

THE NAVAJO NATION  
LEGISLATIVE BRANCH  
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: \_0091-21\_

SPONSOR: Jamie Henio

**TITLE: An Action Relating to Resources and Development, Budget and Finance, Naabik'iyáti Committees, and Navajo Nation Council; Allocating \$2,000,000 in Síhasin Funds to the Cañoncito Band of Navajos Health Center, Inc. for the Cañoncito Clinic Expansion Project; Approving and Adopting the Cañoncito Clinic Expansion Project Expenditure Plan Pursuant to 12 N.N.C. §§ 2501-2508**

*Date posted:* June 08, 2021 at 7:34PM

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**LEGISLATIVE SUMMARY SHEET**

Tracking No. 0091-21

**DATE:** June 8, 2021

**TITLE OF RESOLUTION:** AN ACTION RELATING TO RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE, NAABIK'ÍYÁTI' COMMITTEES, AND NAVAJO NATION COUNCIL; ALLOCATING \$2,000,000 IN SÍHASIN FUNDS TO THE CAÑONCITO BAND OF NAVAJOS HEALTH CENTER, INC. FOR THE CAÑONCITO CLINIC EXPANSION PROJECT; APPROVING AND ADOPTING THE CAÑONCITO CLINIC EXPANSION PROJECT EXPENDITURE PLAN PURSUANT TO 12 N.N.C §§ 2501 – 2508

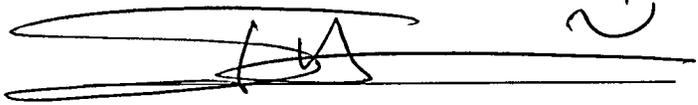
**PURPOSE:** The purpose of this legislation is for the Navajo Nation Council to approve \$2,000,000 in Síhasin funding for the Cañoncito Clinic Expansion Project. The funding will be provided to the Cañoncito Band of Navajos Health Clinic, Inc., a tribal non-profit organization.

5-DAY BILL HOLD PERIOD V8redhorse  
Website Posting Time/Date \_\_\_\_\_  
Posting End Date: June 13, 2021  
Eligible for Action: June 14, 2021

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

1 PROPOSED NAVAJO NATION COUNCIL RESOLUTION  
2 24<sup>th</sup> NAVAJO NATION COUNCIL – Third Year, 2021

3 INTRODUCED BY

4   
5

6 (Prime Sponsor)

7  
8 TRACKING NO. 0091-21

9  
10 AN ACTION

11 RELATING TO RESOURCES AND DEVELOPMENT, BUDGET AND  
12 FINANCE, NAABIK'ÍYÁTI' COMMITTEES, AND NAVAJO NATION  
13 COUNCIL; ALLOCATING \$2,000,000 IN SÍHASIN FUNDS TO THE  
14 CAÑONCITO BAND OF NAVAJOS HEALTH CENTER, INC. FOR THE  
15 CAÑONCITO CLINIC EXPANSION PROJECT; APPROVING AND  
16 ADOPTING THE CAÑONCITO CLINIC EXPANSION PROJECT  
17 EXPENDITURE PLAN PURSUANT TO 12 N.N.C §§ 2501 – 2508

18  
19 BE IT ENACTED:

20  
21 SECTION ONE. AUTHORITY

- 22 A. The Resources and Development Committee is the oversight committee for Navajo Nation  
23 Chapters. 2 N.N.C. §501(C)(1).  
24 B. The Budget and Finance Committee is empowered to “appropriate, allocate, cancel, re-  
25 appropriate and review the use of Navajo Nation funds received including but not limited  
26 to all grants, contracts, gifts and other funds from all sources.” 2 N.N.C. §301(B)(3).  
27 C. The Naabik'iyáti' Committee is a standing committee of the Navajo Nation Council with  
28 the responsibility to hear proposed resolutions that require final action by the Navajo  
29 Nation Council. 2 N.N.C. §164(A)(9).  
30 D. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. §102(A).

1 E. The Navajo Nation Code provides the purpose of the Navajo Nation Síhasin Fund (“Síhasin  
2 Fund”) is as follows:

3 §2502 Purpose

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

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

11 2. Education opportunities for members of the Navajo Nation.

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

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

17 12 N.N.C. §2502, as amended by CJA-03-18.

18 F. The Síhasin Fund provides that “Fund Principal” shall consist of all deposits made to the  
19 Síhasin Fund and that “Fund Income” shall consist of all earnings (interest, dividends, etc.)  
20 generated and realized by the Fund Principal, and that Fund Income shall be deposited in  
21 and added to Fund Principal until such time as a Fund Expenditure Plan is duly adopted.  
22 12 N.N.C. §§ 2504 and 2505(C).

23 G. The Síhasin Fund provides that “Fund Principal and Income shall not be expended except  
24 pursuant to a Fund Expenditure Plan consistent with the purposes set forth in §2502 of this  
25 Chapter and adopted by a two-thirds (2/3) vote of all members of the Navajo Nation  
26 Council.” 12 N.N.C. §2505(A).

27  
28 **SECTION TWO. FINDINGS**

29 A. The Cañoncito Band of Navajos Health Center, Inc. (“CBN Health Center”) is a 26 U.S.C.  
30 §501(C)(3) non-profit Tribal Organization established in 2016 that provides health care

1 services to the To'Hajiilee community (formerly Cañoncito) via a contract with the U.S.  
2 Department of Health and Human Services pursuant to Public Law 93-638.

3 B. The CBN Health Center has requested two-million-dollars (\$2,000,000) in Síhasin funding  
4 for the Cañoncito Clinic Expansion Project. The CBN Health Center has prepared and  
5 submitted a detailed funding request and description of the Expansion Project, attached  
6 hereto as **Exhibit A**.

