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Anchorage, Alaska

Lawsuit seeks \$525 million from corporations

Village sues regional corporations for share of NOL money under 7(i)

by Jeff Richardson
Tundra Times staff

Section 7(i) of the Alaska Native Claims Settlement Act (ANCSA) has raised its ugly head once again. Bayview Inc., village corporation for Ivanof Bay on the Alaska Peninsula, has filed a lawsuit claiming that proceeds of net operating losses sold by regional Native corporations should be shared with village corporations and at-large shareholders of the regional corporations under the revenue-sharing provisions of ANCSA.

Section 7(i) provides that: "Seventy percentum of all revenues received by each Regional Corporation from the timber resources and subsurface estate patented to it . . . shall be divided annually by the Regional Corporation among all twelve Regional Corporations . . . according to the number of Natives enrolled in each region."

According to a statement issued by Sam Fortier and Thomas A. Holman, attorneys for Bayview, "Plaintiffs seek an accounting of (Sec.) 7(i) revenues,

a declaratory judgment, unspecified compensatory and punitive damages for the alleged violation of ANCSA (Sections) 7(i), (j) and (m) and injunction."

Plaintiffs allege that as much as \$525 million should have been shared by the regional corporations.

The question raised by the lawsuit is whether the NOL transactions made by regional corporations are subject to revenue sharing. For example, is the money made by selling timber losses considered to be the same as the money made from selling the timber itself. Regional corporations are expected to argue that, unlike revenues received from the sale of resources which are subject to revenue sharing, tax consequences of resource ownership such as NOL transactions are not to be shared. In support of this argument, the corporations are expected to rely on a lack of legislative history on the subject, Internal Revenue Service rulings and a court-brokered 7(i) agreement between the regional corporations which resolved a number of 7(i) issues in

Page 7, please



Alaska Federation of Natives Convention attracts many

Elsie Beaver of Bethel, had a chance to find out what was going on in Native politics at last October's AFN Convention. She also had a chance to see her family and friends from around the state without traveling around the state.

Photo by Mark Self

Federal Subsistence Board charts new ground in game management

by Jeff Richardson
Tundra Times staff

The regional advisory councils which help formulate subsistence hunting regulations on federal land are only a year old, but they are already making their mark. And while it is still awkward having separate state and federal game management systems, federal

officials say they are working hard to maintain open lines of communication with their state counterparts.

The federal government took over management of game on its lands in 1990 after the state failed to provide a harvest priority for rural subsistence hunters, but it was not until August 1993 that the regional advisory councils be-

came operable. Their function is to channel information and concerns from village residents to the Federal Subsistence Board, which actually decides subsistence hunting seasons, bag limits and related issues. The board consists of the regional directors of the National Park Service, U.S. Fish and Wildlife Service, Bureau of Land Man-

Page 6, please

Ahwinona thrives in Washington as congressional staff member

by Jeff Richardson
Tundra Times staff

When Cynthia Ahwinona got a call at 5:30 one morning in 1981, she was not amused.

"He said, 'This is Don Young.' I said, 'Yeah, right,' and I hung up," Ahwinona recalls.

One slight problem: It was Don Young, Alaska's only member of the U.S. House of Representatives. He was trying to offer Ahwinona a job, but had forgot-

ten about the time difference between Washington, D.C. and Anchorage. Unfazed by the rebuff, Young had another staffer call Ahwinona at her office at the Alaska Federation of Natives and arrange a meeting.

Ahwinona, an Inupiat born and raised in Nome, worked for Young for the next six years as a member of his personal staff. After a two-year break, she became Young's staff member on the House Resources Committee.

Now, as her boss assumes chairmanship of the renamed Committee on Public Lands and Resources, Ahwinona is about to see her level of responsibility rise accordingly. But she's ready, having long ago come under the spell of Washington's fast pace and excitement.

Ahwinona's work in Washington actually began with a four-year stint as a receptionist for Sen. Mike Gravel in 1976. After sev-

Page 6, please

This just in

Two more Alaska Natives have been appointed by Governor Tony Knowles. Athabascan Karen Perdue, Fairbanks, has been appointed as Commissioner of Health and Social Services and Tlingit Albert Kookesh, Angoon, has been named rural liaison.

Perdue served as Deputy Commissioner of the department during the Cowper Administration (1985-1990). Previously, she served as director of the Division of Community Development in the Department of Community and Regional Affairs.

Health and Social Services is the second largest department of state government, with 2,000 employees and a budget of approximately \$800 million. The agency is responsible for providing health care and social services, especially for those most at risk: the disabled, the poor, the elderly, juvenile offenders, and children and adults in danger. The department includes the divisions of Family and Youth Services, Alcoholism and Drug Abuse, Mental Health and Developmental Disabilities, Public Assistance, and Public Health.

Kookesh will serve as Knowles' link between the administration and rural Alaska. He will also advise the Knowles/Ulmer Administration on rural policy matters.

Kookesh served on the board of directors for Sealaska Corporation for six terms, is the current chair of the Alaska Federation of Natives, has served as chief executive officer of Kootznoowoo, Inc. of Angoon, and secretary and president of the Alaska Native Brotherhood. He is a commercial salmon and halibut fisherman, and owner/operator of a hunting and fishing lodge and market in Angoon.

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