at the rate of three percentage points above the annual rate charged member banks for advances by the 12th Federal Reserve District as of the first day of that calendar quarter;

(C) under AS 43.55, on and after January 1, 2017,

[**(i) FOR THE FIRST THREE YEARS AFTER A TAX BECOMES DELINQUENT,**] bears interest in each calendar quarter at the rate of seven percentage points above the annual rate charged member banks for advances by the 12th Federal Reserve District as of the first day of that calendar quarter, compounded quarterly as of the last day of that quarter; [**AND**

**(ii) AFTER THE FIRST THREE YEARS AFTER A TAX BECOMES DELINQUENT, DOES NOT BEAR INTEREST;**]

(2) the interest rate is 12 percent a year for

(A) delinquent fees payable under AS 05.15.095(c);

and

(B) unclaimed property that is not timely paid or delivered, as allowed by AS 34.45.470(a). "

Page 20, lines 2 - 7:

Delete all material.

Renumber the following bill sections accordingly.

Page 21, line 12:

Delete "35, and 37"

Insert "34, and 36"

Page 21, line 27:

Delete "38, and 39"

Insert "37, and 38"

Page 21, line 31:

Delete "sec. 39"

Insert "sec. 38"

Delete "37"

Insert "36"

Page 22, line 3:

Delete "sec. 39"

Insert "sec. 38"

Page 22, line 5:

Delete "secs. 40 - 42"  
Insert "secs. 39 - 41"

Senator Wielechowski moved for the adoption of Amendment No. 6.  
Senator Micciche objected.

The question being: "Shall Amendment No. 6 be adopted?" The roll was taken with the following result:

SCS CSHB 111(FIN)  
Second Reading  
Amendment No. 6?

**YEAS: 5 NAYS: 14 EXCUSED: 1 ABSENT: 0**

Yea: Begich, Egan, Gardner, Olson, Wielechowski

Nay: Bishop, Coghill, Costello, Dunleavy, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Stevens, von Imhof, Wilson

Excused: Stedman

and so, Amendment No. 6 failed.

Senator Wielechowski offered Amendment No. 7:

Page 3, line 19, through page 4, line 1:  
Delete all material.

Renumber the following bill sections accordingly.

Page 4, line 20:  
Delete "sec. 5"  
Insert "sec. 4"

Page 5, lines 8 - 31:  
Delete all material.

Renumber the following bill sections accordingly.

Page 7, line 8:

Delete "sec. 9"  
Insert "sec. 7"

Page 11, line 29, through page 12, line 15:

Delete all material.

Renumber the following bill sections accordingly.

Page 14, line 26:

Delete "sec. 19"  
Insert "sec. 16"

Page 19, line 18:

Delete "secs. 9, 12, and 15"  
Insert "secs. 7, 10, and 12"

Page 19, lines 20 - 27:

Delete all material.

Renumber the following bill sections accordingly.

Page 19, line 31:

Delete "secs. 24 and 27"  
Insert "secs. 21 and 24"

Page 20, line 1:

Delete "secs. 24 and 27"  
Insert "secs. 21 and 24"

Page 20, line 11:

Delete "sec. 30"  
Insert "sec. 27"

Page 20, line 12:

Delete "sec. 30"  
Insert "sec. 27"

Page 20, line 14:

Delete "sec. 30"  
Insert "sec. 27"

Page 20, line 18:

Delete "sec. 29"  
Insert "sec. 26"

Page 20, line 19:

Delete "secs. 22, 23, 25, and 28"  
Insert "secs. 19, 20, 22, and 25"

Page 20, line 20:

Delete "sec. 29"  
Insert "sec. 26"

Page 20, line 24:

Delete "sec. 29"  
Insert "sec. 26"

Page 20, line 26:

Delete "sec. 29"  
Insert "sec. 26"

Page 20, line 27:

Delete "sec. 29"  
Insert "sec. 26"

Page 21, lines 1 - 2:

Delete "sec. 30"  
Insert "sec. 27"

Page 21, line 12:

Delete "6, 8, 30, 35, and 37"  
Insert "5, 6, 27, 31, and 33"

Page 21, line 27:

Delete "4, 7, 9, 12 - 15, 17, 19, 31, 32, 38, and 39"  
Insert "7, 10 - 12, 14, 16, 28, 34, and 35"

Page 21, line 29:

Delete "Section 24"  
Insert "Section 21"

Page 21, line 31:

Delete "sec. 39"  
Insert "sec. 35"  
Delete "6, 8, 30, 35, and 37"  
Insert "5, 6, 27, 31, and 33"

Page 22, line 3:

Delete "sec. 39"  
Insert "sec. 35"

Page 22, line 5:

Delete "secs. 40 - 42"  
Insert "secs. 36 - 38"

Senator Wielechowski moved for the adoption of Amendment No. 7. Senator MacKinnon objected. Senator Wielechowski moved and asked unanimous consent to withdraw Amendment No. 7. Without objection, Amendment No. 7 was withdrawn.

