

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0030-22_

SPONSOR: Mark A. Freeland

TITLE: An Act Relating to the Resources and Development, and Budget and Finance Committees; Establishing the Abandoned Uranium Mines Enterprise Fund (“AUM Enterprise Fund”); Approving the Related Fund Management Plan; and Allocating \$99,787 from the Navajo EPA AUM Settlement Funds Account as the Initial Amount to be Deposited into the New AUM Enterprise Fund

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LEGISLATION SUMMARY

TrackingNo. 0030-22

Date: February 3, 2022

Re: **AN ACT RELATING TO THE RESOURCES AND DEVELOPMENT, AND BUDGET AND FINANCE COMMITTEES; ESTABLISHING THE ABANDONED URANIUM MINES ENTERPRISE FUND (“AUM ENTERPRISE FUND”); APPROVING THE RELATED FUND MANAGEMENT PLAN; AND ALLOCATING \$99,787 FROM THE NAVAJO EPA AUM SETTLEMENT FUNDS ACCOUNT AS THE INITIAL AMOUNT TO BE DEPOSITED INTO THE NEW AUM ENTERPRISE FUND**

Purpose: to establish a new AUM Enterprise Fund and approve the related Fund Management Plan; the new Fund will consist of revenues from AML fees, NNEPA Funds, grants, loans, and other sources; allocating \$99,787 from the Navajo EPA AUM Settlement Funds account for the new AUM Enterprise Fund.

5-DAY BILL HOLD PERIOD: Johnson
Website Posting Time/Date: _____
Posting End Date: 02-16-22
Eligible for Action: 02-17-22

1 PROPOSED STANDING COMMITTEE RESOLUTION
2 24th NAVAJO NATION COUNCIL - Fourth Year, 2022

3 Introduced by:

4 
5 _____
6 (Sponsor)

7
8 Tracking No. 0030-22

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10 AN ACT
11 RELATING TO THE RESOURCES AND DEVELOPMENT, AND BUDGET AND
12 FINANCE COMMITTEES; ESTABLISHING THE ABANDONED URANIUM
13 MINES ENTERPRISE FUND (“AUM ENTERPRISE FUND”); APPROVING THE
14 RELATED FUND MANAGEMENT PLAN; AND ALLOCATING \$99,787 FROM
15 THE NAVAJO EPA AUM SETTLEMENT FUNDS ACCOUNT AS THE INITIAL
16 AMOUNT TO BE DEPOSITED INTO THE NEW AUM ENTERPRISE FUND

17
18 BE IT ENACTED:

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20 SECTION ONE. AUTHORITY

- 21 A. The Resources and Development Committee of the Navajo Nation Council has oversight
22 responsibility and authority over the Division of Natural Resources (“DNR”). 2 N.N.C.
23 §501(C)(1). The Navajo Abandoned Mine Lands Reclamation Department (“AML”) is
24 established under the DNR. 18 N.N.C. §1611.
- 25 B. The Budget and Finance Committee of the Navajo Nation Council is empowered to approve
26 fund management plans upon the recommendation of the appropriate oversight committee
27 and the affected Navajo Nation government division or Branch. 2 N.N.C. §301(B)(14).
- 28 C. In May 2002 the Budget and Finance Committee approved certain procedures and eligibility
29 criteria for Navajo Nation programs and departments to establish a Governmental Fund,
30 Proprietary Fund, or Fiduciary Fund, with a related Fund Management Plan. **EXHIBIT A.**

1 **SECTION TWO. FINDINGS**

2 A. According to its Plan of Operation, AML’s responsibility is to “[p]rovide administrative,
3 engineering, public relations, and technical/construction services for all Abandoned Mine
4 Lands projects, including reclamation/remediation projects authorized under [the] Surface
5 Mining Control and Reclamation Act and [the] Comprehensive Environmental Response,
6 Compensation, and Liability Act (CERCLA) laws and regulations, and other Navajo Nation
7 and federal laws . . . [and to] [e]stablish and manage an Abandoned Uranium Mine
8 enterprise fund through adoption of a Fund Management Plan.” **EXHIBIT B** (Exhibit A to
9 Resolution No. RDCO-79-16, incorporated herein by reference).

10 B. According to its Work Plan for FY2021, AML’s tasks include budgeting and other funding-
11 related activities. **EXHIBIT C**.

12 C. In September 2018 AML/DNR entered into a Memorandum of Understanding with the
13 Navajo Nation Environmental Protection Agency/Superfund Program to address the problem
14 of abandoned uranium mine sites located on and near Navajo Nation lands. **EXHIBIT D**.

15 D. AML has worked with DNR, NNEPA, and the Department of Justice in developing an
16 Abandoned Uranium Mines Enterprise Fund (“AUM Enterprise Fund”), and in drafting a
17 related Fund Management Plan. **EXHIBIT E**.

