ALASKA STATE LEGISLATURE
HOUSE RESOURCES STANDING COMMITTEE
February 20, 2017
1:07 p.m.

MEMBERS PRESENT

Representative Andy Josephson, Co-Chair
Representative Geran Tarr, Co-Chair
Representative Dean Westlake, Vice Chair
Representative Harriet Drummond
Representative Justin Parish
Representative Chris Birch
Representative DeLena Johnson
Representative George Rauscher
Representative David Talerico

MEMBERS ABSENT

Representative Mike Chenault (alternate)
Representative Chris Tuck (alternate)

COMMITTEE CALENDAR

HOUSE BILL NO. 111
"An Act relating to the oil and gas production tax, tax payments, and credits; relating to interest applicable to delinquent oil and gas production tax; and providing for an effective date."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 111
SHORT TITLE: OIL & GAS PRODUCTION TAX;PAYMENTS;CREDITS
SPONSOR(s): RESOURCES

02/08/17	(H)	READ THE FIRST TIME - REFERRALS
02/08/17	(H)	RES, FIN
02/08/17	(H)	TALERICO OBJECTED TO INTRODUCTION
02/08/17	(H)	INTRODUCTION RULED IN ORDER
02/08/17	(H)	SUSTAINED RULING OF CHAIR Y23 N15 E2
02/08/17	(H)	RES AT 1:00 PM BARNES 124
02/08/17	(H)	Heard & Held
02/08/17	(H)	MINUTE(RES)
02/13/17	(H)	RES AT 1:00 PM BARNES 124

02/13/17	(H)	Heard & Held
02/13/17	(H)	MINUTE(RES)
02/17/17	(H)	RES AT 1:00 PM BARNES 124
02/17/17	(H)	Heard & Held
02/17/17	(H)	MINUTE(RES)
02/20/17	(H)	RES AT 1:00 PM BARNES 124

WITNESS REGISTER

RICH RUGGIERO, Consultant
Legislative Budget and Audit Committee
Alaska State Legislature; Managing Partner
Castle Gap Advisors
Houston, Texas
POSITION STATEMENT: Provided a PowerPoint presentation entitled, "Developing Petroleum Fiscal Policy," and dated 2/20/17.

ACTION NARRATIVE

1:07:09 PM

CO-CHAIR GERAN TARR called the House Resources Standing Committee meeting to order at 1:07 p.m. Representatives Tarr, Parish, Talerico, Drummond, and Josephson were present at the call to order. Representatives Birch, Westlake, and Johnson arrived as the meeting was in progress.

HB 111-OIL & GAS PRODUCTION TAX;PAYMENTS;CREDITS

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CO-CHAIR TARR announced that the only order of business would be HOUSE BILL NO. 111, "An Act relating to the oil and gas production tax, tax payments, and credits; relating to interest applicable to delinquent oil and gas production tax; and providing for an effective date."

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RICH RUGGIERO, consultant to the Legislative Budget and Audit Committee, Alaska State Legislature, and managing partner, Castle Gap Advisors, LLC., provided a PowerPoint presentation entitled, "Developing Petroleum Fiscal Policy," and dated 2/20/17. Mr. Ruggiero gave a brief background of his energy industry experience, including work for the Department of Revenue (DOR) from 2007 to 2010 [slide 2].

MR. RUGGIERO introduced his presentation [slide 3]. He informed the committee he would provide graphics representing the oil industry worldwide and emphasized the issue is to determine how to prepare the state for future events, while working from a common understanding [slide 5].

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REPRESENTATIVE BIRCH asked Mr. Ruggiero whether he was involved during the administration's development of Alaska's Clear and Equitable Share (ACES) [passed in the 25th Alaska State Legislature].

MR. RUGGIERO said yes. He added he spent 31 days working on the legislation.

REPRESENTATIVE BIRCH further inquired as to Mr. Ruggiero's involvement in the change to the initial iteration of ACES that doubled Alaska's share.

MR. RUGGIERO said he was there to give the administration advice on the effects of House and Senate committee substitutes to the initial bill proposed by the governor. He deferred a further question from Representative Birch to after the presentation.

MR. RUGGIERO observed from his 40 years of experience, the only constant in the oil industry is change, not stability, and the need for companies and other parties to be nimble and open minded to changes in price, policy, people, technology, and fiscal systems [slide 7].

