

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0159-22_

SPONSOR: Edmund Yazzie

TITLE An Act Relating to the Resources and Development, Budget and Finance, and Naabik'iyáti' Committees, and to the Navajo Nation Council; Allocating \$10,031,897 from the Síhasin Fund for the Mariano Lake Chapter Multipurpose Building Project; Approving the Related Expenditure Plan Pursuant to 12 N.N.C. §2501 - §2508

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LEGISLATIVE SUMMARY SHEET
Tracking No. 0159-22

DATE: September 13, 2022

TITLE OF RESOLUTION: AN ACT RELATING TO THE RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES, AND TO THE NAVAJO NATION COUNCIL; ALLOCATING \$10,031,897 FROM THE SÍHASIN FUND FOR THE MARIANO LAKE CHAPTER MULTIPURPOSE BUILDING PROJECT; APPROVING THE RELATED EXPENDITURE PLAN PURSUANT TO 12 N.N.C. §2501 – §2508

PURPOSE: This resolution, if approved, will allocate \$10,031,897 from the Sihasin Fund for the Mariano Lake Chapter Multipurpose Building Project.

This written summary does not address recommended amendments as may be provided by the standing committee. The Office of Legislative Counsel requests each committee member to review the proposed resolution in detail.

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. 0159-22

9
10 AN ACT

11 RELATING TO THE RESOURCES AND DEVELOPMENT, BUDGET
12 AND FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES, AND TO
13 THE NAVAJO NATION COUNCIL; ALLOCATING \$10,031,897 FROM
14 THE SÍHASIN FUND FOR THE MARIANO LAKE CHAPTER MULTIPURPOSE
15 BUILDING PROJECT; APPROVING THE RELATED EXPENDITURE PLAN
16 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 empowered with oversight authority over all 110 Navajo Nation Chapters. 2 N.N.C.
23 §500(C); 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
6 regional infrastructure supporting economic development and
7 community development, including such infrastructure as, but not
8 limited to, housing, commercial and government buildings, waterline,
9 solid waste management development, powerline projects, and
10 transportation and communication systems, within the Navajo Nation;

11 . . .

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

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

18 F. The Síhasin Fund provides that “Fund Principal” shall consist of all deposits made to the
19 Síhasin Fund, that “Fund Income” shall consist of all earnings (interest, dividends, etc.)
20 generated and realized by the Fund Principal, and that Síhasin Fund Income shall be
21 deposited in, and added to, the Fund Principal until such time as a Fund Expenditure Plan is
22 duly approved. 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 Navajo Nation constructed the Mariano Lake Chapter House “Chapter House” building
30 in 1952. In 2018, the Chapter House was declared to have exceeded its useful life, which

1 resulted with demolition in October 2022. **Exhibit A.**

2 B. The Community Members and Mariano Lake Chapter “MLC” decided to construct a multi-
3 use facility that would integrate community resources into one physical location. MLC
4 completed the planning and design based on the interest and support of the Community
5 Members.

6 C. MLC has prepared a comprehensive Project Summary, attached hereto as **Exhibit A.** MLC
7 explains that the new 11,900 sq. ft. multi-purpose building will replace the demolished
8 chapter building. The multipurpose building will centralize community resources for the
9 benefit of the public. The Project Summary provides the proposed budget and planned
10 expenditures.

11 D. The estimated cost of the Mariano Lake Chapter Multipurpose Building Project “MLC
12 Project” is \$14,546,190. This Síhasin funding request meets the preference for leverage of
13 funds in 12 N.N.C. §2502(C), because MLC secured \$4,514,293 in funding from State of
14 New Mexico programs, leaving a balance of \$10,031,897. **Exhibit A.**

15 E. In Resolution No. MLC2022-04-04, the Chapter describes the planning and design for
16 construction of a new Multipurpose Building and requests Navajo Nation Delegates and the
17 President to approve the funding request of \$10,031,897. **Exhibit B.**

18 F. Allocation of the \$10,031,897, as requested by MLC, meets the criteria for Síhasin Fund
19 expenditures because the proposed expenditure involves community development as
20 required by 12 N.N.C. §2502(A)(1).

21
22 **SECTION THREE. ALLOCATING \$10,031,897 IN SÍHASIN FUNDS FOR THE**
23 **MARIANO LAKE CHAPTER MULTIPURPOSE BUILDING**
24 **PROJECT; APPROVING THE RELATED EXPENDITURE**
25 **PLAN PURSUANT TO 12 N.N.C §2501 – §2508**

26 A. In accordance with 12 N.N.C. §2505(A), the Navajo Nation hereby approves ten million
27 thirty-one thousand eight hundred ninety-seven dollars (\$10,031,897) from the Síhasin Fund
28 for the construction of a new multipurpose building for the Mariano Lake Chapter.

29 B. The Navajo Nation hereby approves the Expenditure Plan for the construction of the Mariano
30 Lake Chapter multipurpose building, as set forth in **Exhibits A and B.**

1 C. The total amount of \$10,031,897 in Síhasin funds approved herein may be further leveraged
2 by bond or loan financing pursuant to the Navajo Nation Bond Financing Act (12 N.N.C.
3 §1300 *et seq.*, as amended), using Síhasin Fund earnings for repayment and financing costs,
4 upon approval of the Budget and Finance Committee and upon further approval by a two-
5 thirds (2/3) vote of the full membership of the Navajo Nation Council.

6 D. The Controller shall determine whether the source of the \$10,031,897 approved herein will
7 be Síhasin Fund Principal or Síhasin Fund Income, or a combination of both.

8 E. Within thirty (30) business days after the effective date of this Act, the \$10,031,897 shall be
9 made available to the Navajo Nation Division of Community Development (“DCD”)
10 pursuant to a drawdown schedule agreed to by the Controller.

11 F. At the request of the Mariano Lake Chapter, DCD shall enter a Memorandum of Agreement
12 or other legal agreement with the Chapter to transfer the \$10,031,897 of funding and
13 responsibility for the construction of the multipurpose building, as well as compliance with
14 the Expenditure Plan set forth in **Exhibits A and B**, to the Mariano Lake Chapter.

15 G. The \$10,031,897 in Síhasin funds shall only be used for construction of the Mariano Lake
16 Chapter multipurpose building as described in **Exhibits A and B**.

17 H. The \$10,031,897 shall not lapse on an annual basis. However, any Síhasin funds not spent
18 or encumbered within thirty-six (36) months of the date funds are transferred to DCD shall
19 revert to the Síhasin Fund Principal, unless otherwise approved by the Resources and
20 Development Committee and the Naabik’íyáti’ Committee of the Navajo Nation Council.

21 I. Any and all savings or unused amounts of the Síhasin funds approved herein shall be
22 immediately returned to the Síhasin Fund Principal once the Mariano Lake Chapter
23 Multipurpose Building is completed, or upon the reversion deadline in Section Three (G)
24 above.

25 J. The Síhasin Fund may be reimbursed all or part of the amount approved herein from eligible
26 funds available to the Navajo Nation from any and all state and federal sources.

27 28 **SECTION FOUR. EFFECTIVE DATE**

29 This Act and the Expenditure Plan approved herein shall become effective pursuant to 12
30 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.