

# Alaska Native Fund to Earn--

## *Settlement Fund Eligible to Earn at 4 Per Cent a Year*

WASHINGTON, D.C. — Senator Mike Gravel announced today that the Alaska Native Fund, created by the Native Claims Settlement Act, was eligible for interest payments at a rate of four percent a year.

The interest earned by the Native Fund would be added to it and disbursed to Alaskan Natives through the regional corporations upon enrollment of the Natives.

The Department of the Interior and the Department of the Treasury has disagreed as to whether the fund should be considered as an Indian Tribal Fund for the purpose of interest payment at a 4% rate under Federal law.

The Treasury Department argued that the Native Fund was not eligible since it was not a fund for Indian tribes as such, and that the language of the Claims Act did not specifically state that interest should be paid on the money in the fund.

The Interior Department, on the other hand, argued that the Alaska Native Fund should be eligible for interest since it contained money held in trust pend-

ing completion of the roll of the Natives and since Alaskan Natives are considered as entitled to the benefits due Indian tribes under other laws.

The Comptroller General of the United States was asked to arbitrate the dispute and decided that the Fund was eligible for interest.

The Comptroller General gave over-riding attention to a debate on the Claims Bill occurring in the Senate last December between Senator Gravel and Senator Alan Bible.

Senator Gravel had asked specifically if the money in the Fund was eligible for interest payments. Senator Bible responded that the House-Senate Conference Committee intended that the Secretary of the Treasury would manage and invest the fund, pending enrollment and credit "any interest so earned to that fund.

When the enrollment is completed, the total balance, including accrued interest will be paid to regional corporations in accordance with the bill," Senator Bible said.

Senator Gravel said that this

dialogue was the primary basis for today's decision by the Comptroller General. "My exchange with Senator Bible on the Senate floor showed clearly that Congress intended that interest be earned by the Alaska Native Fund," he said.

The Alaska Native Fund will ultimately consist of \$462,500, 000 from the State of Alaska, and from the US for mineral royalties and lease rentals.

"Today's decision," Senator Gravel said, "means, for example, that the \$62.5 million already paid into the fund by the Federal Government will earn \$2.5 million dollars a year.

As more money is paid into the fund, and as the interest is reinvested, this interest will augment the Fund considerably.

"It is only proper that the money in the Fund be considered as an asset for the Natives in our State. I have been urging for sometime that such funds not be kept in suspension but be treated as the property of the ultimate recipients of the money.