

**ALASKA STATE LEGISLATURE  
HOUSE RESOURCES STANDING COMMITTEE**

May 14, 2025

2:01 p.m.

**MEMBERS PRESENT**

Representative Robyn Niayuq Burke, Co-Chair  
Representative Maxine Dibert, Co-Chair  
Representative Carolyn Hall  
Representative Donna Mears  
Representative Zack Fields  
Representative Dan Saddler  
Representative George Rauscher  
Representative Julie Coulombe  
Representative Bill Elam

**MEMBERS ABSENT**

All members present

**COMMITTEE CALENDAR**

SENATE BILL NO. 29

"An Act relating to an executive administrator for the Big Game Commercial Services Board."

- MOVED SB 29 OUT OF COMMITTEE

CS FOR SENATE JOINT RESOLUTION NO. 19(RES)

Urging the United States Congress to honor the terms of the Mineral Leasing Act and the Alaska Statehood Act and provide the state with a 90 percent share of all bonuses, royalties, and rentals received by the federal government from the Arctic National Wildlife Refuge and the National Petroleum Reserve in Alaska.

- MOVED HCS CSSJR 19(RES) OUT OF COMMITTEE

SENATE JOINT RESOLUTION NO. 17

Recognizing and honoring the 50th anniversary of The Energy Council.

- MOVED SJR 17 OUT OF COMMITTEE

SENATE JOINT RESOLUTION NO. 8

Relating to strengthening international relations with Taiwan.

- MOVED SJR 8 OUT OF COMMITTEE

HOUSE BILL NO. 206

"An Act relating to disclosure of oil and gas production tax information."

- HEARD & HELD

**PREVIOUS COMMITTEE ACTION**

BILL: SB 29

SHORT TITLE: BIG GAME COMMERCIAL SERVICES BOARD

SPONSOR(S): SENATOR(S) BJORKMAN

01/22/25	(S)	PREFILE RELEASED 1/10/25
01/22/25	(S)	READ THE FIRST TIME - REFERRALS
01/22/25	(S)	RES, FIN
02/03/25	(S)	RES AT 3:30 PM BUTROVICH 205
02/03/25	(S)	Heard & Held
02/03/25	(S)	MINUTE(RES)
02/17/25	(S)	RES AT 3:30 PM BUTROVICH 205
02/17/25	(S)	Moved SB 29 Out of Committee
02/17/25	(S)	MINUTE(RES)
02/19/25	(S)	RES RPT 5DP 2NR
02/19/25	(S)	DP: GIESSEL, HUGHES, DUNBAR, CLAMAN, WIELECHOWSKI
02/19/25	(S)	NR: KAWASAKI, MYERS
04/01/25	(S)	FIN AT 9:00 AM SENATE FINANCE 532
04/01/25	(S)	Heard & Held
04/01/25	(S)	MINUTE(FIN)
04/11/25	(S)	FIN AT 9:00 AM SENATE FINANCE 532
04/11/25	(S)	Moved SB 29 Out of Committee
04/11/25	(S)	MINUTE(FIN)
04/14/25	(S)	FIN RPT 4DP 2NR
04/14/25	(S)	DP: OLSON, STEDMAN, HOFFMAN, CRONK
04/14/25	(S)	NR: MERRICK, KIEHL
04/23/25	(S)	TRANSMITTED TO (H)
04/23/25	(S)	VERSION: SB 29
04/25/25	(H)	READ THE FIRST TIME - REFERRALS
04/25/25	(H)	RES, FIN
05/05/25	(H)	RES AT 1:00 PM BARNES 124
05/05/25	(H)	Heard & Held
05/05/25	(H)	MINUTE(RES)
05/12/25	(H)	RES AT 1:00 PM BARNES 124
05/12/25	(H)	-- MEETING CANCELED --

