



NAVAJO NATION DEPARTMENT OF JUSTICE

OFFICE OF THE ATTORNEY GENERAL

HEATHER L. CLAH
Acting Attorney General

Fiscal Year 2025, Second Quarter

Report of the Attorney General

The Office of the Attorney General (OAG) is led by Heather L. Clah, the Acting Attorney General (Acting AG). OAG oversees and works in collaboration with the Office of the Prosecutor (OTP) and the 7 Units of the Department of Justice (DOJ). Pursuant to 2 N.N.C. §§ 1961-1965, the Navajo Nation Department of Justice provides legal services to the three governmental branches of the Navajo Nation Government, including its chapters and entities, in matters in which the Navajo Nation government has an interest. The Attorney General also initiates and defends all litigation against the Navajo Nation and supervises all outside attorney contractors who assist the Nation with various cases. The First Quarter of FY2025 was very productive for OAG, OTP, and the Units within DOJ. DOJ's key accomplishments included the following:

Office of the Prosecutor

The second quarter of Fiscal Year 2025 marked a period of measurable progress and strategic capacity-building for the Navajo Nation Office of the Chief Prosecutor. From the ongoing prosecution of major crimes and the expansion of victim services to the strengthening of emerging units like the White-Collar Crime Unit (WCCU), the Office continues to build a results-driven, resilient infrastructure. This quarter also saw the launch of the Fire Watch Domestic Violence Task Force and continued progress on critical legislative reform efforts to update the Nation's criminal codes. These initiatives reflect a broader institutional mission: to deliver timely, coordinated, and equitable justice to Diné communities.

1. Title 17 & 14 Criminal Code Amendments

The Office of the Prosecutor, in coordination with multiple stakeholders, has finalized a focused set of amendments to Titles 17 and 14 of the Navajo Nation Criminal Code. These changes are designed to modernize the Nation's criminal laws, improve victim protections, and provide prosecutors and courts with clearer, more enforceable statutory tools. This amendment package represents the most practical and collaborative attempt at reform in recent years—deliberately limited in scope to avoid the gridlock that plagued previous efforts.

The amendments embed certain definitions, such as strangulation, directly within the offense sections. This approach was intentionally chosen to reflect the severity and gendered nature of some crimes, and to ensure that law enforcement and courts can easily apply the law without missing crucial elements. Similarly, new procedural safeguards require courts to inform defendants at arraignment if conviction will trigger mandatory sex offender registration—supporting due process and transparency.

A unique feature of this amendment package is the inclusion of “Sense of Council” provisions, which outline legislative intent on issues such as fines, victim dignity, and judicial discretion. While the Department of Justice (DOJ) recommended removing these provisions, the Office of the Prosecutor has maintained them, citing multiple existing examples within the Code and emphasizing their practical value in helping courts interpret difficult cases.

Following DOJ’s formal review in January 2025, several revisions were made. All references to the Ramah Navajo Police have been removed, addressing DOJ’s jurisdictional concerns under P.L. 93-638. Language in § 443(C), originally seen as argumentative, was rewritten to preserve legal clarity without overstepping procedural boundaries. Additionally, references to the Navajo Department of Medical Examiners have been deferred to a future round of legislation due to current operational limitations.

Other DOJ suggestions—such as aligning the definition of “Navajo Nation” with the Sovereign Immunity Act—were carefully considered. The Office of the Prosecutor opted to retain its version based on prior legislative enactments and the need for targeted definitions that reflect specific criminal contexts, particularly for crimes like embezzlement.

The success of this amendment process has been due in large part to its structure. The effort was intentionally narrow, avoiding sweeping philosophical battles between deterrence and rehabilitation. The Public Defender Director was included as a core stakeholder and given veto authority, ensuring balance. Prosecutors focused on practical improvements grounded in real-world enforcement needs and legal precedent.

Final formatting and comment integration are currently underway. The Office of the Prosecutor expects to submit the revised package to Legislative Counsel during the third quarter of 2025, with the goal of having the legislation introduced during the Summer Session. Outreach to Council Delegates is ongoing, with briefing materials and side-by-side comparisons in development.

In short, this reform effort is about protecting our communities with clearer, more enforceable laws. It reflects years of experience, careful collaboration, and the conviction that the Navajo Nation’s criminal code must evolve to meet modern realities without losing its cultural foundation or legal integrity.

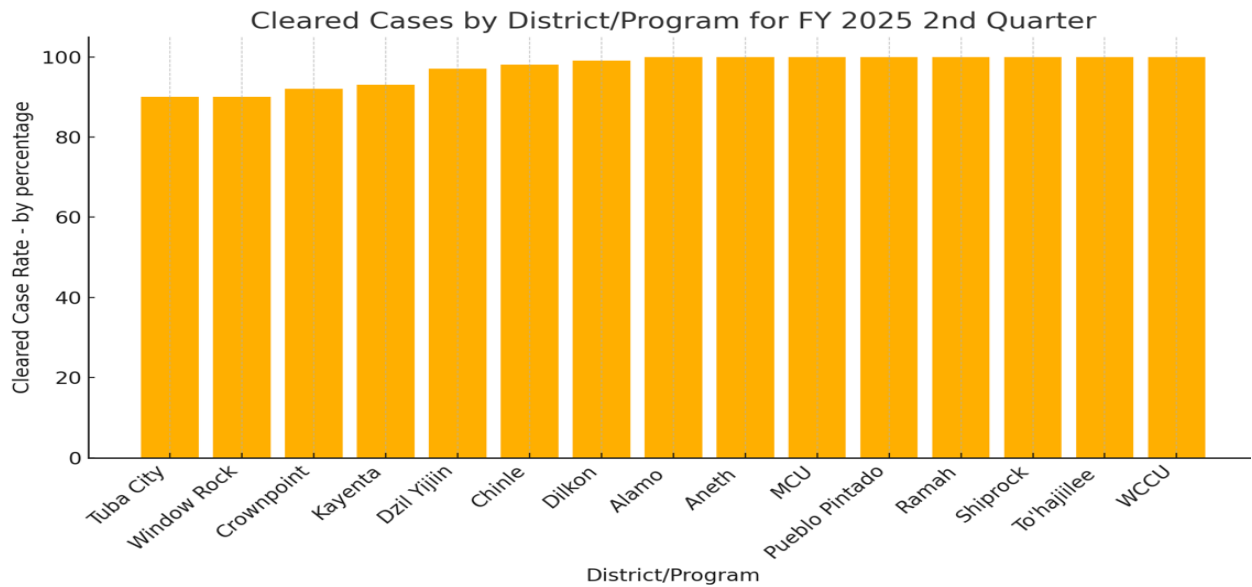
2. Case Activity Comparison – 1st to 2nd Quarter, FY 2025

