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April 30, 2024

United States House Committee on Natural Resources
Subcommittee on Indian and Insular Affairs
The Honorable Harriett Maxine Hageman, Chair
The Honorable Teresa Isabel Leger Fernandez, Ranking Member
1324 Longworth Building
Washington, D.C. 20515

**Re: TESTIMONY IN SUPPORT OF H.R. 2687, A BILL TO ASSIST
ALASKA NATIVE ELDERS, AND ALASKA NATIVES WHO ARE
BLIND OR DISABLED**

Chairwoman Hageman, Ranking Member Leger Fernandez, and Members of the Committee:

On behalf of Shee Atiká, Incorporated ("Shee Atiká"), the corporation organized under the Alaska Native Claims Settlement Act ("ANCSA") for the Alaska Natives historically residing in and around Sitka, Alaska, we are writing you to express the unanimous support by Shee Atiká's Board of Directors for the enactment of H.R. 2687 into law to protect Alaska Native Elders, as well as blind or disabled Natives. We ask that you accept this letter as Shee Atika's written testimony in support of the enactment of H.R. 2687 into law and make Shee Atiká's testimony a part of the Committee's Official Record.

Shee Atiká presently has approximately 3500 shareholders, of which 550 are presently 65 or older. Shee Atiká has established two "settlement trusts" under ANCSA, one to provide pro rata distributions to Shee Atiká shareholders (the Shee Atiká Fund Endowment, or "SAFE") and the other (the Shee Atiká Benefits Trust, or "SABT") to provide educational and funeral benefits to Shee Atiká's shareholders. SAFE was established in 1992 as one of the very first ANCSA settlement trusts, and today is one of the largest such settlement trusts in terms of trust assets. SAFE pays out annual distributions to its beneficiaries, typically several hundred dollars to each. As these distributions are based upon the number of Shee Atiká shares each beneficiary owns, the actual amount that a specific beneficiary receives may be more (or less).

As you know, H.R. 2687 would allow Alaska Native Elders and blind or disabled Natives to exclude from their income the distributions they receive from an Alaska Native Settlement Trust when determining eligibility for various governmental programs such as for housing, supplemental income and nutritional assistance. These governmental programs are critical to the survival of our Native Elders and blind or disabled Natives, and for many, eligibility for these programs is of life-or-death importance.

Congress enacted ANCSA in 1971, which originally required Alaska Natives to form state-chartered corporations to participate in the ANCSA settlement. Section 2(c) of the original ANCSA (43 U.S.C. §1601(c)) expressly declared that

(c) no provision of this chapter shall replace or diminish any right, privilege,

or obligation of Natives as citizens of the United States or of Alaska, or relieve, replace, or diminish any obligation of the United States or of the State or Alaska

*to protect and promote the rights or welfare of Natives as citizens of the United States or of Alaska; * * **

In implementation of this intent, section 29(c) was added to ANCSA (43 U.S.C. §1626(c)) to exclude the first \$2,000 that an Alaska Native individual receives from a Native corporation in determining eligibility of the recipient for supplemental nutritional assistance, financial assistance under the social security, and financial assistance or benefits, based on need, under any other Federal program or federally-assisted program. This \$2,000 amount has remained unchanged for several decades.

When Congress added section 39 to ANCSA (43 U.S.C. §1629e) to authorize Alaska Native corporations to establish settlement trusts to provide benefits to their shareholders, it did so in recognition that the corporate form the original ANCSA had required was not always the best manner to address the real economic and social needs of Alaska Natives. Per section 39(c) of ANCSA (43 U.S.C. §1629e(c)), "[t]he purpose of a Settlement Trust shall be to promote the health, education, and welfare of its beneficiaries and preserve the heritage and culture of Natives." Under the authority of ANCSA section 39, over 40 settlement trusts have been established to benefit the Alaska Native community, with several of these trusts expressly providing benefits to Alaska Native Elders. As noted above, Shee Atiká's main settlement trust, SAFE, provides benefits to all of Shee Atika's shareholders, including our 550 Elders and blind and disabled Natives.

However, Congress has to date not amended ANCSA section 29 to provide any form of an exclusion of settlement trust benefits in determining eligibility for the described governmental programs.

The result has generally been that settlement trust distributions have been included by governmental agencies in determining whether a recipient has too much income to be eligible to receive benefits under these governmental programs. In many cases, the settlement trust distributions are in an amount (either alone or in conjunction with other income of the recipient) that causes loss of eligibility for the governmental programs. So, the governmental benefits will end.

This in turn has produced a situation in which the recipient of these settlement trust distributions must choose between receiving and reporting these settlement trust distributions resulting in a loss of governmental benefits, on the one hand, with not receiving and/or reporting the settlement trust benefits so that the governmental benefits may continue.

This situation causes an extreme hardship on many Alaska Native Elders and blind or disabled Natives, because they live on very limited financial means and are so dependent on governmental programs. Forcing them to choose between benefits from an Alaska Native settlement trust and benefits under governmental programs is fundamentally wrong and, indeed, contrary to the express Congressional intent that ANCSA benefits are to be in addition to and not in lieu of governmental benefits to which Alaska Natives are otherwise entitled.

TESTIMONY BY SHEE ATIKÁ,
INCORPORATED IN SUPPORT OF H.R. 2687,
LEGISLATION TO ASSIST NATIVE ELDERS
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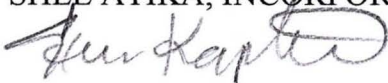
This situation causes an extreme hardship on many Alaska Native Elders and blind or disabled Natives, because they live on very limited financial means and are so dependent on governmental programs. Forcing them to choose on the one hand between receiving benefits from an Alaska Native settlement trust that was expressly established by their Native Corporation to provide them with benefits, or, on the other hand, receiving benefits under governmental programs that is their right as Alaska Natives and United States Citizens, is fundamentally wrong and, indeed, contrary to the express Congressional intent that ANCSA benefits are to be in addition to and not in lieu of governmental benefits to which Alaska Natives and United States Citizens are otherwise entitled.

Shee Atiká's Board unanimously supports H.R. 2687 to remedy the wrong that has persisted for almost four decades, *i.e.*, by ensuring that the distributions and other benefits each Elder and blind or disabled Native receives from Alaska Native Settlement Trusts are excluded when determining that individual's eligibility for these governmental programs.

While Shee Atiká's Board also believes that all distributions and benefits provided by Alaska Native settlement trusts should be excluded when determining the eligibility of any recipient for these governmental programs, we endorse H.R. 2687 as a very important step forward for the protection and dignity it provides to our Alaska Native Elders and blind and disabled Natives as the most vulnerable within our Alaska Native communities.

Please let us know if Shee Atiká can provide any additional information or materials for the Committee as it considers this important piece of legislation.

Sincerely,
SHEE ATIKÁ, INCORPORATED



Steven Karpstein
Chairman of the Board



Timothy Castro
President/CEO