05/14/25 (H) RES AT 1:00 PM BARNES 124

BILL: SJR 19

SHORT TITLE: ANWR & NAT'L PETRO RESERVE: STATE SHARE

SPONSOR(s): SENATOR(s) BJORKMAN

04/10/25 (S) READ THE FIRST TIME - REFERRALS  
04/10/25 (S) RES  
04/11/25 (S) RES AT 3:30 PM BUTROVICH 205  
04/11/25 (S) Heard & Held  
04/11/25 (S) MINUTE(RES)  
04/14/25 (S) RES AT 3:30 PM BUTROVICH 205  
04/14/25 (S) Heard & Held  
04/14/25 (S) MINUTE(RES)  
04/23/25 (S) RES AT 3:30 PM BUTROVICH 205  
04/23/25 (S) Moved CSSJR 19(RES) Out of Committee  
04/23/25 (S) MINUTE(RES)  
04/25/25 (S) RES RPT CS 7DP SAME TITLE  
04/25/25 (S) DP: GIESSEL, HUGHES, DUNBAR, CLAMAN,  
KAWASAKI, MYERS, WIELECHOWSKI  
05/05/25 (S) TRANSMITTED TO (H)  
05/05/25 (S) VERSION: CSSJR 19(RES)  
05/07/25 (H) READ THE FIRST TIME - REFERRALS  
05/07/25 (H) RES  
05/09/25 (H) RES AT 1:00 PM BARNES 124  
05/09/25 (H) Heard & Held  
05/09/25 (H) MINUTE(RES)  
05/14/25 (H) RES AT 1:00 PM BARNES 124

BILL: SJR 17

SHORT TITLE: HONORING THE ENERGY COUNCIL

SPONSOR(s): SENATOR(s) STEDMAN

04/02/25 (S) READ THE FIRST TIME - REFERRALS  
04/02/25 (S) FIN  
05/05/25 (S) FIN AT 9:00 AM SENATE FINANCE 532  
05/05/25 (S) Moved SJR 17 Out of Committee  
05/05/25 (S) MINUTE(FIN)  
05/07/25 (S) FIN RPT 7DP  
05/07/25 (S) DP: OLSON, STEDMAN, HOFFMAN, KAUFMAN,  
CRONK, MERRICK, KIEHL  
05/12/25 (S) TRANSMITTED TO (H)  
05/12/25 (S) VERSION: SJR 17  
05/13/25 (H) READ THE FIRST TIME - REFERRALS  
05/13/25 (H) RES  
05/14/25 (H) RES AT 1:00 PM BARNES 124

BILL: SJR 8

SHORT TITLE: INTERNATIONAL RELATIONS WITH TAIWAN

SPONSOR(s): SENATOR(s) GRAY-JACKSON

02/14/25 (S) READ THE FIRST TIME - REFERRALS  
02/14/25 (S) RES  
03/19/25 (S) RES AT 3:30 PM BUTROVICH 205  
03/19/25 (S) Heard & Held  
03/19/25 (S) MINUTE(RES)  
04/23/25 (S) RES AT 3:30 PM BUTROVICH 205  
04/23/25 (S) Moved SJR 8 Out of Committee  
04/23/25 (S) MINUTE(RES)  
04/25/25 (S) RES RPT 6DP 1NR  
04/25/25 (S) DP: GIESSEL, HUGHES, DUNBAR, CLAMAN,  
MYERS, WIELECHOWSKI  
04/25/25 (S) NR: KAWASAKI  
05/09/25 (S) TRANSMITTED TO (H)  
05/09/25 (S) VERSION: SJR 8  
05/10/25 (H) READ THE FIRST TIME - REFERRALS  
05/10/25 (H) RES  
05/14/25 (H) RES AT 1:00 PM BARNES 124

BILL: HB 206

SHORT TITLE: OIL AND GAS DATA

SPONSOR(s): REPRESENTATIVE(s) MEARS

04/22/25 (H) READ THE FIRST TIME - REFERRALS  
04/22/25 (H) RES, FIN  
05/14/25 (H) RES AT 1:00 PM BARNES 124

**WITNESS REGISTER**

CALVIN ZUELOW, Staff  
Representative Burke  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Explained the committee substitute for SJR 19.

