

USID Indecisive Body—

'Biggest Stumbling Block'

(Courtesy of Anchorage Daily News)

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The federal Department of Interior is an indecisive body that has provided "the biggest stumbling block" to Alaska Natives since the Alaska Native Claims Settlement Act was implemented, Sam Kito president of the Alaska Federation of Natives, said Tuesday.

Kito and executives of two regional Native corporations testified on land claims problems before the U.S. House Indian Affairs Subcommittee in Anchorage. The subcommittee, chaired by U.S. Rep. Lloyd Meeds of Washington, conducted three separate hearings, the other two concerning education issues and a proposed \$1.2 billion health care bill.

Kito, in prepared testimony on the claims problems, said the Interior Department has consistently found against the best interests of the Native community, and he outlined several specific problems:

— The department has consummated an agreement with the Bureau of Land Management and the General Services Administration which "subverts the intent of Congress to grant Native corporations excess, surplus and non-needed lands,"

Kito said.

— Proposed Interior Department amendments to land selection regulations would severely reduce the number of cemetery and historical sites that have been approved, and would place extra financial burdens on Natives by forcing them to pay for publication of land selections, Kito believes.

— The department solicitor has produced an opinion which "would allow the secretary to place easements anywhere he wants on Native lands for any purpose he wants, which clearly was not the intent of Congress."

Interior also suffers from an inability to make final decisions, Kito said. Easements have been under discussion for "well over a year," there are still no guidelines to define navigable waters, and the Interior Department could have, but refused, to solve the problem of creation of a 13th regional corporation for nonresident Alaska Natives, the AFN leader said.

"Often the inability of the department to make any decision has had as much negative effect on the Native community as if the department had made a decision against the Native's best interest. This is a very frustrating atmosphere to be operating in,"

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he said in written testimony.

John Schaeffer, executive director of NANA Regional Corp. based in Kotzebue, spoke about two other issues facing Native corporations, upcoming taxation of undeveloped lands, and the difficulty in appraising land values.

NANA began a merger process with some of its village corporations, and obtained waivers of some Securities and Exchange Commission requirements. But after spending \$150,000 in the process, the SEC "jerked the waivers" and NANA was out that much money, Schaeffer said. The SEC would not accept the method NANA used in determining land values.

Schaeffer said NANA is basically a rural corporation, and much land is being selected for subsistence purposes rather than development. Kito noted if state or local governments decide to tax undeveloped land when it become taxable in 1992, the Natives may be forced to develop the land, sell, lose it to taxes. "We

expect to have some future recommendations to Congress on the taxation of undeveloped land," Kito said.

John Borbridge, president and chairman of the board of SeaAlaska Corporation in the Southeast portion of the state, said his corporation is at issue with the U.S. Forest Service over the right of the regional corporation to make land selections in the Tongass National Forest. Much of other available land is mountainous and glacial, Borbridge said.

Two Southeastern cities, Juneau and Sitka, have land selection rights but no funds, and Borbridge recommended that those two cities and two other cities in similar circumstances elsewhere in the state be given \$250,000 each.

The Indian affairs subcommittee is currently considering amendments to the claims act. Meeds said many of the problems raised in the hearing Tuesday would be dealt with in the amendments.