

Introduced: 1/20/77  
Referred: Resources and  
Finance

1 IN THE HOUSE

BY SWANSON AND MALONE

2 HOUSE BILL NO. 82

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to sale of state royalty oil and to  
7 the oil and gas properties production tax."

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

9 \* Section 1. AS 38.06.050 is amended by adding a new subsection to read:

10 (e) The board shall require that preference be given for bids or  
11 applications which would result in refining or processing of royalty oil  
12 in the state. No sale may be approved for refining or processing out-  
13 side of the United States if there are reasonable alternative bids or  
14 applications which would result in refining or processing in the United  
15 States. In no event may the transportation cost borne by the state on  
16 royalty oil sold for shipment outside the United States include the cost  
17 of shipment beyond the state's border.

18 \* Sec. 2. AS 43.55.150 is amended by adding a new subsection to read:

19 (c) When oil is transported from the state for refining or pro-  
20 cessing in a foreign country, the amount allowed as the reasonable cost  
21 of transportation may not exceed the cost of transportation to the point  
22 at which the oil leaves the state.