SENATOR JESSE BJORKMAN  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** As prime sponsor, answered questions regarding the proposed Committee Substitute to SJR 19.

SENATOR BERT STEDMAN  
Alaska State Legislature

Juneau, Alaska

**POSITION STATEMENT:** As prime sponsor, introduced SJR 17 and answered questions.

SENATOR GRAY-JACKSON

Alaska State Legislature

Juneau, Alaska

**POSITION STATEMENT:** As prime sponsor, introduced SJR 8.

Clark Bickford, staff

Senator Gray-Jackson

Alaska State Legislature

Juneau, Alaska

**POSITION STATEMENT:** On behalf of Senator Gray-Jackson, prime sponsor, answered questions regarding SJR 8.

JEFF CHEN, representing self

Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of SJR 8.

DANIEL CHEN, representing self

Seattle, Washington

**POSITION STATEMENT:** Testified in support of SJR 8.

SOPHIE CHEN, Deputy Director

Taipei Economic and Cultural Office

Seattle, Washington

**POSITION STATEMENT:** Testified in support of SJR 8.

REPRESENTATIVE MEARS

Alaska State Legislature

Juneau, Alaska

**POSITION STATEMENT:** As prime sponsor, introduced HB 206 and co-presented a PowerPoint.

COREY ALT, staff

Representative Donna Mears

Alaska State Legislature

**POSITION STATEMENT:** On behalf of Representative Mears, prime sponsor, co-presented a PowerPoint on HB 206.

## **ACTION NARRATIVE**

[2:01:04 PM](#)

CO-CHAIR BURKE called the House Resources Standing Committee meeting to order at 2:01 p.m. Representatives Burke, Dibert, Hall, Mears, Fields, Rauscher, and Elam were present at the call to order. Representatives Coulombe and Saddler arrived as the meeting was in progress.

**SB 29-BIG GAME COMMERCIAL SERVICES BOARD**

[2:01:36 PM](#)

CO-CHAIR BURKE announced that the first order of business would be SENATE BILL NO. 29 "An Act relating to an executive administrator for the Big Game Commercial Services Board."

[2:02:16 PM](#)

REPRESENTATIVE DIBERT moved Senate Bill 29, work order 34-LS0287\A from committee with attached fiscal note and individual recommendations.

[2:02:35 PM](#)

There being no objection, SB 29 was reported out of the House Resources Standing Committee.

[2:02:47 PM](#)

The committee took an at-ease from 2:02 p.m. to 2:04 p.m.

**SJR 19-ANWR & NAT'L PETRO RESERVE: STATE SHARE**

[2:04:51 PM](#)

CO-CHAIR BURKE announced that the next order of business would be SENATE JOINT RESOLUTION NO. 19, Urging the United States Congress to honor the terms of the Mineral Leasing Act and the Alaska Statehood Act and provide the state with a 90 percent share of all bonuses, royalties, and rentals received by the federal government from the Arctic National Wildlife Refuge and the National Petroleum Reserve in Alaska.

[2:05:05 PM](#)

CO-CHAIR DIBERT moved that Resources committee adopt the draft committee substitute for SJR 19, work order 34-LS0840\O, as the working document.

[2:05:20 PM](#)

REPRESENTATIVE RAUSCHER objected for the sake of discussion.

[2:05:35 PM](#)

CALVIN ZUELOW, Staff, Representative Burke, Alaska State Legislature, explained the proposed committee substitute (CS) for SJR 19. He drew the committee's attention to version H, page 4, line 2, it deletes language that read, "small number of," referring to communities that received impact grants. In version H, page 4, line 22, the CS adds language reading, "while maintaining the original local impact grant program."

