TITLE: An Action Relating To Law And Order, Health, Education And Human Services Committee, Budget And Finance, And Naabik’íyáti’ Committees, And Navajo Nation Council; Approving A Funding Request Of Fifty Million Dollars ($50,000,000) From The Síhasin Fund To Establish The Navajo Nation Youth Trust Fund Expenditure Plan Pursuant To CD-68-14 And 12 N.N.C. §§ 2501- 2508; Waiving 12 N.N.C. § 2502 (A) (1); Enacting The Navajo Nation Youth Trust Fund

Date posted: July 3, 2019 at 7:19 PM

Digital comments may be e-mailed to comments@navajo-nsn.gov

Written comments may be mailed to:

Executive Director
Office of Legislative Services
P.O. Box 3390
Window Rock, AZ 86515
(928) 871-7586

Comments may be made in the form of chapter resolutions, letters, position papers, etc. Please include your name, position title, address for written comments; a valid e-mail address is required. Anonymous comments will not be included in the Legislation packet.

Please note: This digital copy is being provided for the benefit of the Navajo Nation chapters and public use. Any political use is prohibited. All written comments received become the property of the Navajo Nation and will be forwarded to the assigned Navajo Nation Council standing committee(s) and/or the Navajo Nation Council for review. Any tampering with public records are punishable by Navajo Nation law pursuant to 17 N.N.C. §374 et. seq.
DATE: July 2, 2019

TITLE OF RESOLUTION: AN ACT RELATING TO LAW AND ORDER, HEALTH, EDUCATION AND HUMAN SERVICES COMMITTEE, BUDGET AND FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES, AND NAVAJO NATION COUNCIL; APPROVING A FUNDING REQUEST OF FIFTY MILLION DOLLARS ($50,000,000) FROM THE SÍHASIN FUND TO ESTABLISH THE NAVAJO NATION YOUTH TRUST FUND EXPENDITURE PLAN PURSUANT TO CD-68-14 AND 12 N.N.C §§ 2501 – 2508; WAIVING 12 N.N.C. § 2502 (A)(1); ENACTING THE NAVAJO NATION YOUTH TRUST FUND

PURPOSE: The purpose of this legislation is to allocate Síhasin Funds to establish a Navajo Nation Youth Trust Fund and to enact a Youth Trust Fund in the Navajo Nation Code.

NOTE: The voting requirement on this legislation is 90 percent (90%) of the full membership of the Navajo Nation Council.

This written summary does not address recommended amendments as may be provided by the standing committees. The Office of Legislative Counsel requests each Council Delegate to review each proposed resolution in detail.
PROPOSED NAVAJO NATION COUNCIL RESOLUTION

24th NAVAJO NATION COUNCIL – First Year, 2019

INTRODUCED BY

(Prime Sponsor)

TRACING NO. 0185-19

AN ACT

RELATING TO LAW AND ORDER, HEALTH, EDUCATION AND HUMAN SERVICES COMMITTEE, BUDGET AND FINANCE, AND NAABIK'ÍYÁÁ'TI' COMMITTEES, AND NAVAJO NATION COUNCIL: APPROVING A FUNDING REQUEST OF FIFTY MILLION DOLLARS ($50,000,000) FROM THE SIHASIN FUND TO ESTABLISH THE NAVAJO NATION YOUTH TRUST FUND EXPENDITURE PLAN PURSUANT TO CD-68-14 AND 12 N.N.C §§ 2501 – 2508: WAIVING 12 N.N.C. § 2502 (A)(1): ENACTING THE NAVAJO NATION YOUTH TRUST FUND

BE IT ENACTED:

Section One. Authority

A. The Law and Order Committee of the Navajo Nation Council is empowered to review and make recommendations to the Navajo Nation Council on proposed amendments to and enactments in the Navajo Nation Code. 2 N.N.C. § 601 (B)(14).

B. The Health, Education and Human Services Committee of the Navajo Nation Council is empowered to exercise oversight authority to review and recommend resolutions relating to social services and education. 2 N.N.C. § 401(6)(a).
C. The Budget and Finance Committee of the Navajo Nation Council is empowered to review and recommend to the Navajo Nation Council the budgeting, appropriation, investment, and management of all funds. 2 N.N.C. § 301 (B) (2).

