

Section 513. Alternative Incorporation Under the Indian Reorganization Act.—Self-explanatory.

Section 514. Taxation.—This section establishes certain general rules of taxation. It should be reviewed and revised by an expert in drafting tax legislation.

Section 515. Authorization for Appropriation.—Compare Section 3(j), p. 7, S. 1964.

Section 516. Definitions.—These are generally self-explanatory. Note that certain urban native groups, such as the Fairbanks Native Association, which do not as a group claim Indian Title, are not "native groups" under the act. Their members must be enrolled on the rolls of their historic villages.

Section 517. Short Title.—No comment.

ATTACHMENT B

TASK FORCE COMMENTARY ON STATE ALASKA NATIVE CLAIMS ACT

Draft of January 24, 1968

GENERAL

The proposed state act is a companion measure to the proposed federal act. Both bills are components of an overall approach to settlement of the Alaska native land claims problem. They represent the results achieved by the Governor's Task Force on this subject, comprised of various native leaders from throughout the state.

After many months of effort by this group this two-fold legislative proposal has emerged. The Task Force members have met frequently with state and federal officials, have negotiated tentative agreements on certain items of these bills, and have spent considerable time discussing the terms on which a legislative settlement could best be obtained on terms fair to the State of Alaska, the government of the United States, the natives of Alaska, and the public at large. The proposed bills represent the considered views of the Task Force on what would be an adequate and fair settlement.

The primary legislation for settlement must come from the federal government. The state legislation, except for the royalty provision, is largely for the purpose of implementing the proposed federal act. Accordingly, the proposed state bill can only be understood completely by reading it together with the companion federal bill and the commentary thereon.

CHAPTER I. ALASKA NATIVE COMMISSION

This chapter recognizes and vests power in the federally created Alaska Native Commission to carry out the functions committed to it by the Alaska act. While the bulk of the commission's functions will be concerned with administering the federal act, there are areas where it would perform functions for the state. The important actions committed to it by the state bill would be the distribution of the state royalty under the same methods as the federal royalty is distributed, and the supervisory control over native corporations set forth in Sections 301, 304, 309, 310 and 311 of the proposed state act.

There are, of course, other commission functions contained in the proposed federal act which affect the State of Alaska. For an understanding of these one should refer to that proposed act.

CHAPTER II. ROYALTY

The royalty granted by the state would consist of 5% of the monetary revenues received from certain state lands after the passage of the act. The royalty would not apply to lands from which the state is now deriving revenue or lands which have been conveyed to third parties. It would not apply to the future revenues received by the state as a share of the proceeds derived from federally owned lands in Alaska, which share is granted by the Alaska Statehood Act. The royalty would not commence until there has been a lifting of the current federal "land freeze".

Thus, the royalty grant would have no impact on current state revenues, nor on future revenues from state lands which are economically productive at this time. The royalty looks only to future development of lands, and would in effect give the natives of Alaska a stake in that future.