18 E. The proposed Fund Management Plan is attached as **EXHIBIT F**. In the Plan, on page 4,
19 Section V(C) has two blanks; the Office of the Controller shall insert the appropriate
20 information when this legislation is up for consideration by the appropriate Committees.

21 F. AML has prepared detailed budget forms, proposing \$99,787 as the initial amount of funds
22 for the new AUM Enterprise Fund, with the source of the funds coming from the “Navajo
23 EPA AUM Settlement Funds” account. Budget Forms 1-6 are attached as **EXHIBIT G**.

24 G. In Section V of the Fund Management Plan (EXHIBIT F) AML is proposing that the new
25 AUM Enterprise Fund will be supplied with revenues collected from AML reclamation fees
26 and other AML service fees, certain NNEPA Funds, grants, loans and donations, and money
27 from other various sources.

28 H. The proposed Fund Management Plan has been vetted through the Navajo Nation’s 2 N.N.C.
29 §164 administrative review process, and was approved by DNR, the Office of the Controller,
30 the Office of Management and Budget, and the Department of Justice. **EXHIBIT H**.

1 **SECTION THREE. ESTABLISHING THE ABANDONED URANIUM MINES**
2 **ENTERPRISE FUND AND APPROVING THE RELATED**
3 **FUND MANAGEMENT PLAN**

4 A. The Navajo Nation hereby establishes the Abandoned Uranium Mines Enterprise Fund
5 (“AUM Enterprise Fund”) and approves the related Fund Management Plan as shown in the
6 attached **EXHIBIT F**.

7 B. The Navajo Nation hereby allocates \$99,787 out of the “Navajo EPA AUM Settlement
8 Funds” account as the initial amount to be deposited into the AUM Enterprise Fund. This
9 \$99,787 shall be expended by AML in compliance with the line-item expenditures shown in
10 AML’s Budget Forms 1-6 attached as **EXHIBIT G**.

11 C. The Navajo Nation approves the deposit into the AUM Enterprise Fund whatever additional
12 funds that may become available prospectively, in accordance with Section V of the Fund
13 Management Plan (EXHIBIT F), and as approved by the Controller.
14

15 **SECTION FOUR. DIRECTIVES**

16 A. No later than twenty (20) business days after the effective date of this legislation, the
17 Controller shall:

18 1. insert the appropriate account information and dollar figures into Section V(C) of the
19 approved Fund Management Plan (EXHIBIT F); AML shall then prepare a final version
20 of the Fund Management Plan document, with the Controller’s inserts, and shall submit a
21 copy of this final version to the Resources and Development Committee, the Budget and
22 Finance Committee, the Controller, DNR, NNEPA, and other appropriate parties;

23 2. set up a new Navajo Nation financial account titled: “Abandoned Uranium Mines
24 Enterprise Fund” (“AUM Enterprise Fund”) and immediately transfer \$99,787 out of the
25 “Navajo EPA AUM Settlement Funds” account into the new AUM Enterprise Fund
26 account;

27 3. allow AML to access the funds in this new account for its use in accordance with its
28 Budget Forms 1-6 (EXHIBIT G), in compliance with the Controller’s usual drawdown
29 and payment procedures.

30 B. On a prospective and ongoing basis, the Controller shall review whatever additional funds

1 that become available, as described in Section V of the Fund Management Plan, and shall
2 ensure that said funds are deposited into the new AUM Enterprise Fund account and are
3 made available for AML's appropriate use.

4 C. The Controller shall consult with the Office of Management and Budget, DNR, NNEPA,
5 and/or the Department of Justice, if any question arises regarding the propriety or legal
6 sufficiency of any such deposit of additional funds into the new AUM Enterprise Fund
7 account.

8 D. By the end of the Second Quarter of FY2022, AML, DNR, and NNEPA shall amend their
9 2018 Memorandum of Understanding ("MOU") to accommodate the newly established
10 AUM Enterprise Fund and related Fund Management Plan. A copy of the revised MOU shall
11 be promptly provided to the Resources and Development Committee, the Budget and
12 Finance Committee, the Controller, DNR, NNEPA, and other appropriate parties.

13 E. By the end of the Third Quarter of each Fiscal Year, the AML shall provide a verbal and
14 written report to the Resources and Development Committee and the Budget and Finance
15 Committee, explaining its activities and expenditures related to the \$99,787 approved herein
16 and its implementation of, and compliance with, the Fund Management Plan.

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18 **SECTION FIVE. EFFECTIVE DATE**

19 This legislation shall become effective in accordance with 2 N.N.C. §301(B)(14).
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21 **SECTION SIX. SAVING CLAUSE**

22 If any provision of this legislation is determined invalid by the Supreme Court of the Navajo
23 Nation, or by a Navajo Nation District Court without appeal to the Navajo Nation Supreme
24 Court, the remainder of this legislation shall be the law of the Navajo Nation.
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