tion which would provide a lifting of the freeze even earlier than we here propose, which is six months after the adoption of the Federal Act.

4. If there are not sufficient lands in the claim area for selection, the village shall be entitled to in lieu selection, subject to the priority right of each village to township selection under its temporary roll. Because such lands will be selected primarily for economic value, any revenues from in lieu lands will be subject to a one-sixth (1/6) royalty to the local village an a one-sixth (1/6) royalty for the statewide Native corporation.

5. Village township lands shall not be subject to taxation as long as the land is owned by the incorporated tribal group, but revenues from the land will be taxable, and the corporation may make "in lieu of tax" payments to local governments. Private interests in these lands, such as leaseholds, will be taxable to the private owner.

6. In order to facilitate future development, the village-as-a-municipal-corporation shall be separated from the village-as-an-incorporated-tribal-group. Among the differences between these concepts are the following: Whites may become resident members of the municipality; residence is not required for membership in the corporation; corporation membership in the course of time is to be translated into stock in a business corporation under Alaska law. A membership interest will be represented by 100 shares of stock which are not alienable by the first holder, except at death, and successor holders must be descendants of those on the original roll until 100 years have elapsed, when the shares shall be freely alienable, subject to any "close corporation" provisions in the articles and by-laws.

7. To avoid inflation of the rolls, a Native must be one-quarter blood to be enrolled. However, subject to a one-sixteenth statutory minimum, a corporation may extend benefits to those of lesser blood quanta.

8. The village shall have the option of whether to receive the grant in fee or in trust. If in trust, the village may choose the Secretary of the Interior as trustee, or subject to his concurrence in the appointment, may appoint any other person, including a regional or statewide Native corporation as trustee.

9. The village township land grant shall include all mineral rights.

10. The corporation, subject to limitation, may grant lands in fee to members, such as townsite lots, or to the local municipal corporation.

11. The village may elect to vest title to its lands in a regional corporation, either as trustee, or if all other member villages of the regional corporation do so, then in fee. The regional corporation may make the selection of lands. In this case the regional corporation may exercise the right to nominate and exercise preferential selection rights throughout the region. (Each village separately would otherwise be limited to its Native claim area.)

12. The village is encouraged to contract with the Alaska State Division of Lands for land management, with the village to retain policy control. The Division now has contracts with several boroughs for the management of borough lands.

13. Because many villages are on or are surrounded by reservations and withdrawn lands, the federal law must provide an effective means of obtaining some of these lands for township selection. Specifically, up to 100,000 acres of forest lands should be made available, subject to the approval of the Secretary of Agriculture. Also, villages should have a priority right of selection when reservations and withdrawals are canceled.

14. Villages on Indian reservations will obtain title to reservation lands, and the reservations will be terminated.

15. Native township grant lands will be considered federal lands for the purpose of allocating federal highway funds until such lands are in private ownership and are taxable.

16. Existing occupants of township grant lands will have preference rights in acquiring title thereto.

Offshore royalties

1. The offshore royalty program as suggested by Secretary Udall is acceptable as a part of an over-all settlement.

2. This program, as redrafted by your Task Force, includes:

(*a*) A ten percent (10%) royalty as a present property interest for not less than twenty-five (25) years.