

**Statement of
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**Senate Committee on Energy & Natural Resources
Subcommittee on Public Lands, Forests, & Mining
S. 1481, Alaska Native Claims Settlement Improvement Act
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Thank you for the opportunity to present the views of the Department of the Interior (Department) on S. 1481, the Alaska Native Claims Settlement (ANCSA) Improvement Act. Among its measures, S. 1481 amends ANCSA and other laws concerning Alaska Native issues and Alaska Native communities, including: Ukpeagvik Inupiat Corporation; Shishmaref; Shee Atika Incorporated; Admiralty Island National Monument; CIRI (Cook Inlet Region, Inc.); Kaktovik, Canyon Village, and Nagamut; Unrecognized Southeast Alaska Native Communities Recognition and Compensation; Open Season for Certain Alaska Native Veterans for Allotments; a 13th Regional Corporation; Chugach Alaska Corporation; and reinstatement of a dissolved village or group. S. 1481 also includes a section on dividend exclusion increase for benefit calculations and on fractional shares.

The Department supports this legislation and looks forward to working with the sponsors and the Committee on technical modifications to specific sections. After the brief introduction below, a summary analysis of these sections follows.

The Department defers to U.S. Department of Agriculture (USDA) on Sections 5, 6 and 13 as they pertain to National Forest System issues.

Background

The Alaska Native Claims Settlement Act (ANCSA) of 1971 settled aboriginal land claims in Alaska and entitled Alaska Native communities to select and receive title to 46 million acres. ANCSA established a corporate structure for Native land ownership in Alaska under which Alaska Natives would become shareholders in one of 12 private, for-profit, land-owning Regional Corporations. Each Regional Corporation encompassed a specific geographic area, and was associated with Alaska Natives who had traditionally lived in the area. For each Regional Corporation, ANCSA provided at least two acreage entitlements through which it could select and receive ownership of Federal lands. For Alaska Natives who were non-residents of the state at the time the Act was signed into law, ANCSA authorized a 13th Regional Corporation. In addition, ANCSA created more than 200 Alaska Native Village, Group, Urban, and Reserve Corporations.

As the Secretary of the Interior's designated survey and land transfer agent, the Bureau of Land Management (BLM) is the Federal agency working to survey and convey to Alaska Native Corporations title to the 46 million acres selected. The BLM's Alaska Land Transfer program administers the transfer of lands to individual Alaska Natives under the Alaska Native Allotment

Act (1906 Act); implements the 46 million-acre transfer to Alaska Native communities under ANCSA; and is also responsible for conveying 104.5 million acres to the State of Alaska under the Alaska Statehood Act. When the survey and conveyance work under the Native Allotment Act, the Alaska Statehood Act, and ANCSA is completed, over 150 million acres, approximately 42% of the land area in Alaska, will have been transferred from Federal to state and private ownership.

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Sec. 3. Ukpeagvik Inupiat Corporation (UIC) Sand & Gravel Resources

Sec. 3 of S. 1481 would transfer all right, title, and interest in sand and gravel deposits underlying the surface estate of land owned by the Ukpeagvik Inupiat Corporation (UIC) and require mitigating measures by UIC to protect Steller's eider, a species of waterfowl protected under the Endangered Species Act as a threatened species, if development of those resources takes place. The bill requires UIC to continue to mitigate negative impacts on the nesting sites of the Steller's eider, and to not blast or use explosives during the active nesting season of the Steller's eider.

The Department supports the goals of Sec. 3 and would like to work with the sponsors and the Committee on technical modifications concerning the Umiat Meridian, Alaska; the Barrow Gas Field Transfer Act of 1984; and clarification that the conveyance of sand and gravel resources to UIC fulfills its ANCSA 12(a) entitlement.