REPRESENTATIVE RAUSCHER noted the presentation was related to developing petroleum fiscal policy and opined the state has a policy in place.

MR. RUGGIERO stated his intent if that the committee recognize there never is a period of true stability, thus state policy must be prepared to address a constantly changing environment.

REPRESENTATIVE RAUSCHER expressed his concern about too frequent changes.

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CO-CHAIR TARR pointed out of past changes, one-half have been requested by industry.

MR. RUGGIERO acknowledged these are trying times in the oil industry, but not more so than in the past [slide 8]. He recalled in 2005, studies indicated the U.S. was expected to import eight billion cubic feet per day of liquefied natural gas (LNG) between 2012 and 2015; however, in 2015, the U.S. was in a position to liquefy and export an equal amount of natural gas. He said, "That's a sixteen bcf a day flip, and the implications of that ... actually impacted the size, the timing, and the cost of projects on five different continents" [slide 9]. Whenever increasing government take is discussed, there are three responses from the operators: more instability; less competitive; jobs jeopardized. Mr. Ruggiero said oil companies are for-profit entities whose shareholders expect the highest return, thus the aforementioned responses are a natural reaction [slide 10].

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REPRESENTATIVE JOHNSON, speaking as a business owner, said any business wants to maximize its profitability and reduce what the government earns. Returning attention to slide 10, she suggested "detractor themes" are really business concerns, such as stability, competition, and jobs. She inquired as to how an oil company should react to increased government take.

MR. RUGGIERO acknowledged oil companies and other businesses want to make a profit. He said there will be extensive [negative] reaction from the industry, and stressed in his experience in other venues there is more open dialogue from oil companies about their projects, costs, volumes, timelines, and types of fiscal systems. Also, in other regimes, he has seen more of "a[n] oil company/government partnership, instead of an oil company versus the government type relationship."

REPRESENTATIVE JOHNSON questioned the meaning of partnership, and restated business concerns are valid.

MR. RUGGIERO opined the state's issues associated with oil and gas taxation would benefit from the industry's help with the policies that would support development; there needs to be more dialogue with the operators related to projects, so that the state can negotiate from a position of understanding and insight, rather than from speculation.

REPRESENTATIVE TALERICO returned attention to slide 10 and expressed offense at the tenor of the presentation. Given the recent availability of shale oil in North America, he asked whether the competition for Alaska's oil industry has changed in the last 10-15 years.

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MR. RUGGIERO advised with every technological advancement, the field of competition moves around the globe. If Alaska is in competition with the Lower 48, he agreed there have been changes in the last 10 years.

REPRESENTATIVE TALERICO stated that "jobs are at risk due to potential lower activity" is not a theme but a reality. He pointed out when activity declines, there is always the risk of losing jobs.

MR. RUGGIERO said yes, that is a statement of fact.

REPRESENTATIVE WESTLAKE agreed with the previous comments although instability in the state has negatively affected public education, public safety, and essential programs. From the perspective of Alaska businesses and its social programs, Alaskans are being negatively impacted. The issues of competition and job losses are well known.

REPRESENTATIVE BIRCH asked Mr. Ruggiero whether he has encountered a perfect taxing structure.

MR. RUGGIERO said no, because each regime differs with variables such as the value of gas versus oil, offshore versus onshore resources, and the volume of gas versus oil. However, some aspects are being used to help governments and oil companies achieve stability; for example, self-correcting legislation or fiscal policy that responds to changing conditions in the market and in development. Mr. Ruggiero presented slides 11 and 12 showing other regimes that have increased or lessened government take from the years 2001 to 2011, especially during 2009. He concluded Alaska is not unstable when compared to other regimes. He referred to an oil industry annual survey [document not provided] that reported the United Kingdom (UK) is the most stable regime in which to invest, and noted UK has had four changes - as indicated on slide 4 - and an additional three changes within a period of 15 years. Mr. Ruggiero said the UK is considered stable because when oil prices drop it is more generous, and when prices increase it taxes windfall profits.

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REPRESENTATIVE BIRCH questioned whether governments increase their share during periods of low oil prices.

MR. RUGGIERO responded most governments lessen their take during periods of low prices.

REPRESENTATIVE BIRCH pointed out Alaska is considering an increase in times of low prices.

REPRESENTATIVE TALERICO requested information through 2016 on this issue.

