

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: 0262-19

SPONSOR: Paul Begay

TITLE: An Action Relating To Budget And Finance Committee, Resources And Development Committee And NAABIK'YATI' Committee, And Navajo Nation Council; Allocating \$3,000,000 From The Sihasin Fund To The Division Of Community Development On Behalf Of The Tonalea Chapter And Approving And Adopting The Tonalea Chapter Community Building Replacement Fund Expenditure Plan Pursuant 12 N.N.C §§ 2501 – 2508

Date posted: August 30, 2019 at 5:05 PM

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LEGISLATIVE SUMMARY SHEET

Tracking No. 0262-19

DATE: August 29, 2019

TITLE OF RESOLUTION: A PROPOSED NAVAJO NATION COUNCIL RESOLUTION; AN ACTION RELATING TO BUDGET AND FINANCE COMMITTEE, RESOURCES AND DEVELOPMENT COMMITTEE AND NAABIK'ÍYÁTI' COMMITTEE AND NAVAJO NATION COUNCIL; ALLOCATING \$3,000,000 FROM THE SÍHASIN FUND TO THE DIVISION OF COMMUNITY DEVELOPMENT ON BEHALF OF THE TONALEA CHAPTER AND APPROVING AND ADOPTING THE TONALEA CHAPTER COMMUNITY BUILDING REPLACEMENT FUND EXPENDITURE PLAN PURSUANT 12 N.N.C §§ 2501 - 2508

PURPOSE: This resolution, if approved, will approve \$3,000,000.00 from the Síhasin Fund to the Division of Community Development on behalf of the Tonalea Chapter to construct the Tonalea Chapter Community Building Replacement and approve and adopts the Tonalea Chapter Community Building Replacement Expenditure Plan.

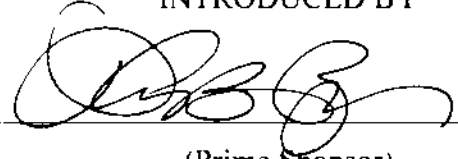
This written summary does not address recommended amendments as may be provided by the standing committee. The Office of Legislative Counsel requests each committee member to review the proposed resolution in detail.

5-DAY BILL HOLD PERIOD: None
Website Posting Time/Date: _____
Posting End Date: 9-4-19
Eligible for Action: 9-5-19

Budget & Finance Committee
Thence
Resources & Development Committee
Thence
Naabik'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. 0262-19

9
10 AN ACTION

11 RELATING TO BUDGET AND FINANCE COMMITTEE, RESOURCES AND
12 DEVELOPMENT COMMITTEE AND NAABIK'ÍYÁTI' COMMITTEE AND
13 NAVAJO NATION COUNCIL; ALLOCATING \$3,000,000 FROM THE SÍHASIN
14 FUND TO THE DIVISION OF COMMUNITY DEVELOPMENT ON BEHALF OF
15 THE TONALEA CHAPTER AND APPROVING AND ADOPTING THE TONALEA
16 CHAPTER COMMUNITY BUILDING REPLACEMENT FUND EXPENDITURE
17 PLAN PURSUANT 12 N.N.C §§ 2501 – 2508

18
19 BE IT ENACTED:

20
21 **Section One. Authority**

- 22 A. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C.
23 § 102 (A).
24 B. The Naabik'iyati' Committee of the Navajo Nation Council is empowered to review
25 all proposed legislation which requires final action by the Navajo Nation Council. 2
26 N.N.C. §164(A)(9).
27 C. The Budget and Finance Committee of the Navajo Nation Council is empowered to
28 review and recommend to the Navajo Nation Council the budgeting, appropriation,
29 investment, and management of all funds. 2 N.N.C. § 301 (B)(2).
30

1 D. The Resources and Development Committee of the Navajo Nation Council has
2 oversight of the chapters of the Navajo Nation. 2 N.N.C. §501 (C)(1).

3 E. The Navajo Nation Code provides the purpose of the Navajo Nation Sihasin Fund
4 (“Sihasin Fund”) is as follows:

5 § 2502 Purpose

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

8 1. The planning and development of economic development
9 and regional infrastructure supporting economic
10 development, and community development, including such
11 infrastructure as, but not limited to, housing, commercial
12 and government buildings, waterline, solid waste
13 management development, powerline projects, and
14 transportation and communication systems, within the
15 Navajo Nation; and

16 2. Education opportunities for members of the Navajo
17 Nation.

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

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

25 12 N.N.C. § 2502, as amended by CJA-03-18.

