

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0066-22_

SPONSOR: Nathaniel Brown

TITLE: An Act Relating to the Resources and Development, Budget and Finance, and Naabik'iyáti' Committees, and to the Navajo Nation Council; Approving \$7,650,000 from the Síhasin Fund for the Construction of the Chilchinbeto Multi-purpose Building; Approving the Related Expenditure Plan Pursuant to 12 N.N.C. § 2501 - § 2508

Date posted: March 30, 2022 at 6:42PM

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SUMMARY OF PROPOSED LEGISLATION

Tracking No. 0066-22

Date: March 29, 2022

Re: **AN ACT RELATING TO THE RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES, AND TO THE NAVAJO NATION COUNCIL; APPROVING \$7,650,000 FROM THE SÍHASIN FUND FOR THE CONSTRUCTION OF THE CHILCHINBETO MULTI-PURPOSE BUILDING; APPROVING THE RELATED EXPENDITURE PLAN PURSUANT TO 12 N.N.C §2501 – §2508**

Purpose of this Legislation:

to allocate \$7,650,000 from the Síhasin Fund for the Chilchinbeto to construct the Chilchinbeto Chapter multipurpose building.

OLC No. 22-037-1

5-DAY BILL HOLD PERIOD: J. Johnson

Website Posting Time/Date: _____

Posting End Date: 04-04-22

Eligible for Action: 04-05-22

Resources & Development Committee

Thence

Budget & Finance Committee

Thence

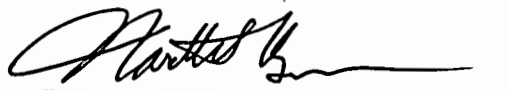
Naabik'iyáti' Committee

Thence

Navajo Nation Council

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

3 Introduced by:

4 
5 _____

6 (Prime Sponsor)

7
8 Tracking No. 0066-22

9
10 AN ACT

11 RELATING TO THE RESOURCES AND DEVELOPMENT,
12 BUDGET AND FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES,
13 AND TO THE NAVAJO NATION COUNCIL; APPROVING \$7,650,000
14 FROM THE SÍHASIN FUND FOR THE CONSTRUCTION OF THE
15 CHILCHINBETO MULTI-PURPOSE BUILDING; APPROVING THE
16 RELATED EXPENDITURE PLAN PURSUANT TO 12 N.N.C §2501 – §2508

17
18 BE IT ENACTED:

19
20 SECTION ONE. AUTHORITY

21 A. The Resources and Development Committee is a standing committee of the Navajo Nation
22 Council with oversight authority over all 110 Navajo Nation Chapters. 2 N.N.C. §500(C)
23 and 26 N.N.C. §102.

24 B. The Budget and Finance Committee is a standing committee of the Navajo Nation Council
25 with the responsibility to “review and recommend to the Navajo Nation Council the
26 budgeting, appropriation, investment and management of all funds.” 2 N.N.C. §301(B)(2).

27 C. The Naabik'iyáti' Committee is a standing committee of the Navajo Nation Council that
28 considers all proposed final actions by the Navajo Nation Council. 2 N.N.C. §164(A)(9).

29 D. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. §102(A).
30 As such, the Council may approve appropriations from the Navajo Nation's Síhasin Fund.

1 E. 12 N.N.C. §2502, as amended by CJA-03-18, states the purpose of the Navajo Nation Síhasin
2 Fund (“Síhasin Fund”) 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
7 development, including such infrastructure as, but not limited to, housing,
8 commercial and government buildings, waterline, solid waste management
9 development, powerline projects, and transportation and communication
10 systems, within the Navajo Nation; . . .

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

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

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

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

26
27. **SECTION TWO. FINDINGS**

28 A. The Chítchinbeto Chapter is a Local-Governance Certified Chapter of the Navajo Nation,
29 and as such it has the authority to enter into contracts for goods and services, and agreements
30 for the receipt of Navajo Nation funds. 26 N.N.C. §102, §103(D)(3), and §103(D)(6)-(7).