Sec. 4. Shishmaref Easement

Sec. 4 directs the Secretary of the Interior to grant the Shishmaref Native Corporation a 300-foot easement crossing the Bering Land Bridge National Monument, a unit of the National Park System, to permit a surface transportation route between the Village of Shishmaref and Ear Mountain, Alaska. The easement is to be jointly proposed by the Shishmaref Native Corporation, the City of Shishmaref, and the Native Village of Shishmaref. The bill deems the easement to meet all applicable requirements of Title 11 of the Alaska National Interest Lands Conservation Act (ANILCA). The purpose of this action is to help facilitate the relocation of the Village of Shishmaref to a new location that is less subject to flooding and erosion from thawing permafrost, loss of coastal sea ice, and extreme weather events. The road from Shishmaref Lagoon to Ear Mountain would provide access to rock that would be needed if the Village is relocated to somewhere on the shore of Shishmaref Lagoon.

The Department supports this provision and looks forward to working with the sponsors and the Committee on technical modifications to Sec. 4 concerning the specifications for the road.

Sec. 7. CIRI (Cook Inlet Region, Inc.) Land Entitlement

Sec. 7 authorizes Cook Inlet Region Inc. (CIRI) to fulfill its land entitlement under ANCSA of 43,000 acres by selecting from among several types of Federal land, including land located: outside the boundaries of Cook Inlet Region; within the boundaries of the National Petroleum Reserve-Alaska; within a unit of the National Wildlife Refuge System in Alaska but not inside the Arctic National Wildlife Refuge; and outside of the boundaries of any national monument or unit of the National Park System. In addition, Section 7 authorizes CIRI to select land located within Cook Inlet Region that has been identified by the Federal government as excess to its

needs, except lands addressed in 1425(b) of ANILCA concerning the North Anchorage Land Agreement.

Fulfillment of the land entitlement of the Cook Inlet Region, Inc. (CIRI) under Section 12(c) of ANCSA and subsequent legislation raises complex issues which the parties are diligently working to resolve. The CIRI land selections and entitlements have been the subject of specific legislation, a 1986 Memorandum of Understanding, as well as specific selection and conveyance procedures. Over the years, the Department and the BLM have worked with CIRI to interpret and implement ANCSA and to fulfill CIRI's land entitlement. Although there are sometimes differences among the parties, we have maintained a collaborative and productive working relationship. The BLM remains committed to continuing that strong working relationship. In 2013, CIRI made re-conveyances to Cook Inlet Region villages, which provided an important measure of certainty with respect to CIRI's entitlement. This action did not resolve all issues relating to CIRI's entitlement, and BLM and CIRI are continuing to work together to resolve the remaining issues.

The Department supports the goals of Sec. 7 and looks forward to working with the sponsors and the Committee on technical modifications and any potential impact of this section to BLM's implementation of the Alaska Land Transfer Acceleration Act.

Sec. 8. Kaktovik and Canyon Village

Sec. 8 requires the Secretary of the Interior to make the following specific conveyances:

- Kaktovik: the surface estate in selected lands to Kaktovik Inupiat Corporation and the subsurface to Arctic Slope Regional Corporation.
- Canyon Village: the surface estate in selected lands to Kian Tr'ee Corporation for the Native Village of Canyon Village and the subsurface to Doyon, Limited, to fulfill ANCSA entitlements.

The Department strongly supports Sec. 8 for its potential to move toward equitable resolution of complex, longstanding issues. We would like to work with the sponsors on technical modifications pertaining to ANILCA and previous agreements.

Sec. 9. Nagamut

The State of Alaska holds patented title to certain lands in southwest Alaska under the Statehood Act. Nagamut and Calista Corporation selected certain lands close to the village's traditional hunting area in southwest Alaska in accordance with ANCSA. However, the State of Alaska continues to hold patented title to lands preferred by Nagamut village and no other lands are located close to the traditional hunting area. Sec. 9 directs the Secretary to pay compensation to Nagamut and to Calista Corporation, in lieu of conveying lands to Nagamut and subsurface to Calista Corporation, respectively, to settle ANCSA land claims entitlement of both Nagamut and Calista. The fair market value of these interests is to be determined by appraisals in accordance with the Uniform Appraisal Standards for Federal Land Acquisitions and the Uniform Standards of Professional Appraisal Practice and other standards.