Senator Wielechowski offered Amendment No. 8:

Page 1, line 1, following "Act":

Insert "**relating to the qualified in-state oil refinery infrastructure expenditures tax credit;**"

Page 3, following line 18:

Insert new bill sections to read:

"\* **Sec. 4.** AS 43.20.053(g) is amended to read:

(g) If an oil refinery ceases commercial operation during the nine calendar years immediately following the calendar year in which a credit under **former (a) of** this section was received, regardless of whether commercial operation later resumes, the taxpayer's tax liability under this chapter will be increased. The tax liability increase is equal to the total amount of credit taken multiplied by a fraction

(1) the numerator of which is the difference between 10 and the number of calendar years for which the oil refinery was eligible for a credit under former (a) of this section; and

(2) the denominator of which is 10.

\* **Sec. 5.** AS 43.20.053(h) is amended to read:

(h) A person claiming a tax credit under former (a) of this section for an oil refinery that ceases commercial operation or is sold during the nine calendar years immediately following the calendar year in which a credit under former (a) of this section was received shall notify the department in writing of the date the oil refinery ceased commercial operation or was sold. The notice must be filed with the return for the tax year in which the oil refinery ceases commercial operation or was sold.

\* **Sec. 6.** AS 43.20.053(i) is amended to read:

(i) The issuance of a refund under former (d) of this section does not limit the department's ability to later audit or adjust the claim as provided in AS 43.05 if the department determines that the taxpayer claiming the credit was not entitled to the amount of the credit."

Renumber the following bill sections accordingly.

Page 4, line 20:

Delete "sec. 5"

Insert "sec. 8"

Page 7, line 8:

Delete "sec. 9"

Insert "sec. 12"

Page 13, line 27:

Delete "43.20.053."

Insert "former AS 43.20.053(d)."

Page 13, line 30:

Delete ":"

Insert "[43.20.053]."

Page 14, line 26:

Delete "sec. 19"  
Insert "sec. 22"

Page 15, following line 21:

Insert a new bill section to read:

"\* **Sec. 24.** AS 43.55.028(g) is amended to read:

(g) The department shall adopt regulations to carry out the purposes of this section, including standards and procedures to allocate available money among applications for purchases under this chapter and claims for refunds and payments under AS 43.20.046, 43.20.047, or **former AS 43.20.053(d)** [43.20.053] when the total amount of the applications for purchase and claims for refund exceed the amount of available money in the fund. The regulations adopted by the department

(1) may not, when allocating available money in the fund under this section, distinguish an application for the purchase of a credit certificate issued under former AS 43.55.023(m) or a claim for a refund or payment under AS 43.20.046, 43.20.047, or **former AS 43.20.053(d)** [43.20.053];

(2) must, when allocating available money in the fund under this section, grant a preference, between two applicants, to the applicant with a higher percentage of resident workers in the applicant's workforce, including workers employed by the applicant's direct contractors, in the state in the previous calendar year; in this paragraph, "resident worker" has the meaning given in AS 43.40.092(b);

(3) must provide for the purchase of the amount equal to the first 50 percent of the credit repurchase limit for each person under (e) of this section at a rate of 100 percent of the value of the certificate or portion of the certificate requested to be purchased and the amount equal to the next 50 percent of the credit repurchase limit for each person under (e) of this section at a rate of 75 percent of the value of the certificate or portion of the certificate requested to be purchased."

Renumber the following bill sections accordingly.

Page 19, line 11:

Delete "AS 43.55.023(b) is"

Insert "AS 43.20.053(a), 43.20.053(b), 43.20.053(c), 43.20.053(d), 43.20.053(e), 43.20.053(f), 43.20.053(j); and AS 43.55.023(b) are"

Page 19, following line 11:

Insert a new bill section to read:

"\* **Sec. 34.** AS 43.20.053(g), 43.20.053(h), and 43.20.053(i) are repealed January 1, 2027."

Renumber the following bill sections accordingly.

