Statement of
U.S. Department of the Interior

House Committee on Natural Resources
Subcommittee on Indian, Insular & Alaska Native Affairs
H.R. 211, Chugach Region Lands Study Act
April 26, 2018

Thank you for the opportunity to present the views of the Department of the Interior (Department) on H.R. 211, the Chugach Region Lands Study Act. H.R. 211 directs the Department to identify, in cooperation with the Department of Agriculture (USDA) and the Chugach Alaska Corporation (CAC), at least 500,000 acres of economically viable Federal land that may be exchanged with the CAC.

The Department would like to work with the sponsor and the Subcommittee on a few clarifying amendments, technical corrections, and timeframes.

Background

The Alaska Native Claims Settlement Act of 1971 (ANCSA), as amended, 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 encompasses a specific geographic area and is associated with Alaska Natives who have traditionally lived in the area. The region traditionally inhabited by the Chugach people includes more than 5,000 miles of coastline along the southern tip of the Kenai Peninsula, Prince William Sound, and the Gulf of Alaska. As a result of ANCSA, the CAC has received about 800,000 acres of subsurface estate, which underlies about 450,000 acres of surface lands in this region.

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 46 million acres. 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 Corporations 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 percent of the land area in Alaska, will have been transferred from Federal to state and private ownership.

H.R. 211

H.R. 211 directs the Department to identify, within one year of enactment, at least 500,000 acres of economically viable Federal land located within or outside the State of Alaska that could be exchanged with the CAC. The bill requires the Department to identify these lands within one year of enactment, in coordination with the USDA and in consultation with the CAC. Once identified, the Federal lands may be exchanged for CAC lands identified by the CAC for that

purpose. If the identified lands are exchanged on an acre-for-acre basis, the bill deems the exchange to be conclusively in the public interest. H.R. 211 does not impact the CAC's entitlement under ANCSA.

We note that H.R. 211 contemplates the exchange of Federal land either in or outside of Alaska. Under existing exchange authorities (ANILCA Section 1302(h) and the Land Water Conservation Fund Act), an exchange of Federal land in Alaska must be done for other land within Alaska.

The Department would like to further work with the sponsor and the Subcommittee on this proposal, particularly to ensure that H.R. 211 does not inadvertently impact existing agreements or the formulas and entitlements of the ANCSA corporations, including those of CAC. We also note that, given the current workload associated with the Alaska Land Transfer Program, the one-year time frame for the identification process may not be feasible.

Acknowledging that H.R. 211 contemplates the possibility of an acre-for-acre exchange, the Department would also like the opportunity to work with the sponsor and the Subcommittee to incorporate into the bill standard appraisal and equalization of values language. This language would allow the Department to continue its adherence to the Uniform Appraisal Standards for Federal Land Acquisition and Uniform Standards of Professional Appraisal Practice. The Department recommends that any appraisal process be managed by DOI's Appraisal and Valuation Services Office.

Conclusion

The DOI is committed to fulfilling its responsibilities under ANCSA and the principle of fulfilling those responsibilities with maximum participation by Alaska Native Corporations. We look forward to working further with the sponsor and the Subcommittee on H.R. 211.

STATEMENT
OF
DARRYL LACOUNTE
ACTING DEPUTY BUREAU DIRECTOR – TRUST SERVICES
BEFORE THE
HOUSE COMMITTEE ON NATURAL RESOURCES
INDIAN, INSULAR, AND ALASKA NATIVE AFFAIRS SUBCOMMITTEE
ON H.R. 5317

April 26, 2018

Good afternoon Chairman LaMalfa, Ranking Member Gallego, and members of the Subcommittee. Thank you for the opportunity to provide a statement on behalf of the Department of the Interior (Department) on H.R. 5317, a bill "to repeal section 2141 of the Revised Statutes to remove the prohibition on certain alcohol manufacturing on Indian lands."

Background
The Department is aware that the Confederated Tribes of the Chehalis Reservation seek to venture into a new economic development project that will be 100 percent owned by the Tribe on its Tribal lands. This economic development project consists of the construction and operation of a distillery. The Tribe approached the Bureau of Indian Affairs (BIA) Northwest Regional Office regarding this economic development venture and the BIA identified a potential obstacle to the project: one section of the Trade and Intercourse Act of 1834 prohibited distilleries in Indian country. The ban as amended remains a part of Federal law. Current 25 U.S.C. 251 reads: "Every person who shall, within the Indian Country, set up or continue any distillery for manufacturing ardent spirits, shall be liable to a penalty of one thousand dollars; and the superintendent of Indian Affairs, Indian Agent, or sub-agent within the limits of whose agency any distillery of ardent spirits is set up or continued, shall forthwith destroy and break up the same."

Other sections of the 1834 law banned the sale and possession of liquor in Indian country, and those provisions also remain in the US Code at 18 U.S.C. Sections 1154, 1155, and 1156. In 1953, Congress enacted what is now codified at 18 U.S.C. Section 1161, waiving the application of those sections where a Tribe has enacted a liquor ordinance compliant with the terms of that section. The legislative history of Section 1161 makes it clear that Congress considered, and rejected, adding the distillery ban to the list of sections that would not apply where a Tribe had a liquor ordinance. The Department agrees that a legislative solution is the best avenue to remedy this situation and supports H.R. 5317.

H.R. 5317
H.R. 5317 would repeal Section 2141 of the Revised Statutes (25 U.S.C. 251). That section of the Code states that "Every person who shall, within the Indian Country, set up or continue any distillery for manufacturing ardent spirits, shall be liable to a penalty of one thousand dollars; and the superintendent of Indian Affairs, Indian Agent, or sub-agent within the limits of whose agency any distillery of ardent spirits is set up or continued, shall forthwith destroy and break up the same."

Conclusion
Thank you for the opportunity to appear before you today. I am happy to answer any questions the Subcommittee may have.