

Amendment would mean Natives payed by U.S. at fair interest rate

The U.S. Senate adopted an amendment, authored by Sen. Frank Murkowski, to calculate a fair interest rate on funds owed to Alaska Native corporations since 1971.

Murkowski said that interest payments will apply to revenues from funds that the government received between the time the Native corporations selected their land and the time they received title to those lands.

Murkowski said his provision amends Section 1411 of the Alaska National Interest Lands Conservation Act to "eliminate ambiguity and misinterpretation that would have resulted in an unfair reimbursement to Alaska Native regional and village corporations" for the interest the federal government owes.

At Murkowski's request, the amendment was added to the Omnibus Territories bill which was passed August 1 by the House of Representatives. On August 9, the Senate adopted the bill by a voice vote, and it will now be sent to the White House for the president's signature.

"After 15 years of waiting, Alaska Native regional and village corporations will finally have the funds returned to them with proper interest," Murkowski said.

"My amendment requires that the interest be calculated at a floating interest rate based on the government's rate of return on the Natives' monies," Murkowski said.

Murkowski said that the amendment also requires payments to the Native corporations be paid from the Treasury Judgement and Settlement fund.

since early in his Senate term, Murkowski has been working with the

Department of Interior to return funds owed to the Alaska regional and village corporations under a congressional mandate. A section of ANILCA required that all funds owed to the Native corporations from 1971 be identified and distributed with interest.

In March, 1984, Murkowski requested the Bureau of Land Management to audit records from 1971-1976 and compile a report listing the revenues received by the department during that time for each regional and village corporation.

Murkowski also requested the Mineral Management Service, the Fish and wildlife Service, the Forest Service, the National Oceanic and Atmospheric Administration, and the Alaska Railroad to identify funds owed and to report those findings to the Department of Interior.

In June 1985, the Interior Department notified Murkowski that it had identified and paid more than \$10 million owed to Alaska Natives in oil and gas revenues.

Last December, Congress passed an appropriations bill that agreed to a formula for calculating the interest on the funds owed, and directed Secretary of Interior Don Hodel to report to Congress by May 31, 1986 on the calculation of the amounts of interest.

In July, the department reported their calculation of the interest, but according to Murkowski, it did not follow the congressional directive.

"Because of the department's inadequate calculation procedure, I concluded that a legislative response was warranted to determine a fair interest rate," Murkowski said. "I'm pleased that Congress agreed to my amendment."