Page 19, line 12:

Delete ", AS 43.20.053(e)"

Page 19, line 18:

Delete "secs. 9, 12, and 15"

Insert "secs. 12, 15, and 18"

Page 19, line 23:

Delete "sec. 4"

Insert "sec. 7"

Delete "sec. 7"

Insert "sec. 10"

Page 19, line 24:

Delete "sec. 14"

Insert "sec. 17"

Page 19, line 31:

Delete "secs. 24 and 27"

Insert "secs. 28 and 31"

Page 20, line 1:

Delete "secs. 24 and 27"

Insert "secs. 28 and 31"

Page 20, line 11:

Delete "sec. 30"

Insert "sec. 35"

Page 20, line 12:  
Delete "sec. 30"  
Insert "sec. 35"

Page 20, line 14:  
Delete "sec. 30"  
Insert "sec. 35"

Page 20, following line 14:  
Insert a new bill section to read:  
"**\* Sec. 41.** The uncodified law of the State of Alaska is amended by adding a new section to read:

TRANSITION: QUALIFIED IN-STATE OIL REFINERY INFRASTRUCTURE EXPENDITURES TAX CREDIT. Notwithstanding the repeal of AS 43.20.053(a) - (f) and (j) by sec. 33 of this Act, the amendments to AS 43.20.053(g) - (i) by secs 4 - 6 of this Act, and the amendments to AS 43.55.028(a) and (g) by secs. 21 and 34 of this Act,

(1) a taxpayer that incurs a qualified infrastructure expenditure before the repeal of AS 43.20.053(a) - (f) and (j) by sec. 33 of this Act that qualifies for a qualified in-state oil refinery infrastructure expenditures tax credit under AS 43.20.053 may apply for a tax credit under AS 43.20.053, as that section read on the day before the repeal of AS 43.20.053(a) - (f) and (j) by sec. 33 of this Act, may apply for a refund or payment under AS 43.55.028, as that section read on the day before the effective date of secs. 21 and 24 of this Act, or may carry forward a credit subject to the limitations of AS 43.20.053(b), as that subsection read on the day before the repeal of AS 43.20.053(b) by sec. 33 of this Act;

(2) the Department of Revenue may, for a qualified infrastructure expenditure incurred before the repeal of AS 43.20.053(a) - (f) and (j) by sec. 33 of this Act, issue a refund under AS 43.20.053 and AS 43.55.028(a) and (g), as those sections read on the day before the repeal of AS 43.20.053(a) - (f) and (j) by sec. 33 of this Act and continue to apply and enforce AS 43.20.053, as that section read on the day before the repeal of AS 43.20.053(a) - (f) and (j) by sec. 33 of this Act."

Renumber the following bill sections accordingly.

Page 20, line 18:

Delete "sec. 29"  
Insert "sec. 33"

Page 20, line 19:

Delete "secs. 22, 23, 25, and 28"  
Insert "secs. 26, 27, 29, and 32"

Page 20, line 20:

Delete "sec. 29"  
Insert "sec. 33"

Page 20, line 24:

Delete "sec. 29"  
Insert "sec. 33"

Page 20, line 26:

Delete "sec. 29"  
Insert "sec. 33"

Page 20, line 27:

Delete "sec. 29"  
Insert "sec. 33"

Page 21, lines 1 - 2:

Delete "sec. 30"  
Insert "sec. 35"

Page 21, line 12:

Delete "6, 8, 30, 35, and 37"  
Insert "9, 11, 35, 40, and 43"

Page 21, line 27:

Delete "4, 7, 9, 12 - 15, 17, 19, 31, 32, 38, and 39"  
Insert "7, 10, 12, 15 - 18, 20, 22, 36, 37, 44, and 45"

Page 21, line 29:

Delete "Section 24"  
Insert "Section 28"

Page 21, following line 30:

Insert a new bill section to read:

"\* **Sec. 48.** Section 34 of this Act takes effect January 1, 2027."

Renumber the following bill sections accordingly.

Page 21, line 31:

Delete "sec. 39"

Insert "sec. 45"

Delete "6, 8, 30, 35, and 37"

Insert "9, 11, 35, 40, and 43"

Page 22, line 3:

Delete "sec. 39"

Insert "sec. 45"

Page 22, line 5:

Delete "secs. 40 - 42"

Insert "secs. 46 - 49"

Senator Wielechowski moved for the adoption of Amendment No. 8.  
Senator MacKinnon objected.

The question being: "Shall Amendment No. 8 be adopted?" The roll was taken with the following result:

SCS CSHB 111(FIN)

Second Reading

Amendment No. 8?

**YEAS: 6 NAYS: 13 EXCUSED: 1 ABSENT: 0**

Yea: Begich, Dunleavy, Egan, Gardner, Olson, Wielechowski

Nay: Bishop, Coghill, Costello, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Stevens, von Imhof, Wilson

Excused: Stedman

and so, Amendment No. 8 failed.

