

THE NAVAJO NATION  
LEGISLATIVE BRANCH  
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: \_0004-22\_

SPONSOR: Jamie Henio

**TITLE: An Act Relating to the Health, Education and Human Services, Resources and Development, Budget and Finance, and Naabik'iyáti' Committees, and to the Navajo Nation Council; Allocating \$3,600,000 from the Unreserved, Undesignated Fund Balance to the Division of Community Development for the Upgrade/Replacement of a High-Voltage Electricity System for Ramah Navajo School Board, Inc./Pine Hill School**

***Date posted:*** January 12, 2022 at 5:49PM

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Office of Legislative Services  
P.O. Box 3390  
Window Rock, AZ 86515  
(928) 871-7586

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## LEGISLATION SUMMARY

Tracking No. 0004-22

Date: January 12, 2022

Title of

Legislation: **AN ACT RELATING TO THE HEALTH, EDUCATION, AND HUMAN SERVICES, RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE, AND NAA'BIK'ÍYÁTI' COMMITTEES, AND TO THE NAVAJO NATION COUNCIL; ALLOCATING \$3,600,000 FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE TO THE DIVISION OF COMMUNITY DEVELOPMENT FOR THE UPGRADE/REPLACEMENT OF A HIGH-VOLTAGE ELECTRICITY SYSTEM FOR RAMAH NAVAJO SCHOOL BOARD, INC./PINE HILL SCHOOL**

Purpose: to allocate \$3,600,000 from the UUFB to the Division of Community Development to pay for a high-voltage electricity line Project for Pine Hill School.

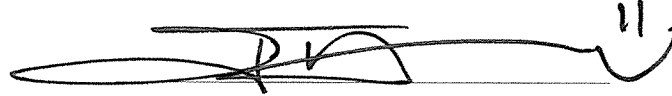
OLC No. 21-505-1

5-DAY BILL HOLD PERIOD: Johnson  
Website Posting Time/Date: \_\_\_\_\_  
Posting End Date: 01-17-22  
Eligible for Action: 01-18-22

**Health Education & Human Services Committee**  
**Thence**  
**Resources & Development Committee**  
**Thence**  
**Budget & Finance Committee**  
**Thence**  
**Naabik'íyáti' Committee**  
**Thence**  
**Navajo Nation Council**

PROPOSED NAVAJO NATION COUNCIL RESOLUTION  
24<sup>th</sup> NAVAJO NATION COUNCIL - Fourth Year, 2022

Introduced by:



(Prime Sponsor)

Tracking No. 0004-22

**AN ACT**

**RELATING TO THE HEALTH, EDUCATION, AND HUMAN SERVICES,  
RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE, AND  
NAA'BIK'ÍYÁTI' COMMITTEES, AND TO THE NAVAJO NATION COUNCIL;  
ALLOCATING \$3,600,000 FROM THE UNRESERVED, UNDESIGNATED  
FUND BALANCE TO THE DIVISION OF COMMUNITY DEVELOPMENT  
FOR THE UPGRADE/REPLACEMENT OF A HIGH-VOLTAGE ELECTRICITY  
SYSTEM FOR RAMAH NAVAJO SCHOOL BOARD, INC./PINE HILL SCHOOL**

BE IT ENACTED:

**SECTION ONE. AUTHORITY**

- A. The Health, Education, and Human Services Committee is a standing committee of the Navajo Nation Council that oversees matters involving education and school board organizations. 2 N.N.C. §400(C)(1), 2 N.N.C. §401(C)(4).
- B. The Resources and Development Committee is a standing committee of the Navajo Nation Council with authority over matters involving public utilities and community development. 2 N.N.C. §500(C).
- B. The Budget and Finance Committee is a standing committee of the Navajo Nation Council, empowered to review and recommend to the Navajo Nation Council the budgeting, appropriation, investment, and management of all funds. 2 N.N.C. §301(B)(2).

1 C. The Naa' bik'iyáti' Committee is a standing committee of the Navajo Nation Council that  
2 is responsible for reviewing proposed resolutions requiring final action by the Navajo  
3 Nation Council. 2 N.N.C. §164(A)(9).

4 D. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C.  
5 §102(A). As such, the Council has the authority to approve supplemental appropriations.  
6 "The Navajo Nation Council may adopt and approve supplemental appropriations to the  
7 Annual Comprehensive Budget during the fiscal year. Supplemental appropriations of  
8 General Funds within the current fiscal year are permitted, if and when additional sources  
9 of revenues above and beyond the initial or current revenue projections are projected and  
10 which are also in excess of the reserve amount set forth at §820(J)." 12 N.N.C. §820(L).

