



Alaska Native Corporations (ANCs) and the 8(a) Program

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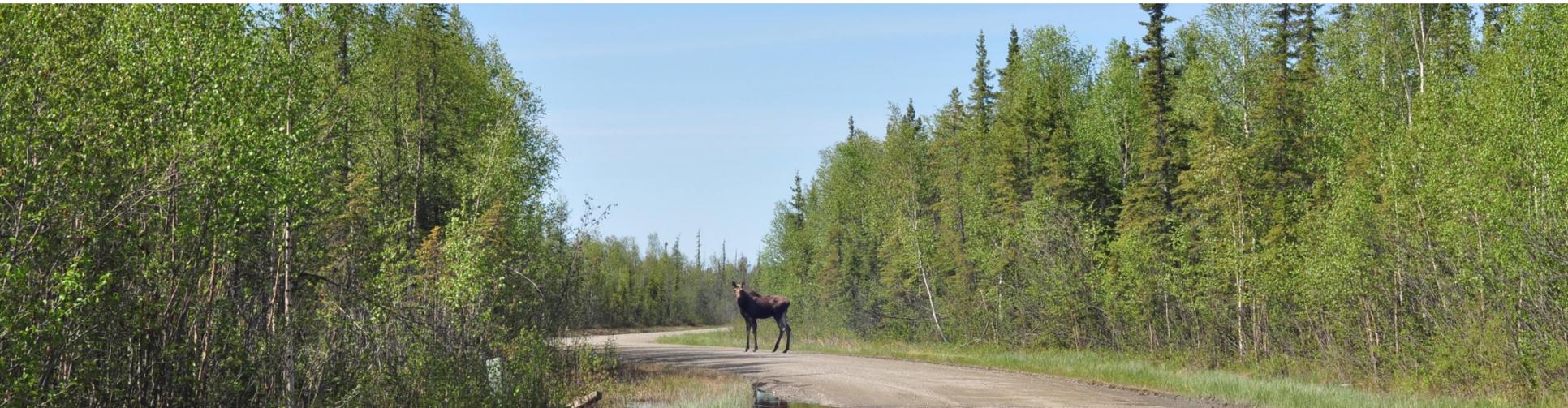


How this all began:

- The Alaska Native Claims Settlement Act (ANCSA) was passed in 1971. This gave Alaska Natives as a group \$944 million and title to 44 million acres of land –in exchange for claims to 340 million acres of traditional lands. This was primarily driven by oil companies to create a smooth path for a trans Alaskan oil pipeline.
- The 44 million acres was divided into 12 regional corporations and 220 village corporations.
- Alaskan Natives and their descendants born prior to 1971 received 100 shares of their village and regional corporation stock.
- In 1975, a 13th corporation was formed to represent Alaska Natives residing outside the state.



- In 1986, Congress passed legislation that allowed ANC's to participate in the Small Business Administration's disadvantaged business program, known as the 8(a) program.
- With strong advocacy from Alaska Sen. Ted Stevens, Congress later extended to ANCs additional special 8(a) benefits, such as no upper financial limit on direct awards and the ability to own multiple subsidiaries in the program.





Benefits of the ANC 8(a) Program:

- ANC's may presently receive direct awards of up to \$22 million, without justification, and up to any amount with proper justification.
- Direct awards to an Alaska Native Corporation may not be protested, as there is no injured third party.
- The Justice Department has determined that tribal and ANC-owned 8(a) firms are not subject to the U. S. Supreme Court's ruling in the ***Adarand*** case.



The 8(a) program helps disadvantaged businesses owned—not just by individuals—but also by Federally recognized Native American groups:

- Native American Tribes
- Alaskan Native Corporations (ANC)
- Native Hawaiian Organizations (NHO)

It is for this reason that Alaska Native Corporations have a broader purpose than normal American corporations. ANCs are expected, through business, to improve the lives of their tribal member shareholders by successfully managing thousands of acres of land and creating economic opportunities.



As an Alaska Native Corporation (ANC), our earnings have a direct positive impact on the lives of those who own the company. When companies do business with an ANC, they're doing more than ensuring the success of their next business venture – they're helping to create training and educational opportunities for villages, preserving an important Native American culture, investing in communities and ensuring the future of a people.