Senator Wielechowski offered Amendment No. 9:

Page 1, line 4, following "certificates;":

Insert "relating to information concerning tax credits, lease expenditures, and oil and gas taxes and relating to the disclosure of that information to the public;"

Page 1, following line 7:

Insert a new bill section to read:

"\* **Section 1.** AS 40.25.100(a) is amended to read:

(a) Information in the possession of the Department of Revenue that discloses the particulars of the business or affairs of a taxpayer or other person, including information under AS 38.05.020(b)(11) that is subject to a confidentiality agreement under AS 38.05.020(b)(12), is not a matter of public record, except as provided in AS 43.05.230(i) - (n) [AS 43.05.230(i) - (l)] or for purposes of investigation and law enforcement. The information shall be kept confidential except when its production is required in an official investigation, administrative adjudication under AS 43.05.405 - 43.05.499, or court proceeding. These restrictions do not prohibit the publication of statistics presented in a manner that prevents the identification of particular reports and items, prohibit the publication of tax lists showing the names of taxpayers who are delinquent and relevant information that may assist in the collection of delinquent taxes, or prohibit the publication of records, proceedings, and decisions under AS 43.05.405 - 43.05.499."

Page 1, line 8:

Delete "**Section 1**"

Insert "**Sec. 2**"

Renumber the following bill sections accordingly.

Page 2, following line 21:

Insert new bill sections to read:

"\* **Sec. 3.** AS 43.05.230(l) is amended to read:

(l) The [FOR TAX CREDIT CERTIFICATES PURCHASED BY THE DEPARTMENT IN THE PRECEDING CALENDAR YEAR UNDER AS 43.55.028, THE] department shall make the following information public by April 30 of each year:

(1) for tax credit certificates issued or purchased by the department in the preceding calendar year under AS 43.55.028:

(A) the name of each person to which a transferable tax certificate was issued or from which the department purchased a transferable tax credit certificate; and

(B) [(2)] the aggregate amount of the tax credit certificates purchased from the person in the preceding calendar year;

(C) the aggregate amount of the tax credit certificates issued to the person in the preceding calendar year; and

(2) unless otherwise prohibited by law, information submitted during the previous calendar year under AS 43.55.030(a)(10) and (e)(3).

\* Sec. 4. AS 43.05.230 is amended by adding new subsections to read:

(m) The department may disclose information otherwise publicly available

(1) on a return filed for a tax due under AS 43.55; or

(2) related to a credit received under AS 43.20.046, 43.20.047, 43.20.049, 43.20.052, or 43.20.053.

(n) The name of each person claiming a credit, the amount of credit received for each oil refinery, and a description of the expenditures for which each credit is claimed under AS 43.20.053 is public information. The department shall make the following information public by April 30 of each year:

(1) the name of each person who claimed a tax credit under AS 43.20.053 in the preceding calendar year;

(2) for each refinery for which a tax credit was claimed under AS 43.20.053 in the preceding calendar year,

(A) the aggregate amount of tax credits claimed for that refinery;

(B) a description of any potential benefits to the state or residents of the state, including the estimated monetary value;

(3) a brief description of the qualified infrastructure expenditures for which each tax credit claimed under AS 43.20.053 in the preceding calendar year was claimed; and

(4) for each refinery for which an expenditure is the basis of a credit under AS 43.20.053, the aggregate amount of unused tax credits or portions of tax credits."

Renumber the following bill sections accordingly.

Page 4, line 20:

Delete "sec. 5"  
Insert "sec. 8"

Page 7, line 8:

Delete "sec. 9"  
Insert "sec. 12"

Page 14, line 26:

Delete "sec. 19"  
Insert "sec. 22"

Page 16, following line 3:

Insert new bill sections to read:

**"\* Sec. 25. AS 43.55.030(a) is amended to read:**

(a) A producer that produces oil or gas from a lease or property in the state during a calendar year, whether or not any tax payment is due under AS 43.55.020(a) for that oil or gas, shall file with the department on March 31 of the following year a statement, under oath, in a form prescribed by the department, giving, with other information required under a regulation adopted by the department, the following:

(1) a description of each lease or property from which oil or gas was produced, by name, legal description, lease number, or accounting codes assigned by the department;

(2) the names of the producer and, if different, the person paying the tax, if any;

(3) the gross amount of oil and the gross amount of gas produced from each lease or property, separately identifying the gross amount of gas produced from each oil and gas lease to which an effective election under AS 43.55.014(a) applies, the amount of gas delivered to the state under AS 43.55.014(b), and the percentage of the gross amount of oil and gas owned by the producer;

