

Introduced: 4/18/72
Referred: Judiciary

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 804 *AM*

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to incorporation under the Alaska
7 Native Claims Settlement Act; and providing for an
8 effective date."

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

10 * Section 1. PURPOSE. It is the purpose of this Act to conform to and
11 facilitate implementation of the federal Alaska Native Claims Settlement Act
12 (P.L. 92-203; 85 Stat. 688).

13 * Sec. 2. AS 10.05 is amended by adding a new section to read:

14 Sec. 10.05.005. CORPORATIONS ORGANIZED UNDER P.L. 92-203. A
15 corporation organized pursuant to the Alaska Native Claims Settlement
16 Act (P.L. 92-203; 85 Stat. 688), except a village corporation which may
17 be incorporated under either this chapter or AS 10.20, shall be in-
18 corporated under and is subject to this chapter except:

19 (1) each corporation shall issue without further considera-
20 tion such number of shares of common stock, as may be necessary to
21 comply with the requirements of the Alaska Native Claims Settlement Act
22 and all stock so issued is considered fully paid and nonassessable
23 when issued;

24 (2) unless otherwise provided in the articles of incorpora-
25 tion approved by the secretary of the interior;

26 (A) the capital is considered the consideration for the
27 initial issuance of shares; and

28 (B) the capital of a corporation organized under P.L.
29 92-203 includes

1 (i) the land or interests in it conveyed to the
2 corporation by the United States under the federal Act,
3 except that which is required to be conveyed under secs.
4 14(c)(1), (3) and (4) of that Act, entered at its fair value
5 to the corporation upon receiving the conveyance of it; and

6 (ii) the money, when received under secs. 6, 7(i)
7 and 9 of that Act, which is retained by the corporation and
8 which is not immediately distributed or required to be
9 distributed under sec. 7(j) of that Act or paragraphs (10) -
10 (13) of this section.

11 * Sec. 3. AS 10.20 is amended by adding a new section to read:

12 Sec. 10.20.007. CORPORATIONS ORGANIZED UNDER P.L. 92-203. A
13 village corporation organized under the Alaska Native Claims Settlement
14 Act (P.L. 92-203; 85 Stat. 688) may be incorporated under and subject
15 to this chapter except the name of a corporation organized under P.L.
16 92-203 may contain the word "village" or otherwise imply that the
17 corporation is a municipal corporation; however, the name of a village
18 may be used in the corporate name.

19 * Sec. 4. ASSUMPTION AND PAYMENT OF ORGANIZATIONAL EXPENSES. (a) A
20 regional corporation may, if the articles of incorporation approved by the
21 secretary of the interior so provide, assume and pay the organizational
22 expenses, as defined in (d) of this section, incurred by the regional
23 association, up to a maximum of \$250,000 for each regional association,
24 including loans for that purpose made after December 18, 1971 and before the
25 organization meeting of the board of directors.

26 (b) A regional corporation may, if the articles of incorporation
27 approved by the secretary of the interior so provide, assume and pay the
28 organizational expenses, as defined in (d) and subject to the limits in (c)
of this section, incurred by a village, reservation village (before election

1 to retain the reservation land), and may assume and pay those expenses, up
2 to a maximum of \$5,000, incurred by a Native group, or urban Native group
3 for Juneau, Kenai, Kodiak, or Sitka, within the region.

4 (c) A village corporation and a reservation village may, if the
5 articles of incorporation approved by the respective regional corporation
6 so provide, assume and pay such organizational expenses up to a maximum of
7 \$25,000 as are approved by the regional corporation. No expenses shall
8 be approved if they are incurred prior to December 18, 1971 or after the
9 organization meeting of the board of directors of the corporation.

10 (d) Organizational expenses are expenses incurred, if the articles of
11 incorporation approved by the secretary of the interior so provide, after
12 enactment of the federal Act to prepare for and initially carry out the
13 duties and powers vested in regional associations, villages, reservation
14 villages, small Native groups, urban Native groups, and corporations, or
15 reasonably necessary or desirable in preparation for assumption of those
16 duties and powers, including but not limited to

- 17 (1) incorporating and other expenses or organizing the regional
18 associations and corporations;
- 19 (2) meeting costs, including travel and per diem;
- 20 (3) assisting villages and groups in organizing;
- 21 (4) conducting informational and training programs;
- 22 (5) retaining attorneys, land consultants, and other consultants;
- 23 (6) hiring staff and paying staff and officers;
- 24 (7) establishing offices;
- 25 (8) planning, including planning land withdrawals and selections;
- 26 (9) borrowing money and raising funds for organizational purposes.

27 * Sec. 5. AS 10.05 is amended by adding a new section to read:

28 Sec. 10.05.208. CORPORATIONS ORGANIZED PURSUANT TO P.L. 92-203.

29 Notwithstanding the provisions of AS 10.05.207, no payment from the

1 funds of a corporation organized pursuant to P.L. 92-203 which is
2 required by the language of P.L. 92-203 to be distributed to share-
3 holders or to other corporations so organized shall be considered
4 to be a distribution in partial liquidation.

5 * Sec. 6. This Act takes effect on the day after its passage and approval
6 or on the day it becomes law without approval.