THE NAVAJO NATION LEGISLATIVE BRANCH INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0246-23__ SPONSOR: <u>Brenda Jesus</u>

TITLE: An Action Relating to the Budget and Finance, Resources and Development, and Naabik'íváti' Committees, and to the Navajo Nation Council; Amending CMY-54-18 to Extend Through Crop Year 2028 the Síhasin Fund Guarantee for the Navajo Nation's Annual Premiums for the "Rainfall Index Pasture, Rangeland, and Forage Pilot Insurance Program" Administered by the U.S. Department of Agriculture

Date posted: October 24, 2023 at 4:02PM

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SUMMARY OF PROPOSED LEGISLATION

DATE: October 20, 2023

RE: AN ACT RELATING TO THE BUDGET AND FINANCE, RESOURCES AND DEVELOPMENT, AND NAABIK'ÍYÁTI' COMMITTEES, AND TO THE NAVAJO NATION COUNCIL; AMENDING CMY-54-18 TO EXTEND THROUGH CROP YEAR 2028 THE SÍHASIN FUND GUARANTEE FOR THE NAVAJO NATION'S ANNUAL PREMIUMS FOR THE "RAINFALL INDEX PASTURE, RANGELAND, AND FORAGE PILOT INSURANCE PROGRAM" ADMINISTERED BY THE U.S. DEPARTMENT OF AGRICULTURE

Purpose of this Legislation:

to extend through 2028 the Sihasin Fund guarantee for the Navajo Nation's annual premiums for the USDA's Pasture, Rangeland, and Forage Insurance Program.

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1	PROPOSED NAVAJO NATION COUNCIL RESOLUTION Naabik'íyáti' C	
2	25 th NAVAJO NATION COUNCIL - First Year, 2023 Nayajo Nation	Thence
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10	AN ACT	
11	RELATING TO THE BUDGET AND FINANCE, RESOURCES AND	
12	DEVELOPMENT, AND NAABIK'ÍYÁTI' COMMITTEES, AND TO THE	
13	NAVAJO NATION COUNCIL; AMENDING CMY-54-18 TO EXTEND	
14	THROUGH CROP YEAR 2028 THE SÍHASIN FUND GUARANTEE FOR THE	
15	NAVAJO NATION'S ANNUAL PREMIUMS FOR THE "RAINFALL INDEX	
16	PASTURE, RANGELAND, AND FORAGE PILOT INSURANCE PROGRAM"	
17	ADMINISTERED BY THE U.S. DEPARTMENT OF AGRICULTURE	
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19	BE IT ENACTED:	
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21	SECTION ONE. AUTHORITY	
22	A. The Budget and Finance Committee of the Navajo Nation Council is authorized to review	
23	and recommend to the Navajo Nation Council resolutions related to budgeting,	
24	appropriation, investment, and management of all funds, including the Navajo Nation's	
25	Síhasin Fund created by Resolution No. CD-68-14. 2 N.N.C. §301(B)(2).	
26	B. The Resources and Development Committee of the Navajo Nation Council has oversight	
27	authority for resolutions related to water, land, grazing, and agriculture on the Navajo Nation.	
28	2 N.N.C. §500(C)(1).	
29	C. The Naabik'íyáti' Committee of the Navajo Nation Council reviews all proposed legislation	
30	requiring final action by the Navajo Nation Council. 2 N.N.C. §164(A)(9).	

D. The Navajo Nation Council is the governing body of the Navajo Nation. As such, the Council may approve appropriations from the Navajo Nation's Síhasin Fund. 2 N.N.C. §102(A), 12 N.N.C. §2505(A).