(4) the gross value at the point of production of the oil and of the gas produced from each lease or property owned by the producer and the costs of transportation of the oil and gas;

(5) the name of the first purchaser and the price received for the oil and for the gas, unless relieved from this requirement in whole or in part by the department;

(6) the producer's qualified capital expenditures, as defined in AS 43.55.023, other lease expenditures under AS 43.55.165, and adjustments or other payments or credits under AS 43.55.170;

(7) the production tax values of the oil and gas under AS 43.55.160(a) or of the oil under AS 43.55.160(h), as applicable;

(8) any claims for tax credits to be applied; [AND]

(9) calculations showing the amounts, if any, that were or are due under AS 43.55.020(a) and interest on any underpayment or overpayment; **and**

**(10) for each expenditure that is the basis of a lease expenditure carried forward under AS 43.55.165(a)(3) or a credit claimed under AS 43.55.023 or 43.55.025, a description of the expenditure and a description of the lease or property for which the expenditure was incurred.**

\* **Sec. 26.** AS 43.55.030(e) is amended to read:

(e) An explorer or producer that incurs a lease expenditure under AS 43.55.165 or receives a payment or credit under AS 43.55.170 during a calendar year but does not produce oil or gas from a lease or property in the state during the calendar year shall file with the department, on March 31 of the following year, a statement, under oath, in a form prescribed by the department, giving, with other information required **under a regulation adopted by the department**, the following:

(1) the explorer's or producer's qualified capital expenditures, as defined in AS 43.55.023, other lease expenditures under AS 43.55.165, and adjustments or other payments or credits under AS 43.55.170; [AND]

(2) if the explorer or producer receives a payment or credit under AS 43.55.170, calculations showing whether the explorer or producer is liable for a tax under AS 43.55.160(d) or 43.55.170(b) and, if so, the amount; and

(3) for each expenditure that is the basis of a lease expenditure carried forward under AS 43.55.165(a)(3) or a credit claimed under this chapter, a description of the expenditure and a description of the lease or property for which the expenditure was incurred."

Renumber the following bill sections accordingly.

Page 19, line 17:

Delete "sec. 2"

Insert "sec. 5"

Page 19, line 18:

Delete "secs. 9, 12, and 15"

Insert "secs. 12, 15, and 18"

Page 19, line 23:

Delete "sec. 4"

Insert "sec. 7"

Delete "sec. 7"

Insert "sec. 10"

Page 19, line 24:

Delete "sec. 14"

Insert "sec. 17"

Page 19, line 31:

Delete "secs. 24 and 27"

Insert "secs. 29 and 32"

Page 20, line 1:  
Delete "secs. 24 and 27"  
Insert "secs. 29 and 32"

Page 20, line 5:  
Delete "sec. 1"  
Insert "sec. 2"

Page 20, line 7:  
Delete "sec. 1"  
Insert "sec. 2"

Page 20, line 11:  
Delete "sec. 30"  
Insert "sec. 35"

Page 20, line 12:  
Delete "sec. 30"  
Insert "sec. 35"

Page 20, line 14:  
Delete "sec. 30"  
Insert "sec. 35"

Page 20, line 18:  
Delete "sec. 29"  
Insert "sec. 34"

Page 20, line 19:  
Delete "secs. 22, 23, 25, and 28"  
Insert "secs. 27, 28, 30, and 33"

Page 20, line 20:  
Delete "sec. 29"  
Insert "sec. 34"

Page 20, line 24:  
Delete "sec. 29"  
Insert "sec. 34"

Page 20, line 26:

Delete "sec. 29"  
Insert "sec. 34"

Page 20, line 27:

Delete "sec. 29"  
Insert "sec. 34"

Page 21, lines 1 - 2:

Delete "sec. 30"  
Insert "sec. 35"

Page 21, line 12:

Delete "Sections 3, 6, 8, 30, 35, and 37"  
Insert "Sections 6, 9, 11, 35, 40, and 42"

Page 21, line 27:

Delete "Sections 2, 4, 7, 9, 12 - 15, 17, 19, 31, 32, 38, and 39"  
Insert "Sections 5, 7, 10, 12, 15 - 18, 20, 22, 36, 37, 43, and 44"

Page 21, line 29:

Delete "Section 24"  
Insert "Section 29"

Page 21, line 31:

Delete "sec. 39"  
Insert "sec. 44"  
Delete "secs. 3, 6, 8, 30, 35, and 37"  
Insert "secs. 6, 9, 11, 35, 40, and 42"

Page 22, line 3:

Delete "sec. 39"  
Insert "sec. 44"

Page 22, line 5:

Delete "secs. 40 - 42"  
Insert "secs. 45 - 47"

Senator Wielechowski moved for the adoption of Amendment No. 9. Senator Giessel objected.

