

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0176-22_

SPONSOR: Jamie Henio

TITLE: An Action Relating to the Resources and Development, Budget and Finance, and Naabik'iyáti' Committees, and to the Navajo Nation Council; Allocating \$10,159,542 from the Síhasin Fund to Replace the Ramah Navajo School Board Drinking Water System; Approving the Related Expenditure Plan

Date posted: September 26, 2022 at 8:59PM

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SUMMARY OF PROPOSED LEGISLATION

Tracking No. 0176-22

Date: September 26, 2022

Re: AN ACT RELATING TO THE RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES, AND TO THE NAVAJO NATION COUNCIL; ALLOCATING \$10,159,542 FROM THE SÍHASIN FUND TO REPLACE THE RAMAH NAVAJO SCHOOL BOARD DRINKING WATER SYSTEM; APPROVING THE RELATED EXPENDITURE PLAN

Purpose of this Legislation:

to allocate \$10,159,542 in Sihasin funds for a new drinking water system for Ramah Navajo School Board (Ramah Navajo Chapter) and to approve the related Expenditure Plan.

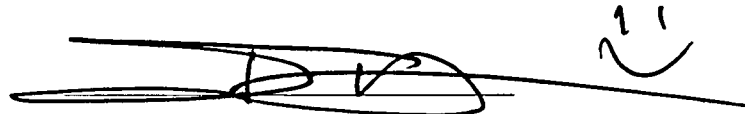
OLC No. 22-278-1

5-DAY BILL HOLD PERIOD: Johnson
Website Posting Time/Date: _____
Posting End Date: 10-01-22
Eligible for Action: 10-02-22

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  11

5 (Prime Sponsor)

6 Tracking No. 0176-22

7 AN ACT

8 RELATING TO THE RESOURCES AND DEVELOPMENT, BUDGET AND
9 FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES, AND TO THE NAVAJO
10 NATION COUNCIL; ALLOCATING \$10,159,542 FROM THE SÍHASIN FUND
11 TO REPLACE THE RAMAH NAVAJO SCHOOL BOARD DRINKING
12 WATER SYSTEM; APPROVING THE RELATED EXPENDITURE PLAN

13 BE IT ENACTED:

14 SECTION ONE. AUTHORITY

- 15 A. The Resources and Development Committee is a standing committee of the Navajo Nation
16 Council with oversight authority over all 110 Navajo Nation Chapters, as well as community
17 development matters. 2 N.N.C. §500(C) and 26 N.N.C. §102.
- 18 B. The Budget and Finance Committee is a standing committee of the Navajo Nation Council
19 with the responsibility to “review and recommend to the Navajo Nation Council the
20 budgeting, appropriation, investment and management of all funds.” 2 N.N.C. §301(B)(2).
- 21 C. The Naabik'iyáti' Committee is a standing committee of the Navajo Nation Council that
22 considers all proposed final actions by the Navajo Nation Council. 2 N.N.C. §164(A)(9).
- 23 D. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. §102(A).
24 As such, the Council may approve appropriations from the Navajo Nation's Síhasin Fund.
- 25 E. 12 N.N.C. §2502, as amended by CJA-03-18, states the purpose of the Navajo Nation Síhasin
26

1 Fund (“Síhasin Fund”) as follows:

2 §2502 Purpose

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

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

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

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

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

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

25
26 **SECTION TWO. FINDINGS**

27 A. In Resolution No. RNSB-EXEC-2022-019, the Ramah Navajo School Board, Inc. (“RNSB”)
28 requests Síhasin funds to replace its drinking water system (“Water Project”). **EXHIBIT A.**

29 B. RNSB has submitted a cost estimate for the Water Project, showing that \$10,159,542
30 (rounded up) is needed. **EXHIBIT B.**

- 1 C. The RNSB has prepared an Expenditure Plan for its proposed Water Project. **EXHIBIT C.**
2 D. RNSB's engineer has prepared a comprehensive Preliminary Engineering Report, attached
3 hereto as **EXHIBIT D.**
4 E. Allocation of the Síhasin funds as requested by the RNSB meets the criteria for Síhasin
5 expenditures because the proposed expenditure involves infrastructure, waterlines, and
6 community development, as described in 12 N.N.C. §2502(A)(1).
7

8 **SECTION THREE. ALLOCATING \$10,159,542 FROM THE SÍHASIN FUND TO**
9 **REPLACE THE RAMAH NAVAJO SCHOOL BOARD**
10 **DRINKING WATER SYSTEM; APPROVING THE RELATED**
11 **EXPENDITURE PLAN**

- 12 A. Pursuant to 12 N.N.C. §2505(A), the Navajo Nation hereby approves \$10,159,542 from the
13 Síhasin Fund for the RNSB's Water Project and also approves the Expenditure Plan for the
14 Water Project as set forth in the attached **EXHIBITS B, C, and D.**
15 B. The total amount of Síhasin funds approved in this Act may be further leveraged by bond or
16 loan financing pursuant to the Navajo Nation Bond Financing Act (12 N.N.C. §1300 *et seq.*,
17 as amended), using Síhasin Fund earnings for repayment and financing costs, upon approval
18 of the Budget and Finance Committee and upon a 2/3 approval vote of the full membership
19 of the Navajo Nation Council.
20 C. The Controller shall determine whether the source of the Síhasin funds approved in this Act
21 will be Síhasin Fund Principal or Síhasin Fund Income, or a combination of both.
22 D. The approved Síhasin funds shall be disbursed to the Navajo Nation Division of Community
23 Development ("DCD") within thirty (30) calendar days after the effective date of this Act.
24 Thereafter, the DCD shall promptly and diligently implement and administer the Water
25 Project through DCD's Capital Projects Management Department, in accordance with all
26 applicable Navajo Nation laws and regulations.
27 E. Notwithstanding Section 4(A)(3)(g) of CAP-35-18 or 12 N.N.C. §820(N), the approved
28 Síhasin funds for RNSB's Water Project shall not lapse at the end of any fiscal year; however,
29 any Síhasin funds not spent or encumbered within thirty-six (36) months of the effective date
30 of this Act shall revert to the Síhasin Fund Principal, unless otherwise approved prior to such

1 reversion by both the Resources and Development Committee and the Naabik'íyáti'
2 Committee.

3 F. The Síhasin funds approved herein shall not be comingled with funds from any other sources,
4 for the RNSB's Water Project or otherwise. Any and all savings or unused amounts of the
5 approved Síhasin funds shall be returned to the Síhasin Fund Principal once the Water Project
6 is completed, or upon the reversion deadline in Section 3(E) herein.

7 G. The Síhasin Fund may be reimbursed the amount of funds approved herein, from funds
8 available to the Navajo Nation from any and all state, federal, or other sources.

9
10 **SECTION FOUR. EFFECTIVE DATE**

11 This Act shall become effective pursuant to 12 N.N.C. §2505(A) and 2 N.N.C. §221(B).

12
13 **SECTION FIVE. SAVING CLAUSE**

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