The Office of the Prosecutor continues to demonstrate strong system performance and case management capacity as reflected in comparative data from the first and second quarters of FY 2025. While the first quarter focused on intake—how many cases were received in each district or program—the second quarter highlights output, measuring the number of cases cleared. Together, these data points offer a clearer picture of workload, throughput, and operational momentum across the Navajo Nation’s prosecutorial system.

In the first quarter, the highest case volumes were reported in Chinle (281 cases) and Kayenta (260 cases), followed by Shiprock, Window Rock, and Tuba City, each receiving between 140 and 170

cases. These numbers illustrate the significant intake burden on the larger district offices and the need for strong docket control and staff coordination.

Encouragingly, second quarter data shows that these same districts-maintained clearance rates above 90%, with Chinle clearing nearly 97% of cases and Kayenta reaching 93%. (see Chart 1 below). This performance indicates that despite high volume, these programs continued to resolve cases effectively, likely benefiting from efficient scheduling, and an ability to move lower-complexity matters through the system quickly.



Source: JustWare Case Management System, Navajo Nation Office of the Prosecutor

Chart 1

Districts with moderate case intake in Q1—such as Window Rock, Shiprock, and Tuba City—also performed strongly in Q2, each reporting clearance rates near or at 100%. These programs appear to have matched incoming workload with case resolution, helping maintain caseload balance and reduce backlog risk.

At the other end of the spectrum, smaller programs such as Aneth, Pueblo Pintado, Alamo, and To'hajiilee each received fewer than 20 cases in the first quarter but still reported full or near-full clearance in the second quarter. These numbers reflect consistent follow-through and administrative efficiency, ensuring that smaller caseloads are not neglected or delayed.

Of note, Crownpoint and Dzil Yijiin—districts with relatively lower intake—also posted strong Q2 clearance rates. Crownpoint received just 50 cases in Q1 and reported full clearance by Q2, while Dzil Yijiin, with 90 cases received, cleared 97% of its load. This suggests both timely handling of new cases and possible progress on older, unresolved matters.

Overall, the second quarter data reveals that most districts are not only keeping up with case intake but also successfully clearing existing dockets. Clearance rates nearing or exceeding 100% reflect strong prosecutorial discipline and case tracking. These trends underscore the efforts made across the Office to streamline operations, prioritize timely resolution, and ensure consistent delivery of justice.

This level of performance—especially in high-volume districts—is a testament to the dedication of regional staff and supervisors, as well as to the office’s broader strategy of pairing capacity with caseload. Moving forward, this model of comparing intake to clearance should continue as a way to evaluate staffing needs, assess backlogs, and ensure equitable distribution of resources across the Nation.

3. Major Crimes Prosecutions – FY 2025, Second Quarter

The Office of the Prosecutor continued to prioritize major crime cases across all districts during the second quarter of FY 2025. These cases, which include homicides, sexual assaults, aggravated assaults, and crimes involving firearms or serious bodily harm, require intensive coordination with federal partners, law enforcement, and victim services.

Despite ongoing staffing limitations, the Major Crimes Unit maintained a consistent caseload and achieved several meaningful outcomes. In particular, the team effectively exercised prosecutorial discretion to align tribal charges with federal timelines—strategically dismissing or deferring certain tribal cases to ensure longer and more immediate sentences in federal court.

One example includes the Remington Johnson and Marvin Wauneka matters, both of which involved serious violent offenses. After federal prosecutors accepted the cases, the Office promptly dismissed tribal charges to avoid duplication and to support prosecution in the federal forum—where the severity of punishment is more commensurate with the egregiousness of the offenses. This coordination helped secure appropriate accountability while also conserving tribal resources.

The Unit also handled several complex matters involving dual investigations. In the case of Benjamin Johnson, tribal proceedings stalled due to delays in receiving federal investigative materials. While these inter-agency delays are not uncommon, the case underscored the continued need for streamlined evidence-sharing protocols between tribal and federal systems.

Major Crimes staff remained engaged with law enforcement throughout the quarter, providing charging guidance, reviewing incident reports, and participating in case briefings. In one case originating out of Tuba City, prosecutors and investigators met with officers following a large-scale traffic stop that uncovered a firearm and a distribution quantity of methamphetamine—highlighting the value of early coordination in serious felony investigations.

In addition to courtroom work, the Major Crimes team provided training to officers and supported coordination on victim notifications, extraditions, and pretrial detention advocacy. While some hearings were continued due to witness availability or investigative delays, staff maintained communication with impacted families and ensured that victim interests remained a priority.

Overall, the second quarter reflected steady progress in the prosecution of major crimes. The team managed a full docket, worked collaboratively with outside agencies, and made deliberate choices to ensure accountability in cases with the greatest risk to public safety.

4. Victim Services Comparative Analysis – FY 2025 Q1 to Q2

The second quarter of FY 2025 reflected a significant increase in reported activity across all tracked categories within the Office of the Prosecutor’s Victim Services Division (see Chart 2 below). While the numbers suggest a notable rise in service volume, the growth is largely credited to improved data collection protocols rather than an actual surge in caseload or incidents.