MR. RUGGIERO said the point of slides 11 and 12 is regimes around the world change their fiscal systems as often, or more often, than Alaska.

CO-CHAIR TARR urged the presenter to provide more recent information.

MR. RUGGIERO presented pie charts that illustrated the locations of worldwide capital expenditures by the largest oil companies from 1994 through 2006. In 1994, almost 70 percent of spending was in Asia and Latin America, and in 2006, about 50 percent of spending was in North Africa. In 2008, almost $40 billion in capital spending was committed to Iraq. He observed the areas of major capital spending changes, and Alaska needs a policy that can react to competition from new regimes.

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REPRESENTATIVE BIRCH asked where North America is represented on slide 13.

MR. RUGGIERO explained investment in North America was too small to be represented on the chart as the major oil companies had acquisitions, but no major capital investment programs in the development of assets in the U.S. Lower 48.

REPRESENTATIVE BIRCH pointed out oil industry investment in Alaska is over $6.5 billion per year.

MR. RUGGIERO said overall the industry spends $500-$600 billion, an amount that "dwarfs" even an investment of $2-$3 billion.

REPRESENTATIVE BIRCH clarified the 2006 pie chart [on slide 13] reflects a total investment of $500-$600 billion, thus the investment in Alaska of $6.5 billion does not register on the chart.

MR. RUGGIERO said correct. He referred to an ACES supporting document that indicated the largest three oil companies spent very little capital from 2004 through 2007 in the U.S. [document not provided].

REPRESENTATIVE JOHNSON asked whether more current information would show North America investments.

MR. RUGGIERO pointed out slide 13 shows investment for the largest international oil companies (IOCs) - the supermajors - and is not inclusive of all oil companies; the message remains that the spending of capital on the upstream side moves around the globe due to changes in regime, location, and technology, for example, production from shale.

REPRESENTATIVE JOHNSON surmised other regimes can become more attractive fairly easily.

MR. RUGGIERO indicated yes. Alaska is competing for investment capital across the globe, and needs to understand why large and small oil companies will or will not invest in the state. He turned attention to how oil companies make investment decisions and from his experience - using a rock, paper, and scissors analogy - said rock, representing a great reservoir, can overcome high taxes. Large oil companies spend a lot of money in regimes with higher government take than Alaska because of better and larger reservoirs driven by economy of scale. Great rock and prospects can overcome a high tax regime. On the other hand, profits not that large will overcome bad rock if profits come quickly, as happens with shale oil production [slide 14].

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REPRESENTATIVE BIRCH observed Alaska can exert a painfully large tax structure that could drive investment from the state and questioned the logic of the analogy.

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[Due to technical difficulties, the committee took a brief at ease.]

MR. RUGGIERO stated his point is oil companies are spending investment capital disproportionately in countries that have higher taxes than Alaska; however, he cautioned companies working in Alaska face a difficult environment and a remote location, thus the right risk/reward balance is required.

REPRESENTATIVE PARISH asked what regimes have higher government take yet attract higher investment.

MR. RUGGIERO said Angola, Nigeria, Iraq, certain areas of Indonesia, and perhaps Kazakhstan have higher government take. At one time Angola had a marginal 90-plus percent tax rate and $1 billion bids for licenses because of the quality of its reservoirs. Norway has a flat 70 percent net tax and also attracts investment from the large oil companies.

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REPRESENTATIVE JOHNSON pointed out Norway is the full owner of its oil business.

MR. RUGGIERO explained Norway has a single taxing entity as opposed to Alaska that has state, local, and federal taxes. Mr. Ruggiero informed the committee producers like quick returns from high rates and then "sell out" in order to maximize rate of return and return on investment; however, governments want costs minimized and long term jobs. In reality, there is quick production and decline, followed by sales to smaller companies and more production, which is a combination of both priorities over time [slide 15]. Further, as the fields change owners, new owners come in with the latest technology and a fresh outlook; for example, Apache Corporation got 80,000 barrels per day from the Forties Field in the North Sea [slide 16]. Slide 17 provided another example of a field in Texas given up thrice, but that continued to grow to 8.5 times its original projection. It is important to bring new companies into the basins to unlock potential, because the original developers pull out at the beginning of decline; subsequent developers have different risk profiles, business models, and new technology [slide 18]. Another emerging tool for the industry is the risk service contract which is a different form of developing hydrocarbons on behalf of governments. He stressed large service companies are now providing capital, downhole technical expertise, tools, field operations, and technology on behalf of governments [slide 19]. In response to Co-Chair Tarr, he said the blue line on slide 19 represents Schlumberger Limited (SLB), the red line represents Halliburton (HAL), and the light blue line represents Baker Hughes (BHI).