[2:06:35 PM](#)

SENATOR JESSE BJORKMAN, Alaska State Legislature, responded to a question from Representative Rauscher, by explaining that the issue of impact grants will need to be addressed. As more fields are developed on federal land, and the size of those impacts increase, more attention will be paid to the amount of money delivered through the impact grants as well as what the impacts of development are on those communities. Also, there will be more focus on what the impact money is used for. He explained that he didn't necessarily take issue with mentioning the impact grants in the resolution. However, he suggested that everyone would need a clear understanding of what the program is, what it does, its intention, and the impact that it will have on those five or six affected communities in the North Slope district. There will also be interest in that will mean to the rest of Alaska. He explained he had hoped to avoid this conversation in this resolution, but the conversation is one that would eventually become unavoidable.

[2:08:13 PM](#)

CO-CHAIR BURKE responded to a question by Representative Rauscher by explaining that having the discussion is unavoidable and it is important to address.

[2:08:27 PM](#)

REPRESENTATIVE RAUSCHER removed his objection.

[2:08:30 PM](#)

There being no objection, the House Resources Committee Substitute for Senate Joint Resolution 19 was adopted.

2:09:00 PM

CO-CHAIR DIBERT moved Senate Joint Resolution 19, work order 34-LS0840\O from committee with attached zero fiscal note and individual recommendations.

REPRESENTATIVE RAUSCHER objected.

2:09:40 PM

The committee took a brief at-ease at 2:09 p.m.

2:10:42 PM

REPRESENTATIVE RAUSCHER spoke to his objection, explaining that there needed to be a discussion regarding the affected communities.

2:11:05 PM

CO-CHAIR BURKE addressed Representative Rauscher's objection. She described discussions with her constituents and with North Slope Borough Mayor Patkotak. She emphasized the importance of mitigation funding to the state as well as impacted communities. She pointed out that in current law, Congress required that 50 percent of all federal lease revenues, including bonuses, rentals, and royalties, must go to the state of Alaska, and that those funds must go to support the most directly impacted communities. There was discussion happening on a federal level regarding the 90/10. [The 90/10 referred to the statehood promise that 90 percent of royalties from production on federal lands would go to Alaska, and the remaining 10 percent would go to the federal government.] She explained that she supported the resolution, including the additional 40 percent for all Alaskans. But as previously stated, for communities such as Atqasuk, Nuiqsut, Wainwright, and Utqiagvik the impact grants are essential. The grants support the infrastructure and public services needed to live safely and sustainably in a region heavily affected by industrial activity. Absent that support, the communities are left to bear the impacts of oil and gas development without the resources to respond. In the 1980's when the state diverted these funds elsewhere, the North Slope communities took that matter to court and won. The ruling affirmed the state must fund the impacted communities first.

[2:13:12 PM](#)

CO-CHAIR BURKE, in response to a question from Representative Rauscher, explained that she had worked with Mayor Patkotak and his office on drafting the changes.

REPRESENTATIVE RAUSCHER removed his objection.

[2:13:24 PM](#)

REPRESENTATIVE ELAM objected for the purpose of discussion. He asked about the level of impact.

CO-CHAIR BURKE explained that the intent of the resolution is to urge the additional 40 percent from the federal government for the full 90/10 and honor the mineral leasing act in the Alaska Statehood Act. She commented that the industry will continue to grow, particularly in the National Petroleum Reserve-Alaska (NPR-A) regions and will continue to impact the communities that are in NPR-A.

[2:14:45 PM](#)

SENATOR BJORKMAN acknowledged the importance of the conversation and said it would need additional time to discuss. He pointed out that both the resolution as written as well as the amended CS don't affect the grant program. He stated that the amount of money is around the \$30 million per year mark, and the Revenue Sources book posits that amount of money will increase by approximately eight to ten times over the course of the years as a result of increased production. Though it will be an important discussion to have as a state, it would not need to appear within the context of the resolution. His original intent had been to be silent on impact grants, but he clearly understood why those were important considerations. The primary thrust remained that the 90 percent share needs to come to the state of Alaska. Once the money gets here, what happens to that 90 percent would be a different conversation.

