

Calendar No. 41104TH CONGRESS
1ST SESSION**S. 444****[Report No. 104-20]**

To amend the Alaska Native Claims Settlement Act to provide for the purchase of common stock of Cook Inlet Region, and for other purposes.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 16 (legislative day, JANUARY 30), 1995

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

MARCH 27, 1995

Reported by Mr. Murkowski, without amendment

A BILL

To amend the Alaska Native Claims Settlement Act to provide for the purchase of common stock of Cook Inlet Region, 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,*

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

3 (a) IN GENERAL.—Section 7(h) of the Alaska Native
4 Claims Settlement Act (43 U.S.C. 1606(h)) is amended
5 by adding at the end the following:

6 “(4) COOK INLET REGIONAL CORPORATION.—(A) In
7 this paragraph:

8 “(i) The term ‘Cook Inlet Regional Corporation’
9 means Cook Inlet Region, Incorporated.

10 “(ii) The term ‘nonresident distribution right’
11 means the right of owners of nonvillage shares to
12 share in distributions made to shareholders pursuant
13 to subsections (j) and (m).

14 “(iii) The term ‘nonvillage shares’ means shares
15 of Settlement Common Stock owned by stockholders
16 who are not residents of a Native village.

17 “(iv) The term ‘nonvoting security’ means a se-
18 curity, for only the nonresident rights that attach to
19 a share of Settlement Common Stock, that does not
20 have attached voting rights.

21 “(B) Cook Inlet Regional Corporation may, by an
22 amendment to its articles of incorporation made in accord-
23 ance with the voting standards under section 36(d)(1),
24 purchase Settlement Common Stock of Cook Inlet Re-
25 gional Corporation and all rights associated with the stock
26 from the shareholders of Cook Inlet Regional Corporation

1 in accordance with any provisions included in the amend-
2 ment that relate to the terms, procedures, number of of-
3 fers to purchase, and timing of offers to purchase.

4 “(C) Subject to subparagraph (D), and notwithstand-
5 ing paragraph (1)(B), the shareholders of Cook Inlet Re-
6 gional Corporation may, in accordance with an amend-
7 ment made pursuant to subparagraph (B), sell Settlement
8 Common Stock of the Cook Inlet Regional Corporation to
9 the Corporation.

10 “(D) No purchase or sale may be made pursuant to
11 this paragraph without the prior approval of the board of
12 directors of Cook Inlet Regional Corporation. Except as
13 provided in subparagraph (E), each purchase and sale
14 made under this paragraph shall be made pursuant to an
15 offer made on the same terms to all holders of Settlement
16 Common Stock of the Cook Inlet Regional Corporation.

17 “(E) To recognize the different rights that accrue to
18 any class or series of nonvillage shares, an amendment
19 made pursuant to subparagraph (B) shall authorize the
20 board of directors (at the option of the board) to offer
21 to purchase—

22 “(i) nonvillage shares, including nonresident
23 distribution rights, at a price that includes a pre-
24 mium, in addition to the amount that is offered for
25 the purchase of other village shares of Settlement

1 Common Stock of the Cook Inlet Regional Corpora-
2 tion, that reflects the value of the nonresident dis-
3 tribution rights; or

4 “(ii) nonvillage shares without the nonresident
5 distribution rights associated with the shares.

6 “(F) Any shareholder who accepts an offer made by
7 the board of directors pursuant to subparagraph (E)(ii)
8 shall receive, with respect to each nonvillage share sold
9 by the shareholder to the Cook Inlet Regional Corpora-
10 tion—

11 “(i) the consideration for a share of Settlement
12 Common Stock offered to shareholders of village
13 shares; and

14 “(ii) a nonvoting security.

15 “(G) An amendment made pursuant to subparagraph
16 (B) shall authorize the issuance of a nonvoting security
17 that—

18 “(i) shall, for purposes of subsections (j) and
19 (m), be treated as a nonvillage share with respect
20 to—

21 “(I) computing distributions under those
22 subsections; and

23 “(II) entitling the holder of the share to
24 the proportional share of the distributions made
25 under those subsections;

1 “(ii) may be sold to Cook Inlet Regional Cor-
2 poration; and

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

5 “(H) A share of Settlement Common Stock pur-
6 chased pursuant to this paragraph shall be canceled on
7 the conditions that—

8 “(i) a nonvillage share with the nonresident
9 rights that attach to such a share that is purchased
10 pursuant to this paragraph shall be considered to
11 be—

12 “(I) an outstanding share; and

13 “(II) for the purposes of subsection (m), a
14 share of stock registered on the books of the
15 Cook Inlet Regional Corporation in the name of
16 a stockholder who is not a resident of a Native
17 village;

18 “(ii) any amount of funds that would be distrib-
19 utable with respect to a nonvillage share or
20 nonvoting security pursuant to subsection (j) or (m)
21 shall be distributed by Cook Inlet Regional Corpora-
22 tion to the Corporation; and

23 “(iii) a village share that is purchased pursuant
24 to this paragraph shall be considered to be—

25 “(I) an outstanding share; and

1 “(II) for the purposes of subsection (k),
2 shares of stock registered on the books of the
3 Cook Inlet Regional Corporation in the name of
4 a resident of a Native village.

5 “(I) Any offer to purchase Settlement Common Stock
6 made pursuant to this paragraph shall exclude from the
7 offer—

8 “(i) any share of Settlement Common Stock
9 held, at the time the offer is made, by an officer (in-
10 cluding a member of the board of directors) of Cook
11 Inlet Regional Corporation or a member of the im-
12 mediate family of the officer; and

13 “(ii) any share of Settlement Common Stock
14 held by any custodian, guardian, trustee, or attorney
15 representing a shareholder of Cook Inlet Regional
16 Corporation in fact or law, or any other similar per-
17 son, entity, or representative.

18 “(J)(i) The board of directors of Cook Inlet Regional
19 Corporation, in determining the terms of an offer to pur-
20 chase made under this paragraph, including the amount
21 of any premium paid with respect to a nonvillage share,
22 may rely upon the good faith opinion of a recognized firm
23 of investment bankers or valuation experts.

24 “(ii) Notwithstanding any other law, Cook Inlet Re-
25 gional Corporation, a member of the board of directors

1 of Cook Inlet Regional Corporation, and any firm or mem-
2 ber of a firm of investment bankers or valuation experts
3 who assists in a determination made under this subpara-
4 graph shall not be liable for damages resulting from terms
5 made in an offer made in connection with any purchase
6 of Settlement Common Stock if the offer was made—

7 “(I) in good faith;

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

10 “(III) otherwise in accordance with this para-
11 graph.

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

19 “(L) Sale of Settlement Common Stock in accordance
20 with this paragraph shall not diminish a shareholder’s sta-
21 tus as a Native or descendant of a Native for the purpose
22 of qualifying for those programs, benefits and services or
23 other rights or privileges set out for the benefit of Natives
24 and Native Americans. Proceeds from the sale of Settle-
25 ment Common Stock shall not be excluded in determining

1 eligibility for any needs-based program that may be pro-
2 vided by a Federal, State, or local agency.”.

3 (b) CONFORMING AMENDMENT.—Section 8(c) of the
4 Alaska Native Claims Settlement Act (43 U.S.C. 1607(c))
5 is amended by striking “(h)” and inserting “(h) (other
6 than paragraph (4))”.

Calendar No. 41

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