

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0050-23_

SPONSOR: Seth Damon

TITLE: An Action Relating to the Budget and Finance, Resources and Development, Health, Education and Human Services, and Naabik'iyáti' Committees, and the Navajo Nation Council; Approving \$2,000,000 from the Unreserved, Undesignated Fund Balance ("UUFB") for the 110 Chapters' Summer 2023 Youth Employment Programs; Waiving 12 N.N.C. § 820(E), § 820(F), § 820(J), and § 820(L) to Allow Use of UUFB Funds for Recurring Chapter Expenses

Date posted: April 04, 2023 7:49 PM

Digital comments may be e-mailed to comments@navajo-nsn.gov

Written comments may be mailed to:

Executive Director
Office of Legislative Services
P.O. Box 3390
Window Rock, AZ 86515
(928) 871-7586

Comments may be made in the form of chapter resolutions, letters, position papers, etc. Please include your name, position title, address for written comments; a valid e-mail address is required. Anonymous comments will not be included in the Legislation packet.

Please note: This digital copy is being provided for the benefit of the Navajo Nation chapters and public use. Any political use is prohibited. All written comments received become the property of the Navajo Nation and will be forwarded to the assigned Navajo Nation Council standing committee(s) and/or the Navajo Nation Council for review. Any tampering with public records are punishable by Navajo Nation law pursuant to 17 N.N.C. §374 *et. seq.*

SUMMARY OF PROPOSED LEGISLATION

TrackingNo. 0050-23

Date: April 4, 2023

Re: **AN ACTION RELATING TO THE BUDGET & FINANCE, RESOURCES & DEVELOPMENT, HEALTH, EDUCATION & HUMAN SERVICES, AND NAABIK'ÍYÁTI' COMMITTEES, AND THE NAVAJO NATION COUNCIL; APPROVING \$2,000,000 FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE ("UUFB") FOR THE 110 CHAPTERS' SUMMER 2023 YOUTH EMPLOYMENT PROGRAMS; WAIVING 12 N.N.C. §820(E), §820(F), §820(J), AND §820(L) TO ALLOW USE OF UUFB FUNDS FOR RECURRING CHAPTER EXPENSES**

Purpose of this Legislation:

to approve \$2,000,000 from the UUFB for the 110 Chapters' Summer 2023 Youth Employment.

OLC No. 23-132-1

5-DAY BILL HOLD PERIOD: Johnson
Website Posting Time/Date: _____
Posting End Date: 04-09-23
Eligible for Action: 04-10-23

Budget & Finance Committee
Thence
Resources & Development Committee
Thence
Health Education & Human Services Committee
Thence
Naabik'iyáti' Committee
Thence
Navajo Nation Council

PROPOSED NAVAJO NATION COUNCIL RESOLUTION
25th NAVAJO NATION COUNCIL - First Year, 2023

Introduced by:



(Prime Sponsor)

Tracking No. 0050-23

AN ACTION
RELATING TO THE BUDGET & FINANCE, RESOURCES & DEVELOPMENT,
HEALTH, EDUCATION & HUMAN SERVICES, AND NAABIK'ÍYÁTI'
COMMITTEES, AND THE NAVAJO NATION COUNCIL; APPROVING \$2,000,000
FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE ("UUF") FOR
THE 110 CHAPTERS' SUMMER 2023 YOUTH EMPLOYMENT PROGRAMS;
WAIVING 12 N.N.C. §820(E), §820(F), §820(J), AND §820(L) TO ALLOW USE
OF UUF FUNDS FOR RECURRING CHAPTER EXPENSES

BE IT ENACTED:

SECTION ONE. AUTHORITY

- A. The Budget and Finance Committee is a standing committee of the Navajo Nation Council authorized to review and recommend to the Council the management of all funds. 2 N.N.C. §164(A)(9); 2 N.N.C. §300(A); 2 N.N.C. §301(B)(2).
- B. The Resources and Development Committee is a standing committee of the Navajo Nation Council with oversight authority over the 110 Navajo Nation Chapters. 2 N.N.C. §164(A)(9); 2 N.N.C. §500(A); 2 N.N.C. §501(C)(1).
- C. The Health, Education, and Human Services Committee is a standing committee of the Navajo Nation Council empowered to review and recommend resolutions regarding employment matters. 2 N.N.C. §401(B)(6)(A).

