

THE NAVAJO NATION  
LEGISLATIVE BRANCH  
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: \_0003-23\_

SPONSOR: Danny Simpson

**TITLE: An Action Relating to an Emergency and the Navajo Nation Council; Approving \$3,000,000 from the Unreserved, Undesignated Fund Balance ("UUFB") for 110 Chapters' Emergency Fund Accounts**

**Date posted: January 23, 2023 at 10:48M**

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**SUMMARY OF PROPOSED LEGISLATION**

TrackingNo. 0003-23

Date: January 23, 2023

**Re: AN ACTION RELATING TO AN EMERGENCY AND THE NAVAJO NATION COUNCIL; APPROVING \$3,000,000 FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE (“UUFB”) FOR 110 CHAPTERS’ EMERGENCY FUND ACCOUNTS**

**Purpose of this Legislation:**

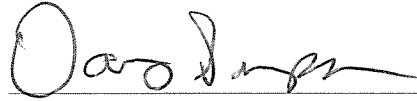
to allocate \$3,000,000 from the UUFB for all 110 Chapters’ emergency funds (pursuant to 50/50 formula), to enable Chapters to quickly respond to weather-related emergencies.

OLC No. 23-013-1

PROPOSED NAVAJO NATION COUNCIL RESOLUTION

25<sup>th</sup> NAVAJO NATION COUNCIL - First Year, 2023

Introduced by:



(Prime Sponsor)

Tracking No. 0003-23

AN ACTION

**RELATING TO AN EMERGENCY AND THE NAVAJO NATION COUNCIL;  
APPROVING \$3,000,000 FROM THE UNRESERVED, UNDESIGNATED FUND  
BALANCE (“UUFb”) FOR 110 CHAPTERS’ EMERGENCY FUND ACCOUNTS**

BE IT ENACTED:

**SECTION ONE. AUTHORITY.**

- A. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. §102(A). As such, the Council may consider emergency legislation. 2 N.N.C. §164(A)(16). “[M]atters constituting an emergency shall be limited to the cessation of law enforcement services, and disaster relief services, fire protection services or other direct services required as an entitlement under Navajo Nation or Federal law, or which directly threaten the sovereignty of the Navajo Nation. Such an emergency matter must arise due to the pressing public need for such resolution(s) and must be a matter requiring final action by the Council.” 2 N.N.C. §164(A)(16).
- B. As the governing body of the Navajo Nation, the Council may approve supplemental appropriations during the fiscal year. “Supplemental appropriations of General Funds within the current fiscal year are permitted, if and when additional sources of revenues above and beyond the initial or current revenue projections are projected and which are also in excess of the reserve amount set forth at §820(J).” 12 N.N.C. §820(L).

1 C. A “supplemental appropriation” is defined as: “[a]n appropriation of funds from the UUFB  
2 during the fiscal year, outside of the annual Comprehensive Budget Process.” See Section  
3 XIV.33 of the FY2023 Budget Instructions Manual.

4 D. The Title 12 restrictions on supplemental appropriations from the UUFB include:

- 5 1. Payment of recurring government operating expenses shall be from recurring revenues,  
6 and payment of nonrecurring expenses shall be from nonrecurring revenues such as UUFB  
7 funds. 12 N.N.C. §820(E), §820(F).
- 8 2. Specifically, the UUFB shall not be used for recurring government expenditures or  
9 operations. 12 N.N.C. §820(J), §820(L).
- 10 3. UUFB funds may be used only after the Controller determines whether or not such  
11 revenues are subsidizing an imbalance between the Navajo Nation’s recurring revenues  
12 and expenditures, and government expenditures shall only be authorized if a long-term  
13 (3-year to 5-year year) forecast shows that the operating deficit will not continue;  
14 otherwise, nonrecurring revenues are added to the UUFB account. 12 N.N.C. §820(F).
- 15 4. The above provisions in Title 12 may be amended or waived by a two-thirds vote of the  
16 full membership of the Navajo Nation Council. 12 N.N.C. §820(F), §880.
- 17 5. Pursuant to 12 N.N.C. §820(F) all UUFB funding requests must be reviewed by the  
18 Controller. Such review is also required because the Controller determines which  
19 revenues and expenses are recurring and which are non-recurring. 12 N.N.C. §820(L).
- 20 6. Pursuant to 12 N.N.C. §820(M) all UUFB funding requests must be submitted to the  
21 Office of Management and Budget (“OMB”) for a budget impact analysis.

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23 **SECTION TWO. FINDINGS**

24 A. Due to the heavy rainfall and snowfall during Winter 2022-23, all 110 Navajo Nation  
25 Chapters have a vital and urgent need for sufficient emergency funds to quickly respond to  
26 weather-related emergencies at the local level.

27 B. On behalf of the 110 Chapters, the Division of Community Development (“DCD”) has  
28 submitted a Supplemental Funding Proposal Summary (BIM-Appendix K), requesting  
29 \$3,000,000 from the Unreserved, Undesignated Fund Balance to provide the Chapters with  
30 such funds. **EXHIBIT A.** A “Section 164 Review” form is also attached under EXHIBIT A.

1 C. DCD has also provided the required Navajo Nation Budget Forms, attached hereto as  
2 **EXHIBIT B**, and a list of the amount each Chapter will receive pursuant to the 50/50  
3 distribution formula mandated in 12 N.N.C. §820(O), attached as **EXHIBIT C**.

4 D. The Controller's memorandum required by 12 N.N.C. §820(L), attached as **EXHIBIT D**,  
5 indicates that the proposed expenditures are considered "non-recurring" expenses; therefore  
6 approval of the requested UUFb funds complies with 12 N.N.C. §820(E) and §820(F).

7 E. The Office of Management and Budget has provided a budget impact analysis, as required  
8 by 12 N.N.C. §820(M). **EXHIBIT E**.

9 F. This legislation is offered as an emergency measure because of the current "pressing public  
10 need" for this funding for all 110 Chapters. These funds will enable Chapters to provide local  
11 services to quickly mitigate dire weather-related emergencies and prevent potential disasters,  
12 property damage, and injury or loss of life to people and livestock.

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14 **SECTION THREE. APPROVING EMERGENCY FUNDS FOR CHAPTERS**

15 A. The Navajo Nation hereby approves \$3,000,000 from the Unreserved, Undesignated Fund  
16 Balance for the 110 Navajo Nation Chapters. Each Chapter shall receive the designated dollar  
17 amount as shown in **EXHIBIT C**, in accordance with 12 N.N.C. §820(O).

18 B. Pursuant to 12 N.N.C. §820(J), this UUFb appropriation shall be from that amount of funds  
19 that exceeds the minimum fund reserve balance in the UUFb as determined by the  
20 Controller.

21 C. As provided in 12 N.N.C. §820(N), the UUFb funds approved herein shall not lapse at the  
22 end of Fiscal Year 2023, so long as each Chapter budgets these funds in the subsequent fiscal  
23 year for the same emergency purposes.

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25 **SECTION FOUR. EFFECTIVE DATE**

26 The provisions of this Action shall become effective in accordance with 2 N.N.C. §221(B) and  
27 with 2 N.N.C. §164(A)(17).

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29 **SECTION FIVE. SAVINGS CLAUSE**

30 If any provision of this Action is determined invalid by the Supreme Court of the Navajo Nation

1 or by any Navajo Nation District Court, without appeal to the Navajo Nation Supreme Court,  
2 the remainder of this Action shall remain valid as the law of the Navajo Nation.

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