

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: 0182-19

SPONSOR: Eugenia Charles-Newton

TITLE: An Action Relating To The Law And Order, Budget And Finance, NAABIK'IYATI' Committees, And Navajo Nation Council; Approving And Adopting The Shiprock Judicial And Public Safety Center Facilities Sihasin Fund Expenditure Plan Pursuant 12 N.N.C. §§ 2501-2508

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LEGISLATIVE SUMMARY SHEET

Tracking No. 0182-19

DATE: June 26, 2019

TITLE OF RESOLUTION: AN ACTION RELATING TO THE LAW AND ORDER, BUDGET AND FINANCE, NAABIK'ÍYÁTI' COMMITTEES, AND NAVAJO NATION COUNCIL; APPROVING AND ADOPTING THE SHIPROCK JUDICIAL AND PUBLIC SAFETY CENTER FACILITIES SÍHASIN FUND EXPENDITURE PLAN PURSUANT 12 N.N.C §§ 2501 – 2508

PURPOSE: The purpose of this legislation is to allocate Síhasin Funds for a Judicial and Public Safety Center in Shiprock, New Mexico.

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.

5-DAY BILL HOLD PERIOD: 23/8
Website Posting Time/Date: _____
Posting End Date: 7/7/19
Eligible for Action: 7/8/19

Law & Order Committee
Thence
Budget & Finance Committee
Thence
Naa'bik'iyati' Committee
Thence
Navajo Nation Council

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

3 INTRODUCED BY

4 
5 _____

6 (Prime Sponsor)

7
8 TRACKING NO. 0182-19

9
10 AN ACTION

11 RELATING TO THE LAW AND ORDER, BUDGET AND FINANCE,
12 NAABIK'ÍYÁTI' COMMITTEES, AND NAVAJO NATION COUNCIL; APPROVING
13 AND ADOPTING THE SHIPROCK JUDICIAL AND PUBLIC SAFETY CENTER
14 FACILITIES SÍHASIN FUND EXPENDITURE PLAN PURSUANT
15 12 N.N.C §§ 2501 – 2508
16

17 BE IT ENACTED:

18
19 **Section One. Authority**

- 20 A. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C.
21 § 102(A).
22 B. The Law and Order Committee of the Navajo Nation Council is empowered to serve
23 as the oversight authority for the Division of Public Safety and the Judicial Branch
24 Navajo Nation. 2 N.N.C. § 600 (C)(6).
25 C. The Budget and Finance Committee of the Navajo Nation Council is empowered to
26 review and recommend to the Navajo Nation Council the budgeting, appropriation,
27 investment, and management of all funds. 2 N.N.C. § 301(B)(2).
28 D. The Naabik'iyati' Committee of the Navajo Nation Council is empowered to review
29 all proposed legislation which requires final action by the Navajo Nation Council. 2
30 N.N.C. §164(A)(9).

1
2 E. The Naabik'iyáti Committee of the 24th Navajo Nation Council continued the
3 Naabik'iyáti Síhasin Fund Subcommittee in Resolution NABIAP-23-19. The
4 Naabik'iyáti Síhasin Fund Subcommittee was initially established in 2015 by
5 Resolution NABIAP-20-15 to provide recommendations to the Naabik'iyáti
6 Committee and Navajo Nation Council for projects to be funded using Síhasin
7 Funds. Notwithstanding the creation and continuation of the Naabik'iyáti Síhasin
8 Fund Subcommittee, approval from the Subcommittee is not a requirement for the
9 Navajo Nation Council to approve Síhasin Fund expenditure plans.

10 F. The Navajo Nation Code provides the purpose of the Navajo Nation Síhasin Fund
11 ("Síhasin Fund") is as follows:

12 § 2502 Purpose

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

15 1. The planning and development of economic development
16 and regional infrastructure supporting economic development
17 and community development, including such infrastructure
18 as, but not limited to, housing, commercial and government
19 buildings, waterline, solid waste management development,
20 powerline projects, and transportation and communication
21 systems, within the Navajo Nation; and

22 2. Education opportunities for members of the Navajo
23 Nation.

24 B. For the Purpose in § 2502(A)(1), Fund expenditures for
25 infrastructure shall not be limited by 12 NNC § 1310(F) or
26 TCDCJY-77-99.

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

1 12 N.N.C. § 2502, as amended by CJA-03-18.

- 2 G. The Sihasin Fund provides that "Fund Principal" shall consist of all deposits made
3 to the Sihasin Fund and that "Fund Income" shall consist of all earnings (interest,
4 dividends, etc.) generated and realized by the Fund Principal, and that Fund
5 Income shall be deposited in and added to Fund Principal until such time as a
6 Fund Expenditure Plan is duly adopted. 12 N.N.C. §§ 2504 and 2505 (C).
- 7 H. The Sihasin Fund provides that "Fund Principal and Income shall not be expended
8 except pursuant to a Fund Expenditure Plan consistent with the purposes set forth
9 in § 2502 of this Chapter and adopted by a two-thirds (2/3) vote of all members of
10 the Navajo Nation Council." 12 N.N.C. § 2505(A).