[2:16:22 PM](#)

CO-CHAIR BURKE answered "yes" to Representative Raucher's question regarding whether Congressman Begich had included the 90/10 in the reconciliation package.

[2:17:19 PM](#)

SENATOR BJORKMAN addressed a series of questions posed by Representative Saddler regarding the projected distribution of the 90 percent. He explained that if the impact grant is preserved as is, the impacted communities would get 50 percent of the state's share of 90 percent, and the state would get 40. There are conversations that could happen as to what communities are impacted, what is considered an impact, and what the impact money can be used for. He stated that communities should have compensation when they are impacted. He clarified the percentages and the split regarding the total amount of the royalties that would be generated,

[2:19:04 PM](#)

REPRESENTATIVE ELAM removed his objection.

[2:19:12 PM](#)

CO-CHAIR BURKE, in response to a question by Representative Coulombe, explained why the change was in the form of a CS rather than a resolution.

REPRESENTATIVE COULOMBE maintained her objection. She spoke to her objection.

[2:20:02 PM](#)

SENATOR BJORKMAN clarified his position and said he respected the will of the committee. He pointed out that in order for the state to secure its birthright, the 90 percent share of the royalties, it is important to move this resolution forward.

CO-CHAIR BURKE explained that she had worked with Senator Bjorkman as well as having extensive conversations with constituents prior to offering the CS.

[2:21:11 PM](#)

REPRESENTATIVE COULOMBE removed her objection.

[2:21:15 PM](#)

The committee took a brief at-ease at 2:21 p.m.

[2:22:02 PM](#)

Seeing no further objections, Senate Joint Resolution 19 was reported out of the House Resources Standing Committee.

**SJR 17-HONORING THE ENERGY COUNCIL**

[2:22:18 PM](#)

CO-CHAIR BURKE announced that the next order of business would be SENATE JOINT RESOLUTION NO. 17, Recognizing and honoring the 50th anniversary of The Energy Council.

[2:22:45 PM](#)

SENATOR BERT STEDMAN, Alaska State Legislature, as prime sponsor, introduced Senate Joint Resolution 17 and provided background information regarding the Energy Council. He explained that Alaska has belonged to the council for many years. The resolution recognized five decades of contributions in advancing energy policy. The council was established in 1975 as a non-partisan platform and includes state legislators from 14 states and representatives from several Canadian provinces. The focus emphasizes energy stability, affordability, and reliability and educates legislators on emerging energy trends including renewables. He explained that the energy council tries to be aware of trends and keep a couple of years ahead, so they can advise legislatures regarding what changes may be taking place in the marketplace. The council also works with the national labs and keeps up-to-date regarding how to respond to oil spills, including using enzymes that eat oil. He addressed energy-specific issues in the artic and invited the legislators to the Energy Council meeting in Anchorage in September 2025.

[2:33:23 PM](#)

REPRESENTATIVE RAUSCHER expanded on a number of points brought up by Senator Stedman regarding the work of the Energy Council.

[2:35:05 PM](#)

SENATOR STEDMAN responded to several questions from Representative Coulombe, explaining that each state has four non-partisan positions on the executive committee, two from the senate and two from the house. The council meets three times a year. The regular meetings have been open to all members of the legislature and also include representatives from universities, the scientific community, and industry sponsors. He described

the process used to create policy statements which included the input of scientists and university representatives. He emphasized that energy policy is created at the state level not the national level. He said the council has tried to stay non-partisan, though there has been a bias toward production because the council is made of energy-producing states and provinces rather than consuming states, so the focus has been on production and distribution. He touched on the technology of batteries and micronuclear energy.

[2:41:26 PM](#)

CO-CHAIR BURKE opened public testimony on SJR 17.

[2:41:36 PM](#)

CO-CHAIR BURKE, after ascertaining there was no one who wished to testify, closed public testimony.

[2:41:48 PM](#)

CO-CHAIR DIBERT moved re report SJR 17 work order 34-LS0748\A from committee with attached fiscal note and individual recommendations.

