

**Calendar No. 651**

103<sup>D</sup> CONGRESS  
2<sup>D</sup> SESSION

**S. 2249**

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**A BILL**

To amend the Alaska Native Claims Settlement  
Act, and for other purposes.

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SEPTEMBER 27 (legislative day, SEPTEMBER 12), 1994  
Reported with amendments

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## IN THE SENATE OF THE UNITED STATES

JUNE 29 (legislative day, JUNE 7), 1994

Mr. MURKOWSKI (for himself and Mr. STEVENS) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

SEPTEMBER 27 (legislative day, SEPTEMBER 12), 1994

Reported by Mr. JOHNSTON, with amendments

[Omit the part struck through and insert the part printed in italic]

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## A BILL

To amend the Alaska Native Claims Settlement Act, and  
for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. PURCHASE OF SETTLEMENT COMMON STOCK**  
4 **OF COOK INLET REGION.**

5 Section 7(h) of the Alaska Native Claims Settlement  
6 Act (43 U.S.C. 1606(h)) is amended by adding at the end  
7 the following new paragraph:

1       “(4)(A) As used in this paragraph, the term ‘Cook  
2 Inlet Regional Corporation’ means Cook Inlet Region, In-  
3 corporated.

4       “(B) The Cook Inlet Regional Corporation may, by  
5 an amendment to its articles of incorporation made in ac-  
6 cordance with the voting standards under section  
7 36(d)(1), purchase Settlement Common Stock of the Cook  
8 Inlet Regional Corporation and all rights associated with  
9 the stock from the shareholders of Cook Inlet Regional  
10 Corporation in accordance with any provisions included in  
11 the amendment that relate to the terms, procedures, num-  
12 ber of offers to purchase, and timing of offers to purchase.

13       “(C) Subject to subparagraph (D), and notwithstand-  
14 ing paragraph (1)(B), the shareholders of Cook Inlet Re-  
15 gional Corporation may, in accordance with an amend-  
16 ment made pursuant to subparagraph (B), sell the Settle-  
17 ment Common Stock of the Cook Inlet Regional Corpora-  
18 tion to itself.

19       “(D) No sale or purchase may be made pursuant to  
20 this paragraph without the prior approval of the board of  
21 directors of Cook Inlet Regional Corporation. Except as  
22 provided in subparagraph (E), each sale and purchase  
23 made under this paragraph shall be made pursuant to an  
24 offer made on the same terms to all holders of Settlement  
25 Common Stock of the Cook Inlet Regional Corporation.

1       “(E) To recognize the different rights that accrue to  
2 any class or series of shares of Settlement Common Stock  
3 owned by stockholders who are not residents of a Native  
4 village (referred to in this paragraph as ‘non-village  
5 shares’), an amendment made pursuant to subparagraph  
6 (B) shall authorize the board of directors (at the option  
7 of the board) to offer to purchase—

8           “(i) the non-village shares, including the right  
9 to share in distributions made to shareholders pur-  
10 suant to subsections (j) and (m) (referred to in this  
11 paragraph as ‘nonresident distribution rights’), at a  
12 price that includes a premium, in addition to the  
13 amount that is offered for the purchase of other vil-  
14 lage shares of Settlement Common Stock of the  
15 Cook Inlet Regional Corporation, that reflects the  
16 value of the nonresident distribution rights; or

17           “(ii) non-village shares without the nonresident  
18 distribution rights associated with the shares.

19       “(F) Any shareholder who accepts an offer made by  
20 the board of directors pursuant to subparagraph (E)(ii)  
21 shall receive, with respect to each non-village share sold  
22 by the shareholder to the Cook Inlet Regional Corpora-  
23 tion—

1           “(i) the consideration for a share of Settlement  
2 Common Stock offered to shareholders of village  
3 shares; and

4           “(ii) a security for only the nonresident rights  
5 that attach to such share that does not have at-  
6 tached voting rights (referred to in this paragraph  
7 as a ‘non-voting security’).

