

In the Matter Of:
PUBLIC HEARING RE HB 247

HEARING
October 25, 2016

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BEFORE THE DEPARTMENT OF REVENUE

STATE OF ALASKA

In re:

Alaska Department of Revenue
Public Hearing for Proposed
Production Tax Regulation
under HB 247.



TRANSCRIPT OF PROCEEDINGS

Pages 1 - 9, inclusive

Tuesday, October 25, 2016
9:00 A.M.

Taken at
550 West 7th Avenue, Suite 670
Anchorage, Alaska

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A-P-P-E-A-R-A-N-C-E-S

For State of Alaska, Department of Revenue:

**John Larsen, Audit Master
550 West 7th Avenue, Suite 500
Anchorage, Alaska 99501
907/269-8436**

Also Present:

**Jennifer Douglas, Department of Law
Marie Evans, ConocoPhillips**

Court Reporter:

**Gary Brooking, Registered Professional Reporter
PACIFIC RIM REPORTING
711 M Street, Suite 4
Anchorage, Alaska 99501**

1 ANCHORAGE, ALASKA; TUESDAY, OCTOBER 25, 2016

2 9:06 A.M.

3 -o0o-

4 MR. LARSEN: Good morning. My name is John
5 Larsen. I'm an Audit Master with the Department of
6 Revenue. Today's date is Tuesday, October 25th, and
7 the time is 9:06.

8 Welcome everyone to today's public hearing on
9 regulation changes proposed by the Alaska Department
10 of Revenue to implement Chapter 4 of the Fourth
11 Special Session of the 2016 Legislature, otherwise
12 known as HB 247.

13 The purpose of today's public hearing is to
14 receive input and testimony from the public and other
15 interested parties regarding the regulation changes
16 proposed by the Department in the Department's public
17 notice dated September 21, 2016.

18 In the public notice, the Department
19 identified numerous regulations as being proposed to
20 be either implemented, amended or in some cases
21 repealed for regulations that are no longer in effect
22 or necessary to implement the Department's oil and gas
23 production tax program.

24 Today's public hearing is scheduled from
25 9:00 to 10:30 a.m., but may be extended, if necessary,

1 to accommodate those present before 9:30 who have not
2 had an opportunity to comment.

3 After the close of the public comment period
4 on Friday, October 28th, 2016, the Department will
5 either adopt the proposed regulation changes or other
6 provisions dealing with the same subject without
7 further notice or decide to take no action.

8 The language of the final regulations may be
9 different from that of the proposed regulations. If
10 you believe that your interest may be affected, the
11 Department encourages you to submit your comments
12 either here today or by the close of the written
13 comment period on Friday, October 28th, 2016.

14 The timeline for comments received by the
15 close of the comment period, the comments will be
16 posted online and on the Tax Division's website at
17 www.tax.Alaska.gov. Concurrent with the drafting of
18 final regulations, the Department will aggregate its
19 responses to substantially similar questions and make
20 the questions and responses available on the Alaska
21 online public notice system and Tax Division website.

22 As some of the statutes that are subject to
23 the regulations proposed by the Department have an
24 effective date of January 1, 2017, it is the aim of
25 the Department to have the regulations in effect on

1 January 1, 2017.

2 However, if the regulations are not in effect
3 at that time, the Department will include regulatory
4 provisions to specify that certain regulations are to
5 be retroactive to January 1, 2017.

6 Written comments may be submitted to me, John
7 Larsen, by any of the following means: By e-mail to
8 JohnLarsen@Alaska.gov, J-o-h-n, dot, L-a-r-s-e-n at
9 Alaska, dot, gov; via fax at 907/269-6644; or
10 delivered to me by courier or U.S. mail at 550 West
11 Seventh Avenue, Suite 550, Anchorage, Alaska 99501.

12 All comments must be received by the close of
13 business Friday, October 28th, 2016, at 4:30 p.m.

14 Prior to the hearing, there are some
15 administrative matters. In the event of fire, please
16 use the stairs straight down the hall and to your
17 right, and not the elevators. The restrooms are down
18 the hall to your right.

19 If you have an electronic device or cell
20 phone, please mute. If you are going to call into the
21 teleconference, then activate your phone.

22 Please sign in if you have not done so
23 already. Copies of the public notice are available
24 near the sign-in sheets. When making comments, please
25 give your name and affiliation, if any.

1 The hearing is being transcribed and copies
2 will be made available at the Department's website
3 after they have been received by the Department.

4 The hearing and all written comments received
5 will become part of the public record and subject to
6 public inspection.

7 With that, let's go around the room introduce
8 ourselves. My name is John Larsen.

9 MS. EVANS: Marie Evans, ConocoPhillips.

10 MS. DOUGLAS: Jenny Douglas, Department of
11 Law.

12 MR. LARSEN: Is there anyone on the phone
13 lines?

14 Thank you. As previously stated, the
15 Department is holding this public hearing in order to
16 provide opportunity for the public and interested
17 parties to provide input and testimony for suggestions
18 on regulations that may need to be amended,
19 implemented or repealed.

20 I will open the floor to anyone that would
21 like to make any public comment.

22 If there is anyone on the phone lines,
23 there's a small crowd here in Anchorage. But I think
24 we're just going to go off the record till at least
25 9:30 here, and then we'll come back on the record if

1 anybody comes back online.

2 (Off record.)

3 MR. LARSEN: We are back on the record, and
4 the time is 9:36. Has anyone come on the phone lines
5 that would like to make any testimony?

6 Hearing none, no one has showed up to make
7 any comments here today and no one has submitted
8 comments online. So as a reminder, the public comment
9 period will close on Friday, October 28th, 2016. At
10 that time the Department will either adopt the
11 proposed regulation changes or other provisions
12 dealing with the same subject without further notice
13 or decide to take no action.

14 All comments will be considered in the final
15 drafting of the regulations proposed for adoption by
16 the Commissioner of Revenue. The language of the
17 final regulations may be different from that of the
18 proposed regulations. Therefore, if you believe your
19 interests may be affected, you should comment during
20 the time allowed.

21 Written comments received are public records
22 and subject to public inspection. Thank you everyone
23 for your time here today and your interest in these
24 matters.

25 This public hearing is now closed. The time

1 is 9:37.

2 (Proceedings concluded at 9:37 a.m.)

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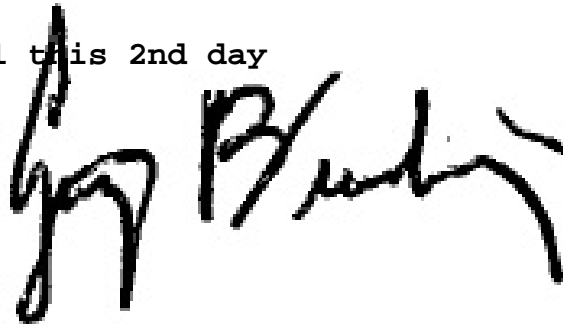
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CERTIFICATE

I, GARY BROOKING, Registered Professional Reporter and Notary Public in and for the State of Alaska, do hereby certify that the foregoing proceedings were taken before me at the time and place herein set forth; that the proceedings were reported stenographically by me and later transcribed by computer transcription; that the foregoing is a true record of the proceedings taken at that time; and that I am not a party to nor have I any interest in the outcome of the action herein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal this 2nd day of November, 2016.



GARY BROOKING, RPR
My Commission Expires 6/28/2020

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