[2:42:06 PM](#)

There being no objection, SJR 17 was reported out of the House Resources Standing Committee.

**SJR 8-INTERNATIONAL RELATIONS WITH TAIWAN**

[2:42:23 PM](#)

CO-CHAIR BURKE announced that the next order of business would be SENATE JOINT RESOLUTION NO. 8, Relating to strengthening international relations with Taiwan.

[2:42:51 PM](#)

SENATOR GRAY-JACKSON, Alaska State Legislature, as prime sponsor, introduced SJR 8 and presented the sponsor statement [hard copy included in the committee packet] which read as follows [original punctuation provided]:

Sponsor Statement: Senate Joint Resolution 8  
International Relations with Taiwan

Senate Joint Resolution 8 reaffirms Alaska's commitment to strengthening its relationship with Taiwan and recognizes the deep economic, cultural, and educational ties between our state and this vital international partner.

Taiwan and the United States have enjoyed a strong partnership built on shared values of democracy, human rights, and the rule of law. Taiwan is a key economic partner for both the nation and the state of Alaska, ranking as our eighth-largest export market in 2023 and our fourth-largest market in Asia. This resolution highlights the importance of expanding trade relations, particularly in Alaska's seafood industry, which benefits from Taiwan's status as a major consumer of high-quality seafood products.

Additionally, Alaska and Taiwan share a long history of cultural and educational exchanges, including sister-city partnerships between Fairbanks and Tainan City, Juneau and Chiayi City, and Anchorage and Taipei City. Reestablishing an Alaska Trade Office in Taiwan would further bolster these connections, enhance economic opportunities, and create a foundation for greater collaboration in technology, education, and tourism.

SJR 8 also supports Taiwan's meaningful participation in international organizations that promote global trade, health, and security, in alignment with the United States' longstanding support for Taiwan's presence in the World Health Organization, the International Civil Aviation Organization, and other key institutions.

By passing this resolution, Alaska can reaffirm its dedication to fostering a strong and mutually beneficial relationship with Taiwan, supporting economic growth, cultural exchange, and international cooperation.

[2:44:37 PM](#)

SENATOR GRAY-JACKSON, in response to a question from Representative Coulombe, explained that there is no longer a trade office in Taiwan.

[2:45:26 PM](#)

Clark Bickford, staff, Senator Gray-Jackson, Alaska State Legislature, on behalf of Senator Gray-Jackson, prime sponsor, answered questions from Representative Coulombe regarding SJR 8. He explained that during a recent trip the senator made to Taiwan, she met with Taiwanese officials and reaffirmed the importance of the economic ties between Alaska and Taiwan.

[2:45:52 PM](#)

The committee took a brief at-ease at 2:45 p.m.

[2:46:11 PM](#)

REPRESENTATIVE RAUSCHER moved Amendment 1 to SJR 8. He explained that his amendment added language underscoring the potential support for Alaska's liquified natural gas (LNG) as well as the shared energy trade interests between the state and Tiawan.

[2:47:08 PM](#)

CO-CHAIR BURKE objected for the purpose of discussion.

[2:47:15 PM](#)

SENATOR GRAY-JACKSON responded to Representative Rauscher's proposed amendment, explaining the importance of maintaining a neutral stance regarding LNG to avoid discouraging or alienating other potential Asian partners. She underscored the importance of keeping the resolution broad and inclusive rather than focusing on a specific industry. She urged the committee members to vote no on the amendment.

[2:47:56 PM](#)

REPRESENTATIVE SADDLER suggested that Alaska should be willing to support whoever is first to make a commitment to buy Alaska's gas.

[2:48:27 PM](#)

REPRESENTATIVE RAUSCHER pointed out that the resolution does specifically support the fishing industry.

[2:48:49 PM](#)

MR. BICKFORD pointed out that there is a stand-alone resolution speaking to the support of the LNG project.

