

Original sponsor: Judiciary Committee

Offered: 5/31/78

Referred: Rules

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 CS FOR HOUSE BILL NO. 963 (Judiciary) am
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 TENTH LEGISLATURE SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to sales of royalty oil and gas; and
7 providing for an effective date."

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

9 * Section 1. AS 38.06.055 is amended to read:

10 Sec. 38.06.055. ACTION BY LEGISLATURE. (a) In addition to the
11 approval by the board required under sec. 50 of this chapter, no sale,
12 exchange or other disposition of oil or gas or of the rights or waiver
13 of the rights to receive future production of royalty oil or gas may be
14 made by the commissioner of natural resources under AS 38.05.183 without
15 the prior approval of the legislature by a concurrent resolution con-
16 curred in by a majority of the members of each house except for sales,
17 exchanges, or other dispositions made for a term of no more than one
18 year, which may be entered into to relieve [A SHORTAGE OF] storage
19 [CAPACITY] or market conditions and which has never been otherwise
20 subject to disposition under an existing contract. Any short-term sale,
21 exchange or other disposition entered into under the authority of this
22 subsection may not be renewed without the prior approval of the legis-
23 lature by a concurrent resolution concurred in by a majority of the
24 members of each house.

25 (b) Contracts [UNTIL JULY 1, 1975, CONTRACTS] for the sale of
26 state-owned royalty gas or oil that specify the sale and delivery of not
27 more than 400 barrels of crude oil per day or not more than 460 barrels
28 of natural gas liquids per day or not more than 2,400 Mcf of natural gas
29 per day may be executed without ratification by the legislature.

1 * Sec. 2. AS 38.06.070 is amended by adding a new subsection to read:

2 (c) The board shall make a full report to the legislature on each
3 criterion specified in (a) or (b) of this section for any disposition of
4 royalty oil or gas which requires legislative approval. The board's
5 report shall be submitted for legislative review at the time a resolu-
6 tion for legislative approval of a proposed disposition of royalty oil
7 or gas is introduced in the legislature.

8 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
9 070(c).

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