

**ALASKA STATE LEGISLATURE
HOUSE RESOURCES STANDING COMMITTEE**

February 9, 2024

1:03 p.m.

MEMBERS PRESENT

Representative Tom McKay, Chair
Representative George Rauscher, Vice Chair
Representative Thomas Baker
Representative Dan Saddler
Representative Jennie Armstrong (via Teams)
Representative Donna Mears
Representative Maxine Dibert

MEMBERS ABSENT

Representative Kevin McCabe
Representative Stanley Wright

COMMITTEE CALENDAR

HOUSE BILL NO. 257

"An Act requiring the Department of Natural Resources to make Cook Inlet seismic survey data available to certain persons; and providing for an effective date."

- HEARD & HELD

HOUSE BILL NO. 222

"An Act relating to the Alaska permanent fund and the income and investments of the fund; relating to the permanent fund dividend; and providing for an effective date."

- HEARD & HELD

HOUSE BILL NO. 223

"An Act relating to the production tax and royalty rates on certain gas; and providing for an effective date."

- HEARD & HELD

HOUSE BILL NO. 281

"An Act relating to the permitting, lease, and sale of state land for remote recreational cabin sites; and providing for an effective date."

- HEARD & HELD

PRESENTATION(S): OIL AND GAS UTILIZATION ISSUES

- REMOVED FROM AGENDA

PREVIOUS COMMITTEE ACTION

BILL: HB 257

SHORT TITLE: COOK INLET SEISMIC DATA

SPONSOR(S): REPRESENTATIVE(S) MCKAY

01/16/24	(H)	PREFILE RELEASED 1/12/24
01/16/24	(H)	READ THE FIRST TIME - REFERRALS
01/16/24	(H)	RES
02/05/24	(H)	RES AT 1:00 PM BARNES 124
02/05/24	(H)	Heard & Held
02/05/24	(H)	MINUTE(RES)
02/09/24	(H)	RES AT 1:00 PM BARNES 124

BILL: HB 222

SHORT TITLE: PERMANENT FUND/AIDEA FUND INVESTMENTS

SPONSOR(S): REPRESENTATIVE(S) SUMNER

01/16/24	(H)	PREFILE RELEASED 1/8/24
01/16/24	(H)	READ THE FIRST TIME - REFERRALS
01/16/24	(H)	RES, FIN
02/02/24	(H)	RES AT 1:00 PM BARNES 124
02/02/24	(H)	Heard & Held
02/02/24	(H)	MINUTE(RES)
02/09/24	(H)	RES AT 1:00 PM BARNES 124

BILL: HB 223

SHORT TITLE: TAX & ROYALTY FOR CERTAIN GAS

SPONSOR(S): REPRESENTATIVE(S) RAUSCHER

01/16/24	(H)	PREFILE RELEASED 1/8/24
01/16/24	(H)	READ THE FIRST TIME - REFERRALS
01/16/24	(H)	RES, FIN
01/31/24	(H)	RES AT 1:00 PM BARNES 124
01/31/24	(H)	Heard & Held
01/31/24	(H)	MINUTE(RES)
02/07/24	(H)	RES AT 1:00 PM BARNES 124
02/07/24	(H)	<Bill Hearing Rescheduled to 02/09/24>
02/09/24	(H)	RES AT 1:00 PM BARNES 124

BILL: HB 281

SHORT TITLE: STATE LAND FOR REMOTE REC CABIN SITES
SPONSOR(s): RULES BY REQUEST OF THE GOVERNOR

01/22/24	(H)	READ THE FIRST TIME - REFERRALS
01/22/24	(H)	RES, FIN
01/29/24	(H)	RES AT 1:00 PM BARNES 124
01/29/24	(H)	Heard & Held
01/29/24	(H)	MINUTE(RES)
02/07/24	(H)	RES AT 1:00 PM BARNES 124
02/07/24	(H)	Heard & Held
02/07/24	(H)	MINUTE(RES)
02/09/24	(H)	RES AT 1:00 PM BARNES 124

WITNESS REGISTER

TREVOR JEPSEN, Staff
Representative Tom McKay
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing on HB 257 on behalf of Representative McKay, prime sponsor.

RACHEL LONGACRE, Chief of Operations
Division of Mining, Land and Water
Department of Natural Resources
Palmer, Alaska

POSITION STATEMENT: Answered questions during the hearing on HB 281.

LYNN WILLIS, representing self
Eagle River, Alaska

POSITION STATEMENT: Testified during the hearing on HB 223.

ACTION NARRATIVE

[1:03:12 PM](#)

CHAIR MCKAY called the House Resources Standing Committee meeting to order at 1:03 p.m. Representatives Mears, Dibert, Armstrong (via Teams), Saddler, Baker, Rauscher, and McKay were present at the call to order.

HB 257-COOK INLET SEISMIC DATA

[1:06:43 PM](#)

CHAIR MCKAY announced that the first order of business would be HOUSE BILL NO. 257, "An Act requiring the Department of Natural Resources to make Cook Inlet seismic survey data available to certain persons; and providing for an effective date."

