

Resource Committee Senators,

I would like to voice my opposition to HB111. State revenues from Oil Industry taxes is a function of (throughput) X (Tax \$\$\$'s per barrel). There will be a direct negative correlation on throughput when the margin realized by the producers is reduced. A proposal for short term gain, and creating a long term loss in throughput, is real and not in the best interest of the State. I would much rather find ways to incentivize production and exploration expansion and ensure long term revenue security.

Allowing this bill to move forward would be a mistake

John Lau