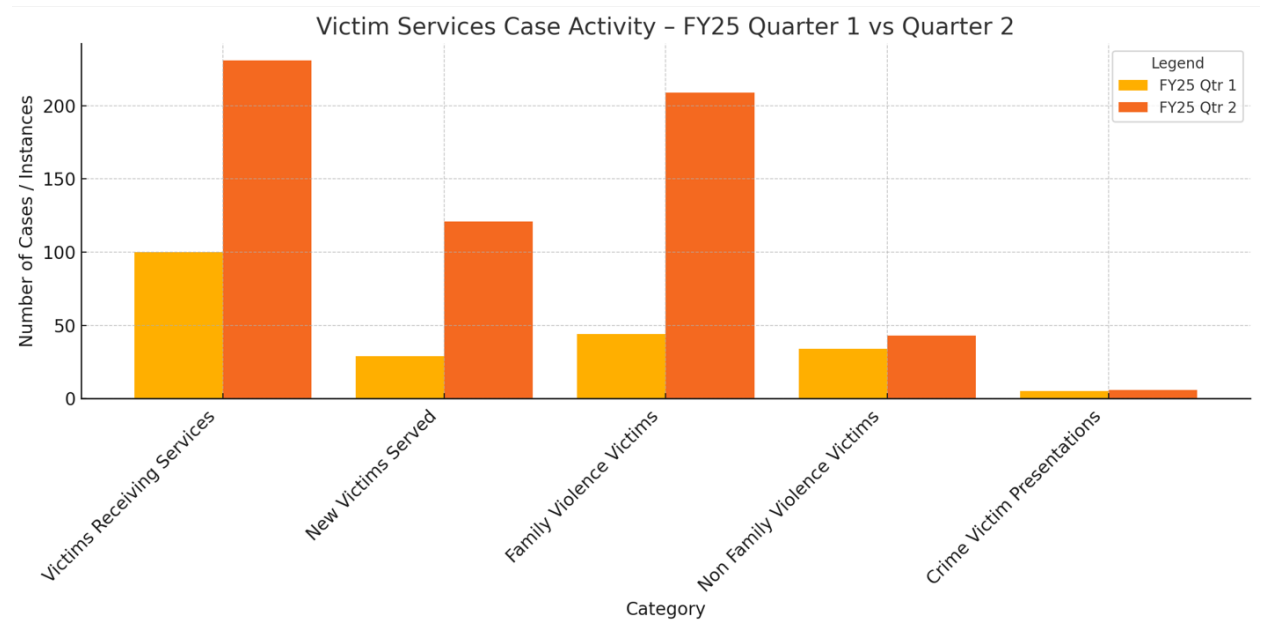


Chart 2

Key indicators illustrate the trend: the number of victims receiving services increased from 100 in Q1 to 231 in Q2. New victims served rose from 29 to 121, while family violence-related cases saw the sharpest increase, from 44 in Q1 to 209 in Q2. Non-family violence victims also grew modestly, from 34 to 43. The number of crime victim presentations held by staff edged upward from 5 to 6.

These increases are the result of standardized reporting guidance implemented in Q2. During the first quarter, inconsistencies in how and when staff documented services led to underreporting. By Q2, clearer instructions and oversight led to more accurate entries, better capturing the full scope of assistance being provided by Victim Witness Advocates.

Positives:

- The second quarter offers a more complete picture of the services provided across categories such as family violence, general victim assistance, and outreach.
- Growth in categories like family violence services indicates improved identification and engagement by VWA staff, especially in trauma-sensitive contexts.
- Reliable data will now support stronger internal assessments and external reporting, including grant justification and program development.

Cautions:

- The large quarter-over-quarter increases should be interpreted as a correction in reporting practices, not a sudden rise in victimization or workload.

- Sustaining consistent data collection in Quarter 3 will be essential to establish baseline trends and inform decisions based on actual service demands.

Looking ahead, the Office has built a foundation for meaningful performance tracking. Continued investment in staff training and regular data audits will ensure that services provided are matched by the quality and completeness of documentation—strengthening both operational efficiency and public accountability.

5. Fire Watch Task Force: Strengthening the Response to Domestic Violence

At the start of Quarter 2, the Navajo Nation Office of the Chief Prosecutor formally initiated a specialized Domestic Violence Task Force in response to the ongoing and deeply rooted issues of domestic violence within Diné communities. This task force—operating under the symbolic name “*Fire Watch*”—was established as a multidisciplinary rapid-response team focused on early intervention, legal accountability, and sustained victim support in high-risk family violence cases.

Mission and Vision

As set forth in the *Watchfire Mission Statement*, the task force serves as a constant presence of protection and accountability. The guiding mission is to intervene early, act decisively, and ensure immediate consequences for domestic violence offenders—particularly during the first 36 hours when victims are most vulnerable. The task force stands committed to the principles: *We See. We Protect. We Act.*

Composition

The task force is composed of a unified cadre of personnel from within the Office of the Prosecutor, including:

- Prosecutors assigned to domestic and family violence caseloads;
- Victim Witness Advocates with direct community engagement roles;
- Criminal Investigators specialized in evidence-gathering and scene response;
- Support Staff ensuring coordination, tracking, and documentation.

This collective structure ensures swift action from arrest to disposition and provides a safety net for victims navigating the justice system.

Case Activity Overview

During its initial operational phase, the task force addressed a range of domestic violence cases across multiple judicial districts. These matters reflected various stages of resolution—from arrest through plea agreements to custodial sentences. Notable trends included:

- The effective use of motions to deny release in high-risk cases, reinforcing the protective role of early court intervention;
- Convictions secured through plea agreements, which serve as critical markers of offender accountability;

- The use of digital evidence, including video footage provided by victims, which strengthened prosecutorial arguments and expedited case resolution;
- Active collaboration between prosecutors, investigators, and VWAs, which helped facilitate timely hearings and responsive case management.

