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Senator Gary Stevens Senate Majority Leader

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Sen. Gary Stevens Reacts to Governor's Call for a Special Session

(Kodiak) - Senate Majority Leader Gary Stevens (R-Kodiak) is optimistic the second special legislative session of Legislative Interim will lead to passage of a new oil tax. The District R Senator learned Thursday, June 23, Governor Murkowski will call lawmakers back to the Capitol in July to reconsider the net profits based Petroleum Production Tax (PPT). The PPT tax structure would replace the current Economic Limit Factor based oil severance tax, which has not served the State of Alaska well in times of high oil prices. PPT is also tied to the governor's proposed natural gas pipeline contract with Alaska's big three oil producers.

PPT received extensive debate during the 2006 regular session and first special session. Although neither session yielded a new tax structure, Sen. Stevens says the two legislative bodies were close to finalizing the new tax rate both times. Without PPT, Alaska is losing \$3.2 million a day and stands to lose billions in revenue each year. Sen. Stevens hopes lawmakers will keep in mind what's at stake for the future:

"The clock is ticking on Alaska's future economic health. With an estimated 20 to 30 years left of North Slope oil revenues and production, passage of PPT is critical to our future," Sen. Stevens commented. "I hope we can resolve this issue quickly and get this money working for Alaska."

The special session will convene July 12 and could last up to thirty days. The administration plans to hold a series of public hearings on the PPT bill between July 17-21.

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