THE NAVAJO NATION LEGISLATIVE BRANCH INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0121-23__ SPONSOR: <u>Shaandiin Parrish</u>

TITLE: An Action Relating to an Emergency and the Navajo Nation Council;
Opposing H.R. 2811, "Limit, Save, Grow Act of 2023"; Urging the United States
Congress to Amend H.R. 2811 §§ 201-202 to Protect Spending Cuts to Tribal
Programs

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LEGISLATIVE SUMMARY SHEET Tracking No. <u>0121-23</u>

DATE: May 26, 2023

TITLE OF RESOLUTION: AN ACTION RELATING TO AN EMERGENCY AND THE NAVAJO NATION COUNCIL; OPPOSING H.R. 2811, "LIMIT, SAVE, GROWACT OF 2023"; URGING THE UNITED STATES CONGRESS TO AMEND H.R. 2811 §§ 201-202 TO PROTECT SPENDING CUTS TO TRIBAL PROGRAMS

PURPOSE: This resolution, if approved, will oppose H.R. 2811, "Limit, Save, Grow Act of 2023," and urge the U.S. Congress to amend H.R. 2811 §§ 201-202 to protect spending cuts to tribal programs.

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.

PROPOSED NAVAJO NATION COUNCIL RESOLUTION

25th NAVAJO NATION COUNCIL - First Year, 2023

INTRODUCED BY

(Sponsor)

TRACKING NO. 0121-23

AN ACTION

RELATING TO AN EMERGENCY AND THE NAVAJO NATION COUNCIL;
OPPOSING H.R. 2811, "LIMIT, SAVE, GROW ACT OF 2023"; URGING THE
UNITED STATES CONGRESS TO AMEND H.R. 2811 §§ 201-202 TO PROTECT
SPENDING CUTS TO TRIBAL PROGRAMS

WHEREAS:

- A. The Navajo Nation Council is the governing of body of the Navajo Nation. 2 N.N.C. §102(A).
- B. Pursuant to 2 N.N.C. §164 (A)(16) matters constituting an emergency shall be limited to cessations of direct services required as an entitlement under Navajo Nation or Federal law, or which directly threaten the sovereignty of the Navajo Nation. Such emergency matters must arise due to the pressing public need for such resolution(s) and must be a matter requiring final action by the Council.
- C. The coronavirus pandemic has caused large scale devastation to the Navajo Nation, including loss of life and economic impact to residents and business. The American Rescue Plan Act ("ARPA"), along with other COVID-19 relief funding, was provided to assist in mitigating and containing the spread of COVID-19. This funding also provided relief to the Navajo People suffering from the health, social and economic impacts due to the COVID-19 pandemic.

- D. On May 22, 2023, Janet L. Yellen, Secretary of Treasury for the United States, indicated that the United States Federal Government will potentially hit its debt ceiling on June 1st, 2023. The Secretary of Treasury also stated that if the United States does not increase the debt ceiling, then the United States will be incapable to meet its financial obligations and default for the first time in American history.
 Exhibit A.
- E. On April 26, 2023, the *Limit, Save, Grow Act* ("Act") of 2023, H.R. 2811, 118th Cong. (1st Sess. 2023), attached as **Exhibit B**, passed the House of Representatives and is now before the Senate. *See* https://www.congress.gov/bill/118th-congress/house-bill/2811
- F. If enacted, H.R. 2811 will rescind all unobligated funds of American Rescue Plan Act of 2021 (Public Law 117-2), Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (Public Law 116-136), Families First Coronavirus Response Act (Public Law 116-127), Paycheck Protection Program and Health Care Enhancement Act (Public 116-139), Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (division M) and Division N Additional Coronavirus Response and Relief of Public Law 116-260, and the Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020 (Public Law 116-123).
- G. The U.S. House Committee on Appropriations member Rosa DeLauro's "Analysis of Rescissions in the Default on America Act," attached as Exhibit C, estimates the economic impact to Tribal Programing could have devastating effects to Tribal members who were greatly impacted by the COVID pandemic, and are slowly starting to recover from the loss.
- H. The Analysis identifies at least 138 U.S. Treasury accounts tracked by the U.S. Office of Management and Budget ("OMB") with unobligated balances provided by COVID relief laws, "over half of which have less than fifty million (\$50,000,000) in unobligated balances (the subset of which total only about \$700 million)."
- I. The Analysis indicates a detrimental impact to Tribal Programs and Native Americans due to several cuts to funding, which includes: over one-billing dollars (\$1,000,000,000) to Health and Human services, sixty-million dollars (\$60,000,000)