7 C. In its request the CBN Health Center explains that, in 2020, along with the To'Hajiilee  
8 Chapter it applied to the Navajo Nation for a \$4,000,000 grant from the CARES Funds  
9 received by the Navajo Nation. However, their funding request for the Expansion Project  
10 was not approved by the Navajo Nation Council. **Exhibit A**.

11 D. The CBN Health Center further explains that it subsequently appropriated \$2,000,000 for  
12 the Expansion Project, and the Project is now approximately 60% complete. However, an  
13 additional \$2,000,000 in funding is needed to finish the Project because of unforeseen costs  
14 due to COVID-19 building requirements, needed furniture and medical equipment, and  
15 unexpected infrastructure expenses. **Exhibit A**.

16 E. The CBN Health Center has submitted a detailed cost breakdown for the Expansion  
17 Project, attached as **Exhibit B**, as well as a floor plan, photographs, and drawings for the  
18 Project, all of which are attached as **Exhibit C**.

19 F. The allocation of the \$2,000,000 for this Project meets the criteria for Síhasin expenditures  
20 because this Project involves "infrastructure" and "community development" such as  
21 "commercial and government buildings" as mentioned in 12 N.N.C. §2502(A)(1).

22 G. The allocation of the \$2,000,000 for this Project meets the preference for leveraging  
23 Síhasin funds, as mentioned in 12 N.N.C. § 2502(C), because the CBN Health Center has  
24 contributed \$2,000,000 in funds, and the Indian Health Service previously provided a grant  
25 of \$1,800,000 for the Project.

26  
27 **SECTION THREE. APPROVAL AND ADOPTION OF SÍHASIN FUNDING AND**  
28 **EXPENDITURE PLAN**

29 A. The Navajo Nation hereby approves and appropriates funding for the Cañoncito Clinic  
30 Expansion Project in the amount of \$2,000,000 from the Navajo Nation Síhasin Fund, in

1 accordance with 12 N.N.C. §2505(A).

2 B. The Navajo Nation hereby approves and adopts the Cañoncito Clinic Expansion Project  
3 Expenditure Plan, attached as **Exhibit B**.

4 C. The Síhasin Funds allocated for the Cañoncito Clinic Expansion Project may be further  
5 leveraged by bond or loan financing pursuant to the Navajo Nation Bond Financing Act,  
6 12 N.N.C. §1300 *et seq.*, as amended, using Síhasin Fund earnings for repayment and  
7 financing costs upon the recommendation of the Budget and Finance Committee and  
8 approval by a two-thirds (2/3) vote of all members of the Navajo Nation Council.

9  
10 **SECTION FOUR. APPROVAL AND ADOPTION OF EXPENDITURE PLAN**

11 **ADMINISTRATION**

12 The Navajo Nation Council hereby approves administration of the Cañoncito Clinic  
13 Expansion Project Expenditure Plan as follows:

14 A. The Navajo Nation Controller shall determine whether the source of the annual allocations  
15 from the total allocation of \$2,000,000 will be Síhasin Fund Principal or Income or a  
16 combination of both.

17 B. The \$2,000,000 in Síhasin funds shall be distributed to the Cañoncito Band of Navajos  
18 Health Center, Inc. within ten (10) days after the effective date of this legislation. The  
19 CBN Health Center shall be responsible for administering the Cañoncito Clinic Expansion  
20 Project, in accordance with the Cañoncito Clinic Expansion Project Expenditure Plan,  
21 attached as **Exhibit B**.

22 C. The \$2,000,000 in Síhasin funds shall be used solely for design, planning, construction,  
23 furniture and equipment purchases, and infrastructure facilities for the Cañoncito Clinic  
24 Expansion Project as described in **Exhibits A, B and C**. Any and all cost-savings shall be  
25 returned to the Síhasin Fund once the Project is completed.

26 D. The \$2,000,000 in Síhasin funds shall not lapse on an annual basis pursuant to 12 N.N.C.  
27 §820(N), however, any funds not spent or encumbered within twenty-four (24) months of  
28 the date funds are made available to the CBN Health Clinic shall revert to the Síhasin Fund  
29 principal, unless recommended otherwise by the Resources and Development Committee  
30 of the Navajo Nation Council and approved by the Naabik'íyáti' Committee.

1 E. The Síhasin Fund shall be reimbursed, in the amount of the expenditure authorized in this  
2 legislation, from prospective funds available to the Navajo Nation from any and all  
3 appropriate state and federal sources, including Congressional appropriations under the  
4 American Rescue Plan Act of 2021 or other COVID-19 related relief.

5 F. The Cañoncito Clinic Expansion Project shall be operated and managed by the CBN Health  
6 Clinic, and maintenance and repairs for the Project shall be the responsibility of the CBN  
7 Health Clinic.

8  
9 **SECTION FIVE. DIRECTIVES**

10 The CBN Health Clinic shall report the status of the Cañoncito Clinic Expansion Project to  
11 the Resources and Development Committee, and to the Naabik'íyáti' Committee, on a  
12 quarterly basis.

13  
14 **SECTION SIX. EFFECTIVE DATE**

15 This legislation and the Cañoncito Clinic Expansion Project Expenditure Plan approved  
16 herein shall become effective pursuant to 12 N.N.C. §2505.

17  
18 **SECTION SEVEN. SAVINGS CLAUSE**

19 If any provision of this Act is determined invalid by the Supreme Court of the Navajo Nation,  
20 or by a Navajo Nation District Court without appeal to the Navajo Nation Supreme Court,  
21 the provision(s) not determined invalid shall remain as Navajo Nation law.