

Issues Being Considered

The 1991 Amendments reprinted elsewhere in this issue are those that were unanimously approved by the U.S. House of Representatives July 28. The Amendments must still be approved by the Senate before being passed on to the President for signing.

The following is a list of issues under consideration as changes to the Amendments.

***Inheritance**

In H.R. 4162 a Native can leave ANCSA stock to a non-Native only by a will, and that stock is non-voting. The Senate is considering amending the legislation to read that stock can be left to any non-Native with or without a will and that stock will be voting stock.

***Developed Lands**

At question is whether the 1991 Amendments should further define developed and non-developed lands. Some people believe that it would be better to further define developed lands for taxation purposes. Many municipal government officials favor this. Currently, H.R. 4162 defines developed lands the same as under ANCSA. The Senate is considering adopting the definition of developed lands in state law.

AFN would accept either the state's definition or the definition in H.R. 4162.

***Sovereignty**

Members of Congress and Alaska Natives agree that the Amendments must remain neutral on the rights of tribal governments. The question is what language should be incorporated into the bill to ensure this is the case. All of those involved are working on some language that will accomplish that purpose. AFN believes neutrality can be accomplished.

***Transfer of Subsurface Land Rights to Villages**

The problem with this provision is that Alaska Natives are divided on the issue. Some are opposed to this provision because it further complicates ANCSA's 7(i) provision. Another problem with this provision is that none of the economic rights in the subsurface transfers to the villages because of 7(i). On the other hand if villages receive title to the subsurface they can control the timing and conditions of development. Also, village ownership would protect the subsurface if the regional corporations went bankrupt, but of course, not if the village went bankrupt.

***Variety of Voting Standards**

There are two major voting stan-

dards in the 1991 Amendments. The first states that a majority of the shareholders (50 percent plus 1 share) are needed to remove the restrictions on stock alienation. The rest of the changes require only that at least 50 percent of the shareholders be present at a meeting and a majority of those present approve the issue.

The Senate is considering setting a standard for all votes of 50 percent plus 1.

***Petitions**

Shareholders can petition to force votes on the issues in this legislation (i.e. removal of stock restrictions, adding shareholders born after 1971, etc.) H.R. 4162 requires that 33 1/3 percent of the shareholders have to sign a petition to bring removal of the stock restrictions before all shareholders. On other issues to be petitioned, only 15 percent of the shareholders have to sign.

The Senate is considering a standard somewhere between the two figures.

***Village versus Regions**

This is an issue raised by the Department of the Interior. The Interior Department has agreed with the automatic extension of stock restrictions for the villages.

But for regions, the Interior believes that any individual who wishes to sell his or her stock should be able to do so. This is in direct conflict with AFN's proposed legislation.

The Interior Department supports the creation of ownership trusts of stock. AFN believes this approach is legally cumbersome and expensive. Under this approach, some shares could be sold to non-Natives or non-Native corporations.

AFN is hoping to negotiate a compromise with the Interior Department on this issue, or persuade the Senate that our position is correct.

***Issuance of Stock to New Natives**

The Interior Department is opposed to this provision because it believes it will dilute the value of existing corporation stock.

AFN believes that since the issuance of new stock to either new Natives or elders is a decision to be voted on by existing shareholders and those shareholders will be informed of that dilution, it should remain in the legislation.

***Tax Treatment of Transfers**

AFN is working towards inclusion of a provision under which transfers of assets to qualified transfer entities, or entities 100 percent owned by Native corporations, are not taxed.



Members of the House Interior and Insular Affairs Committee listen to testimony on 1991. Tundra Times Photo