The question being: "Shall Amendment No. 9 be adopted?" The roll was taken with the following result:

SCS CSHB 111(FIN)

Second Reading

Amendment No. 9?

**YEAS: 5 NAYS: 14 EXCUSED: 1 ABSENT: 0**

Yeas: Begich, Egan, Gardner, Olson, Wielechowski

Nays: Bishop, Coghill, Costello, Dunleavy, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Stevens, von Imhof, Wilson

Excused: Stedman

and so, Amendment No. 9 failed.

SENATE CS FOR CS FOR HOUSE BILL NO. 111(FIN) was automatically in third reading.

Senator Meyer rose to a point of personal privilege.

The question being: "Shall SENATE CS FOR CS FOR HOUSE BILL NO. 111(FIN) "An Act relating to credits against the oil and gas production tax; relating to the applicability of certain credits earned under the oil and gas production tax to the tax on corporations; relating to tax credit certificates against the oil and gas production tax and the issuance and assignment of those certificates; relating to interest applicable to delinquent taxes; relating to lease expenditures; relating to the oil and gas tax credit fund; and providing for an effective date" pass the Senate?" The roll was taken with the following result:

SCS CSHB 111(FIN)

Third Reading - Final Passage

Effective Dates

**YEAS: 14 NAYS: 5 EXCUSED: 1 ABSENT: 0**

Yea: Bishop, Coghill, Costello, Dunleavy, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Stevens, von Imhof, Wilson

Nay: Begich, Egan, Gardner, Olson, Wielechowski

Excused: Stedman

and so SENATE CS FOR CS FOR HOUSE BILL NO. 111(FIN) passed the Senate.

Senator Micciche moved and asked unanimous consent that the vote on the passage of the bill be considered the vote on the effective date clauses. Without objection, it was so ordered.

### **SCR 12**

Senator Micciche moved and asked unanimous consent to take up SENATE CONCURRENT RESOLUTION NO. 12, which had been held on the Secretary's desk (page 1065). Without objection, the resolution was before the Senate on final passage.

The question being: "Shall SENATE CONCURRENT RESOLUTION NO. 12 Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning House Bill No. 111, relating to the oil and gas production tax, tax payments, and credits; relating to interest applicable to delinquent oil and gas production tax; relating to carried-forward lease expenditures based on losses and limiting those lease expenditures to an amount equal to the gross value at the point of production of oil and gas produced from the lease or property where the lease expenditure was incurred; relating to information concerning tax credits, lease expenditures, and oil and gas taxes; relating to the disclosure of that information to the public; relating to an adjustment in the gross value at the point of production; and relating to a legislative working group, pass the Senate?" The roll was taken with the following result:

SCR 12  
Final Passage

**YEAS: 15 NAYS: 4 EXCUSED: 1 ABSENT: 0**

Yea: Bishop, Coghill, Costello, Dunleavy, Egan, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Stevens, von Imhof, Wilson

Nay: Begich, Gardner, Olson, Wielechowski

Excused: Stedman

and so, SENATE CONCURRENT RESOLUTION NO. 12 passed the Senate and was referred to the Secretary for engrossment.

### **Unfinished Business**

Senator Dunleavy moved and asked unanimous consent to be excused from a call of the Senate from afternoon plane time, May 25 through morning plane time, May 29; and from afternoon plane time, June 2 through morning plane time, June 4. Without objection, Senator Dunleavy was excused.

Senator Hughes moved and asked unanimous consent to be excused from a call of the Senate from morning plane time, June 6 through evening plane time, June 11. Without objection, Senator Hughes was excused.

### **Reconsideration of House Bills**

#### **HB 111**

Senator Wielechowski gave notice of reconsideration on SENATE CS FOR CS FOR HOUSE BILL NO. 111(FIN) "An Act relating to credits against the oil and gas production tax; relating to the applicability of certain credits earned under the oil and gas production tax to the tax on corporations; relating to tax credit certificates against the oil and gas production tax and the issuance and assignment of those certificates; relating to interest applicable to delinquent taxes; relating to lease expenditures; relating to the oil and gas tax credit fund; and providing for an effective date."

Senator Micciche moved and asked unanimous consent the reconsideration be taken up the same day. Senator Gardner objected.

The question being: "Shall the reconsideration be taken up the same day?" The roll was taken with the following result:

SCS CSHB 111(FIN)  
Take up Reconsideration Same Day?