A major procedural shift emerged through the increased use of criminal history during pretrial hearings. Prosecutors are now regularly presenting the backgrounds of defendants accused of domestic violence to argue for pretrial detention—especially in cases involving repeat offenders or those deemed flight risks. This has resulted in a growing number of defendants being held in custody pending trial, where historically, many were released after an 18-hour hold, often returning to the community and revictimizing survivors. The shift has had immediate, visible impact: dangerous individuals are being detained, victims are receiving more consistent support, and courts are better equipped to make informed decisions based on offender history. For years, domestic violence offenders cycled in and out of custody with minimal intervention—*now, that pattern is changing.*

Task Force Case Spotlights: Strategic Observations

The Fire Watch Task Force has already begun to demonstrate the value of early intervention and integrated team response. When victim cooperation, timely arrest, and evidence documentation align, outcomes improve significantly. Prosecutors have filed time-sensitive motions to maintain custody over dangerous offenders, while VWAs have ensured victims remain informed and supported through the legal process.

Cases involving digital evidence—particularly those captured and provided directly by victims—have proven to be game-changers in expediting prosecution and limiting the need for prolonged investigation. In several situations, plea agreements and sentencing were achieved swiftly due to the strength of the initial case presentation.

These outcomes reflect not just improved case handling, but a cultural shift within the justice system—one that responds to domestic violence with urgency, cohesion, and purpose. Courts are responding differently, with a deeper understanding of risk and repeat behavior. The use of criminal history, particularly in serious and egregious cases, has become a reliable tool in keeping high-risk individuals in custody where appropriate. The focus is shifting—more attention is being given to the safety and stability of victims, not just procedural efficiency.

The Fire Watch Domestic Violence Task Force represents a strategic and values-driven expansion of the Office of the Chief Prosecutor’s commitment to public safety and justice. By integrating frontline personnel into a single, mission-focused unit, the task force has elevated the response to domestic violence on the Navajo Nation. These initial efforts underscore a turning point—where silence and delay are being replaced by vigilance and action, and where repeat offenders are no longer quietly recycled through the system but are held accountable with purpose and resolve.

6. White Collar Crime Unit Update – FY 2025, Second Quarter

During the second quarter of FY 2025, the Office of the Prosecutor continued efforts to strengthen the White Collar Crime Unit (WCCU) in response to a growing volume of complex financial crime

allegations. Multiple reports have been logged, reviewed, and assigned for preliminary assessment. As part of these investigations, ten individuals have already been interviewed. This increased intake and interview activity reflects both heightened awareness and improved tracking protocols, in line with the Office's commitment to transparent and accountable enforcement.

To better position the unit for long-term effectiveness, the Office has initiated the reclassification of the lead attorney position overseeing white collar matters. This reclassification is intended to raise the salary level, making the role more competitive and capable of attracting experienced candidates who can manage sensitive, high-stakes investigations.

The Office is also in the process of onboarding a new investigator with more than a decade of experience at the Office of Ethics and Rules. Her institutional knowledge will be of great significance to the WCCU's mission, especially in navigating the intersection of ethical oversight and criminal enforcement related to government integrity.

In the interim, a senior prosecutor has been temporarily assigned to manage the active caseload. This includes four white collar crime cases currently before the courts, each involving serious allegations such as fraud, embezzlement, or abuse of office. The senior prosecutor is also coordinating with contract investigators to ensure continuity in investigative work and timely case advancement.

The WCCU continues to collaborate with the Special Prosecutor, originally appointed during former Attorney General Ethel Branch's administration. This partnership has helped establish clear lines of coordination, avoid overlap, and ensure consistent investigative direction.

To support these investigations, the Office has acquired key equipment upgrades this quarter, including digital video recording systems for depositions and interviews, and secure evidence containers to improve the handling and storage of sensitive materials.

Plans are also underway to initiate regular coordination meetings with the Director of the Office of Ethics and Rules and the Auditor General. These sessions are expected to improve cross-agency collaboration, facilitate referrals, and align investigative priorities.

Although challenges persist, the unit is steadily building its investigative reach and laying the groundwork for more robust prosecution of financial crimes. As hiring continues and resources expand, the Office remains committed to ensuring that white collar offenses are investigated and prosecuted with diligence, independence, and professionalism.

Conclusion

The second quarter of FY 2025 reflects a pivotal period of operational growth, strategic reform, and enhanced investigative focus across the Office of the Chief Prosecutor. From foundational efforts to modernize the criminal code and the successful implementation of the Fire Watch Task Force to the expansion of prosecutorial oversight in major crimes and white-collar offenses, the Office has demonstrated clear progress. The emerging work of the WCCU in particular highlights a renewed focus on financial accountability and ethical governance, areas critical to long-term institutional trust.

These outcomes reflect not only the hard work of staff and collaboration with justice partners, but also a continued alignment with the Office's mission to deliver timely, transparent, and community-centered justice. As the third quarter begins, the Office remains committed to evolving its systems, protecting its citizens, and ensuring accountability at every level of public service.

Natural Resources Unit

The Natural Resources Unit (NRU) handles in general all legal matters pertaining to the development and use of the Nation's land and natural resources and protection of the environment. NRU provides legal assistance to Division of Natural Resources, the Navajo Nation Environment Protection Agency and the Navajo Division of Transportation. This quarter work featured a significant amount of HighQ document reviews (rights-of-way, leases, contracts, memorandum of agreements, intergovernmental agreements, grant applications and agreements with various federal agencies), meetings, legal research, and addressing procurement issues.

1. Energy Fuels – Uranium Transport

Highlights for the quarter include assisting the negotiation team in negotiating an agreement with Energy Fuels Resources Inc. to safely haul uranium waste across the Navajo Nation and engaging in community outreach, completing lease negotiations with Navajo Power, establishing working relationships with the Department of Energy and its various programs in which the Nation has an interest, and assisting the Bears Ears Commission in developing a strategy to protect the Bears Ears Monument from diminishment as well as helping with the implementation of the Bears Ears Management Plan.