[1:07:09 PM](#)

TREVOR JEPSEN, Staff, Representative Tom McKay, Alaska State Legislature, provided a correction to HB 257 from a previous committee meeting. He explained that slide 5 of a PowerPoint had referenced "state infrastructure," which would imply that the state would have to pay, which was inaccurate as he had not meant to imply a funding source. He clarified that the investment would come from the private sector.

[1:08:02 PM](#)

CHAIR MCKAY opened public testimony on HB 257. After ascertaining that no one wished to testify, he closed public testimony.

[1:08:30 PM](#)

CHAIR MCKAY announced that HB 247 was held over.

HB 222-PERMANENT FUND/AIDEA FUND INVESTMENTS

[1:08:40 PM](#)

CHAIR MCKAY announced that the next order of business would be HOUSE BILL NO. 222, "An Act relating to the Alaska permanent fund and the income and investments of the fund; relating to the permanent fund dividend; and providing for an effective date."

[1:08:51 PM](#)

CHAIR MCKAY opened public testimony on HB 222. After ascertaining that no one wished to testify, he closed public testimony.

[HB 222 was held over.]

HB 223-TAX & ROYALTY FOR CERTAIN GAS

CHAIR MCKAY announced that the next order of business would be HOUSE BILL NO. 223, "An Act relating to the production tax and

royalty rates on certain gas; and providing for an effective date."

[1:09:44 PM](#)

CHAIR MCKAY opened public testimony on HB 223.

[A public testifier attempted to testify but could not be heard clearly.]

[1:11:17 PM](#)

REPRESENTATIVE MEARS noted a forthcoming committee substitute (CS) to HB 223 and requested that public testimony remain open.

[1:11:34 PM](#)

CHAIR MCKAY accommodated Representative Mears' request.

[1:11:47 PM](#)

The committee took an at-ease from 1:11 p.m. to 1:12 p.m.

[1:12:54 PM](#)

CHAIR MCKAY confirmed that public testimony would be held open until the CS to HB 223 was before the committee.

[HB 223 was held over and taken back up later in the meeting.]

HB 281-STATE LAND FOR REMOTE REC CABIN SITES

[1:13:13 PM](#)

CHAIR MCKAY announced that the next order of business would be HOUSE BILL NO. 281, "An Act relating to the permitting, lease, and sale of state land for remote recreational cabin sites; and providing for an effective date."

CHAIR MCKAY noted testifiers present to address comments from a previous meeting.

[1:14:10 PM](#)

RACHEL LONGACRE, Chief of Operations, Division of Mining, Land and Water, Department of Natural Resources, addressed the level of fire protection raised by testifier James Squyres from the

previous committee meeting on 2/7/24. She said some state-owned lands are in areas with limited or no fire protection and a parcel's location could also impact what services are available. She said parcels are recommended to be included in a database to aid in fire management and known infrastructures and location.

[1:15:19 PM](#)

REPRESENTATIVE SADDLER asked for Ms. Longacre's comments in writing.

MS. LONGACRE responded that she would supply the request to the committee.

[1:15:43 PM](#)

REPRESENTATIVE RAUSCHER inquired about large families with large pieces of property on hunting grounds.

MS. LONGACRE answered that she would need to walk through the process a bit more carefully, given the size of the example. She offered to provide her answer to the committee in writing.

REPRESENTATIVE RAUSCHER addressed a previous comment that the fiscal note should be larger because of a cabin being out on state land, and it may constitute a bigger expense on the state.

MS. LONGACRE responded that one testifier's concern was the cost of administering fire protection. She reiterated that she could supply in writing her explanation on various levels of fire protection.

[1:18:14 PM](#)

REPRESENTATIVE SADDLER offered his belief that the testifier expressed concern that HB 281 may allow motivated individuals to form a consortium, and whether the bill would allow someone to take the best parcels for themselves.

MS. LONGACRE said that the example provided eight or more parcels in a string, and she wished to thoroughly answer the question in writing, which she opined would be easier to digest.

[1:19:24 PM](#)

CHAIR MCKAY announced that HB 281 was held over.

[1:19:54 PM](#)

The committee took an at-ease from 1:19 p.m. to 1:20 p.m.

HB 223-TAX & ROYALTY FOR CERTAIN GAS

[1:20:19 PM](#)

CHAIR MCKAY announced that the final order of business would be a return to HB 223, "An Act relating to the production tax and royalty rates on certain gas; and providing for an effective date."

[1:20:56 PM](#)

LYNN WILLIS, representing self, shared what he described as quotes from history that describe "what is going on" and mentioned Yogi Bera and Albert Einstein. He expressed his feelings on extortion, and he said this was just another political mirage to buy more time. He opined that space heating should be the priority rather than natural gas. He asked for the military to be included in the committee's plans. He read from Article 8, Section 2 of the Alaska State Constitution and concluded by suggesting a public utility approach to heating Southcentral Alaska.

[1:25:39 PM](#)

CHAIR MCKAY announced that public testimony on HB 233 would remain open until the committee substitute was introduced.

[HB 223 was held over.]

[1:26:20 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Resources Standing Committee meeting was adjourned at 1:26 p.m.