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MEDIA CONTACTS

Jared Touchin (928) 221-9253
Jolene Holgate (928) 380-4174
Crystalyne Curley (928) 286-7918
nmlb.communications@gmail.com

Council promotes economic development through the establishment of the Community Development Financial Institution

WINDOW ROCK – Speaker LoRenzo Bates (Nenahnezad, Newcomb, San Juan, Tiis Tsoh Sikaad, Tse’Daa’Kaan, Upper Fruitland) on Thursday, shared his disappointment and disagreement with a press release issued by the Office of the President and Vice President on March 29, in which it wrongfully stated that President Russell Begaye “approved legislation appropriating” \$20 million to fund the development of the Navajo Community Development Financial Institution.

The Navajo Nation Council in November 2016 approved the \$20 million Community Development Financial Institution’s Expenditure Plan. Since then, the Office of the Controller and the Office of Management and Budget have not released the \$20 million in funding due to President Begaye and the Attorney General stating that Síhasin Fund expenditure plans require the approval of the president – contrary to what is clearly defined in the law.

The \$20 million comes from the Síhasin Fund that was created in December 2014 when the Council enacted the Navajo Nation Breach of Trust Settlement Act of 2014, which resulted from a lawsuit against the United States in which the Navajo Nation was awarded approximately \$554 million from the federal government.

When the Síhasin Fund was created through legislation and signed into law by the president in 2014, it specifically stated that funding from the Síhasin Fund can “only be expended pursuant to a Fund Expenditure Plan consistent with the purposes set forth in the 2014 Act” and “adopted by a two-thirds (2/3) vote of all members of the Navajo Nation Council.”

Speaker Bates pointed out that the 2014 Act includes no requirement for the president to approve Síhasin Fund expenditure plans. President Begaye and Vice President Jonathan Nez both voted in support of the 2014 Act as members of the Council, which was then signed into law.

“The president is basically breaking the law and contradicting what he voted in support of when he was a delegate,” said Speaker Bates. “Síhasin Fund expenditure plans do not require the approval of the president.”

The Council approved the CDFI resolution to help Navajo small business owners by providing them the opportunity to grow their business, put Navajo people to work, and to stimulate economic growth, which would benefit Navajo consumers as well, added Speaker Bates.

“So many of our Navajo people want to start businesses on the Navajo Nation, but since November they have been denied that opportunity because of the actions of the President and the Attorney General,” Speaker Bates said.

On March 16, at the request of several Council members, Speaker Bates sent the CDFI Council resolution to the Office of the President for consideration, which was then signed by President Begaye on March 27.

“While I maintain my position that Síhasin expenditure plans do not require the president’s consideration, I sent the resolution to the President’s Office out of respect for the Council members who want the \$20 million to be released as soon as possible to help the Navajo people and small businesses,” said Speaker Bates.

Under the leadership of Council Delegate Leonard Tsosie (Baca/Prewitt, Casamero Lake, Counselor, Littlewater, Ojo Encino, Pueblo Pintado, Torreon, Whitehorse Lake), the Síhasin Fund Subcommittee worked diligently for months to craft the CDFI legislation.

“Despite what he stated, the President did not play a part in developing the CDFI legislation. This was a Council initiative to help promote economic development,” added Speaker Bates.

Additionally, in July 2016 the Council approved the Síhasin Fund Twin Arrows Travel Center Development expenditure plan, which would be used to promote economic development by constructing a convenience store, gas station, and trucker service station at the Interstate-40 interchange near the Twin Arrows Navajo Casino Resort. Again, the president eventually signed off on the final resolution. However, the funding has yet to be released due to the opinions issued by the Attorney General, which imply that the travel center is not within the definition of “economic development.”

The 2014 Act that created the Síhasin Fund mandated that the funds only be invested to support the planning and development of regional infrastructure supporting economic and community development, including housing and/or education opportunities.

“The Council approved it, President Begaye signed off on it and yet the Attorney General blatantly disregards the action of the President and the Council,” stated Speaker Bates. “In the time we have to work to improve the Navajo Nation for our Navajo People, to address the revenue stream for the Nation, and to support economic development we should not have roadblocks set up by our own Attorney General, especially during these times of declining revenues.”

Speaker Bates added that the Attorney General’s actions indicate that she is not applying the laws of the Navajo Nation consistently, but instead is applying them based on personal views.

“At the end of the day, our people want us to work together and that is what the Council has tried to do since President Begaye took office,” Speaker Bates stated. “My invitation to the President to sit down, have a cup of coffee, and talk things out still stands.”

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