2. Homesite Lease Regulation

NRU continues to monitor the issue surrounding the approval of the Homesite Lease Regulation Amendments. The NLD-Homesite Section worked on amendments for Section 9, Existing Homes Prior to October 4, 2016. These amendments would address issues that have come up in reference to ARPA projects serving homes without homesite leases. RDC approved the HSL amendments on January 31, 2024. After RDC approved the amendments, the Acting BIA Regional Director Shirley contacted the Navajo Nation indicating the Homesite Lease amendments must go to BIA for review and approval. A response was sent to BIA indicating the Nation's position that the Nation received leasing authority under the General Leasing Regs of 2013, which included leases for residential purposes. The NLD received a response form the Acting Regional Director on July 30, 2024; and the BIA is still taking the position that the HSL regulations require approval from the Secretary of the Interior if the Nation wishes to issue homesite leases. The Nation filed an Appeal on August 29, 2024, before the Interior Board of Indian Appeals, arguing that the decision is in direct conflict with the Nation's clear authority, and adversely affects the Nation's self-determination, self-sufficiency, and inherent sovereign authority over its own citizens on its own land. A Motion for Stay on the Briefing Schedule was filed and the BIA has agreed to have settlement discussions. We are coordinating with the Litigation Unit in setting up a meeting with DNR and NLD to discuss this issue in more detail and get their position on the matter before setting up a meeting with BIA.

3. Homesite Lease within the forest

Another issue that has received a lot of attention this quarter relates to the Homesite Lease Moratorium in Navajo Commercial Forests (RDJY-142-92). Though the moratorium expired on its own terms with the development and approval of the Ten-Year Forest Management Plan in 2005,

new homesite lease applications for sites within the Navajo Commercial Forest remain subject to a waiver of RCJY-142-92 and approval by the Resources and Development Committee (RDC). As previously reported, NFD prefers a formal RDC action rescinding RCJY-142-92 and establishing policies and procedures for all housing and residential matters within the Commercial Forest boundary, including consideration for the Cap-and-Trade Program. We assisted the Forestry Department in drafting a letter to the RDC in order to stress the preservation of the moratorium on building homesites within the carbon capture property. We are currently in discussions with Anew to get a better sense of how many new homesites may impact the Cap-and-Trade Program. Attended the RDC meeting on April 7, 2025; where there were several legislations seeking a waiver of RDCJY-142-92 for approval of homesite leases within the forest. Advised RDC that the moratorium expired when the Ten-Year Management Plan was approved by RDC. Also recommended that reference to the moratorium legislation be removed from the Homesite Lease Regulations to avoid further confusion. RDC issued a directive to OLC and DOJ to issue a memorandum regarding the moratorium.

4. Burial Regulations

Critical issues include assisting with further amendments to the burial regulations. On February 14, 2024, RDC approved that Navajo Nation Burial and Cemetery Regulations. It was recently brought to DOJ's attention that mortuaries were holding bodies of Navajo tribal members because of the lack of authorized persons to sign the Final Disposition Authorization. The Department Manager of the NLD reported to RDC that mortuaries need designated sextons to sign documents authorizing the mortuaries to come onto the Navajo Nation. As a result, legislation was drafted and approved on March 31, 2025 waiving Section II(V) and Section III(A) of the Burial Regulations for 90 days and allowing the NLD Department Manager to sign the final disposition authorization. NRU attended a RDC Work Session on April 1, 2025 where NLD discussed the need for additional amendments to the burial regulations. We will be working NLD on amending the regulations to address some of the concerns raised during the Work Session.

5. Energy Office and Updating Energy Policy of 2013

The other relates to the establishment of an Energy Office and updating the Energy Policy of 2013 especially after the rescission of Executive Order 02-2023. Various companies have approached the Navajo Nation and provided presentations to chapters, RDC and OPVP on potential projects. There is currently no office where all these proposals can go to for vetting and there has been no other process established for the review of energy proposals. The Energy Policy could use some updating as there are some types of energy projects that were not contemplated under the 2013 Policy and doesn't clearly address tax issues, waivers, local community benefits, and equity/ownership projects. However, the Division of Natural Resources is working on getting a consultant on board that would be responsible for drafting an Energy Office Plan of Operation and drafting an Energy Plan.

Water Rights Unit

1. Water Rights Claims and Settlements Pending Congressional Action.

- Northeastern Arizona Indian Water Rights Settlement. As of November 17, 2024, there is an effective settlement of the water rights claims of the Navajo Nation, the Hopi Tribe, the San Juan Southern Paiute Tribe, the United States as Trustee, and the State of

Arizona and other non-Indian State parties. On March 11, 2025, the Northeastern Arizona Indian Water Rights Settlement Act was re-introduced in Congress by Senators Kelly (D-AZ) and Sinema (D-AZ) and Representatives Ciscomani (R-AZ-6), Stanton (D-AZ-4), Grijalva (D-AZ-7), and Schweikert (R-AZ-1). The bipartisan, bicameral legislation authorizes \$5 billion to acquire, build, and maintain essential water development and delivery projects, including the *iiná bá - paa tuwaqat'si* pipeline, and resolve the most significant outstanding water claims in the State of Arizona and tribal water claims to the Colorado River. The settlement also resolves ongoing litigation in the Little Colorado River and Gila River Stream Adjudications (more below). The WRU leads weekly legal and technical team meetings on the Nation's efforts to obtaining a letter from the seven (7) Colorado River Basin States in support of the settlement and to advance the Act through the 119th Congress. The WRU also works closely with the Navajo Nation Water Rights Commission (NNWRC) and the Navajo Nation Water Rights Settlement Negotiation Team (NNWRNT) to guide these efforts and public education and outreach. The passage of the Northeastern Arizona Indian Water Rights Settlement Act remains the WRU's top priority because, unlike the other water rights settlements pending in Congress but consistent with the Nation's San Juan River settlement with the State of New Mexico, the Act requires the Basin States' support.

- Navajo Gallup Water Supply Project Amendments. As previously reported, the Navajo Gallup Water Supply Project (NGWSP) has a cost shortfall of \$800 million. Thankfully, provisions in the two recent Congressional Continuing Resolutions included NGWSP provisions to avoid construction delays while the re-introduced NGWSP Amendments Act moves through the 119th Congress. In addition to addressing the cost shortfall and construction deadlines, the NGWSP Amendments Act expands the project service areas to reach additional Navajo communities and establishes trust funds for operation and maintenance costs.

