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Alaska State Legislature

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JACK COGHILL
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RICK HALFORD
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POUCH V
JUNEAU, ALASKA. 99811
(907) 485-4807

Senate Committee on Resources

M E M O R A N D U M

January 30, 1986

TO: All Members
Senate Resources Committee

FROM: Senator Arliss Sturgulewski 
Chairman, Senate Resources Committee

RE: Executive Order 61

Enclosed for your review is Executive Order 61 which would transfer the Alaska Royalty Oil and Gas Development Advisory Board from the Department of Commerce and Economic Development to the Department of Natural Resources.

Please advise if you have any objections.



OFFICIAL BUSINESS

Alaska State Legislature

Senate

Office of the Secretary

P.O. BOX V
CAPITOL BUILDING
JUNEAU, ALASKA 99811

January 13, 1986

MEMORANDUM

TO: Senator Sturgulewski
Chairman, Resources Committee

FROM: Peggy Mulligan *PM*
Secretary of the Senate

RE: Executive Order No. 61

The President has referred Executive Order No. 51 (transferring the Alaska Royalty Oil and Gas Development Advisory Board from the Department of Commerce and Economic Development to the Department of Natural Resources) to the Resources Committee.

Please return any committee recommendations in a form of a memo to the Senate Secretary's Office to be read into the record.

Thank you.

EXECUTIVE ORDER NO. 61

Under the authority of art. III, sec. 23, of the Alaska Constitution, and in accordance with AS 24.08.210, I order the following:

* Section 1. FINDINGS. As governor, I find that it would be in the best interests of efficient administration to transfer the Alaska Royalty Oil and Gas Development Advisory Board from the Department of Commerce and Economic Development to the Department of Natural Resources.

* Sec. 2. AS 38.06.020 is amended to read:

Sec. 38.06.020. ESTABLISHMENT. There is established in the Department of Natural Resources [COMMERCE AND ECONOMIC DEVELOPMENT] the Alaska Royalty Oil and Gas Development Advisory Board.

* Sec. 3. This Order takes effect March 15, 1986.

DATED: _____

Bill Sheffield
Governor



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 13, 1986

The Honorable Don Bennett
President of the Senate
Alaska State Legislature
P. O. Box V
Juneau, AK 99811

Dear Senator Bennett:

Under the authority of art. III, sec. 23, of the Alaska Constitution, and in accordance with AS 24.08.210, I am transmitting an executive order relating to the Alaska Royalty Oil and Gas Development Advisory Board. This order transfers the board from the Department of Commerce and Economic Development to the Department of Natural Resources.

In 1974, in response to the concern that the sale of royalty oil and gas should be made with substantial public involvement, the board was established within the Department of Natural Resources as the mechanism for providing that public review. At that time, the board was given significant controls over the discretion of the commissioner of natural resources to dispose of the state's royalty oil and gas, including the power to veto proposed contracts.

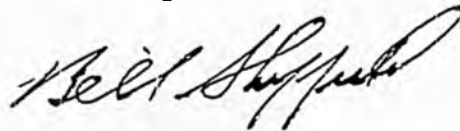
In 1980, the royalty statutes were amended. Partly because of friction between the board and the commissioner of natural resources, the board was transferred to the Department of Commerce and Economic Development, and its powers were substantially reduced. Its primary role since the 1980 amendments has been to hold public hearings on, evaluate, and advise the commissioner of natural resources and the legislature regarding proposed dispositions of the state's royalty.

In 1984, in response to the need for fiscal belt tightening, funding for the board was eliminated from the FY 85 budget of the Department of Commerce and Economic Development.

Without funding, the board could no longer retain its full-time staff -- an executive director and secretary. In their absence, the Department of Natural Resources has provided the necessary money and staff support to enable the board to fulfill its statutory review functions. Because of this close working relationship between the board and the Department of Natural Resources, and because the board's primary responsibilities are most closely related to the functions of that department in disposing of the state's royalty, I am convinced that it would be in the best interests of efficient administration to transfer the board back to the Department of Natural Resources.

The transfer has the support of the commissioners of natural resources and commerce and economic development, and the royalty board's other members. In addition, transfer of the board from the Department of Commerce and Economic Development to the Department of Natural Resources was included in HB 366, introduced in the 1985 session by the House Special Committee on Oil and Gas.

Sincerely,

A handwritten signature in cursive script, appearing to read "Bill Sheffield".

Bill Sheffield
Governor

**STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date : _____

REQUEST E.O.61
 Bill/Resolution No. : 377-016-84
 Title : Transfer of oil and gas royalty board.

 Sponsor : _____
 Requestor : _____
 Date of Request : _____

FISCAL DETAIL
 Agency Affected : Dept. Comm. & Econ. Devel.
 BRU : _____

 Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING : (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS : None

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

Prepared by : Joan Brown
 Division : Administrative Services

Phone : 465-2503
 Date : 12/31/85

Approved by Commissioner : _____
 Agency : Dept. of Commerce & Economic Development

Date : _____

Distribution (by Agency preparing fiscal note) :

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date : _____

REQUEST 377-016-8

FISCAL DETAIL

Bill/Resolution No. : Executive Order
 Title : Transfer Royalty Oil Board from
Dept. of Commerce to Dept. of
Natural Resources
 Sponsor : Governor
 Requestor : Governor
 Date of Request : 12-31-85

Agency Affected : Natural Resources
 BRU : Oil and Gas

Components : Petroleum Management

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL						
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REVENUE						
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FUNDING : (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS :

FULL-TIME	-0-					
PART-TIME	-0-					
TEMPORARY	-0-					

ANALYSIS : Attach a separate page if necessary

Minimal additional administrative expense will be absorbed in Department's FY 87 Operating Budget.

Prepared by : Rod Mourant
 Division : Management

Phone : 465-2424
 Date : 12-31-85

Approved by Commissioner : *Shawn Eastman*
 Agency : Natural Resources

Date : 12-31-85

Distribution (by Agency preparing fiscal note) :

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

FEB 4 1986

Senator John B. (Jack) Coghill
Alaska State Legislature

P.O. Box V
Juneau, Alaska 99811
(907) 465-4921

Box 55028
North Pole, Alaska 99705
(907) 488-7332



M E M O R A N D U M

TO: Senator Sturgulewski
FROM: Senator Coghill
RE: Executive Order 61

A handwritten signature in black ink, appearing to be "JBC", written over the "FROM" line of the memorandum.

I have reviewed Executive Order 61 transferring the Alaska Royalty Oil and Gas Development Advisory Board from the Department of Commerce and Economic Development to DNR.

I do not like it. Is there anything we can do??