Introduced: 4/18/72
Referred: Judiciary

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 804

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 PURSUANT TO P.L. 92-203.

15 (a) A corporation organized pursuant to the Alaska Native Claims
16 Settlement Act (P.L. 92-203; 85 Stat. 688), except a village corporation
17 which may be incorporated under either this chapter or AS 10.20, shall
18 be incorporated 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

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

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

(b) Notwithstanding the provisions of Sec. 207 of this chapter, no payment from the funds of a corporation organized pursuant to P.L. 92-203 which is required by the language of P.L. 92-203 to be distributed to shareholders or to other corporations so organized shall be considered to be a distribution in partial liquidation.

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

Sec. 10.20.007. CORPORATIONS ORGANIZED UNDER P.L. 92-203. A village corporation organized under the Alaska Native Claims Settlement Act (P.L. 92-203; 85 Stat. 688) may be incorporated under and subject to this chapter except the name of a corporation organized under P.L. 92-203 may not contain the word "village" or otherwise imply that the corporation is a municipal corporation; however, the name of a village may be used in the corporate name.

* Sec. 4. ASSUMPTION AND PAYMENT OF ORGANIZATIONAL EXPENSES. (a) A regional corporation may assume and pay the reasonable organizational expenses, as defined in (d) of this section, incurred by the regional association, up to a maximum of $500,000 loaned by the State of Alaska under Sec.44.-25.032 for each regional association, including loans for that purpose made after December 18,1971 and before the organization meeting of the board of directors.

(b) A regional corporation may assume and pay the reasonable organizational expenses, as defined in (d) and subject to the limits in (c) of this section, incurred by a village, reservation village (before election to retain the reservation land), and may assume and pay those reasonable expenses up to a maximum of $5,000, incurred by a Native group, or urban Native group for Juneau, Kenai, Kodiak, or Sitka, within the region.

(c) A village corporation and a reservation village corporation may assume and pay such organizational expenses up to a maximum of $25,000 as are approved by the regional corporation. No expenses shall be approved if they are incurred prior to December 18, 1971 or after the organization meeting of the board of directors of the corporation.

(d) Organizational expenses are expenses incurred in anticipation of or after enactment of the federal Act to prepare for and initially carry out the duties and powers vested in regional associations, villages, reservation villages, small Native groups, urban Native groups, and corporations, or reasonably necessary or desirable in preparation for assumption of those duties and powers, including but not limited to

(1) incorporating and other expenses of organizaing the regional associations and corporations;

(2) meeting costs, including travel and per diem;

(3) assisting villages and groups in organizing;

(4) conducting informational and training programs;

(5) retaining attorneys, land consultants, and other consultants;

(6) hiring staff and paying staff and officers;

(7) establishing offices;

(8) planning, including planning land withdrawals and selections;

(9) borrowing money and raising funds for organizational purposes.

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