[2:49:11 PM](#)

CO-CHAIR BURKE maintained her objection.

A roll call vote was taken. Representatives Coulombe, Rauscher, Saddler, and Elam voted in favor of Amendment 1. Representatives Fields, Hall, Mears, Dibert, and Burke voted against it. Therefore, Amendment 1 to SJR 8 failed by a vote of 4-5.

[2:50:12 PM](#)

CO-CHAIR BURKE opened public testimony on SJR 8.

[2:50:32 PM](#)

JEFF CHEN, representing self, spoke in support of SJR 8. He explained that he is a small business owner, former commissioner of the Anchorage sister city commission, and that he is a Taiwanese Alaskan. He explained that both Taiwan and Alaska have a lot to gain from increased trade. He provided examples illustrating the benefits of such a relationship. He supported opening a trade office in Alaska.

[2:53:00 PM](#)

DANIEL CHEN, representing self, spoke in support of SJR 8. He discussed the importance of cooperation between Taiwan and Alaska, pointing to imports and exports, the seafood industry, and the advantages of strengthening the energy market.

[2:55:49 PM](#)

SOPHIE CHEN, Deputy Director, Taipei Economic and Cultural Office, spoke in support of SJR 8. She emphasized the long-standing cooperation between Alaska and Taiwan regarding energy, seafood, and tourism and the possibility of expanding trade.

[2:58:28 PM](#)

CO-CHAIR BURKE closed public testimony.

[2:58:43 PM](#)

REPRESENTATIVE SADDLER expressed his concern for a resolution that calls on the state to make a specific financial commitment. He did acknowledge the vital relationship with Taiwan that benefits the economies of both Taiwan and Alaska and its geopolitical importance.

[2:59:46 PM](#)

MR. BICKFORD responded to Representative Saddler's concern regarding the expense, explaining that Taiwan would partially subsidize the office rent. He also noted the growth and economic value during the first implementation of the trade office had been high, indicating that a re-opened office would promote sufficient economic growth to cover the costs.

[3:00:28 PM](#)

MR. BICKFORD, in response to a question from Representative Elam regarding why the office in Taiwan was closed, explained that it was closed in 1990 by Governor Sheffield, and he was unsure of the reason.

[3:01:15 PM](#)

CO-CHAIR DIBERT moved to report SJR 8, work order 34-LS0442\A from committee with attached fiscal note and individual recommendations.

[3:01:41 PM](#)

There being no objection, SJR 8 was reported from the House Resources Standing Committee.

[3:01:52 PM](#)

The committee took an at-ease from 3:01 p.m. to 3:03 p.m.

[CO-CHAIR BURKE passed the gavel to CO-CHAIR DIBERT.]

**HB 206-OIL AND GAS DATA**

[3:03:29 PM](#)

CO-CHAIR DIBERT announced that the next order of business would be HOUSE BILL NO. 206, "An Act relating to disclosure of oil and gas production tax information."

[3:03:57 PM](#)

REPRESENTATIVE MEARS, Alaska State Legislature, as prime sponsor, introduced HB 206 to the committee. She commented that the most-asked question in the building is, "Where are we going to get the money." She pointed out that the state is in a business relationship with the oil industry, providing access to resources owned by the people of Alaska in exchange for a share of the proceeds. She explained that it has been over a decade since the state comprehensively evaluated the terms, and in that time a lot has changed including fluctuating oil prices, companies changing hands, and two new big developments. She pointed out that the president had targeted \$50 per barrel oil while the state's budget was based on \$68 revenues. She stated that it was time to revisit whether the policy environment is achieving the goals set out, and, related to that, there is a responsibility to make sure the tax system is working for Alaska. She emphasized that both the oil industry and their constituents depend on the Legislature. She described the process her office used to craft the legislation.