1 D. The Navajo Nation established the Naabik'iyáti' Committee as a Navajo Nation Council
2 standing committee, and all proposed legislation that requires final action by the Navajo
3 Nation Council is assigned to the Naabik'iyáti' Committee for its review and consideration.
4 2 N.N.C. §164(A)(9); 2 N.N.C. §700(A).

5 E. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. §102(A).
6 As such, the Council “. . . may adopt and approve supplemental appropriations to the Annual
7 Comprehensive Budget during the fiscal year. Supplemental appropriations of General Funds
8 within the current fiscal year are permitted, if and when additional sources of revenues above
9 and beyond the initial or current revenue projections are projected and which are also in
10 excess of the reserve amount set forth at §820(J).” 12 N.N.C. §820(L).

11 F. Further Title 12 restrictions on supplemental appropriations, including all amounts from the
12 Unreserved, Undesignated Fund Balance (“UUFB”), include:

13 1. Payment of recurring government operating expenses shall be from recurring revenues,
14 and payment of nonrecurring expenses shall be from nonrecurring revenues such as UUFB
15 funds. 12 N.N.C. §820(E); 12 N.N.C. §820(F).

16 2. Specifically, the UUFB shall not be used for recurring government expenditures or
17 operations. 12 N.N.C. §820(J); 12 N.N.C. §820(L).

18 3. Nonrecurring revenues such as UUFB funds may be used only after the Controller
19 determines whether or not such revenues are subsidizing an imbalance between the
20 Navajo Nation’s recurring revenues and expenditures, and government expenditures shall
21 only be authorized if a long-term (3-year to 5-year year) forecast shows that the operating
22 deficit will not continue; otherwise, nonrecurring revenues will be added to the UUFB. 12
23 N.N.C. §820(F).

24 4. The above provisions in Title 12 may be amended or waived by a two-thirds vote of the
25 full membership of the Navajo Nation Council. 12 N.N.C. §820(F); 12 N.N.C. §880.

26 5. Pursuant to 12 N.N.C. §820(F) all UUFB funding requests must be reviewed by the
27 Controller, to ensure compliance with 12 N.N.C. §820(L).

28 6. Pursuant to 12 N.N.C. §820(M) all UUFB funding requests must be submitted to the
29 Office of Management and Budget (“OMB”) for a budget impact analysis.
30

1 **SECTION TWO. FINDINGS**

2 A. All 110 Navajo Nation Chapters have indicated a need for supplemental funds to pay for
3 their summer youth employment programs for the Summer of 2023. On behalf of the 110
4 Chapters, the Division of Community Development (“DCD”) is requesting \$2,000,000 in
5 UUFB funds to distribute among all 110 Chapters.

6 B. The required Budget Forms 1, 2, and 4, along with Appendix K “Supplemental Funding
7 Proposal Summary” for the Chapters’ proposed expenditures, are attached as **EXHIBIT A**.

8 C. DCD has prepared a comprehensive list of each Chapter’s needed amount to fund its Summer
9 2023 Youth Employment Program, showing the total requested amount of \$2,000,000 for all
10 110 Chapters. **EXHIBIT B**. The \$2,000,000 allocation is based on the 50/50 formula
11 mandated by 12 N.N.C. §820(O), and the number of chapter voters used in such calculation
12 is shown in **EXHIBIT C**.

