

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0017-21__

SPONSOR: Eugene Tso

TITLE: An Act Relating to Resources and Development, Budget and Finance, and Naabik'iyáti' Committees, and Navajo Nation Council; Approving Supplemental Funding from the Unreserved, Undesignated Fund Balance in the Amount of \$1,616,413 for the 110 Navajo Nation Chapters' Community Emergency Response Plans; Waiving 12 N.N.C. §§ 820(E), (F), and (J)

Date posted: January 29, 2021 at 8:39PM

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LEGISLATIVE SUMMARY SHEET

Tracking No. 0017-21

DATE: January 29, 2021

TITLE OF RESOLUTION: AN ACT RELATING TO RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE, AND NAA'BIK'ÍYÁTI' COMMITTEES, AND NAVAJO NATION COUNCIL; APPROVING SUPPLEMENTAL FUNDING FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF \$1,616,413 FOR THE 110 NAVAJO NATION CHAPTERS' COMMUNITY EMERGENCY RESPONSE PLANS; WAIVING 12 N.N.C. §§ 820(E), (F), AND (J)

PURPOSE: The purpose of this resolution is to appropriate \$1,616,413 from the UUFB to the 110 Navajo Nation Chapters for their community emergency response plans.

5-DAY BILL HOLD PERIOD: Johnson
Website Posting Time/Date: _____
Posting End Date: 02-03-21
Eligible for Action: 02-04-21

Resources & Development Committee
Thence
Budget & Finance Committee
Thence
Naabik'íyáti' Committee
Thence
Navajo Nation Council

1 PROPOSED NAVAJO NATION COUNCIL RESOLUTION
2 24th NAVAJO NATION COUNCIL – Third Year, 2021

3
4 INTRODUCED BY

5
6
7 (Prime Sponsor)

8
9 TRACKING NO. 0017-21

10
11 AN ACT

12 RELATING TO RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE,
13 AND NAA'BIK'ÍYÁTI' COMMITTEES, AND NAVAJO NATION COUNCIL;
14 APPROVING SUPPLEMENTAL FUNDING FROM THE UNRESERVED,
15 UNDESIGNATED FUND BALANCE IN THE AMOUNT OF \$1,616,413 FOR THE
16 110 NAVAJO NATION CHAPTERS' COMMUNITY EMERGENCY RESPONSE
17 PLANS; WAIVING 12 N.N.C. §§ 820(E), (F), AND (J)

18 BE IT ENACTED:

19 **SECTION ONE. AUTHORITY**

- 20 A. The Navajo Nation established the Resources and Development Committee (RDC) as a
21 Navajo Nation Council standing committee and as such gave RDC oversight over
22 Navajo Nation Chapters. 2 N.N.C. §§ 164(A)(9), 500(A), and 501(C)(1).
23 B. The Navajo Nation established the Budget and Finance Committee (BFC) as a Navajo
24 Nation Council standing committee and as such empowered BFC to review and
25 recommend to the Navajo Nation Council the management of all funds. 2 N.N.C. §§
26 164(A)(9), 300(A), and 301(B)(2).
27 C. The Navajo Nation Council established the Naabik'íyáti' Committee as a Navajo Nation
28 standing committee and as such proposed legislation that requires final action by the
29 Navajo Nation Council shall be assigned to the Naabik'íyáti' Committee. 2 N.N.C. §§
30 164(A)(9) and 700(A).

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

3
4 **SECTION TWO. TITLE 12 APPROPRIATIONS ACT SUPPLEMENTAL**
5 **APPROPRIATION REQUIREMENTS**

6 A. The Navajo Nation Council has the authority to approve supplemental appropriations.
7 12 N.N.C. § 820(L). Pursuant to 12 N.N.C. § 820(L), “[t]he Navajo Nation Council may
8 adopt and approve supplemental appropriations to the Annual Comprehensive Budget
9 during the fiscal year. Supplemental appropriations of General Funds within the current
10 fiscal year are permitted, if and when additional sources of revenues above and beyond
11 the initial or current revenue projections are projected and which are also in excess of
12 the reserve amount set forth at § 820(J).”

13 B. All requests for annual operating funds and supplemental funds shall be submitted to
14 the Office of Management and Budget for budget impact analysis. 12 N.N.C. § 820(M).

15 C. When the Controller identifies additional sources of revenues above and beyond the
16 initial or current revenue projections, supplemental appropriations may be approved by
17 the Navajo Nation Council. 12 N.N.C. § 820(L).

18 D. Supplemental Appropriations made from non-recurring revenues shall only be made for
19 non-recurring operations or purposes, as set forth at § 820(F). The Controller of the
20 Navajo Nation shall be responsible for the designation of recurring and non-recurring
21 revenues. 12 N.N.C. § 820(L).

22 E. The Nation shall budget all recurring operating expenses, including capital maintenance,
23 from recurring revenues. Long term debt shall not be used to finance recurring operating
24 expenses. 12 N.N.C. §820(E).