D. The Naabik'íyáti' Committee of the Navajo Nation Council is empowered to review all proposed legislation which requires final action by the Navajo Nation Council. 2 N.N.C. §164(A)(9).

E. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. § 102 (A).

Section Two. The Naabik'íyáti Sihasin Fund Subcommittee and Navajo Nation Sihasin Fund

A. The Naabik'íyáti Committee of the 24th Navajo Nation Council continued the Naabik’íyáti Sihasin Fund Subcommittee in Resolution NABIAP-23-19. The Naabik’íyáti Sihasin Fund Subcommittee was initially established in 2015 by Resolution NABIAP-20-15 to provide recommendations to the Naabik’íyáti Committee and Navajo Nation Council for projects to be funded using Sihasin Funds. Notwithstanding the creation and continuation of the Naabik’íyáti Sihasin Fund Subcommittee, approval from the Subcommittee is not a requirement for the Navajo Nation Council to approve expenditure plans from the Navajo Nation Sihasin Fund.

B. The Navajo Nation Code provides the purpose of the Navajo Nation Sihasin Fund ("Sihasin Fund") is as follows:

§2502 Purpose

A. The purposes of this Fund are to provide financial support and/or financing for:

1. The planning and development of economic development and regional infrastructure supporting economic development and community development, including such infrastructure as, but not limited to, housing, commercial and government buildings, waterline, solid waste management development,
powerline projects, and transportation and communication
systems, within the Navajo Nation; and
2. Education opportunities for members of the Navajo Nation.

B. For the Purpose in § 2502(A)(1), Fund expenditures for
infrastructure shall not be limited by 12 N.N.C. § 1301(F) or
TCDCJY-77-99.

C. Leveraging the Fund by way of guaranteeing loans, match funding,
direct funding in part, and other weighted uses of the Fund,
including loan financing from the Fund, for the purposes in
§ 2502(A)(1), shall be favored over direct funding in whole.

12 N.N.C. § 2502, as amended by CJA-03-18.

C. The Síhasin Fund provides that Fund Principal shall consist of all deposits made to
the Síhasin Fund and that Fund Income shall consist of all earnings (interest,
dividends, etc.) generated and realized by the Fund Principal, and that Fund Income
shall be deposited in and added to Fund Principal until such time as a Fund
Expenditure Plan is duly adopted. 12 N.N.C. §§ 2504 and 2505 (C).

D. Amendments to the Síhasin Fund require “a ninety percent (90%) vote of the full
membership of the Navajo Nation Council and signature of the President of the
Navajo Nation.” 12 N.N.C. § 2508.

Section Three. Findings

The purpose of the Youth Trust Fund is to provide funding for youth-centered
programs, projects, and services within the Navajo Nation. These projects include
establishing Navajo youth initiatives to benefit the physical, mental, and emotional
health, welfare and safety of young Navajos.

Section Four. Approval and Adoption of Expenditure Plan from Síhasin Funds

A. The Navajo Nation hereby approves and adopts the Navajo Nation Youth Trust
Fund.
B. The Navajo Nation hereby approves funding to establish a Navajo Nation Youth Trust Fund in the amount of fifty million dollars ($50,000,000).

C. The Sihasin Funds allocated to establish the Navajo Nation Youth Trust Fund Expenditure Plan may be further leveraged by bond or loan financing pursuant to the Navajo Nation Bond Financing Act, 12 N.N.C. § 1300 et seq., as amended, using Sihasin Fund Earnings for repayment and financing costs upon the recommendation of the Budget & Finance Committee and approval by a two-thirds (2/3) vote of all members of the Navajo Nation Council.

Section Five. Approval and Adoption of Expenditure Plan Administration

The Navajo Nation hereby approves administration of the Navajo Youth Trust Fund Expenditure Plan as follows:

1. The Navajo Nation Controller shall determine whether the source of the fifty million dollars ($50,000,000) will be Sihasin Fund Principal or Income or a combination of both;

2. The funds allocated for the Navajo Nation Youth Trust Fund shall be for the purposes specified in the Navajo Nation Youth Trust Fund Act 12 N.N.C. § 1192, in Section Six of this Resolution.

3. The Navajo Nation Controller shall establish the Navajo Youth Trust Fund during Navajo Nation Fiscal Year 2019 or Fiscal Year 2020, provided that the Navajo Youth Trust Fund is established within thirty (30) days of the formal adoption of this legislation.

