



## **Testimony of Eric Lee for the June 21, 2021 Petersburg Borough Assembly Meeting**

My name is Eric Lee. I represent myself. I have a few comments and suggestions for questions to Senator Murkowski regarding the Natives Without Land bill.

My first comment regards question number two sent in by the assembly which reads: "If this legislation is enacted, will the newly formed corporations refund the 'in lieu' benefits they have received since 1971?"

The question and the response are a little difficult for the layperson to understand, so in an effort to provide clarity I will share the way the issue was explained to me, by someone who was directly involved in the drafting of the original language in the Alaska Native Claims Settlement Act (ANCSA) that covers revenue sharing. The person I corresponded with stated that it was recognized at the time that the native people that were not eligible to be enrolled in any native corporation needed compensation as well as those who did qualify.

So, in lieu of receiving land of their own with which they could generate revenues through resource extraction they would receive compensation from monies generated by the resource extraction on lands owned by the corporations that qualified. So that's really it in a nutshell.

This revenue-sharing arrangement was considered fair and equitable at the time as it was recognized that under this agreement the Without Land shareholders would generally receive dividend checks that would be larger than their corporation shareholder counterparts.

The person I corresponded with also said that the language in ANCSA regarding revenue-sharing of resource extraction monies was drafted before the timber and oil booms started in the 1970's.

The timber and oil booms that began shortly after ANCSA was passed, resulted in generating much greater compensation to Without Land shareholders than had been anticipated at the time the revenue-sharing language was written.

The answer to the question of whether the new corporations would have to pay back the money they received since 1971 was "No."

An informative follow-up question would be: "Does this bill provide for the five new village corporations to pay into the revenue-sharing agreement of ANCSA?"

To be equitable to the Native corporations that contributed revenues into the ANCSA revenue sharing agreement by the depletion of their timber and oil, the five new village corporations should contribute under the same agreement.

So this is an important question regarding equity— which is hopefully the goal of all of this.

Another aspect of the bill to be considered is the precedent-setting nature of the bill. It seems that a bill such as this which does not abide by the original ANCSA criteria for village corporation

status could have the potential for setting a new precedent that could have far-reaching implications for all Alaska.

So it is a very important subject to discuss, hopefully before the bill is introduced and the dialogue moves to D.C. where it is difficult for Alaskans to participate and be heard. The dialogue gets taken over by people with their own interests and it's just hard for us to communicate in an effective way once that bill is introduced—or any bill.

Question 29 seems to be related to the question of precedent-setting. It reads: "Will ANCSA have to be modified to make this lands and infrastructure transfer possible?"

The first sentence of the response is: "ANCSA will be amended to establish the new Urban Corporations for Southeast Alaska."

So, an important question is, "What part of ANCSA would be amended? What would that consist of? Would this amendment have the potential for setting any new precedent regarding the eligibility criteria of ANCSA?"

I think it would be good to have a draft of any language that has been worked out regarding that amendment to ANCSA. If the Assembly could hear that it would be very informative and helpful in the process.

These are important questions and I urge the Assembly to frame them in an appropriate manner and submit them to Senator Murkowski's office with a request for a prompt reply. I think there is no reason they can't change their way of answering and be more prompt. We deserve it. They have not done their research that would have answered a lot of these questions. So we certainly deserve to have these questions answered and not be rushed into any decision regarding the information they come back with.

That's all I have. Thank you.

Eric Lee