**YEAS: 14 NAYS: 5 EXCUSED: 1 ABSENT: 0**

Yea: Bishop, Coghill, Costello, Dunleavy, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Stevens, von Imhof, Wilson

Nay: Begich, Egan, Gardner, Olson, Wielechowski

Excused: Stedman

and so, the bill was before the Senate on reconsideration.

The question to be reconsidered: "Shall SENATE CS FOR CS FOR HOUSE BILL NO. 111(FIN) "An Act relating to credits against the oil and gas production tax; relating to the applicability of certain credits earned under the oil and gas production tax to the tax on corporations; relating to tax credit certificates against the oil and gas production tax and the issuance and assignment of those certificates; relating to interest applicable to delinquent taxes; relating to lease expenditures; relating to the oil and gas tax credit fund; and providing for an effective date" pass the Senate?" The roll was taken with the following result:

SCS CSHB 111(FIN)  
Third Reading - On Reconsideration

**YEAS: 14 NAYS: 5 EXCUSED: 1 ABSENT: 0**

Yea: Bishop, Coghill, Costello, Dunleavy, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Stevens, von Imhof, Wilson

Nay: Begich, Egan, Gardner, Olson, Wielechowski

Excused: Stedman

and so, SENATE CS FOR CS FOR HOUSE BILL NO. 111(FIN) passed the Senate on reconsideration.

Senator Micciche moved and asked unanimous consent that the vote on the passage of the bill be considered the vote on the effective date clauses. Senator Gardner objected.

The question being: "Shall the effective date clauses be adopted?" The roll was taken with the following result:

SCS CSHB 111(FIN)  
Effective Date Clauses

**YEAS: 14 NAYS: 5 EXCUSED: 1 ABSENT: 0**

Yea: Bishop, Coghill, Costello, Dunleavy, Giessel, Hoffman, Hughes, Kelly, MacKinnon, Meyer, Micciche, Stevens, von Imhof, Wilson

Nay: Begich, Egan, Gardner, Olson, Wielechowski

Excused: Stedman

and so, the effective date clauses were adopted and the bill was referred to the Secretary for engrossment.

### **Announcements**

Rule 23(d) of the Alaska State Legislature Uniform Rules is currently in effect.

Announcements are at the end of the journal.

### **Engrossment**

#### **HB 16**

SENATE CS FOR HOUSE BILL NO. 16(RLS) am S "An Act relating to training regarding disabilities for police officers, probation officers, parole officers, correctional officers, and village public safety officers; relating to rights and responsibilities for drivers when encountering or being stopped by a peace officer; relating to a voluntary disability designation on a state identification card and a driver's license; relating to the implementation of the federal REAL ID Act of 2005; relating to issuance of identification cards and drivers' licenses; relating to data

sharing by the Department of Administration; and providing for an effective date" was engrossed, signed by the President and Secretary and returned to the House for consideration.

**HB 111**

SENATE CS FOR CS FOR HOUSE BILL NO. 111(FIN) "An Act relating to credits against the oil and gas production tax; relating to the applicability of certain credits earned under the oil and gas production tax to the tax on corporations; relating to tax credit certificates against the oil and gas production tax and the issuance and assignment of those certificates; relating to interest applicable to delinquent taxes; relating to lease expenditures; relating to the oil and gas tax credit fund; and providing for an effective date" was engrossed, signed by the President and Secretary and returned to the House for consideration.

**SCR 8**

SENATE CONCURRENT RESOLUTION NO. 8 Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning House Bill No. 16, relating to training regarding disabilities for police officers, probation officers, parole officers, correctional officers, and village public safety officers; relating to guidelines for drivers when encountering or being stopped by a peace officer; relating to driver's license examinations; and relating to a voluntary disability designation on a state identification card and a driver's license, was engrossed, signed by the President and Secretary and transmitted to the House for consideration.

**SCR 12**

SENATE CONCURRENT RESOLUTION NO. 12 Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, concerning House Bill No. 111, relating to the oil and gas production tax, tax payments, and credits; relating to interest applicable to delinquent oil and gas production tax; relating to carried-forward lease expenditures based on losses and limiting those lease expenditures to an amount equal to the gross value at the point of production of oil and gas produced from the lease or property where the lease expenditure was incurred; relating to information concerning tax credits, lease expenditures, and oil and gas taxes; relating to the disclosure of that information to the public; relating to an adjustment

in the gross value at the point of production; and relating to a legislative working group, was engrossed, signed by the President and Secretary and transmitted to the House for consideration.

**Adjournment**

Senator Micciche moved and asked unanimous consent that the Senate stand in adjournment until 11:00 a.m., May 16, 2017. Without objection, the Senate adjourned at 4:23 p.m.