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

1
2 **Section Two. Findings**

- 3 A. The Tonalea Chapter Community Building Replacement project is detailed in the
4 objectives and goals, scope of work, and architectural construction documents
5 attached as **Exhibit 1**.
- 6 B. Project process schedules are attached as **Exhibit 2**.
- 7 C. Memoranda dating 2001 to 2012 from the Tuba City Indian Medical Center and
8 Tuba City Regional Health Care Corporation, Division of Environmental Health
9 Services raise serious safety concerns about the Tonalea Chapter House. Those
10 memoranda are attached as **Exhibit 3**.
- 11 D. The Navajo Nation Council through resolution CAP-35-18 approved and adopted
12 the Sihasin Fund Powerline and Chapter Projects Expenditure Plan including
13 \$1,050,000.00 for the Tonalea Government Building project. The approval of this
14 request for \$3,000,000.00 is in addition to the amount approved by CAP-35-18.
15 Resolution CAP-35-18 Exhibit D item No. 140 is attached as **Exhibit 4**.
- 16 E. The Document No. 013108 "Section 164 Review Form" including Office of
17 Management and Budget, Office of the Controller and the Office of the Attorney
18 General reviews is attached as **Exhibit 5**.

19
20 **Section Three. Allocation of \$3,000,000 to the Division of Community**
21 **Development on behalf of the Tonalea Chapter and approval and adoption of**
22 **Tonalea Chapter Community Building Replacement Expenditure Plan**

- 23 A. The Navajo Nation hereby allocates to the Division of Community Development on
24 behalf of the Tonalea Chapter the total amount of \$3,000,000.00 to construct the
25 Tonalea Chapter Community Building Replacement as detailed in **Exhibits 1 and**
26 **2**.
- 27 B. The Navajo Nation hereby approves and adopts the Tonalea Chapter Community
28 Building Replacement Expenditure Plan, attached and incorporated herein as
29 **Exhibits 1 and 2**.
- 30

1 C. The Sihasin Funds allocated for the Sihasin Fund Tonalea Chapter Community
2 Building Replacement Expenditure Plan may be further leveraged by bond or loan
3 financing pursuant to the Navajo Nation Bond Financing Act, 12 N.N.C. § 1300 *et*
4 *seq.*, as amended, using Sihasin Fund earnings for repayment and financing costs
5 upon the recommendation of the Budget and Finance Committee and approval by a
6 two-thirds (2/3) vote of all members of the Navajo Nation Council.

7
8 **Section Four. Approval and Adoption of Expenditure Plan Administration**

9 The Navajo Nation hereby approves administration of the Sihasin Fund Tonalea
10 Chapter Community Building Replacement Expenditure Plan as follows:

- 11 1. The Navajo Nation Controller shall determine whether the source of the annual
12 allocations from the total allocation of \$3,000,000.00 will be Sihasin Fund
13 Principal or Income or a combination of both;
- 14 2. The funding to the Division of Community Development on behalf of the
15 Tonalea Chapter for the Tonalea Chapter Community Building Replacement
16 shall be distributed by the end of the first quarter of the respective Navajo
17 Nation Fiscal Year;
- 18 3. The funds allocated for the Tonalea Chapter Community Building Replacement
19 shall be used solely to design, plan, and construct the Tonalea Chapter
20 Community Building Replacement described in **Exhibits 1 and 2**. Any and all
21 cost-savings shall be returned to the to the Sihasin Fund once the Tonalea
22 Chapter Community Building Replacement is completed; and
- 23 4. The funds allocated for the Tonalea Chapter Community Building Replacement
24 shall not lapse on an annual basis pursuant to 12 N.N.C. §820 (N), however,
25 any funds not spent or encumbered within twenty-four (24) months of the date
26 funds are made available to the Tonalea Chapter Community Building
27 Replacement shall revert to the Sihasin Fund principal, unless recommended
28 otherwise by the Resources and Development Committee and approved by the
29 Naabik'iyáti' Committee.

1 **Section Five. Effective Date**

2 The Síhasin Fund Tonalca Chapter Community Building Replacement Expenditure
3 Plan, as set forth above, shall become effective pursuant to 12 N.N.C. § 2505.
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5 **Section Six. Directives**

6 The Tonalca Chapter and the Division of Community Development shall report the
7 status of the Tonalca Chapter Community Building Replacement to the Naabik'íyáti
8 Committee a least once per quarter after the initial disbursement of funds.
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