[3:06:11 PM](#)

COREY ALT, staff, Representative Donna Mears, on behalf of Representative Mears, prime sponsor, co-presented a PowerPoint regarding HB 206 [hard copies in the committee packet]. He presented slides 2 and 3, both titled "Our Responsibility," which read as follows [original punctuation provided]:

"The legislature shall provide for the utilization, development, and conservation of all natural resources belonging to the State, including land and waters, for the maximum benefit of its people."  
Article VIII, Sec. 2

Utilization and development requires balancing competing priorities:  
1. Providing a tax environment that incentivizes robust and competitive development; and  
2. Collecting taxes and royalties to provide the benefits of our resources to all Alaskans.

The legislature facilitates a balance between the needs of industry and the people of Alaska using tax and royalty policy.

[3:07:26 PM](#)

MR. ALT described a seminar presented by oil and gas consultant Rich Ruggiero regarding policy design for oil and gas taxes. An important take-away was that, all numbers aside, a tax system should be designed around what outcomes it is trying to produce. He showed the 3, 4, and 5, titled "What's the problem?" which read as follows [original punctuation provided]:

- What resource development outcomes are we trying to achieve with our tax system?

A competitive and dynamic development environment that brings:

- Increased production
- Increased competition
- Increased investment

The Legislature is unable to judge the effectiveness of its tax policies

- The resource development environment has changed significantly since SB21 (2013) and the assumptions made at the time are not today's reality.

- Does our tax system still meet its goals at \$70 oil? \$60?

- Would we know if it didn't?

What information do legislators need to know?

- Is Alaska an attractive place to invest? How does it compare to other jurisdictions?
- How does our tax system impact different producers, depending on their position in the market?
- Is the legislature fulfilling its obligation to provide the maximum benefit to Alaskans?
- Has our system's effectiveness changed over time?

Legislators are currently prohibited from accessing disaggregated information about producers that would provide answers to these questions.

[3:09:15 PM](#)

MR. ALT pointed out that the legislature is unable to judge the effectiveness of its tax system because the law prevents legislators and the public from accessing that information. He

proceeded to slide 7 titled "Alaska's Unique Structure," which read as follows [original punctuation provided]:

- Alaska has a net tax system—companies are only taxed on their profits.
- Most oil-producing states—TX, OK, WY, CO, NM—have a gross tax system.
- Under a net tax, the public has a greater interest in transparency because of the higher revenue volatility inherent in the system.

[3:10:50 PM](#)

MR. ALT drew the committee's attention to the chart on slide 7, which showed scenarios of production costs, taxes, and profits and compared the taxes paid and the profits under a gross tax system and a net tax system. He then moved to slide 8, also titled "Alaska's Unique Structure," which read as follows [original punctuation provided]:

Weakening Disclosures:

- In 2006, Alaska transitioned from a gross (ELF) to a net tax under the Petroleum Profits Tax (PPT)
  - It quickly became clear that the PPT system lacked sufficient disclosure, both to the Department of Revenue and the public
    - ACES (2007) implemented the current statute to address such concerns, requiring that data be aggregated among 3 producers in a unit.
  - In 2016, DOR published information on four individual units. Today Prudhoe is the only one.

[3:12:34 PM](#)

MR. ALT explained that under Alaska's net tax system, volatility was inherent in the system. As a result, the profitability of oil producers is of much greater import to the state, and disclosure of and access to the data is in the public's best interest. He compared levels of disclosure, using Texas as an example where tax returns of producers were public information broken down by well and by month. By contrast, the Alaska Department of Revenue only published total annual investments by producers, and the information was not readily available to the public. With the exception of Prudhoe Bay, it was not broken down by unit or month.

[3:14:20 PM](#)

CO-CHAIR DIBERT asked Rep Mears if she had final comments.

[3:14:39 PM](#)

REPRESENTATIVE MEARS explained that the purpose of introducing HB 206 to the committee was to start this important discussion.

[3:15:09 PM](#)

[HB 206 was held over.]

[3:15:45 PM](#)

**ADJOURNMENT**

There being no further business before the committee, the House Resources Standing Committee meeting was adjourned at 3:15 p.m.