

ALASKA STATE LEGISLATURE REPRESENTATIVE STANLEY WRIGHT

Rep.Stanley.Wright@AKLeg.GOV

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Juneau, Alaska 99801 (Jan. -April)
State Capitol, Room 412
907.465.2095

House Bill 291 - ANCSA Reports

Sponsor Statement

The Alaska Native Claims Settlement Act (ANCSA) was a landmark federal law and departure from the traditional system of reservations and treaty-based land agreements that governed the relationship between the United States Government and indigenous peoples in the Lower 48 states. In lieu of reservations, ANCSA established both regional and village corporations and allocated lands to support the development of these corporations for the benefit of their shareholders; a unique class of beneficiaries established and limited by the federal law. The dual purpose of Alaska Native Corporations to provide for both the economic and cultural welfare of its people is a success story in statutory innovation that, nearly 52 years later, still serves to inspire and benefit all Alaskans. But like all statutes, unforeseen challenges arise over time and revisions to both ANCSA and laws governing Alaska Native Corporations have had to be made.

A requirement of ANCSA was that Alaska Native Corporations be incorporated under state law. Subsequently, a whole body of unique law has been developed in the state of Alaska related solely to Alaska Native Corporations. One of these statutes is AS 45.55.139 which currently requires an Alaska Native Corporation, and only an Alaska Native Corporation, with more than 500 shareholders and assets exceeding \$1,000,000 to file extensive materials with the State's Division of Banking And Securities. These thresholds have not been updated since the statute was enacted, and as original shareholders pass on and their shares are inherited by their descendants many small Alaska Native Village Corporations are triggering the threshold for filing. With the expansive development of social media and other modern mediums, what has to be tracked is becoming ever more cumbersome and expensive to comply with. HB 291 proposes a revision to AS 45.55.139 to specify that the threshold is limited to 500 persons at the time of incorporation, thereby removing a costly compliance threshold and obstacle for many Alaska Native Corporations to continue to expand their shareholder rolls and maintain their purpose of serving both the economic and social welfare of their people. HB 291 also removes the arbitrary \$1,000,000 in assets threshold currently in law. It is important to reiterate that these requirements to file only apply to Alaska Native Corporations and that other corporations in Alaska do not carry the same filing requirements.