11
12 **Section Two. Findings**

- 13 A. The Shiprock Judicial Public Safety Facility Project will replace the Northern
14 Navajo Agency Judicial and Public Safety Facility in Shiprock, New Mexico. The
15 public safety facility has been closed due to structural and environmental concerns.
16 These concerns include the presence of lead, asbestos, and mold. As a result, the
17 Navajo Nation has been denied a sanitation permit since 2010.
- 18 B. The Northern Navajo Agency Judicial and Public Safety facility serves an area
19 consisting of 2,726,438 acres of land with a population of over 29,803. Additional
20 details on the service area are provided in the "Shiprock Judicial Public Safety
21 Project" attached as **Exhibit A**.
- 22 C. Proposed budgets and a proposed construction schedule can be found at **Exhibit B**.
- 23 D. The proposed Shiprock Judicial Public Safety Facility will consist of the following:
24 1. Corrections Facility, (budget \$35,541,420).
25 2. Police Facility, (budget \$14,455,819).
26 3. Courts Facility, (budget \$10,185,069).
27 4. Medical Examiner Facility, (budget \$1,759,692), and
28 5. Relocation Costs, (budget \$4,094,301).

29 This reflects a total cost of construction and relocation for all facilities of
30 \$66,036,301.

1 E. The total cost to the Navajo Nation for construction of the Shiprock Judicial Public
2 Safety Facility will be offset by \$3,150,000 from Authorized New Mexico Funds
3 Credit. This is a reimbursable credit that will result in cost savings to the Navajo
4 Nation. Additionally, preconstruction costs have been paid for through the allocation
5 of \$3,150,000 from the Navajo Nation Judicial/Public Safety Fund.
6

7 **Section Three. Approval and Adoption of Expenditure Plan**

- 8 A. The Navajo Nation hereby approves and adopts the Shiprock Síhasin Public Safety
9 Facility Expenditure Plan, attached and incorporated herein as **Exhibit B**.
- 10 B. The Navajo Nation hereby approves and adopts funding to the Shiprock Síhasin
11 Public Safety Facilities Expenditure Plan for \$66,036,301.
- 12 C. The Síhasin Funds allocated for the Síhasin Public Safety Facilities Expenditure
13 Plan may be further leveraged by bond or loan financing pursuant to the Navajo
14 Nation Bond Financing Act, 12 N.N.C. § 1300 *et seq.*, as amended, using Síhasin
15 Fund earnings for repayment and financing costs upon the recommendation of the
16 Budget and Finance Committee and approval by a two-thirds (2/3) vote of all
17 members of the Navajo Nation Council.
18

19 **Section Four. Approval and Adoption of Expenditure Plan Administration**

20 The Navajo Nation hereby approves administration of the Shiprock Síhasin Public
21 Safety Facility Expenditure Plan follows:

- 22 1. The Navajo Nation Controller shall determine whether the source of the annual
23 allocations from the total allocation of \$66,036,301 will be Síhasin Fund
24 Principal or Income or a combination of both;
- 25 2. The funding for the Shiprock Síhasin Public Safety Facility Expenditure Plan
26 will be distributed to the Division of Public Safety pursuant to a construction
27 plan or drawdown schedule agreed to by the Office of the Controller and the
28 Department of Public Safety, within 30 days of the formal adoption of this
29 legislation.
30

- 1 3. The funds allocated for the Síhasin Public Safety Facilities Expenditure Plan
2 shall be used solely to design, plan, and construct the Síhasin Public Safety
3 Facilities Expenditure Plan described in **Exhibits A and B**. Any and all cost-
4 savings shall be returned to the to the Síhasin Fund once the safety facilities are
5 completed: and
- 6 4. The funds allocated for the Síhasin Public Safety Facilities Expenditure Plan
7 shall not lapse on an annual basis pursuant to 12 N.N.C. §820(N), however, any
8 funds not spent or encumbered within twenty-four (24) months of the date funds
9 are made available to the Department of Public Safety shall revert to the Síhasin
10 Fund principal, unless recommended otherwise by the Law and Order
11 Committee of the Navajo Nation Council and approved by the Naabik'iyáti'
12 Committee.

13
14 **Section Five. Effective Date**

15 The Síhasin Public Safety Facilities Expenditure Plan, as set forth above, shall become
16 effective pursuant to 12 N.N.C. § 2505.

17
18 **Section Six. Directives**

19 The Department of Public Safety shall report the status of the Shiprock Síhasin Public
20 Safety Facilities Expenditure Plan to the Naabik'iyáti' Committee on a quarterly basis.