

Subcommittee on Indian, Insular and Alaska Native Affairs
Doug LaMalfa, Chairman
Hearing Memorandum

April 23, 2018

To: All Subcommittee on Indian, Insular and Alaska Native Affairs Members

From: Majority Committee Staff
Subcommittee on Indian, Insular and Alaska Native Affairs (x6-9725)

Hearing: **Legislative hearing on H.R. 211 (Rep. Don Young)**, To authorize the Secretary of the Interior to complete a land exchange with the Chugach Regional Alaska Native Corporation, and for other purposes.
April 26, 2018, at 2:00 p.m. in 1324 Longworth HOB

H.R. 211 (Rep. Don Young), “Chugach Region Lands Study Act”

Summary of the bill

H.R. 211 was introduced by Rep. Don Young (R-AK) on January 3, 2017. The bill would require the Department of the Interior with the Department of Agriculture to identify not less than 500,000 acres of federal land that may be available to Chugach Alaska Corporation (CAC) in exchange for the subsurface estate on certain lands that CAC acquired pursuant to the Alaska Native Claims Settlement Act¹, where the surface estate was acquired by the State of Alaska or the federal government as part of the Exxon Valdez Oil Spill Trustee Council Habitat Protection and Acquisition Program.

Under the bill, the Departments are required to identify viable federal exchange lands located both in and outside the State of Alaska.

Cosponsors

None.

Invited Witnesses

Mr. Darryl LaCounte
Acting Deputy Bureau Director
Office of Trust Services
Bureau of Indian Affairs
Department of the Interior
Washington, D.C.

¹ 43 U.S.C. §1601 et seq.

Mr. Glenn Casamassa
Associate Deputy Chief
National Forest System
U.S. Forest Service
Department of Agriculture
Washington, D.C.

Mr. Gabe Kompkoff
Chief Executive Officer
Chugach Alaska Corporation
Anchorage, AK

Background

The aboriginal land claims of Alaska Natives were settled in the Alaska Native Claims Settlement Act of 1971 (ANCSA). Under the unique settlement, approximately 44 million acres of public land (in fee simple title) and nearly \$1 billion were transferred to private corporations owned and organized by Alaska Natives. Such corporations are organized by village and by region within the State of Alaska, and the ANCSA specifies the criteria that individuals, groups, and villages must meet to organize and own the corporations. ANCSA further provides the process for selecting, awarding, and distributing lands and funds to the corporations. The land and compensation awarded to the Native corporations are intended to meet the social, economic, cultural and other needs of Alaska Natives.

The land and monetary compensation were not awarded to tribes, clans, or families, but to eligible private corporations organized by Alaska Natives. There are generally two types of corporations: corporations organized by village and those organized according to 12 geographic regions. An Alaska Native can be a shareholder of both a regional corporation and a village corporation, though not all are shareholders of the regional corporations.

Chugach Alaska Corporation

One of the 12 regional corporations established under ANCSA, the CAC was formed in 1972 and is located on the southern border of Alaska along the shores of the Gulf of Alaska. The Chugach region comprises approximately 10 million acres, or roughly 2.5 percent of the State. Within the Chugach region, under ANCSA Chugach Alaska Corporation is entitled to approximately 378,000 acres of full fee estate and 550,000 of subsurface estate to be managed for more than 2,000 shareholders.²

Since finalization of CAC's land entitlement under ANCSA, the issue of Chugach exchanging its land and land selection rights for other federal lands has been a dominant feature of Chugach's relationship with the primary agencies managing federal lands within the Chugach

² <http://www.chugach-ak.com/who-we-are/lands/conservation>.

Region – the Forest Service (Department of Agriculture) and the National Park Service and Bureau of Land Management (Department of the Interior).

Many of Chugach’s ANCSA lands are within or adjacent to conservation system units or wilderness study areas.³ Such lands are viewed by the agencies and much of the public as highly-valued for conservation purposes and, consequently, utilization of those lands for economic development by Chugach tends to be controversial and burdened by high access costs.

Interest in achieving a global land exchange involving Chugach ANCSA lands increased enormously after the 1989 *Exxon Valdez* oil spill, most notably with the purchase by the *Exxon Valdez* Oil Spill (EVOS) Trustee Council⁴ of approximately 250,000 acres of interests in ANCSA surface estate in lands in which Chugach owns the mineral estate. Although purchased for restoring and protecting habitat and natural resources injured by the oil spill, the interests acquired are, without exception, subject to the superior rights of Chugach to explore and develop its mineral estate.

The federal agencies holding such surface estate have repeatedly expressed interest in acquiring Chugach’s outstanding mineral rights. In 2003, Chugach made a detailed exchange proposal to the Forest Service, identifying specific acres of subsurface estate under EVOS–acquired surface estate that Chugach was willing to exchange for specific acres of other lands in the Chugach National Forest. The proposal was rejected by the Forest Service without any counter proposal offered.

Congressional Action in the 115th Congress

A substantially similar bill, S. 1493, sponsored by Senator Lisa Murkowski (R-AK) received a legislative hearing on February 7, 2018, but has received no further action. The most substantive difference between the two bills are that H.R. 211 would require the Department of Interior to be the lead, whereas S. 1493 would have the Department of Agriculture as lead.

Major Provisions of H.R. 211

Sec. 2. Chugach Alaska Corporation Land Exchange Pool Act.

Directs the Secretary of the Interior, in coordination with the Secretary of Agriculture, to identify no less than 500,000 acres of viable federal land within or outside the State of Alaska that can be made available to CAC as an exchange for CAC’s mineral estate on certain lands.

Cost

Unknown.

Administration Position

Unknown.

³ See ANILCA Section 102 and 704.

⁴ Lands were purchased from Village Corporations using funding from the EVOS Trustee Council; title to the parcels was taken and is held by federal and state agencies.