25 F. The Navajo Nation Code provides, “[t]he Nation shall restrict non-recurring revenues
26 to budget non-recurring expenditures. In addition, non-recurring revenues will be
27 budgeted only after an examination by the Controller to determine whether or not the
28 revenues are subsidizing an imbalance between recurring revenues and expenditures,
29 and expenditures may be authorized only if a long-term (three-five year) forecast shows
30 that the operating deficit will not continue. Otherwise, non-recurring revenues will be

1 added to the Unreserved, Undesignated Fund Balance. This provision may be amended
2 or waived by a two-thirds vote of the full Navajo Nation Council.” 12 N.N.C. § 820(F).
3

4 **SECTION THREE. FINDINGS**

5 A. The U.S. Department of Health and Human Services declared a Public Health Emergency
6 related to the novel coronavirus (“COVID-19”) outbreak on January 31, 2020; and the
7 World Health Organization declared a global pandemic due to COVID-19 on March 11,
8 2020.

9 B. The Navajo Nation Commission on Emergency Management, with the concurrence of
10 Navajo Nation President Jonathan Nez, declared a Public Health State of Emergency on
11 the Navajo Nation on March 11, 2020 due to COVID-19 in Resolution No. CEM 20-
12 03-11. The Navajo Nation Department of Health has subsequently issued numerous
13 Public Health Emergency Orders. Public Health Emergency Orders 2020-001 through
14 2021-02 (“Public Health Emergency Orders”) are incorporated by reference into this
15 resolution.

16 C. COVID-19 is a highly contagious and potentially fatal respiratory virus, that has severely
17 impacted the Navajo Nation’s Chapter communities, and has had a devastating impact
18 upon the welfare of the Navajo People. Hundreds have experienced job loss and resulting
19 financial hardship. Chapters have responded to the pandemic by purchasing and
20 providing essential items, such as food, water, fuel, and including COVID-19 prevention
21 equipment and supplies, for the health and well-being of needy individuals and families
22 in their communities.

23 D. Due to the 2020-2021 winter weather, the 110 Chapters have faced heavy snowfall and
24 frigid temperatures, requiring Navajo Nation-wide emergency protective and mitigation
25 activities for all Chapter communities, such as purchasing and supplying food, water,
26 fuel, livestock feed, etc. to protect life, health, livestock, and property of the Navajo
27 People.

28 E. On behalf of the 110 Navajo Nation Chapters, the Navajo Nation Division of Community
29 Development has requested a supplemental appropriation of \$1,616,413 to bring all 110
30 Chapters back to a minimum \$25,000 level of reserved funding for their community

1 emergency response plans. The budget documents regarding this requested funding are
2 attached as **Exhibit A**. The amounts requested per agency are as follows:

- 3 1. Eastern Navajo Agency - \$ 598,958
- 4 2. Fort Defiance Agency - \$ 339,544
- 5 3. Northern Navajo Agency - \$ 321,020
- 6 4. Western Navajo Agency - \$ 206,708
- 7 5. Chinle Agency - \$ 150,183

8 TOTAL AMOUNT: \$1,616,413

9 F. The Office of the Controller was requested to provide a memorandum to satisfy 12
10 N.N.C. § 820(L). The memorandum was not ready at the time of drafting this resolution,
11 but will be included as an exhibit when it becomes available.

12 G. The Office of Management and Budget was requested to provide a memorandum to
13 satisfy 12 N.N.C. § 820(M). The memorandum was not ready at the time of drafting this
14 resolution, but will be included as an exhibit when it becomes available.

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16 **SECTION FOUR. APPROVING SUPPLEMENTAL FUNDING FROM THE**
17 **UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF**
18 **\$1,616,413 FOR 110 NAVAJO NATION CHAPTERS**

19 A. The Navajo Nation hereby approves supplemental funding from the Unreserved,
20 Undesignated Fund Balance in the amount of \$1,616,413 for the 110 Navajo Nation
21 Chapters' community emergency response plans.

22 B. This supplemental appropriation of \$1,616,413 shall be from that amount of funds that
23 exceeds the minimum fund balance of the Unreserved, Undesignated Fund Balance as
24 determined by the Office of the Controller.

25 C. The supplemental funding to the 110 Navajo Nation Chapters shall be allocated as shown
26 in **Exhibit B**.

27 D. The supplemental funding will be deposited with each of the 110 Navajo Nation Chapters
28 in accordance with **Exhibit B**.

1 **SECTION FIVE. WAIVING 12 N.N.C. §§ 820(E), (F), AND (J) TO THE EXTENT**
2 **THESE PROVISIONS PREVENT THE UNRESERVED, UNDESIGNATED FUND**
3 **BALANCE TO BE USED TO FUND RECURRING EXPENDITURES OR**
4 **GOVERNMENT OPERATIONS**

5 The Navajo Nation Council hereby waives 12 N.N.C. §§ 820 (E), (F) and (J) in order to allow
6 UUFB funds to be used for recurring expenditures and government operations.
7

8 **SECTION SIX. EFFECTIVE DATE**

9 The provisions of this Action shall become effective in accordance with 2 N.N.C. § 221(B).
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11 **SECTION SEVEN. SAVING CLAUSE**

12 Should any provision(s) of this Act be determined invalid by the Navajo Nation Supreme
13 Court or the District Courts of the Navajo Nation, without appeal to the Navajo Nation
14 Supreme Court, the remainder of the Act shall remain the law of the Navajo Nation.
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