13 D. Diné Customary Law declares and teaches that: “[i]t is the right and freedom of the people
14 that our children are provided with education to absorb wisdom, self-knowledge, and
15 knowledge to empower them to make a living and participate in the growth of the Navajo
16 Nation.” 1 N.N.C. §204(F).

17 E. The Navajo Nation honors Diné Customary Law by assisting high school and college
18 students with temporary employment during their summer breaks. Chapter summer youth
19 employment programs offer these students the opportunity to gain work experience during
20 their summer breaks, and to earn funds to pay for their school expenses.

21 F. Due to the COVID-19 pandemic, many Navajo Nation youth were largely unable to secure
22 summer employment during the Summers of 2021 and 2022; therefore, this \$2,000,000 in
23 funding is badly needed to assist them with jobs and income this upcoming Summer.

24 G. The Office of the Controller has provided a memorandum as required by 12 N.N.C. §820(L).
25 This memorandum indicates that the proposed expenditures are *recurring*. **EXHIBIT D**.

26 H. The Office of Management and Budget has provided a budget impact analysis as required by
27 12 N.N.C. § 20(M). **EXHIBIT E**.

28
29 **SECTION THREE. ALLOCATING \$2,000,000 FROM THE UUFB TO THE DIVISION**
30 **OF COMMUNITY DEVELOPMENT FOR THE 110 CHAPTERS’**

1 **SUMMER 2023 YOUTH EMPLOYMENT PROGRAM**

2 A. The Navajo Nation hereby approves \$2,000,000 out of the UUFB to the Division of
3 Community Development to be used for the 110 Chapters' summer youth employment
4 programs for 2023, as shown in the attached **EXHIBIT A** and **EXHIBIT B**.

5 B. This supplemental appropriation shall be from those funds that exceed the minimum fund
6 reserve balance in the UUFB required by 12 N.N.C. §820(J), as determined by the Controller.

7 C. Pursuant to 12 N.N.C. §820(O) the \$2,000,000 shall be deposited with each of the 110
8 Chapters as follows: "fifty percent (50%) of the appropriation shall be divided equally among
9 all chapters and the remaining fifty percent (50%) shall be divided proportionately among
10 the chapters using a percentage equal to that figure which the number of registered voters in
11 each chapter bears to the whole of registered Navajo Nation votes as determined by the most
12 current voter registration figures available as of the date of the appropriation." This
13 calculation is based, in part, on the figures shown in **EXHIBIT C**.

14 D. Pursuant to 12 N.N.C. §820(N) the amount received by each of the 110 Chapters under the
15 overall \$2,000,000 approved herein shall not lapse at the end of the fiscal year, so long as
16 each Chapter accounts for any funds that remain after the conclusion of its Summer 2023
17 Youth Employment Program and then budgets such funds in the next fiscal year for its
18 Summer 2024 Youth Employment Program.

19
20 **SECTION FOUR. WAIVING 12 N.N.C. §820(E), §820(F), §820(J), and §820(L) TO**
21 **ALLOW USE OF UUFB FUNDS FOR RECURRING CHAPTER**
22 **EXPENSES**

23 The Navajo Nation hereby waives 12 N.N.C. §820(E), §820(F), §820(J), and §820(L) to allow
24 use of the UUFB for the 110 Chapters' summer youth employment programs for Summer 2023,
25 as shown in **EXHIBIT A** and **EXHIBIT B**. These waivers are necessary because the proposed
26 Chapter UUFB expenditures are considered recurring government expenses.

27
28 **SECTION FIVE. EFFECTIVE DATE**

29 This Action shall become effective as provided in 2 N.N.C. §221(B) and 2 N.N.C. §164(A)(17).
30

1 **SECTION SIX. SAVING CLAUSE**

2 If any portion of this Action is determined invalid by the Navajo Nation Supreme Court, or by
3 a District Court of the Navajo Nation without appeal to the Navajo Nation Supreme Court, the
4 remainder of this Action shall be the law of the Navajo Nation.

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30