

Introduced: 2/4/70  
Referred: State Affairs  
and Finance

1 IN THE HOUSE

BY SACKETT

2 HOUSE BILL NO. 592

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to Alaska Native claims; and pro-  
7 viding for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 \* Section 1. Sec. 1, ch. 177, SLA 1968 is repealed and re-enacted to read

10 Sec. 1. It is considered in the best interest of the state to  
11 make a reasonable contribution to the settlement on the part of the  
12 state, by providing that the proceeds derived from state lands be made  
13 available to Native groups in Alaska as compensation for relinquishment  
14 of part of their claims based on aboriginal use and occupancy of lands  
15 in Alaska, and thereby to settle with finality all such land claims of  
16 Alaska Natives insofar as the State of Alaska is concerned.

17 \* Sec. 2. AS 38.30.010(a) is amended to read:

18 CHAPTER 30. ALASKA NATIVE CLAIMS STATE SETTLEMENT ACT OF 1970 [1968].

19 ARTICLE 1. ALASKA NATIVE COMMISSION.

20 (a) If legislation is enacted by the United States before the  
21 effective date of this subsection [APRIL 15, 1969], whereby a commission  
22 is created substantially like, and capable of performing the functions  
23 of, the Alaska Native Commission set out in this chapter, the state  
24 designates and constitutes the commission as the agency for carrying  
25 out the Alaska Native Commission purposes and functions set out in this  
26 chapter.

27 \* Sec. 3. AS 38.30 is amended by adding a new section to read:

28 ARTICLE 2. GRANT [ROYALTY].

29 Sec. 38.30.142. GRANT. The Natives of Alaska are entitled to a

1 grant of \$100,000,000. The grant shall be distributed as provided in  
2 secs. 180 - 190 of this chapter.

3 \* Sec. 4. AS 38.30.150 is repealed and re-enacted to read:

4 Sec. 38.30.150. PROPERTY INTEREST. Except as provided in secs.  
5 160 and 340 of this chapter, the grant provided for in this chapter is  
6 an irrevocable grant, and the right of Alaska Natives to it vests on  
7 the effective date of this section, subject to their acceptance in  
8 accordance with sec. 340 of this chapter.

9 \* Sec. 5. AS 38.30.160 is amended to read:

10 Sec. 38.30.160. [ROYALTY] SOURCES. The proceeds subject to this  
11 chapter are all monetary revenues, other than taxes and receipts from  
12 licenses, received by the state, after the effective date of this  
13 section [APRIL 30, 1968], from the sale, lease, exchange, or other dis-  
14 posal of land which is or has been selected by the state under sec. 6  
15 (a) and (b) of the Alaska Statehood Act (72 Stat. 339), as amended,  
16 except that land which is or has been under state lease or control on  
17 or before the effective date of this section [APRIL 30, 1968].

18 \* Sec. 6. AS 38.30.170(a) is amended to read:

19 (a) The [ROYALTY OR] share of proceeds granted under sec. 142  
20 [140] of this chapter shall be distributed to three classes of recipi-  
21 ents: (1) 75 per cent to incorporated Native groups; (2) 20 per cent  
22 to regional Native corporations; and (3) five per cent to the statewide  
23 Native corporation.

24 \* Sec. 7. AS 38.30.170(c) is amended to read:

25 (c) The apportionment of the grant [ROYALTY] shall be based upon  
26 the number of persons on the final rolls and distribution shall be made  
27 under rules and regulations adopted by the commission.

28 \* Sec. 8. AS 38.30.180 is repealed and re-enacted to read:

29 Sec. 38.30.180. DISTRIBUTION OF PROCEEDS. After the final rolls

1 have been completed and the apportionment of each recipient corporation  
2 determined, the legislature, subject to this chapter, shall annually  
3 appropriate \$5,000,000 each year for 20 years from the general fund to  
4 be distributed as apportioned among the designated recipients.

5 \* Sec. 9. AS 38.30.190 is amended to read:

6 Sec. 38.30.190. CERTIFICATE OF INCORPORATION. Under rules and  
7 regulations which the Alaska Native Commission may prescribe, each  
8 Native group, regional Native corporation, and the statewide Native  
9 corporation entitled to benefits under this chapter [OR THE FEDERAL  
10 ALASKA NATIVE CLAIMS ACT OF 1968] shall incorporate under the Alaska  
11 Business Corporation Act, as modified by this chapter and these rules  
12 and regulations, except those Native groups which elect to incorporate  
13 or remain incorporated under the Indian Reorganization Act. Until  
14 100 years after the effective date of this section [APRIL 30, 1968] the  
15 articles of incorporation and all amendments shall be subject to the  
16 approval of the commission.

17 \* Sec. 10. AS 38.30.200 is amended to read:

18 Sec. 38.30.200. MEMBERSHIP AND STOCK. (a) All Natives enrolled  
19 on the rolls of the Native group incorporated [OR TO BE INCORPORATED  
20 UNDER THE FEDERAL ALASKA NATIVE CLAIMS ACT OF 1968] shall be the initial  
21 members and shareholders of the incorporated Native group. Each member-  
22 ship shall be represented by 100 shares of the capital stock of the  
23 corporation, of no par value, which shall be issued to each member.

24 (b) Shares of stock shall be inalienable from the first holder of  
25 the shares, by operation of law or otherwise, except upon his death  
26 when the shares shall pass by devise or inheritance free of any claims  
27 against the estate. When ownership of shares passes by devise or in-  
28 heritance, these shares shall be partitioned, so far as may be practi-  
29 cable in whole shares among those entitled to them. The corporation

1 shall retire by purchase any shares in which fractional interests valued  
2 at less than \$100 exist.

