

Introduced: 4/11/85  
Referred: House Special Committee on  
Oil & Gas, Resources and Finance

BY THE HOUSE SPECIAL  
COMMITTEE ON OIL AND GAS

1 IN THE HOUSE

HOUSE BILL NO. 366

2

IN THE LEGISLATURE OF THE STATE OF ALASKA

3

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to royalty oil and gas."

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

8 \* Section 1. AS 38.05.183(d) is amended to read:

9 (d) Oil or gas taken in kind by the state as its royalty share  
10 may not be sold or otherwise disposed of for export from the state  
11 until the commissioner determines that the sale is in the best inter-  
12 est of the state [ROYALTY-IN-KIND OIL OR GAS IS SURPLUS TO THE PRESENT  
13 AND PROJECTED INTRASTATE DOMESTIC AND INDUSTRIAL NEEDS]. The commis-  
14 sioner shall make public, in writing, the specific findings and rea-  
15 sons on which the determination is based and shall, within 10 days of  
16 the convening of a regular session of the legislature, submit a report  
17 showing the immediate and long-range domestic and industrial needs of  
18 the state for oil and gas and an analysis of how these needs are to be  
19 met.

20 \* Sec. 2. AS 38.05.183 is amended by adding a new subsection to read:

21 (g) An assignment or resale of royalty oil or gas purchased from  
22 the state may not occur unless the commissioner determines that the  
23 assignor or seller is the primary beneficiary of the assignment or  
24 resale of the royalty oil or gas. The primary beneficiary is the  
25 party receiving the greatest savings or net profit from the assignment  
26 or resale of the royalty oil or gas.

27 \* Sec. 3. AS 38.06.020 is amended to read:

28 Sec. 38.06.020. ESTABLISHMENT. There is established in the  
29 Department of Natural Resources [COMMERCE AND ECONOMIC DEVELOPMENT]

1 the Alaska Royalty Oil and Gas Development Advisory Board.

2 \* Sec. 4. AS 38.06.025(a) is amended to read:

3 (a) The board consists of the commissioner of commerce and  
4 economic development; the commissioner of revenue; the commissioner of  
5 natural resources [, WHO IS A NONVOTING MEMBER]; and three public  
6 members.