to the Bureau of Indian Affairs Operations of Indian Programs, two-hundred million dollars (\$200,000,000) to the Bureau of Indian Educations Operations of Indian Programs, seven hundred sixty million dollars (\$760,000,000) to Emergency Connectivity Funds provided for relief to millions of students, school staff and library patrons, over three billion dollars (\$3,000,000,000) to Housing and Urban Development, six billion dollars (\$6,000,000,000) to Transportation, one billion eight-hundred thousand dollars (\$1,800,000,000) to the State Small Business Credit Initiative, thirty-five million dollars (\$35,000,000) to Veteran Affairs, and over two billion dollars (\$2,000,000,000) to the Veteran Medical Care and Health Fund. **Exhibit C** provides more detailed information.

- J. The Navajo Nation ("Nation") received over two billion dollars (\$2,000,000,000) in federal COVID relief funding from the U.S. Treasury ("Treasury"). This disbursement by the Treasury to the Nation are defined as federally obligated funding by the Treasury. The proposed language of the *Limit, Save, Grow Act of 2023*, H.R. 2811, rescinds federally unobligated funds and does not rescind the Nation's tribally unobligated funds.
- K. The *Limit, Save, Grow Act of 2023*, H.R. 2811, does threaten Treasury application-based grant programs which are at risk of rescission of their balances if the Treasury is unable to approve pending applications before June 1, 2023.
- L. Through the United States Department of Treasury, SSBCI will fund state, territory, and Tribal government small business credit support programs, including capital access programs, loan participation programs, loan guarantee programs, collateral support programs, and venture capital programs ("other credit support programs").
- M. The Nation applied for SSBCI funding, in efforts to encourage and enhance economic development within the Navajo Nation. This pending application has an estimated award amount of ninety-eight million dollars (\$98,000,000), and is currently under review with the Treasury's State Small Business Credit Initiative ("SSBCI"). This vital award would be used to provide needed loan programs to small businesses on the Navajo Nation, which is essential to short-term and long-term survival and economic stability for the Navajo Nation.

- N. It is imperative that Congress amend §§ 201-202 of the *Limit, Save, Grow Act of 2023*, H.R. 2811, to reflect language favorable to the Navajo Nation and other Tribal Governments still seeking approvals of available COVID related funding and unobligated funds, so that they may receive these vital and necessary resources.
- O. For the reason stated above, it is in the best interest of the Navajo Nation that the Navajo Nation oppose the *Limit, Save, Grow Act of 2023*, H.R. 2811, as currently written, and respectfully requests Congress amend §§ 201-202 to reflect language favorable to tribal governments still seeking approval for unobligated funding for the Navajo Nation and other Tribal Programs.

THEREFORE, BE IT RESOLVED:

- A. The Navajo Nation Council oppose the Limit, Save, Grow Act of 2023, H.R. 2811, as currently written, so respectfully requests Congress amend §§ 201-202 to reflect language favorable to tribal governments still seeking approval for unobligated funding for the Navajo Nation and other Tribal Programs, and protect the funding for applicants awaiting final approval.
- B. The Navajo Nation Council authorizes the Navajo Nation President and Navajo Nation Speaker to take all steps necessary to affirm the Navajo Nation's position of protecting and preserving the health, welfare, and economic interests of the Navajo People.