

Introduced: 5/13/81  
Referred: Judiciary and  
Finance

1 IN THE SENATE

BY FERGUSON

2 2d SPONSOR SUBSTITUTE FOR SENATE BILL NO. 366

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to corporations organized pursuant to  
7 P.L. 92-203; and providing for an effective date."

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

9 \* Section 1. AS 10.05.005(a)(2)(B) is amended to read:

10 (B) the capital of a corporation organized under P.L.-  
11 92-203 includes

12 (1) the land or interest in it, conveyed to the  
13 corporation by the United States under the federal Act,  
14 except that which is required to be conveyed under SS14(c)-  
15 (1), (3) and (4) of that Act, entered at its fair value to  
16 the corporation upon receiving the conveyance of it; and

17 (ii) the money, when received under SS6[,71] and  
18 9 of this Act, which is retained by the corporation and  
19 which is not immediately distributed or required to be dis-  
20 tributed or required to be distributed under SS7(j) of that  
21 Act.

22 \* Sec. 2. AS 10.05.005 is amended by adding a new subsection to read:

23 (d) Section 204 of this chapter notwithstanding, the directors  
24 of any corporation organized under the Alaska Native Claims Settlement  
25 Act (P.L. 92-203; 85 Stat. 688) may declare and pay dividends in cash  
26 or property either

27 (1) out of unreserved or unrestricted earned surplus of the  
28 corporation; or

29 (2) in case there shall be no such earned surplus, out of  
X

1 its net profits for the fiscal year in which the dividend is declared  
2 and/or the preceding fiscal year except when the corporation is insolvent  
3 or when the dividend would render the corporation insolvent as defined  
4 in AS 10.05.825(16); provided that for purposes of this subsection a  
5 corporation's debts include amounts it is required to distribute under  
6 §7(i) and/or 7(j) of the federal Act. The directors may determine the  
7 net profits derived from the exploitation or liquidation of wasting as-  
8 sets without taking into consideration the depletion of such assets  
9 resulting from lapse of time, consumption, liquidation or exploitation  
10 of such assets; provided that any dividends declared from such net prof-  
11 its shall be described, concurrently with distribution thereof to share-  
12 holders, as a distribution from wasting assets without taking into con-  
13 sideration the depletion of such assets. For the purposes of this  
14 subsection wasting assets are timber resources and subsurface estate.

15 \* Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-  
16 070(c).