Relatedly, the technical corrections to the Northwestern New Mexico Rural Water Project Act (Public Law 111-11) authorizes the appropriation of \$6.3 million for the Navajo Nation Water Resources Development Fund to redress an interest (accounting) error.

Additional Project information is provided below.

- Rio San José. As previously reported, the Navajo Nation Rio San José Water Rights Settlement Act would approve the water rights settlement for the Navajo Nation for its claims in the Rio San José Stream System and the Rio Puerco Subbasins. Notably, the settlement addresses significant water supply and water quality concerns in the region, secures a reliable water supply for Tóhajiilee, and supports regional water development for Navajo communities near the I-40 corridor.

2. Other Water Rights Claims.

- Little Colorado River (LCR) and Gila River Stream Adjudications. As previously reported and in light of the comprehensive nature of the Northeastern Arizona Indian Water Rights Settlement, joint motions and proposed orders to stay the proceedings are

pending. On April 1, 2025, Judge Blaney granted the joint motion to stay Contested Case Nos. CV 6471-201 (*In re Hopi Priority*), CV 6417-203 (*In re Hopi Reservation HSR*), and CV 6417-300 (*In re Navajo Reservation*) and scheduled an in-person status conference on May 6, 2025.

- Navajo Nation / State of Utah Water Rights Settlement Agreement. On January 31, 2025, the Utah Seventh Judicial District Court determined and adjudicated all Navajo Nation water rights in the State and fully incorporated the settlement agreement. The interlocutory decree marks an important step toward accessing the trust funds and implementing the Navajo-Utah Water Rights Settlement Act (Public Law 116-260; 134 Stat. 1182).
- Zuni River Basin. No updates this quarter.

3. Department of Water Resources (DWR).

- Navajo Nation Fiscal Recovery Fund (NNFRF) Projects. As previously reported, DWR serves as the Administrative Oversight entity for Subrecipient Agreements with the Navajo Tribal Utility Authority (“NTUA”) for water and wastewater projects and administers work for other projects pursuant to CJY-41-21, Section Six, CJN-29-22, Section Seven, under both new and existing contracts and agreements. The administrative effect of CD-54-24 and the Interagency Agreement is unknown at the time of this report.
- NGWSP Implementation and Construction. As previously reported, the upsizing of Reaches 2 and 3 will delay water deliveries to the Gallup/Navajo Rural Regional Water System. Pursuant to a memorandum of understanding (“MOU”) with the City of Gallup for additional groundwater supply to fill the delivery gap, the City’s engineer will expand an existing well and/or drill a new well. The Nation plans to fund the upsizing with the Navajo Nation Water Development Trust Fund in accordance with a Contributed Funds Agreement with the Bureau of Reclamation.

A blessing ceremony for the San Juan Lateral Water Treatment Plant will be held on April 16.

- Tóhajiilee Water Project. Project construction remains on schedule. Construction management includes ensuring a smooth transition for water operations and delivery as the community has never had a steady, reliable drinking water supply. As previously reported, to reduce any rate shock to customers who will have water bills for the first time, treatment and delivery costs will be offset with prior appropriations. The actual rates charged to the Nation are subject to the final meter size as described in an agreement with the Albuquerque Bernalillo County Water Utility Authority (“ABCWUA”).
- City of Page. As previously reported, the City of Page, the Navajo Nation, and the Navajo Tribal Utility Authority (“NTUA”) are exploring solutions for water infrastructure development and improved sustainability in the region. Discussions are ongoing.

- Westwater Community. As of this Report, multiple homes in the Westwater Community have been connected to a safe, reliable drinking water supply with piped water in their homes. A celebration is scheduled for April 25.
 - Post-2026 Colorado River Operations. As previously reported, there are significant efforts underway with respect to Colorado River management in the near and long-term, though the exact term of post-2026 operations is yet to be determined. This quarter featured a steady amount of meetings and participation in various elements of post-2026 discussions and decision-making, including but not limited to the Post-2026 Tribal Flexible Elements Workgroup to identify Tribal modeling priorities and logic and the Tribes-States Dialogue with the Upper Division States and the Upper Basin Tribes. The goal remains consensus which relates to the Basin States' support the Nation is seeking for the Northeastern Arizona Indian Water Rights Settlement.
 - NTUA Emergency and Replacement Reserve Funds (CO-62-17). As previously reported, the Fund Management Plan, BFD-51-18, provides that no funds shall be expended until the combined Funds reach \$10 million or December 27, 2028, whichever comes first. Internal discussions continue to identify an actionable plan to administer the tax revenue shares as intended by the Navajo Nation Council and in support of the Nation's ongoing water infrastructure development.
4. Navajo Nation Environmental Protection Agency (NNEPA) Surface and Groundwater Protection Department.
- Primacy and Treatment as a State ("TAS"). Federal environmental laws and their regulatory programs, like the Safe Drinking Water Act ("SDWA") and the Clean Water Act ("CWA"), can be adopted by states or tribes. Primary enforcement responsibility, or primacy, means the state or tribal responsibilities associated with implementing U.S. Environmental Protection Agency ("USEPA") regulatory programs to oversee a program in their jurisdiction. The general mechanism for tribes to obtain primacy is for USEPA to treat federally recognized Indian tribes in a similar manner as a state ("TAS"). Tribes apply for and receive USEPA approval for specific environmental regulatory programs, then essentially play the same role within tribal lands that states do within state lands and manage certain environmental programs. The Navajo Nation, through its NNEPA Surface and Groundwater Protection Department, is applying for treatment as a state for two additional programs under the CWA National Pollutant Discharge Elimination System ("NPDES") and sludge management, as well as seeking primacy for its revised Lead and Copper Rule and expanding (Supplemental SDWA TAS application) primacy for drinking water in the Eastern Agency. AS of this report, notice letter were sent to "affected governmental entities" which means USEPA could issue TAS approval by the end of the month.
 - Amending the Nation's Domestic Wastewater Regulations. On July 1, 2024, the Resources and Development Committee tabled Legislation No. 0130-24, the proposed amendments to the Navajo Nation Domestic Wastewater Regulations reorganize and clarify permit requirements for the construction and operation of all wastewater treatment systems, add septage removal and transportation requirements, add

requirements for the use of reclaimed water and reclaimed industrial wastewater, and update the fee schedule. To date there has been no additional action.