REPRESENTATIVE BIRCH asked whether the risk service contract companies have an equity position.

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MR. RUGGIERO advised the primary tenet of a risk service contract is "no equity." Risk service contracts are "a different form of governments getting the capital spent and a different way of paying that capital back to the operator ... a second major tenet of these type of contracts is that it's paid back basically through production ...." He summarized the first section of the presentation as follows: change is continuous; tax increases generate comments; new players are very important; the challenge is to determine fair share that creates growth for the operators and the government [slide 20].

REPRESENTATIVE TALERICO was unsure whether there is a perfect fair share for all parties.

REPRESENTATIVE JOHNSON asked what oil companies should do in response to tax increases.

MR. RUGGIERO urged for oil companies to disclose their prospects, and propose fiscal terms to advance projects, so the state does not have to base its decisions on models of hypothetical fields; in fact, this is the procedure in other countries.

REPRESENTATIVE JOHNSON surmised companies are not inclined to discuss their business plans with the government.

REPRESENTATIVE RAUSCHER referred to the importance of bringing in new players and noted on slide 14, Mr. Ruggiero said the first two years in a field are the most productive. Therefore, profits for new players and the state from mature fields will be lower.

MR. RUGGIERO clarified he was speaking of a shale well, of which the majority of production is recovered in the first two years; in contrast, in some of the Gulf of Mexico and Alaska fields, recovery in the first two years may only be 20 percent of the ultimate production. Total recovery is related to the production facilities and to the nature of the field.

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REPRESENTATIVE JOHNSON expressed her understanding the presenter is advocating for a different [tax] structure for differing fields and types of production.

MR. RUGGIERO said he is not advocating for anything at this time, but is providing information so "everyone comes from [the] same general understanding of the landscape into which you must create your fiscal policy." He returned to the presentation, noting the importance of past events is not just what happened, but why certain events happened. For example, locations in which oil companies are investing today are not a predictor of the future unless one knows why. In response to an earlier question as to whether there is an ideal system, he explained countries have different drivers, thus regime-to-regime comparisons of tax rates are problematic. For example, comparisons do not take into consideration the following: domestic market obligations that are not required in Alaska; local content, such as local service companies; infrastructure development such as schools and hospitals; oil blends; refinery and power station needs. He stressed the committee needs to foresee Alaska's drivers in order to develop its fiscal policy [slide 22]. Mr. Ruggiero cautioned that short term needs and crises can cause governments to focus on short term solutions instead of long term issues, which are more lucrative. He listed several issues affecting Alaska [slide 24].

REPRESENTATIVE BIRCH restated the merits of Senate Bill 21 and suggested the current tax structure should be allowed to provide stability for a year or more.

MR. RUGGIERO reiterated two bills related to oil and gas taxes have been introduced to the legislature, thus the committee should have a framework from which to address possible changes during this legislative session. In further response to Representative Birch, he said he has read HB 111.

REPRESENTATIVE BIRCH concluded the presenter is advocating for changes to the current tax structure through the legislation advanced by the co-chairs of the House Resources Standing Committee.

MR. RUGGIERO restated at this time he is not advocating for any legislation associated with oil tax.

CO-CHAIR TARR recalled during the debate on Senate Bill 21, legislators never considered oil prices under $60 [per barrel].

MR. RUGGIERO turned attention to the discussion of the drivers that became factors in the design of the ACES legislation in 2007, and advised different fiscal systems are appropriate for different sets of drivers. At that time, the Alaska State Legislature identified the drivers - listed on slide 24 - around which to design ACES.

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REPRESENTATIVE BIRCH questioned why the ACES tax policy was amended by the legislature to double the tax rate proposed by the [administration of former Governor Sarah Palin, 12/06-7/09]; he recalled the Palin Administration proposal was a reasoned progressive increase in the tax rate, and the legislature added an egregious progression to an unknown tax rate. He asked for the origin of the legislative amendment.