8           “(G) An amendment made pursuant to subparagraph  
9 (B) shall authorize the issuance of a non-voting security  
10 that—

11           “(i) shall, for purposes of subsections (j) and  
12 (m), be treated as a non-village share with respect  
13 to—

14           “(I) computing distributions under such  
15 subsections; and

16           “(II) entitling the holder of the share to  
17 the proportional share of the distributions made  
18 under such subsections;

19           “(ii) may be sold to Cook Inlet Region, Inc.;

20 and

21           “(iii) shall otherwise be subject to the restric-  
22 tions under paragraph (1)(B).

23           “(H) Any shares of Settlement Common Stock pur-  
24 chased pursuant to this paragraph shall be canceled on  
25 the conditions that—

1           “(i) non-village shares with the nonresident  
2 rights that attach to such shares that are purchased  
3 pursuant to this paragraph shall be considered to  
4 be—

5                   “(I) outstanding shares; and

6                   “(II) for the purposes of subsection (m),  
7 shares of stock registered on the books of the  
8 Cook Inlet Regional Corporation in the names  
9 of nonresidents of ~~villages~~; and *villages*;

10           “(ii) any amount of funds that would be distrib-  
11 utable with respect to non-village shares or non-vot-  
12 ing securities pursuant to subsection (j) or (m) shall  
13 be distributed by Cook Inlet Regional Corporation to  
14 ~~itself~~. *itself; and*

15                   *(iii) village shares that are purchased pursuant*  
16 *to this paragraph shall be considered to be*

17                           *(I) outstanding shares, and*

18                           *(II) for the purposes of subsection (k) shares*  
19 *of stock registered on the books of the Cook Inlet*  
20 *Regional Corporation in the names of the resi-*  
21 *dents of villages.*

22           “(I) Any offer to purchase Settlement Common Stock  
23 made pursuant to this paragraph shall exclude from the  
24 offer—

1           “(i) any share of Settlement Common Stock  
2 held, at the time the offer is made, by an officer (in-  
3 cluding a member of the board of directors) of Cook  
4 Inlet Regional Corporation or a member of the im-  
5 mediate family of the officer; and

6           “(ii) any share of Settlement Common Stock  
7 held by any custodian, guardian, trustee, or attorney  
8 representing a shareholder of Cook Inlet Regional  
9 Corporation in fact or law, or any other similar per-  
10 son, entity, or representative.

11          “(J)(i) The board of directors of Cook Inlet Regional  
12 Corporation, in determining the terms of an offer to pur-  
13 chase made under this paragraph, including the amount  
14 of any premium paid with respect to a non-village share,  
15 may rely upon the good faith opinion of a recognized firm  
16 of investment bankers or valuation experts.

17          “(ii) Notwithstanding any other provision of law,  
18 Cook Inlet Regional Corporation, a member of the board  
19 of directors of Cook Inlet Regional Corporation, and any  
20 firm or member of a firm of investment bankers or valu-  
21 ation experts who assists in a determination made under  
22 this subparagraph shall not be liable for damages resulting  
23 from terms made in an offer made in connection with any  
24 purchase of Settlement Common Stock if the offer was  
25 made—

1           “(I) in good faith;

2           “(II) in reliance on a determination made pur-  
3           suant to clause (i); and

4           “(III) otherwise in accordance with this para-  
5           graph.

6           “(K) The consideration given for the purchase of Set-  
7           tlement Common Stock made pursuant to an offer to pur-  
8           chase that provides for such consideration may be in the  
9           form of cash, securities, or a combination of cash and se-  
10          curities, as determined by the board of directors of Cook  
11          Inlet Regional Corporation, in a manner consistent with  
12          an amendment made pursuant to subparagraph (B).

13          “(L) The eligibility of any Native or descendant of  
14          a Native for any programs, benefits, services, or other  
15          rights or privileges made available to Natives or descend-  
16          ants of Natives by any agency of the Federal Government  
17          or the government of a State or political subdivision of  
18          a State shall not be diminished or affected by the sale  
19          of Settlement Common Stock in accordance with this  
20          paragraph.”.