## THE NAVAJO NATION LEGISLATIVE BRANCH INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: \_0067-24\_\_ SPONSOR: <u>Shaandiin Parrish</u>

TITLE: An Action Relating to an Emergency and the Navajo Nation Council; Amending Navajo Nation Council Resolution No. CJY-41-21, Section Seven, to Comply with U.S. Treasury's Obligation Deadlines

Date posted: March 21, 2024 at 10:23PM

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#### LEGISLATIVE SUMMARY SHEET

#### Tracking No. <u>0067-24</u>

**DATE:** March 21, 2024

TITLE OF RESOLUTION: AN ACTION RELATING TO AN EMERGENCY AND THE NAVAJO NATION COUNCIL; AMENDING NAVAJO NATION COUNCIL RESOLUTION NO. CJY-41-21, SECTION SEVEN, TO COMPLY WITH U.S. TREASURY'S OBLIGATION DEADLINES

**PURPOSE**: If adopted, this legislation will amend and extend the obligation deadline for NNFRF central support and regulatory services funding to the U.S. Treasury deadline of December 31. 2024.

Final Authority: Navajo Nation Council

Vote Required: Simple Majority

This written summary does not address recommended amendments as may be provided by the standing committees. The Office of Legislative Counsel requests each Council Delegate to review each proposed resolution in detail.

#### PROPOSED NAVAJO NATION COUNCIL RESOLUTION

#### 25th NAVAJO NATION COUNCIL - Second Year, 2024

#### INTRODUCED BY

(Prime Sponsor)

TRACKING NO. 0067-24

#### AN ACTION

RELATING TO AN EMERGENCY AND THE NAVAJO NATION COUNCIL;

AMENDING NAVAJO NATION COUNCIL RESOLUTION NO. CJY-41-21, SECTION SEVEN, TO COMPLY WITH U.S. TREASURY'S OBLIGATION DEADLINES

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).
- B. The Navajo Nation Code provides that "[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).
- C. This legislation is offered as an emergency because the Navajo Nation Fiscal Recovery Funds ("NNFRF") allocated in Resolution No. CJY-41-21, Section Seven, for NNFRF central support services and regulatory support services automatically revert to the NNFRF on March 31, 2024 if not expended or obligated pursuant to U.S. Treasury

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guidance. If this automatic reversion happens, the Navajo Nation's ability to provide COVID-19 recovery services to Navajo members will be compromised and the employment of Navajo members will be diminished.

#### **SECTION TWO. FINDINGS**

- A. The World Health Organization ("WHO") declared a Public Health Emergency of International Concern related to the Coronavirus ("COVID-19"), a highly contagious and sometimes fatal respiratory virus, on January 30, 2020; the U.S. Department of Health and Human Services declared a Public Health Emergency related to the COVID-19 outbreak on January 31, 2020; and the WHO declared a global pandemic due to COVID-19 on March 11, 2020.
- B. The COVID-19 has caused and continues to cause large scale infections and loss of life throughout the world, the United States, and the Navajo Nation. As of October 31, 2023, the Navajo Nation Health Command Operations Center has confirmed 87,075 COVID-19 cases and 2,224 COVID-related deaths on the Navajo Nation.
- C. On July 23, 2021, the Navajo Nation Council adopted Resolution No. CJY-41-21, attached as Exhibit A, establishing the Navajo Nation Fiscal Recovery Fund ("NNFRF") into which the Navajo Nation's allocation of federal American Rescue Plan Act ("ARPA") Fiscal Recovery Funds in the amount \$2,079,461,464 have been deposited. Resolution No. CJY-41-21 also adopted an expenditure authorization and approval process for the allocation of funds from the NNFRF.
- D. By accepting the ARPA Fiscal Recovery Funds, the Navajo Nation agreed to comply with rules and guidance issued by the U.S. Department of Treasury ("U.S. Treasury") concerning the use, expenditure and reporting of ARPA Fiscal Recovery Funds.
- E. Resolution No. CJY-41-21, Section Seven, established that, under Navajo law, NNFRF funding allocated for central support services and regulatory services will automatically revert to the NNFRF if not expended by March 31, 2024.

- F. The U.S. Treasury's 11/09/23 Interim Final Rule on Obligation of FRF authorized the use and expenditure of Fiscal Recovery Funds for personnel costs and other operating costs after the obligation deadline (12/31/2024) when the use and expenditure are related to compliance with federal laws, regulations, and the funding agreement (reporting and compliance requirements; Single Audit costs; record retention and internal control requirements; property standards; environmental compliance requirements; and civil rights and nondiscrimination requirements).
- G. To ensure that the Navajo Nation takes full advantage of all opportunities to expend NNFRF on costs deemed FRF eligible under U.S. Treasury rules and guidance, it is in the best interest of providing COVID-19 recovery services to the Navajo People to amend CJY-41-21 to comply with U.S. Treasury's rules and guidance, including the obligation and expenditure deadlines.

### SECTION THREE. AMENDING SECTION SEVEN OF NAVAJO NATION COUNCIL RESOLUTION NO. CJY-41-21

To ensure that the Navajo Nation takes full advantage of all opportunities to expend Navajo Nation Fiscal Recovery Funds on costs deemed FRF eligible under U.S. Treasury rules and guidance, the Navajo Nation hereby amends Section Seven of Resolution No. CJY-41-21 as follows:

# SECTION SEVEN. IMMEDIATE ALLOCATION OF NAVAJO NATION FISCAL RECOVERY FUNDS TO FUND CENTRAL SUPPORT AND REGULATORY SERVICES

- A. The Navajo Nation hereby immediately allocates ten percent (10%) of all Fiscal Recovery Funds received by the Navajo Nation to fund central support services and regulatory costs.
- B. The Office of the President and Vice-President shall be responsible for apportioning ninety percent (90%) of the ten percent (10%) amount amongst Executive Branch programs and offices providing central support and regulatory services, including, the Office of the President and Vice-

President, Office of the Controller, Office of Management and Budget, Department of Justice, Navajo Nation Washington Office, Division of Human Resources, Division of Community Development, and other Divisions and offices providing central support and/or regulatory services.

- C. The Speaker of the Navajo Nation Council, after consultation with the Naabík'íyáti' Committee, shall be responsible for apportioning ten percent (10%) of the ten percent (10%) amount amongst Legislative Branch programs and offices providing central support services, including the Office of Legislative Services, Office of Legislative Counsel, Office of the Speaker, and Navajo Nation Council.
- D. The programs and offices receiving NNFRF for central support and/or regulatory services shall use such funding to develop the legal, financial, organizational, managerial, administrative, regulatory, and reporting framework, necessary to support the expeditious completion of NNFRF funded projects and the provision of NNFRF funded services.
- E. The detailed budgets for the NNFRF funding allocated here for central support and regulatory services shall be processed through the executive or administrative review process applicable to each Branch and shall not require further legislative action.
- F. Any central support and/or regulatory services funding unspent or unencumbered at the end of the second quarter of Fiscal Year 2024 shall be reallocated to the NNFR and be available for allocation to other NNFRF projects and services.
- F. NNFRF funding for the offices and programs providing central support services and/or regulatory services must be obligated and expended pursuant to U.S. Treasury rules and guidance, as amended.

#### SECTION FOUR. EFFECTIVE DATE

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

#### SECTION FIVE. SAVINGS CLAUSE

If any provision of this Act is determined invalid 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 remain valid as the law of the Navajo Nation.