



CALISTA CORPORATION
www.calistacorp.com

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Dear Members of the 33rd Alaska State Legislature:

Calista Corporation (“Calista”) is the Alaska Native Regional Corporation for the Yukon-Kuskokwim Delta region of Alaska. Calista supports the passage of House Bill (“HB”) 123, introduced by Rep. Craig Johnson.

Under current Alaska law, Alaska Native Corporations (“ANCs”) must achieve a 2/3 majority of all outstanding shares to enact an amendment to their articles of incorporation, unless certain narrow exceptions apply. By contrast, Alaska corporations formed after July 1, 1989 only require a 50% + 1 majority of the outstanding shares to approve an articles amendment. The 2/3 majority requirement effectively constitutes an insurmountable hurdle to ANCs considering an articles amendment because they can rarely meet this threshold due to gradually declining quorum counts and exponentially increasing numbers of shares and shareholders.

The current law punishes ANCs like Calista who have opened their shareholder rolls to all generations of Alaska Natives and increased the size of their shareholder community. Since opening its rolls in 2017, Calista’s numbers increased from its original 13,000 shareholders to more than 36,100 – and growing. For the 2022 annual meeting, the total eligible voting shares were 2,605,177.6137. This means that to achieve a 2/3 majority, Calista would need 1,736,785.07 shares voting to approve an amendment.

HB 123 would end this unfair, two-tier system and place ANCs on a level playing field with Alaska corporations formed after July 1, 1989. Under HB 123, ANCs could amend their articles according to the standards applicable to Alaska corporations formed after July 1, 1989, under AS 10.06.504(a). This subsection allows for an articles amendment so long as it is approved by a 50% + 1 majority of the outstanding (voting) shares.

Passage of HB 123 is crucial for ANCs which are currently revisiting or considering a modernization of their articles 50 years after the passage of ANCSA.

Thank you for all your work on behalf of Alaska and for consideration of this short but important piece of legislation for the future of ANCs.

Respectfully,

CALISTA CORPORATION

Andrew Guy
President/CEO