- Tóhajiilee Water Project. As indicated above, the chapter is ironing out the operation of the public system within the chapter boundary. Once the operational plan is complete, the Nation, the Water Utility Authority, and their respective regulatory agencies will pursue a regulatory memorandum of understanding similar to that completed for NGWSP because of the multi-jurisdictional nature of the Project.
- Clean Water Act Violations at NTUA Wastewater Treatment Facilities. On August 19, 2024, the U.S. District Judge ordered the case administratively closed. Pursuant to the terms of the Partial Consent Decree and with financial support from the Nation, NTUA is replacing wastewater treatment facilities in Chinle, Kayenta, and Tuba City.
- Other Septic Issues. No updates this quarter.

5. Energy.

- Pumped Storage Hydropower (PSH) Projects and the Federal Energy Regulatory Commission (FERC). As previously reported, FERC issued two preliminary permits for projects on the Navajo Nation: P-15001 (Navajo Energy Storage Station) and P-15034 (Carrizo Four Corners Pumped Storage Hydro Center). These preliminary permits were issued before FERC announced its new policy that it will not grant preliminary permits on Tribal lands if the Tribe on whose lands a project would be located opposes the project. Existing Navajo land use authorizations can be complementary to the FERC processes so long as project developers early and sincerely engage with the Nation before submitting any applications to FERC. Since the preliminary permits subject to the FERC tribal lands policy were dismissed without prejudice, project developers may resubmit their preliminary permit applications subject to Navajo Nation approval.

Rye Development (Western Navajo PSH) worked to obtain a permission to survey and special use permit to conduct their feasibility studies, presented their plans to the Resources and Development Committee, and coordinated with the Navajo Nation Department of Justice in advance of refiling their preliminary permit application on March 14.

Relatedly, the Department of Water Resources needs to issue a technical memorandum that surface water supplies are the only available water supplies for PSH projects under current and foreseeable circumstances.

- Coal-Fired Power Plant Complexities. In coordination with the Natural Resources Unit (NRU), efforts to support the Nation's re-use of the former Navajo Generating Station (NGS) Site are complicated by changing environmental regulations for coal combustion residuals (CCR). We are working on a plan to support the Nation's vision for re-use of the Site concurrently with the environmental and monitoring timelines.

The Navajo Transitional Energy Company (NTEC) has a NavEnergy Hub vision for the Four Corners Power Plant and surrounding area. WRU and NRU are closely coordinating on all matters involving this vision and Four Corners Power Plant operations.

6. State Engineer Matters.

- New Mexico Office of the State Engineer (NMOSE) and Interstate Stream Commission (ISC). As previously reported, WRU filed an amicus curiae brief in *State of New Mexico ex rel. Office of the State Engineer v. Intrepid Potash Inc.* (No. S-1-SC-40182) on the standard for water abandonment and implications for settled Tribal water rights. Oral argument was held on October 2, 2024 and a decision is pending.
- Utah. No updates this quarter.

I. TWO ISSUES OR CHALLENGES AND PROVIDE PROPOSED SOLUTIONS AND TIMEFRAMES.

1. An outstanding issue is resolving the transfer of funds from the Nation to NTUA pursuant to CO-62-17 and BFD-51-18 (OM&R funds), which is important and necessary for the success of the new water infrastructure construction projects. An implementable process and procedures for the ONTC, OOC, DWR, and NTUA to ensure sales tax revenues are transferred in accordance with BFD-51-18 for the NTUA Emergency and Replacement Reserve Funds to support long-term success of new investments in water infrastructure. This quarter we have re-engaged with NTUA legal counsel on the Emergency and Replacement Reserve Funds (CO-62-17 and BFD-51-18) since internal efforts to address the matter have stalled. Hopefully NTUA can encourage some action externally so we can resolve the process to account for the sales tax portion, have that reported to and accounted by OOC, then have the funds regularly disbursed to NTUA. Pursuant to the Fund Management Plan, no funds shall be expended until the combined Funds (accounts) reach \$10 million or December 27, 2028, whichever comes first. With all the new investments in water and wastewater infrastructure, it is in both the best interest of the Nation and NTUA, as the sole owner and operator of water and wastewater infrastructure, to have the funds regularly disbursed to NTUA.
2. As previously reported by the Natural Resources Unit, various companies have approached, and continue to approach, the Navajo Nation on potential energy generation projects. With the support of the Office of Indian Energy, Department of Energy, and their agreement with the Commercial Law Development Program, Department of Commerce, the Nation will receive legal technical assistance in a first of its kind partnership. This is an exciting opportunity for the Nation to receive direct support to address the 500 MW, modernizing the Nation's legal and regulatory landscape to support all energy generation, and lessons learned from post-coal communities. We will have many opportunities to invited and educate various stakeholders across the Nation, including elected officials, executive branch employees, and the enterprises. This also means that we may be able to meet current interest in renewing the Energy Policy of 2013 and other energy generation efforts on the Nation within the next two years.

III. ACCOMPLISHMENTS

1. All of the Nation's water rights settlements and related bills that were not passed during the last session were re-introduced in the 119th Congress. Most, if not all, enjoy bipartisan and bicameral support.
2. The Expenditure Plan for the Navajo Nation Water Resources Development Trust Fund continues to move through the legislative process, and will hopefully be on the Spring Council Session Agenda.

Litigation Unit

The Litigation Unit lost several team members over the last two quarters, but has maintained our workload with reduced staff. LU continues to see a high volume of employment-related Request for Services (RFS), cases, and hearings. LU received several favorable decisions from Window Rock District Court and OHA this quarter. The Navajo Nation Supreme Court has also docketed some more of our long pending cases, which has provided us the opportunity to file multiple briefs this quarter. We have been working to manage existing and new federal cases as well.

