



# Alaska State Legislature

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**Sponsor:** Senator Gary Wilken  
**Current Version:** CSSB 171 (FIN)  
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## Fact Sheet for: Senate Bill 171

**Short Title:** NPR-A COMMUNITY GRANT PROGRAM

### Summary:

- States the legislature's intent to provide financial assistance to municipalities impacted by oil and gas development in the National Petroleum Reserve-Alaska (NPR-A).
- Establishes the Special Legislative Oil and Gas NPR-A Development Impact Review Committee, made up of three members from Senate Finance and three members from House Finance.
- Modifies the NPR-A Mitigation Grant Program administered by the Department of Commerce, Community and Economic Development, and outlines the following procedure for granting impact assistance:
  - DCCED verifies that the application is for an allowable purpose and submits it to the NPR-A Impact Review Committee.
  - Within 45 days, the legislative committee will analyze the applications and forward its findings to the respective finance committees.
  - Prioritizes the use of NPR-A funds in the following order: 1) alleviate impact of development; 2) deposit 25 percent to the principal of the Alaska Permanent Fund and .5 percent to the Public School Trust Fund; 3) after the two previous funds are paid in full, may be appropriated to cover any previous shortfalls in the Alaska Permanent Fund and Public School Trust Fund 4) the legislature may appropriate funds to the Power Cost Equalization and Rural Electric Capitalization Fund and the General Fund.

### Benefits:

- Addresses the needs of communities impacted by development in NPR-A.
- Ensures that the Alaska Permanent Fund receives, to the extent allowed under federal law, 25 percent of all oil and gas lease rentals and royalties as dictated by the Alaska Constitution.

### Background:

- Federal legislation authorizing competitive leases in NPR-A recognized that development in the petroleum reserve might severely impact communities in the area and dictated that the revenue generated be used first to mitigate the direct impacts to those communities, then by the rest of the State. SB 171 proposes a method to fairly allocate the financial benefits of NPR-A to all Alaska residents while recognizing and mitigating the direct impact of development on certain communities as required by federal law.