THE NAVAJO NATION LEGISLATIVE BRANCH INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0070-24__

SPONSOR: <u>Eugenia Charles-Newton</u>

TITLE: An Action Relating to the Budget and Finance Committee; Approving <u>Amendments to the Navajo Nation's Fiscal Recovery Fund Application</u> <u>Procedures and Forms, as Approved in BFS-31-21 and as Amended in BFMY-08-23</u>

Date posted: March 26, 2024 at 3:23PM

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SUMMARY OF PROPOSED LEGISLATION

Tracking No. _____0070-24___

DATE: March 21, 2024

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RE: AN ACTION RELATING TO THE BUDGET AND FINANCE COMMITTEE; APPROVING AMENDMENTS TO THE NAVAJO NATION'S FISCAL RECOVERY FUND APPLICATION PROCEDURES AND FORMS, AS APPROVED IN BFS-31-21 AND AS AMENDED IN BFMY-08-23

PURPOSE OF THIS LEGISLATION:

to approve amendments to the Navajo Nation's FRF application procedures and forms (to remove the Chapter Officials' signature requirement on all FRF forms), in order to expedite the processing of FRF-funded Delegate Region Plan Projects so the December 31, 2024 and December 31, 2026 ARPA deadlines can be met.

FINAL AUTHORITY and VOTE REQUIREMENT:

The Budget & Finance Committee has final authority over this resolution, pursuant to Navajo Nation Council Resolution No. CJY-41-21. This BFC resolution must be approved by a simple majority vote.

	HOLD PERIOD Budget & Finance C	ommittee
	Date: 03-31-24	
Eligible for		
1	PROPOSED STANDING COMMITTEE RESOLUTION	
2	25th NAVAJO NATION COUNCIL - Second Year, 2024	
3	Introduced by:	
4		
5	CAR A	
6	Primary Sponsor	
7		
8	Tracking No. 0070-24	
9		
10	AN ACTION	
11	RELATING TO THE BUDGET AND FINANCE COMMITTEE;	
12	APPROVING AMENDMENTS TO THE NAVAJO NATION'S FISCAL	
13	RECOVERY FUND APPLICATION PROCEDURES AND FORMS,	
14	AS APPROVED IN BFS-31-21 AND AS AMENDED IN BFMY-08-23	
15		
16	BE IT ENACTED:	
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18	SECTION ONE. AUTHORITY	
19	A. In response to the COVID-19 pandemic that began in early 2020, and the resulting widespread	
20	negative economic effects, on March 11, 2021 President Joseph Biden signed the American	
21	Rescue Plan Act ("ARPA") into law.	
22	B. Section 9901 of the ARPA established the Coronavirus State Fiscal Recovery Fund and the	
23	Coronavirus Local Fiscal Recovery Fund (together the "Fiscal Recovery Funds" or "FRF") by	
24	amending Title VI of the Social Security Act, which provided \$362 billion in federal funds for	
25	state, local, and tribal governments, including \$20 billion designated for tribal governments.	
26	C. In July of 2021 the Navajo Nation Council adopted Resolution No. CJY-41-21 that established	
27	the Navajo Nation's own Fiscal Recovery Fund ("NNFRF"), into which the Navajo Nation's	
28	allocation of federal ARPA funds was deposited.	
29	D. In CJY-41-21 the Council directed the Office of Management and Budget, in consultation with	
30	the Office of the Controller and the Department of Justice, to develop formal FRF application	

and review procedures as well as an expenditure plan template, that is used for preparing, submitting, and approving requests for Navajo Nation Fiscal Recovery Funds.

E. Also in CJY-41-21 the Council delegated to the Budget and Finance Committee the authority to approve the Navajo Nation's FRF application procedures and expenditure plan template to be used by parties seeking FRF money. The Council's delegation of FRF authority is consistent with the Budget and Finance Committee's authority to promulgate rules and regulations regarding financial matters, as set forth in 2 N.N.C. §300(B)(1) and §300(B)(2).

SECTION TWO. FINDINGS

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- A. The Navajo Nation's FRF application procedures were formally approved by the Budget and Finance Committee in Resolution No. BFS-31-21, thereby fulfilling the Council's directive in CJY-41-21. A copy of BFS-31-21 is attached hereto as EXHIBIT A.
- B. Said procedures, with respect to Chapter FRF-funded projects, were most recently amended by the Budget and Finance Committee in Resolution No. BFMY-08-23. A copy of BFMY-08-23 is attached hereto as **EXHIBIT B**. BFMY-08-23 removed the requirement for an approving Chapter resolution for Chapter FRF projects, and also changed the Chapter signatures' requirement on the FRF application forms from "Chapter President and Chapter CSC or Chapter Manager" to "Chapter Official."
- C. Pursuant to the ARPA, all of the Navajo Nation's Fiscal Recovery Funds must be obligated by December 31, 2024 and all of the Navajo Nation's FRF-funded projects must be completed by December 31, 2026.
- D. Given the fast-approaching deadline to obligate FRF funds and complete FRF-funded projects, there is now an urgent need to further amend the FRF procedures approved in BFS-31-21 and amended in BFMY-08-23, to remove Chapter Official signatures altogether. Such amendment is necessary to expedite the Navajo Nation's obligation and expenditure of FRF funds for Chapter projects, and without such amendment the Navajo Nation faces the prospect of returning significant ARPA/FRF funds back to the federal government.
- E. Given the above, the Budget and Finance Committee has determined that revising the FRF
 procedures, instructions, and forms approved in BFS-31-21, and amended in BFMY-08-23, is
 in the best interests of the Navajo Nation and the Navajo People.

SECTION THREE. APPROVING AMENDMENTS TO THE NAVAJO NATION'S FISCAL RECOVERY FUND APPLICATION PROCEDURES AND FORMS

Pursuant to its authority under CJY-41-21, the Budget and Finance Committee hereby approves amendments to the Navajo Nation's Fiscal Recovery Fund application procedures, instructions, forms, and appendices, as approved in BFS-31-21 and as amended in BFMY-08-23. Said amendments shall remove any/all requirements for Chapter Officials' signatures on any/all FRF documents that govern any/all Delegate Region Project Plan requests for FRF funding.

SECTION FOUR. DIRECTIVE

A. The Budget and Finance Committee hereby directs the Navajo Nation Department of Justice, in cooperation with the Navajo Nation's FRF Office, to revise the existing FRF procedures, instructions, forms, and appendices pertaining to all Delegate Region Project Plans, in accordance with the amendments approved in this Action. The Department of Justice is also directed to prepare clean, new forms/appendices for use in seeking FRF funds for all Delegate Region Project Plan projects or purposes.

B. All applicants for FRF-funded Delegate Region Plan projects or purposes shall use the revised FRF forms/appendices prepared by the Department of Justice in accordance with the amendments approved in this Action.

SECTION FIVE. EFFECTIVE DATE

This Action shall become effective in accordance with 2 N.N.C. §221(C).

SECTION SIX. SAVING CLAUSE

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