1 B. The Chilchinbeto Chapter is requesting \$7,650,000 from the Sihasin Fund for the
2 construction of a new multipurpose building in the Chilchinbeto community. The Chapter
3 explains its need and request for Sihasin funds in Chapter Resolutions No. CCH-11-24-
4 2021I, No. CCH-05-18-2021I, and No. CCH-08-21-19D. **EXHIBIT A.**

5 C. The Chilchinbeto Chapter Manager has provided a letter discussing the Chapter's funding
6 request for the Project, explaining that the original amount projected for construction costs
7 has increased from \$5,250,000 to an estimated \$7,650,000 because of rapidly increasing
8 construction costs. **EXHIBIT B.**

9 D. The Chapter Manager also explains that the Chapter has withdrawn a total of 81.52 acres for
10 a new chapter house and other economic development ventures in the community, and he
11 further notes that in November 2005, SHP Engineering and Architecture completed a market
12 and feasibility study for the withdrawn land. **EXHIBIT B.** Maps of the withdrawn area and
13 the proposed location of the new multipurpose building are attached hereto as **EXHIBIT C.**

14 E. In January 2015, an environmental assessment for the multipurpose building project was
15 completed by J.R. Analla EA Services. **EXHIBIT D** (full report available from Sponsor).

16 F. The Chilchinbeto multipurpose building Project was previously included in Navajo Nation
17 Council Resolution No. CAP-35-18, wherein the Council approved \$300,000 for the Project.
18 **EXHIBIT E.** The Chapter has expended these funds on planning and design for the Project.

19 G. Allocation of the \$7,650,000 as requested by the Chilchinbeto Chapter meets the criteria for
20 Sihasin expenditures because the proposed expenditure involves the construction of a
21 multipurpose building for the Chilchinbeto community and supports economic and
22 community development in the area, as described in 12 N.N.C. §2502(A)(1).

23
24 **SECTION THREE. APPROVING \$7,650,000 FROM THE SIHASIN FUND FOR THE**
25 **CONSTRUCTION OF THE CHILCHINBETO MULTI-PURPOSE**
26 **BUILDING; APPROVING THE RELATED EXPENDITURE**
27 **PLAN FOR THE PROJECT**

28 A. In accordance with 12 N.N.C. §2505(A), the Navajo Nation hereby approves \$7,650,000 out
29 of the Sihasin Fund for the Chilchinbeto Chapter to pay for the construction of a new
30 multipurpose building for the Chapter, as explained in the EXHIBITS A-D attached hereto.

1 B. The Navajo Nation hereby approves the Expenditure Plan for the construction of the
2 multipurpose building, as set forth in EXHIBITS A- D.

3 C. The \$7,650,000 in Sihasin funds approved in this Act may be further leveraged by bond or
4 loan financing pursuant to the Navajo Nation Bond Financing Act (12 N.N.C. §1300 *et seq.*,
5 as amended), using Sihasin Fund earnings for repayment and financing costs, upon approval
6 of the Budget and Finance Committee and upon further approval by a two-thirds (2/3) vote
7 of the full membership of the Navajo Nation Council.

8 D. The Office of the Controller shall determine whether the source of the \$7,650,000 approved
9 herein will be Sihasin Fund Principal or Sihasin Fund Income, or a combination of both.

10 E. The \$7,650,000 in Sihasin funds shall be disbursed to the Navajo Nation Division of
11 Community Development (“DCD”) within fourteen (14) business days after the effective
12 date of this Act. DCD shall then arrange for the Chilchinbeto Chapter’s use of the \$7,650,000
13 for the construction of the Chapter’s multipurpose building, in accordance with DCD’s usual
14 procedures for releasing Sihasin Funds to Chapters that are governance-certified under the
15 Local Governance Act (26 N.N.C. §102).

16 F. Pursuant to 12 N.N.C. §820(N) the \$7,650,000 allocation for the Chilchinbeto Chapter
17 approved herein shall not lapse at the end of the fiscal year, so long as the Chapter accounts
18 for all Sihasin funds sitting in the Project account as of September 30, 2022, and budgets
19 such funds in the next fiscal year for the same multipurpose building Project.

20 G. Any and all savings or unused amounts of the Sihasin funds approved herein shall be
21 immediately returned to the Sihasin Fund Principal once the Chilchinbeto Chapter
22 multipurpose building project is completed.

23 H. The Sihasin Fund shall be reimbursed the \$7,650,000 amount approved herein, from funds
24 available to the Navajo Nation from any and all state and federal sources, including
25 Congressional appropriations under the American Rescue Plan Act of 2021 or other COVID-
26 19-related relief, so long as the Chapter expenditures described herein are deemed eligible
27 under such COVID-19-related or other funding sources.

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29 **SECTION FOUR. EFFECTIVE DATE**

30 This Act and the approved Expenditure Plan shall be effective pursuant to 12 N.N.C. §2505.

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SECTION FIVE. SAVING CLAUSE

If any portion of this Act is invalidated by the Supreme Court of the Navajo Nation, or by any Navajo Nation District Court without appeal to the Navajo Nation Supreme Court, the remainder of this Act shall be the law of the Navajo Nation.