

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0150-19_____

SPONSOR: Amber Kanazbah Crotty

TITLE: An Action Relating To The Resources And Development Committee; Approving The Navajo Nation Hospitality Enterprise's Limited Waiver Of Sovereign Immunity Pursuant To Obtaining A Loan Of Three Million And Six-Hundred Thousand Dollars (\$3,600,000.00) From Native American Bank, N.A.

Date posted: June 17, 2019 at 4:53pm

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LEGISLATIVE SUMMARY SHEET
Tracking No. 0150-19

DATE: June 12, 2019

AN ACTION RELATING TO THE RESOURCES AND DEVELOPMENT COMMITTEE;
APPROVING THE NAVAJO NATION HOSPITALITY ENTERPRISE'S LIMITED WAIVER
OF SOVERIGN IMMUNITY PURSUANT TO OBTAINING A LOAN OF THREE MILLION
AND SIX-HUNDRED THOUSAND DOLLARS (\$3,600,000.00) FROM NATIVE
AMERICAN BANK, N.A.

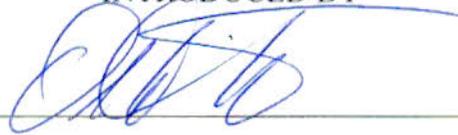
PURPOSE: Approving the limited waiver of sovereign immunity by the Hospitality
Enterprise pursuant to obtaining a loan of \$3,600,000.00 from Native American Bank,
N.A.

**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
review the proposed resolution in detail.**

5-DAY BILL HOLD PERIOD: None
Website Posting Time/Date: _____
Posting End Date: 6/22/19
Eligible for Action: 6/23/19

1 PROPOSED NAVAJO NATION COMMITTEE RESOLUTION
2 24th NAVAJO NATION COUNCIL – First Year, 2019

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4 INTRODUCED BY

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6 _____

7 (Prime Sponsor)

8
9 TRACKING NO. 0150-19

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11 AN ACTION RELATING TO THE RESOURCES AND DEVELOPMENT
12 COMMITTEE;
13 APPROVING THE NAVAJO NATION HOSPITALITY ENTERPRISE'S LIMITED
14 WAIVER OF SOVERIGN IMMUNITY PURSUANT TO OBTAINING A LOAN OF
15 THREE MILLION AND SIX-HUNDRED THOUSAND DOLLARS (\$3,600,000.00)
16 FROM NATIVE AMERICAN BANK, N.A.

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19 SECTION 1. AUTHORITY.

20 The Resources and Development Committee of the Navajo Nation Council exercises
21 oversight authority over economic and community development and the various
22 enterprises of the Navajo Nation. 2 N.N.C. §500 (C).

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24 SECTION 2. FINDINGS.

25 A. The Navajo Nation Hospitality Enterprise (Enterprise) was established by the Navajo
26 Nation as an enterprise, commercial instrumentality of the Navajo Nation that has the
27 inherited attributes of the Navajo Nation as a sovereign pursuant to and in accordance
28 with 5 N.N.C. §1841 *et seq.* See Exhibit A.

- 1 B. The Enterprise's purposes include stimulation of economic development,
2 maintenance and growth of its business and operation of facilities designed for use by
3 the public pursuant to 5 N.N.C. §1842
- 4 C. The Enterprise's Board of Directors and Chief Operating Officer or, otherwise,
5 Managing Agent, oversee, direct, manage and conduct the Enterprise's business
6 affairs pursuant to and in accordance with 5 N.N.C. §1843 and the Enterprise's Plan
7 of Operation. See Exhibit B.
- 8 D. Accordingly, the Enterprise negotiated and created Loan Agreement and associated
9 instruments with Native American Bank, N.A. to obtain a loan in the amount of three-
10 million and six-hundred thousand dollars (\$3,600,000.00) for the construction and
11 operation of an office building at the Quality Inn in Window Rock, Navajo Nation
12 (Arizona).
- 13 E. The loan agreement requires a limited waiver of sovereign immunity to be granted by
14 the Enterprise.
- 15 F. The Navajo Nation Hospitality Enterprise Plan of Operation provides that the
16 Enterprise's Management Board has the authority to borrow funds and make any
17 guaranty respecting indebtedness, interest, contracts or other obligations lawfully
18 entered into on behalf of the Enterprise provided:
- 19 1) Such guaranty is made pursuant to the purposes of the corporation as set forth
20 at Article III of the Plan of Operation;
 - 21 2) The Enterprise shall not incur obligations in excess of its ability to repay as
22 required;
 - 23 3) Liability for such obligations are limited to available assets of the Enterprise'
 - 24 4) Property subject to restrictions on alienation or otherwise held in trust may
25 not be used as security of any sort without consent of the oversight Committee
26 and such other approval as may be required by law.
- 27 Navajo Nation Hospitality Enterprise Plan of Operation Article VI-Authority,
28 Section 2 (j) See Exhibit B.
- 29 G. The Navajo Nation Hospitality Enterprise Plan of Operation also provides that:
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1 With respect to a limited waiver of sovereign immunity, the Enterprise's
2 Management Board must obtain the approval of any such waiver by resolution
3 of the oversight Committee (Resources and Development Committee) which
4 shall grant such approval after any consultation with the Attorney General that
5 the Committee deems advisable.

6 Navajo Nation Hospitality Enterprise Plan of Operation Article XVI-
7 Immunity From Suit, Section A. (2). See Exhibit B
8

- 9 H. The Enterprise Board has adopted a resolution regarding the requested approval of the
10 limited waiver of sovereign immunity consistent with the requirements of the
11 Enterprise's Plan of Operation. See Exhibit C.
- 12 I. The Resources and Development Committee finds it to be in the best interest of the
13 Navajo Nation to approve the limited waiver of sovereign immunity as requested by
14 the Enterprise pursuant to the securing of the loan as stated herein.
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16 **SECTION 3. APPROVAL.**

17 The Resources and Development Committee, on behalf of the Navajo Nation, hereby
18 approves the limited waiver of sovereign immunity as requested by the Navajo Nation
19 Hospitality Enterprise pursuant to the securing of the loan as stated herein.
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