11 E. The restrictions on supplemental appropriations include:

12 1. Supplemental appropriations from non-recurring revenues shall be approved only for  
13 non-recurring expenses. 12 N.N.C. §820(F). The Controller determines which revenues  
14 are recurring and which are non-recurring. 12 N.N.C. §820(L).

15 2. The Navajo Nation shall budget all recurring operating expenses, including capital  
16 maintenance costs, from recurring revenues only; and long-term debt shall not be used  
17 to finance recurring operating expenses. 12 N.N.C. §820(E).

18 3. The Navajo Nation Code further provides, ". . . non-recurring revenues will be  
19 budgeted only after an examination by the Controller to determine whether or not the  
20 revenues are subsidizing an imbalance between recurring revenues and expenditures,  
21 and expenditures may be authorized only if a long-term (three-five year) forecast shows  
22 that the operating deficit will not continue. Otherwise, non-recurring revenues will be  
23 added to the Unreserved, Undesignated Fund Balance. This provision may be amended  
24 or waived by a two-thirds vote of the full Navajo Nation Council." 12 N.N.C. §820(F).

25 4. All requests for supplemental funding shall be submitted to the Office of Management  
26 and Budget ("OMB") for budget impact analysis. 12 N.N.C. §820(M).

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28 **SECTION TWO. FINDINGS**

29 A. The Division of Community Development ("DCD") is requesting \$3,600,000 in  
30 supplemental funds out of the Unreserved, Undesignated Fund Balance ("UUFb") to pay

1 for the upgrading and replacement of a high-voltage electricity line and electrical system  
2 that serves the Pine Hill School, which is under the Ramah Navajo School Board, Inc. See  
3 Appendix K “Supplemental Funding Proposal Summary,” attached hereto as **EXHIBIT A**.

4 B. As explained in the Construction Report and other related Project documents attached as  
5 **EXHIBIT B**, the \$3,600,000 is needed to perform extensive refurbishment of existing  
6 power and distribution facilities, which activities will include the replacement of old and  
7 worn electric cables and voltage boxes.

8 C. DCD has provided other required Budget Forms, including a “Program Budget Summary,”  
9 a “Program Performance Criteria,” and a “Detailed Budget and Justification,” which pages  
10 are attached as **EXHIBIT C**.

11 D. The Ramah Navajo School Board, Inc. passed Resolution No. RNSB-EXEC-2021-070  
12 dated October 12, 2021, wherein it approved the request for the Navajo Nation to provide  
13 funds for this high-voltage line Project, to better serve the Pine Hill School. **EXHIBIT D**.

14 E. In accordance with 12 N.N.C. §820(L), the Office of the Controller has provided a  
15 memorandum regarding this UUFb funding request, designating the high-voltage line  
16 Project for the Pine Hill School as a *non-recurring* expense. **EXHIBIT E**.

17 F. In compliance with 12 N.N.C. §820(M), OMB has reviewed this UUFb funding request and  
18 provided its comments and concerns in an email dated December 2, 2021. **EXHIBIT F**.

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20 **SECTION THREE. ALLOCATING \$3,600,000 FROM THE UUFb TO THE DIVISION**  
21 **OF COMMUNITY DEVELOPMENT**

22 A. The Navajo Nation hereby allocates \$3,600,000 from the UUFb to the Division of  
23 Community Development for DCD’s use in paying for the high-voltage electricity line  
24 upgrade/replacement Project urgently needed by the Pine Hill School. DCD’s expenditures  
25 of the \$3,600,000 approved herein shall conform to the listings and descriptions of all  
26 Project costs, as shown in **EXHIBITS A and B**.

27 B. This \$3,600,000 supplemental appropriation shall be from those funds that exceed the  
28 minimum fund reserve balance in the UUFb required by 12 N.N.C. §820(J), as determined  
29 by the Controller.

30 C. Pursuant to 12 N.N.C. §820(N) this supplemental appropriation shall expire, and any funds

1 not expended or encumbered by DCD for the high-voltage line Project by midnight on  
2 September 30, 2022 shall revert to the UUFB, unless the Navajo Nation Council determines  
3 otherwise.  
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5 **SECTION FOUR. EFFECTIVE DATE**

6 This Act shall become effective as provided in 2 N.N.C. §221(B) and 2 N.N.C. §164(A)(17).  
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8 **SECTION FIVE. SAVING CLAUSE**

9 If any portion of this Act is determined invalid by the Navajo Nation Supreme Court, or by a  
10 District Court of the Navajo Nation without appeal to the Navajo Nation Supreme Court, the  
11 remainder of this Act shall be the law of the Navajo Nation.  
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