Liz Clark  
Secretary of the Senate

**Announcements**

Americans with Disabilities Act Notice - Persons with disabilities who require special accommodation or alternative communication formats to access committee meetings may contact the appropriate committee office or the Legislative Information Office in their community. Reasonable advance notice is needed to accommodate the request. For further information, call the ADA Coordinator at 465-3854 Voice/465-4980 TDD.

**STANDING COMMITTEES**

+ indicates teleconference  
= indicates bill previously heard/scheduled

**COMMUNITY & REGIONAL AFFAIRS**

|               |                      |                           |                |
|---------------|----------------------|---------------------------|----------------|
| <b>May 16</b> | <b>Tuesday</b>       | <b>Beltz 105 (tsbldg)</b> | <b>3:30 PM</b> |
|               | No Meeting Scheduled |                           |                |
| <b>May 18</b> | <b>Thursday</b>      | <b>Beltz 105 (tsbldg)</b> | <b>3:30 PM</b> |
|               | No Meeting Scheduled |                           |                |

**EDUCATION**

|               |                      |                      |                |
|---------------|----------------------|----------------------|----------------|
| <b>May 15</b> | <b>Monday</b>        | <b>Butrovich 205</b> | <b>8:00 AM</b> |
|               | No Meeting Scheduled |                      |                |
| <b>May 17</b> | <b>Wednesday</b>     | <b>Butrovich 205</b> | <b>8:00 AM</b> |
|               | No Meeting Scheduled |                      |                |
| <b>May 19</b> | <b>Friday</b>        | <b>Butrovich 205</b> | <b>8:00 AM</b> |
|               | No Meeting Scheduled |                      |                |

**FINANCE**

|               |  |                           |                |
|---------------|--|---------------------------|----------------|
| <b>May 15</b> | <b>Monday</b>                              | <b>Senate Finance 532</b> | <b>1:30 PM</b> |
|               | -- Delayed to 5:00 p.m. --                 |                           |                |
| +             | Bills Previously Heard/Scheduled           |                           |                |
| +=            | HB 222 LICENSURE OF MANICURISTS/NAIL TECHS |                           |                |

**FINANCE (continued)**

|               |                                  |                           |                |
|---------------|----------------------------------|---------------------------|----------------|
| <b>May 16</b> | <b>Tuesday</b>                   | <b>Senate Finance 532</b> | <b>1:30 PM</b> |
| + HB 132      | TRANSPORTATION NETWORK COMPANIES |                           |                |
|               | <Pending Referral>               |                           |                |
| +             | Bills Previously Heard/Scheduled |                           |                |

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**HEALTH & SOCIAL SERVICES**

|               |                      |                      |                |
|---------------|----------------------|----------------------|----------------|
| <b>May 15</b> | <b>Monday</b>        | <b>Butrovich 205</b> | <b>1:30 PM</b> |
|               | No Meeting Scheduled |                      |                |
| <b>May 17</b> | <b>Wednesday</b>     | <b>Butrovich 205</b> | <b>1:30 PM</b> |
|               | No Meeting Scheduled |                      |                |
| <b>May 19</b> | <b>Friday</b>        | <b>Butrovich 205</b> | <b>1:30 PM</b> |
|               | No Meeting Scheduled |                      |                |

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**STATE AFFAIRS**

|               |                      |                      |                |
|---------------|----------------------|----------------------|----------------|
| <b>May 16</b> | <b>Tuesday</b>       | <b>Butrovich 205</b> | <b>3:30 PM</b> |
|               | No Meeting Scheduled |                      |                |
| <b>May 18</b> | <b>Thursday</b>      | <b>Butrovich 205</b> | <b>3:30 PM</b> |
|               | No Meeting Scheduled |                      |                |

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**JOINT COMMITTEES****LEGISLATIVE COUNCIL**

|               |                   |                          |                |
|---------------|-------------------|--------------------------|----------------|
| <b>May 18</b> | <b>Thursday</b>   | <b>House Finance 519</b> | <b>9:00 AM</b> |
| +             | Contract Approval |                          |                |
|               | - Wasilla LIO     |                          |                |

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**CONFERENCE COMMITTEES**

**CONFERENCE COMMITTEES ON HB 57 AND HB 59**

**May 15      Monday                      Senate Finance 532              1:00 PM**  
HB 57 APPROP: OPERATING BUDGET/LOANS/FUNDS  
HB 59 APPROP: MENTAL HEALTH BUDGET  
Organizational Meeting

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**OTHER MEETINGS**

**JOINT SESSION**

**May 16      Tuesday                      House Chamber              1:00 PM**  
+ Consideration of the Governor's Appointees