Section Six. Enacting the Navajo Nation Youth Trust Fund

The Navajo Nation enacts the Navajo Nation Youth Trust Fund, as follows:

Title 12. Fiscal Matters

Chapter 10. Navajo Nation Trust Funds
Subchapter 10. Navajo Nation Youth Trust Fund

§1191 Establishment
The "Navajo Nation Youth Trust Fund" hereinafter "Youth Trust Fund" is established with an initial allocation of fifty million dollars ($50,000,000) from the Navajo Nation Sihasin Fund. Any funds deposited into the Youth Trust Fund, plus accrued interest, shall be used only as provided hereinafter in this subchapter.

§ 1192 Purpose
The purpose of the Youth Trust Fund is to provide funding for youth-centered programs, projects, and services within the Navajo Nation. These projects include establishing Navajo youth initiatives to benefit the physical, mental, and emotional health, welfare and safety of young Navajos.

§1193 Definition of Principal and Income
A. Youth Trust Fund Principal shall consist of the initial funding that established the fund, all Navajo Nation appropriations made pursuant to the Navajo Nation appropriation processes and procedures; and any contributions made by any parties or entities.
B. Youth Trust Fund income shall consist of all earnings, such as interest and dividends generated by the principal and interests of the Youth Trust Funds.

§ 1194 Expenditure of Youth Trust Fund Income
The Youth Trust Fund income shall be expended as follows:
A. Ninety-five percent of the Youth Trust Fund income shall be used as provided in § 1192 of this subchapter. Five percent (5%) of the Youth Trust Fund shall be reinvested to cover the rate of inflation.
B. Any grants made from Youth Trust Fund income to Navajo Nation government and non-Navajo Nation programs and projects, shall be awarded in accordance with rules and regulations developed by the Office of Dine' Youth as approved by
the Health, Education and Human Services Committee of the Navajo Nation Council.

§ 1195 Expenditure of Fund Principal

Fund principal shall not be expended except pursuant to a referendum adopted by a two-thirds majority of those voting in an election open to all registered Navajo voters. The Navajo Nation Council may place a "Referendum to Expended Youth Trust Fund Principal" on the ballot of any primary, special, or general election by a two-thirds (2/3) vote of the full Navajo Nation Council.

§ 1196 Expenses

All expenses directly associated with the administration and management of the Youth Trust Fund shall be paid from the Youth Trust Fund income as approved by the Budget and Finance Committee of the Navajo Nation Council, prior to any income distributions made in accordance with §§ 1193 and 1195 of this subchapter. Such expenses shall include investment advisory and management fees, audit costs, and other related expenses, pursuant to duly approved contracts for such services.

§ 1197 Fund Investment

All monies deposited into the Navajo Youth Fund shall be invested in accordance with the Navajo Nation Master Investment Policies as adopted by the Budget and Finance Committee of the Navajo Nation Council.

§ 1198 Amendments

Any section or sections in this subchapter may be amended upon the recommendation of the Health, Education and Human Service Committee and the Budget and Finance Committee of the Navajo Nation Council by a majority vote of the full membership of the Navajo Nation Council.

****
Section Seven. Waiving 12 N.N.C. § 2502 (A)(1)
The Navajo Nation Council approves a one-time waiver of the purposes of the Sihasin Fund as enumerated in 12 N.N.C. § 2502 (A)(1) in order to provide the initial funds to establish the Navajo Nation Youth Trust Fund.

Section Eight. Directive
All Navajo Nation programs, specifically including, but not limited to, the Office of Controller and the Office of Management and Budget, shall take all steps necessary to expeditiously implement the Navajo Nation Youth Trust Fund Expenditure Plan consistent with the provisions set forth above.

Section Nine. Saving Clause
The provisions of the Act which amend or adopt new sections of the Navajo Nation Code shall be codified by the Office of Legislative Counsel. The Office of Legislative Counsel shall incorporate such amended provisions in the next codification of the Navajo Nation Code.

Section Ten. Codification
Should any provision of this Act be determined invalid by the Navajo Nation Supreme Court or the District Courts of the Navajo Nation, without appeal to the Navajo Nation Supreme Court, the remainder of the Act shall remain the law of the Navajo Nation.

Section Eleven. Effective Date
The provisions of this Act shall become effective in accordance with 2 N.N.C. § 221(B) and 2 N.N.C. §§1005 (C) (10-12).