



Alaska State Legislature

Senate Majority Web: www.akrepublicans.org

Sponsor: Judiciary
Current Version: SB 316
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Fact Sheet for: Senate Bill 316

Short Title: COURT REVIEW OF STRANDED GAS DECISION

Summary:

- Amends the Alaska Stranded Gas Development Act to make the final findings and determination of the commissioner of the Department of Revenue not subject to review, stay or injunction by any court, except for claims based on the U.S. or State Constitution.

Benefits:

- Affirms that it is the legislature that must exercise final authority over the execution of a contract for payment in lieu of taxes and other purposes described in the Stranded Gas Act.

Background:

- AS 43.82.430 (a) of the Stranded Gas Act requires the revenue commissioner to summarize public comments; prepare amendments; and make final findings and a determination as to whether the proposed contract meets the requirements of the Act. As introduced by the Governor in 1998, the Stranded Gas Act gave the revenue commissioner the discretionary authority to execute the contract. The Act included a declaration, AS 43.82.430(c), that the commissioner's decision constitutes a final administrative decision, which could be subject to judicial review. The Legislature amended the bill to allow the legislature to review the determination and authorize the governor to execute it. This substantially changed the nature of the commissioner's determination from a final administrative decision to a recommendation subject to legislative review. SB 316 clarifies that, as a recommendation and not a final administrative decision, the commissioner's findings are not subject to judicial review. The bill does not prevent an action challenging the constitutionality or enforceability of a contract within 120 days after it is executed.