3 (c) The second holder of shares of stock must be, or be descended  
4 from at least, one of the first members of any Native group incorporated  
5 under sec. 190 until 50 years after the effective date of this section  
6 [APRIL 30, 1968]. Thereafter, the stock shall be freely alienable;  
7 however, the corporation may adopt any provision restricting stock  
8 ownership permitted ordinary business corporations.

9 (d) A person not entitled to hold stock may lawfully acquire stock  
10 by devise or inheritance, in which event the corporation shall purchase  
11 the stock at its fair value.

12 \* Sec. 11. AS 38.30.220(b) is amended to read:

13 (b) To the extent permitted by its articles and bylaws, the  
14 corporation may make distribution from earned surplus or capital as  
15 gifts, grants or loans to shareholders, descendants of the first  
16 holders of the shares of the corporation and to persons of at least  
17 one-sixteenth Native blood who would have been eligible for membership  
18 as a first holder but for the lack of sufficient blood quantum and  
19 who are enrolled by the corporation upon a special roll; however, no  
20 gifts or grants may be made after 50 years from the effective date of  
21 this subsection [APRIL 30, 1968]. The corporation may at any time make  
22 charitable and educational donations as allowed by the Alaska Business  
23 Corporation Act.

24 \* Sec. 12. AS 38.30.230 is amended to read:

25 Sec. 38.30.230. CAPITAL. The capital of the corporation shall  
26 consist of the land conveyed to the corporation by the United States  
27 under federal legislation settling Alaska Native land claims [THE  
28 FEDERAL ALASKA NATIVE CLAIMS ACT OF 1968], entered at its fair market  
29 value upon receiving the conveyance therefor, the money received under

1 the federal legislation [ACT], and the money received from the [ROYALTY  
2 AND] share in revenues granted by this chapter.

3 \* Sec. 13. AS 38.30.260 is amended to read:

4 Sec. 38.30.260. PROHIBITION ON PER CAPITA DISTRIBUTIONS. The  
5 corporation may not make any per capita distribution, except as per-  
6 mitted by secs. 220(b) and 270 of this chapter. The corporation may  
7 declare and pay dividends as any other business corporation. Distri-  
8 butions in partial liquidation or liquidation may be made after 100  
9 years after the effective date of this chapter [APRIL 30, 1968].

10 \* Sec. 14. AS 38.30.270(3) is amended to read:

11 (3) the corporation may not distribute more than 160 acres  
12 to any person, including all persons in his immediate family, and may  
13 not distribute more than 10 per cent of the land it receives under the  
14 federal legislation settling Alaska Native land claims [FEDERAL ALASKA  
15 NATIVE CLAIMS ACT OF 1968] in kind to applicants; the distribution shall  
16 be under standards prescribed by the bylaws subject to the approval  
17 of the Alaska Native Commission;

18 \* Sec. 15. AS 38.30.270(4) is amended to read:

19 (4) other than land, the corporation may not distribute as  
20 distributions more than 10 per cent of the grant [ROYALTY] received  
21 from the state under this chapter nor more than 20 per cent of its  
22 other capital.

23 \* Sec. 16. AS 38.30.280 is amended to read:

24 Sec. 38.30.280. DISSOLUTION. During the period of 100 years  
25 after the effective date of this section [APRIL 30, 1968], any corpora-  
26 tion may be dissolved only if the Alaska Native Commission determines  
27 that the dissolution would be in the best interests of the shareholders

28 \* Sec. 17. AS 38.30.300(b) is amended to read:

29 (b) Royalties received by the corporation from grants made by

1 federal legislation settling Alaska Native land claims [THE FEDERAL  
2 ALASKA NATIVE CLAIMS ACT OF 1968] or this chapter may not be taxed to  
3 the corporation.

4 \* Sec. 18. AS 38.30.340 is amended to read:

5 Sec. 38.30.340. EFFECT OF CHAPTER. (a) The [ROYALTY] grant and  
6 other provisions contained in secs. 142 - 160 [140 - 160] and secs.  
7 170(a) and [B,] (d) [AND F], 180, 340 and 350 of this chapter effect a  
8 final and complete contract of settlement of all Native claims against  
9 the state and the Natives of Alaska, by accepting any of the grants  
10 [ROYALTIES GRANTED] in those sections, shall be considered to have  
11 accepted, approved and ratified the grant and each and every term of  
12 the contract settlement and the contract thereby created may not be  
13 impaired.

14 (b) If within six years after the effective date of this section  
15 [APRIL 30, 1968] none of the grants are [ROYALTY IS] accepted by the  
16 Natives of Alaska in accordance with (a) of this section, all grants  
17 [ROYALTY SHARES GRANTED] under this chapter [, INCLUDING THOSE HELD IN  
18 TRUST BY THE STATE,] shall become void and shall revert to the state.

19 \* Sec. 19. AS 38.30.370 is amended to read:

20 Sec. 38.30.370. SHORT TITLE. This chapter may be cited as the  
21 Alaska Native Claims State Settlement Act of 1970 [1968].

22 \* Sec. 20. AS 38.30.010(b) and (c), 38.30.020, 38.30, 140, 38.30.170(b)  
23 and (f), and 38.30.350 are repealed.

24 \* Sec. 21. This Act takes effect on the day after its passage and approval  
25 or on the day it becomes law without approval.  
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