

Introduced: 2/6/76  
Referred: Resources and  
Finance

BY THE RESOURCES COMMITTEE  
BY REQUEST

1 IN THE SENATE

2 SENATE BILL NO. 612

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Kachemak Bay critical habitat  
7 area."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 \* Section 1. AS 16.20 is amended by adding new sections to read:

10 Sec. 16.20.235. OIL AND GAS EXPLORATION OR PRODUCTION WITHIN  
11 KACHEMAK BAY. In addition to the other requirements of this chapter re-  
12 lating to critical habitat areas, an application for a permit or a lease  
13 to develop land or water for oil and gas exploration or production with-  
14 in the area specified in sec. 230(9) of this chapter, shall be submitted  
15 by the Department of Natural Resources to the commissioner of fish and  
16 game for approval. Before approval by the commissioner of fish and  
17 game, a public hearing shall be held, upon not less than 15 days notice,  
18 within the area to be affected. If, after the hearing, the commissioner  
19 determines that the activity, action, or use for which the permit or  
20 lease is sought will or is likely to seriously alter or endanger the  
21 environment or the fish or wildlife resources of the area specified in  
22 sec. 230(9) of this chapter, he shall disapprove the application and, if  
23 appropriate, return it to the Department of Natural Resources. Upon  
24 disapproval by the commissioner of fish and game, the lease or permit  
25 may not be issued.

26 Sec. 16.20.237. AUTHORIZATION FOR KACHEMAK BAY LEASE PURCHASES  
27 AND CREDIT. (a) The commissioner of natural resources may acquire, by  
28 purchase, title to or interests in real property, including leasehold  
29 interests, lying within the area specified in sec. 230(9) of this chap-

1 ter.

2 (b) In lieu of payment for a lease or other interest purchased  
3 under (a) of this section, the commissioner may authorize a credit to be  
4 granted the seller to be applied against lease rental payments, permit  
5 fees, or other oil and gas taxes under chs. 55, 56, 57, and 58 of this  
6 title which may be owed or are owing on other leases or property on  
7 state land held by the seller for oil and gas development.

8 (c) The procedure for granting and administering the credit  
9 specified in (b) of this section shall be specified by regulation of the  
10 Department of Revenue.  
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