MR. RUGGIERO advised the administration proposed in ACES tax policy progressivity of 0.2 percent, and the legislature changed the rate to 0.4 percent and after 50 percent was reached, added 0.1 progressivity.

REPRESENTATIVE BIRCH opined the amendment prevented investment and was a horrible mistake.

MR. RUGGIERO pointed out after ACES was enacted investment went up, as did the number of jobs, and the rate of decline on the North Slope was less; all of the improvements did occur to a certain degree. He then presented his perspective of the goals for Alaska fiscal design as follows: keep TAPS running with additional investment in existing fields; encourage new players; develop Cook Inlet gas; incent unconventional fields such as heavy oil and shale; create a self-correcting fiscal policy that is not tied to a specific price or production rate [slide 25]. He turned to finding the right balance of fair share, and cautioned against reaching the "tipping point" for operators and the government. He restated the importance of looking to the future, recognizing the past may not be relevant [slide 27]. From Mr. Ruggiero's experience, finding the fair share is one part science and three parts art, using creativity to factor in the basins, the location, and the needs of the government [slide 28]. Slide 29 illustrated revenues that generally go to the operator such as finding, development, and operating costs, and the cost of capital, which causes debate. In theory, the government collects money above the operator's return; however, if government taxes are high, operators believe there should be a higher cost of capital. A government that holds operators to a certain rate will find that operators need additional capital costs for successful fields to cover the cost of dry holes. Further, many regimes can keep capital costs down and determine a fair return [slide 29]. He noted the aforementioned theory and practice illustrated on slide 29 will change if there is a major reduction to federal corporate income taxes [slide 30].

REPRESENTATIVE BIRCH inquired as to whether Alaska includes the owner's royalty share as a component of the government take [shown on slides 29 and 30].

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MR. RUGGIERO said yes, royalty is included in rents to the government. He continued, advising that a comparison of the percentage of government take does not tell the whole story; in fact, in developing fields, the timing of when the tax is taken is critically important. Slide 31 was a graph of government take for a hypothetical field calculated through the fiscal regimes of several countries. The blue bars represented government take prior to the operator recovering costs, the yellow bars represented government take after a 15 percent return on capital, and the green bars represented government take after all costs, plus a 15 percent return on investment. The timing of government take greatly affects the risk to the operator: slide 32 illustrated the unfavorable, moderate, and favorable risk levels for the same countries as determined by the timing of their government take.

REPRESENTATIVE RAUSCHER asked whether Alaska is included within the U.S. state take on slide 31, and risk level on slide 32.

MR. RUGGIERO said the U.S. representation is a generic that includes royalty, severance taxes, and corporate income tax. In further response to Representative Rauscher, he explained the intent of the graph is to aid in understanding that all taxes at a given percentage are not equal, when the timing and risk to the project are considered. Mr. Ruggiero summarized designing fiscal systems for countries relates to the following: no two regimes are alike; take experiences from the past; look at a country's needs; find the best design. Furthermore, just as governments may seek certain factors from a fiscal policy, the operators are also unique in size, capital structure, and purpose [slide 33]. He directed attention to credits under Alaska's past fiscal systems, and observed credits were designed to help Alaska remain competitive. From the present activity and production, it appears credit incentives have been successful. The current production is predominately from existing fields; although there have been new discoveries, the large new fields will be in development for six to ten years, and Alaska's tax regime must be sufficiently predictable and known to instill confidence in investors during that time period, and over the first ten to fifteen years of production [slide 35].

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REPRESENTATIVE BIRCH reviewed the credits that were introduced in 2013 with the intent to incent smaller companies. He noted the governor's veto of the payments due for the credits, and asked for Mr. Ruggiero's global perspective on credits.

MR. RUGGIERO advised Alaska cannot change its geography, environmental issues, and higher cost of operation; in order to attract capital and new operators away from other regimes, there must be incentives to produce and reinvest in Alaska's oil and gas fields. He said, "I do think that there is something that needs to be done to encourage people to come and to encourage the investment, but I've not yet got any recommendations with respect to what form that takes and how that should be done." Slide 36 listed examples of how to use various fiscal tools; for example, royalty can be fixed, step, variable tied to production or profitability, royalty relief, and first tranche petroleum, in which royalty is split between the government and the operator. One area of consideration for Alaska is credit versus deduction. Slide 38 illustrated comparison data, including full cycle economics, marginal dollar splits, and bonus payments. He cautioned most comparisons are of marginal take with assumptions.