SECTION TWO. FINDINGS

- A. In Resolution No. CO-57-16 the Navajo Nation created the Síhasin Fund Pasture, Range, and
 Forage Expenditure Plan along with the Agriculture Infrastructure Fund ("AIF"). CO-57-16
 is attached hereto as **EXHIBIT A**.
 - B. The AIF is a source of funds for infrastructure projects on the Navajo Nation, the Navajo Partitioned Lands, and the former Bennett Freeze Area, which projects relate to range management and support, grazing and livestock, tribal ranches, fencing, farming and irrigation, agricultural water development, reservoirs, dams and catchments, watershed planning for agriculture, drought contingency and mitigation plans, and branding of livestock. **EXHIBIT A**.
 - C. To facilitate agricultural infrastructure development across the Navajo Nation and to provide financial stability against drought and other fluctuating environmental conditions, CO-57-16 authorized the Navajo Nation, through its Division of Natural Resources ("DNR") and Department of Agriculture ("DOA"), to enroll in the "Rainfall Index Pasture, Rangeland, and Forage Pilot Insurance Program" ("PRFI Program") administered by the United States Department of Agriculture ("USDA"). To participate in the PFRI Program, the Navajo Nation is required to pay an annual insurance premium. USDA covers between 51% and 59% of this cost for the Navajo Nation. **EXHIBIT B**.
 - D. When needed for drought seasons, USDA issues indemnity payments to the Navajo Nation. For Crop Years 2017 and 2018, Resolution No. CO-57-16 reserved \$19,835,612 from the Síhasin Fund to guarantee that portion of the Navajo Nation's annual premiums that are not covered by USDA.
 - E. For Crop Year 2017, USDA's indemnity payments to the Navajo Nation exceeded the Navajo Nation's portion of its annual premiums by \$17,386,455. Therefore, the Síhasin Funds reserved under CO-57-16 were not needed or used for Crop Year 2017.
 - F. In Resolution No. CMY-54-18 the Navajo Nation extended the Síhasin Fund reserve amount

to guarantee the Navajo Nation's annual premiums through Crop Year 2023. EXHIBIT C.

- G. The Navajo Nation is currently experiencing post-COVID-19 pandemic factors that are greatly hindering the implementation and completion of agricultural infrastructure projects, such as the scarcity of materials, increased costs for supplies and delivery, and other market forces. Even with recent precipitation, the Navajo Nation is still engaged in extensive drought mitigation activities, feral horse reduction, and other environmental conservation measures.
- H. In light of the above, the Navajo Nation finds it in the best interest of the Navajo Nation and the Navajo People to extend the Síhasin Fund reserve amount to guarantee the Navajo Nation's required PRFI Program premiums through the end of Crop Year 2028.

SECTION THREE. AMENDING RESOLUTION NO. CMY-54-18

The Navajo Nation hereby amends Navajo Nation Council Resolution No. CMY-54-18, at **Section Three. Amending Resolution No. CO-57-16** (starting on page 3 of CMY-54-18) as follows:

The Navajo Nation hereby amends Navajo Nation Council Resolution NO. CO-57-16, as follows:

Section Three. Approval and Adoption of Expenditure Plan

- * * *
- C. The Navajo Nation hereby approves and adopts total funding, in the form of a reserve, from the Síhasin Fund in the amount of nineteen million eight hundred thirty-five thousand six hundred twelve dollars (\$19,835,612.00) to the Navajo Nation Division of Natural Resources to implement the Síhasin Fund Pasture Range and Forage Expenditure Plan and establish the Agriculture Reserve Fund as follows:
 - The nineteen million eight hundred thirty-five thousand six hundred twelve dollars (\$19,835,612.00) shall be reserved and remain in the Síhasin Fund until such time as the Nation is required to make USDA's Pasture Rangeland and Forage Insurance Program premiums for the 2017 through 2023 2028 Crop Years;

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4. At the end of the 2023 2028 Crop Year, any portion of the nineteen million eight hundred thirty-five thousand six hundred twelve dollars (\$19,835,612.00) not used to pay USDA Pasture Rangeland and Forage Insurance Program premiums shall immediately become unreserved and available to fund other Síhasin Fund expenditure plans approved by Navajo Nation Council;

Section Four. Approval and Adoption of Expenditure Plan Administration

- A. The Navajo Nation hereby approves administration of the Síhasin Fund Pasture Range and Forage Expenditure Plan and Agriculture Infrastructure Fund as follows:
 - 2. The Sihasin Funds reserved for the Navajo Nation's participation in the USDA's Pasture Rangeland and Forage Insurance Program shall only be used to pay 2017 through 2023 2028 Crop Year insurance premiums not covered by the applicable year's indemnity payment;

SECTION FOUR. EFFECTIVE DATE

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

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.

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