

Introduced: 5/20/80  
Referred: Resources

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 HOUSE BILL NO. 1034

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act approving the sale of state royalty gas to the  
7 Municipality of Anchorage; and providing for an effective  
8 date."

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

10 \* Section 1. FINDINGS AND PURPOSE. (a) The legislature finds that

11 (1) under authority given in AS 38.05 and AS 38.06, the commis-  
12 sioner of natural resources has negotiated with the Municipality of Anchorage  
13 an agreement entitled, "Agreement for the Sale and Purchase of Royalty Gas"  
14 for the sale of royalty gas to that municipality;

15 (2) under AS 38.06, the Alaska Royalty Oil and Gas Development  
16 Advisory Board has considered and approved the agreement;

17 (3) the agreement contains a provision stating that it takes  
18 effect on the date on which it has been approved in accordance with the laws  
19 of the state;

20 (4) the sale of royalty gas may not be made by the commissioner of  
21 natural resources without the prior approval of the legislature;

22 (5) the agreement has been submitted to the legislature for con-  
23 sideration and approval; and

24 (6) the agreement is in the best interests of the state and its  
25 citizens.

26 (b) It is the purpose of this Act to approve the agreement for the sale  
27 of state royalty gas to the Municipality of Anchorage in accordance with the  
28 terms of the agreement entitled "Agreement for the Sale and Purchase of  
29 Royalty Gas" and to do so in a manner which is consistent with provisions of

1 law requiring legislative review and approval of contracts for the sale of  
2 state royalty oil and gas, and in a manner consistent with the majority  
3 opinion in State of Alaska and Department of Revenue v. A.L.I.V.E. Voluntary,  
4 606 P.2d 769 (1980) which calls into question the use of a concurrent resolu-  
5 tion to take legislative action that binds parties which are outside the  
6 legislature.

7 \* Sec. 2. CONTRACT BETWEEN STATE AND MUNICIPALITY APPROVED. Notwith-  
8 standing the requirement of AS 38.06.055(a) that legislative approval of the  
9 sale of certain state royalty gas be given by concurrent resolution, the  
10 agreement between the State of Alaska, acting through the commissioner of  
11 natural resources, and the Municipality of Anchorage for the sale of royalty  
12 gas entitled "Agreement for the Sale and Purchase of Royalty Gas", presented  
13 for legislative review and approval by the governor on May 13, 1980, is  
14 approved.

15 \* Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-  
16 070(c).

17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29