REPRESENTATIVE JOHNSON asked for an explanation of full cycle economics and marginal dollar splits.

MR. RUGGIERO said full cycle economics are economic analyses over the life of a field from exploration to abandonment, looking at the split between the operator and government. Marginal dollar analyses are of the impact of additional revenue or less cost on government take and operator profit.

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CO-CHAIR TARR informed the committee DOR will present life cycle economics related to Alaska fields at an upcoming hearing.

REPRESENTATIVE BIRCH returned attention to slide 38 and pointed out in Alaska government take is near 60 percent and increasing.

MR. RUGGIERO advised the slide represents government take during 1998 through 2007, when overall government take was 62.5 percent.

REPRESENTAIVE BIRCH said the percent represented is close to a one-third, one-third, one-third target advocated by some.

MR. RUGGIERO restated the theory that an operator recovers their costs plus a fair return, and the rest goes to the government.

REPRESENTATIVE PARISH questioned whether the governments on slide 38 collect a corporate portion, or have non-sovereign holders of royalties.

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MR. RUGGIERO advised the source of the data is Daniel Johnston, who generally represents a marginal dollar split, thus he was unsure what was included in the analysis. Slide 39 reviewed factors of the marginal dollar versus the overall project split economics based on a hypothetical North Slope project. The overall project government take was 55 percent to 60 percent, and for on a marginal dollar basis, depending on price, the split was nearer 70 percent government take. Also in comparing Alaska with other regimes, many comparisons fail due to misunderstood credits, uplifts, waterfall priority, caps on deductions or credits, sliding scales, and other factors. A comparison of Alaska and Texas revealed in Texas, in the rare instance of production from legacy state land, the royalty is 12.5 percent; on state land the royalty is 20 percent; private leases are near 30 percent. In addition, Texas state severance and ad valorem gross taxes range from 4 percent to 10 percent, and acreage is sold at prices ranging from $2,500 to $30,000 per acre. He concluded a typical horizontal shale well in Texas produces between 300,000 and 500,000 barrels on 160 acres, and costs to the operator for land, drilling, and operating expenses would total approximately $20 to $40 per barrel. Therefore, using a flat $60 oil price, in Texas the split of the profit would be 30 percent to the operator and 70 percent to government and the royalty holder [slide 40].

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MR. RUGGIERO provided information on Norway for the committee to review [slide 41]. He observed Alaska's current tax system is complex with many moving parts - which make it hard to administer and audit - such as geographical separation, allowances, credits, and minimum tax. Also, the system lacks the data transparency needed to inform decisions, and the industry needs to partner closer with the state. There are too many factors tied to fixed events, and he suggested using self-correcting mechanisms [slide 43]. He informed the committee of the Extractive Industries Transparency Initiative (EITI), which was instigated by World Bank and is active in many countries. The initiative is a global movement to make public all payments from companies in extractive industries to governments, and slide 46 illustrated participating countries. In fact, in Norway, all payments to the government are made public, and in the United Kingdom (UK), all companies listed on the London Stock Exchange must make tax payments public. He provided 2015 tax payments made to Alaska by BP. In 2018, the Federal Communication Commission will require reporting for FY 17 [slide 47]. Lastly, he acknowledged taxpayer information is confidential; however, in many countries detailed data is available, and where governments grant licenses, they own or have rights to all the data and it is published. Further, historical data is published, as well as forward forecasts of production, capital costs, and major refurbishments on existing fields. The aforementioned information ensures the government its fiscal system will generate investment and competitiveness in the world market [slide 48].

REPRESENTATIVE BIRCH stated the Department of Natural Resources is cataloging seismic data on the North Slope that will be available to the public.

REPRESENTATIVE JOHNSON observed the current tax structure is bringing in more revenue than would the ACES tax system, and asked whether the state should return to ACES.

MR. RUGGIERO stated that is true for the current year when viewed in "narrow isolation," however, ACES taxed heavily during periods of windfall profits to accumulate savings for use in periods of low profits. He agreed ACES would take less now, but would take more during the good times.

[HB 111 was held over.]

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ADJOURNMENT

There being no further business before the committee, the House Resources Standing Committee meeting was adjourned at 3:07 p.m.