Introduced: 3/6/78
Referred: Special Committee on Royalty Oil Sales

BY THE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

IN THE SENATE

SENATE CONCURRENT RESOLUTION NO. 85

IN THE LEGISLATURE OF THE STATE OF ALASKA

TENTH LEGISLATURE - SECOND SESSION

Approving the sale of royalty oil to Alaska Petrochemical Company

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

WHEREAS, the State of Alaska has the right under AS 38.05.180 and its oil and gas leases to take its royalty of crude oil production removed or sold from said leases either in value (money) or in kind (oil); and

WHEREAS, the legislature has by enactment of AS 38.06 and AS 38.05.-182, established a policy favoring the taking of that royalty in kind (referred to as "royalty oil"); and

WHEREAS, under his statutory authority as set out in AS 38.05 and 38.06, the commissioner of natural resources has negotiated an agreement entitled "AGREEMENT FOR THE SALE AND PURCHASE OF STATE ROYALTY OIL" ("Agreement") for the sale and purchase of royalty oil with Alaska Petrochemical Company; and

WHEREAS, under its duties and powers as set out in AS 38.06 the Alaska Royalty Oil and Gas Development Advisory Board has considered and, on February 22, 1978, approved the Agreement;

WHEREAS, the commissioner of natural resources has fulfilled the statutory prerequisites necessary to selling the royalty oil which is the subject of the Agreement and has obtained approvals from the Alaska Royalty Oil and Gas Development Advisory Board, to the extent required under AS 38.05 and 38.06; and

WHEREAS, the Agreement contains a provision stating that it takes effect on the date on which it has been approved by a concurrent resolution of a majority of each house of the Tenth Alaska State Legislature; and

WHEREAS, under AS 38.06.055(a), no sale of royalty oil may be made by the commissioner of natural resources without the prior approval of the legislature by a concurrent resolution concurred in by a majority of the members of each house; and

WHEREAS, the commissioner of natural resources submitted the Agreement to the legislature for consideration and approval; and

WHEREAS, the legislature has reviewed and evaluated the Agreement, and has conducted public hearings and otherwise received background information, expert advice, and expressions of public opinion sufficient to make a reasoned determination with respect to the Agreement; and

WHEREAS, the legislature finds the Agreement to be in the best interest of the State of Alaska and its citizens, and further finds that the Agreement is in compliance with all applicable constitutional directives and requirements of law;

BE IT RESOLVED by the Alaska State Legislature that the agreement entitled "AGREEMENT FOR THE SALE AND PURCHASE OF STATE ROYALTY OIL," between the State of Alaska, acting through its commissioner of natural resources, and Alaska Petrochemical Company, is hereby approved.