The Department supports this section and would like to work with the sponsors and the Committee on essential technical modifications to ensure that the provisions in this legislation reach intended beneficiaries.

Sec. 10. Unrecognized Southeast Alaska Native Communities Recognition and Compensation

Sec. 10 amends ANCSA to authorize the five Southeast Alaska Native communities of Haines, Ketchikan, Petersburg, Tenakee, and Wrangell to organize as Urban Corporations, entitling each, upon incorporation, to receive one township of land (23,040 acres) in southeastern Alaska from “local areas of historical, cultural, traditional and economic importance”.

The Department supports Sec. 10 and looks forward to working with the sponsors and the Committee on technical modifications including adding the Secretary of Agriculture for consultation and coordination on land selections resulting from implementation of the bill. In addition, we recommend that the word “township” be replaced with “23,040 acres” because some townships along the coast may be less than 23,040 acres.

Sec. 11. Open Season Alaska Native Veterans Land Allotment Equity

The highest priority of the BLM’s Alaska Land Transfer program is to fulfill existing statutory mandates by completing title transfer to individual Alaska Natives that includes equitable opportunities for Alaska Native Veterans, as well as to fulfill remaining entitlements under ANCSA and the Statehood Act.

We appreciate the sponsors’ continued interest in extending to Vietnam-era Alaska Native Veterans opportunities to apply for an individual allotment in recognition of their service to our country. The Department strongly supports the goals of Section 11 and will continue to work with the sponsors and the Committee to enhance the legislation and offer timely and efficient resolution of longstanding Native allotment processes.

Sec. 12. 13th Regional Corporation

Sec. 12(b) authorizes the establishment of a new 13th Regional Corporation under ANCSA for non-resident Alaska Natives. Previously, a 13th Regional Corporation was created under Alaska law as a private, for-profit corporation on December 31, 1975. That corporation no longer exists. The State of Alaska issued a Certificate of Dissolution on January 1, 2014. The Department supports Sec. 12.

Sec. 13. Chugach Alaska Corporation Land Exchange Pool

Sec. 13 provides for a study of the exchange of lands between the Chugach Alaska Corporation and the Federal government to be conducted by the Secretary of Agriculture. There are more than 139,000 acres of Chugach Alaska lands within the boundaries of Wrangell-St. Elias National Park and Preserve and Kenai Fjords National Park. Potential land exchanges could benefit Wrangell-St. Elias by solving access issues. We look forward to future discussions with the Chugach Alaska Corporation and the Secretary of Agriculture.

Sec. 14. Dividend Exclusion Increase

Sec. 14 amends ANCSA to raise to \$5,000 per year the dividend exclusion for Alaska Natives for program aid.

Sec. 15. Fractional Shares

Sec. 15 authorizes Alaska Native Corporations to convert fractional shares back into full shares of any class of stock, without consideration, to simplify the computation of annual shareholder dividend payments.

Sec. 16. Reinstatement of Dissolved Village or Group Corporations

Sec. 16 amends ANCSA to change the definition of “Village Corporation” so that if an original village corporation were involuntarily dissolved under Alaska state law, a successor corporation organized under the laws of the State of Alaska would be eligible for full ANCSA benefits.

The Department supports the goals of this section to address the needs of shareholders of ANCSA corporations now dissolved or those that may become dissolved, independent of action by the State of Alaska. We recommend that Sec. 16 be expanded to include all ANCSA entities that may face dissolution. We look forward to working with the sponsors and the Committee on technical modifications.

Conclusion

Thank you for the opportunity to testify on this bill. The Department is proud to support the efforts of the sponsors to bring about resolution of many issues facing Alaska Native communities.