After a productive two-day work session with HEHSC, we are working with DPM to incorporate all edits and suggestions into a final updated draft of the Personnel Policies Manual (PPM). At that work session, Chair Vince James indicated he was interested in sponsoring the legislation and stated his intention to pass the legislation by the fall. The amendments to the PPM are aimed at protecting the Nation, reducing liability, and streamlining employment matters. Finally, we work to respond to clients in a timely manner to a high volume of employment-related Requests for Service.

SUMMARY OF ACCOMPLISHMENTS

1. Successful collaboration with DPM and leadership at HEHSC work session
2. Recruited new attorneys to build back LU's capacity internally
3. Completed review of evidence in the Corley Nissan case
4. Engaged with outside experts to move Pic-N-Run litigation forward
5. Signed on to amicus brief in the United States Supreme Court
6. Presented to leadership at several Gaming Subcommittee and NHLC meetings
7. Advocated for audit elimination in opioid litigation

Tax & Finance Unit

The following are TFU's notable projects for the second quarter of FY2025. TFU responded to approximately 20 legal requests that were not submitted as formal Requests for Services (RFS) and completed fifteen RFSs. TFU advised the Fiscal Recovery Fund Office (FRFO), the Office of the Controller (OOC), the Office of Management and Budget (OMB), the Office of the Navajo Tax Commission (ONTC), the Office of the President and Vice President (OPVP), the Investment Committee (IC), the Budget and Finance Committee (BFC), and the Navajo Nation Council. TFU advised the BFC, OPVP, OMB, and OOC on budget related matters involving the comprehensive budget process. TFU issued two memos to the BFC regarding the federal funding freeze. TFU advised clients on FRF-related matters, such as interpretation of Treasury guidance, Council resolutions CMY-28-24 and CD-54-24, and modifications to legislatively approved expenditure plans. TFU worked with the BFC, OMB, OOC, Division of Human Resources (DHR), and Division

of Community Development (DCD) on development of the FY2026 Budget Instructions Manual (BIM). TFU drafted legislation to establish the Capital Development Financing Fund (a.k.a. “521 Fund”) in collaboration with the Office of Legislative Counsel (OLC).

Economic & Community Development Unit

ECDU spent time this quarter providing support and legal assistance on long-term, multi-year projects, including the Navajo Small Business Credit Initiative, New Market Tax Credit, and Antelope Point Holding. ECDU continues to provide support to its programs on the expenditure of their ARPA funds. ECDU assisted with the drafting of two tax legislations for Delegate Slater. ECDU continues its work to protect the Nation’s intellectual property through cease-and-desist letters and federal consultation. ECDU also continues to provide assistance to Navajo-Hopi programs including the Navajo-Hopi Land Commission, Navajo-Hopi Land Commission Office, and overseeing various litigation efforts.

1. Division of Community Development (DCD)

ECDU continues to assist DCD in reviewing and developing construction contracts and grant agreement for the various projects they oversee. ECDU supported DCD in their implementation of its ARPA projects. It also continues to assist in executing the chapter projects funded by the 521 account.

2. Division of Economic Development (DED)

Business Site Leasing: ECDU continues to review business site leases and attend DED’s business site leasing Approving Committee. ECDU spent time this quarter continuing its revisions of the Business Site Leasing Management Plan and assisting with the redrafting of the Navajo Shopping Centers’ Management Plan. ECDU assisted with the Resource and Development Committee’s hearing to rescind Shonto Chapter’s business site leasing authority by creating the hearing documents for the Committee and attending the hearing.

Intellectual Property: ECDU continues to enforce the Nation’s intellectual property rights. Enforcement this quarter was focused on continuing our work on 1st Dibs, Cisco Gallery, and Navajo Mesa Farms cease and desist letters and sending a cease-and-desist notification to Temu. We were able to bring on a new expert for our 1st Dibs pending action to authenticate the three pieces of jewelry purchased from the site and are now awaiting the expert’s authentication report, which will inform our decision to pursue litigation against the company. Additionally, we are directly engaging with Cisco’s Gallery and Navajo Mesa Farms to address our concerns. Cisco Gallery has reviewed and updated all jewelry on their website to remove erroneous indication that an item is Navajo if they do not have any provenance attached to it, with the exception of a batch of goods purchased from a trading post over 50 years ago. We’ve requested a list of the jewelry items within that batch and additional details on the provenance of them before making a decision whether to allow Cisco Gallery to keep those items generally noted to be Navajo without proof of the artist. Additionally, we are looking for a Navajo Rug expert to travel to Cisco Gallery, at the gallery’s expense, to authenticate the rugs on hand. As to Navajo Mesa Farms, we worked with NAPI on the trademark enforcement because the farm’s initial response was that it had had a lease with NAPI for over 15 years. We have since provided a written report to the NAPI board on our enforcement concern and notified Navajo Mesa Farms on the need to obtain a license to use the Navajo service mark. We are in the process of developing a license agreement for Navajo Mesa farm, with the last factor being the need to establish the cost of the license. ECDU drafted speaking points for Delegate Slater to attend a Tribal Consultation held by the United States Patent and

Trademark Office (USPTO) on the United Nation's Word Intellectual Property Organization Genetic Resources and Associated Traditional Knowledge Treaty adopted May 2024. ECDU will be drafting the official Navajo Nation written comment for submission to USPTO in the next quarter.

Antelope Point Marina. Served as a liaison among DED, Navajo Nation Hospitality Enterprise (NNHE), Antelope Point Holdings, LLC, and National Park Service on issues involving confidential negotiation information and protected records. Coordinated with DED and NNHE to prepare and present report to Resources and Development Committee.

Navajo Small Business Credit Initiative (NSBCI): Supported DED to develop a streamlined strategy to assume Technical Assistance (TA) administration role after prior proposed administrator withdrew, and to propose corresponding TA grant application amendments to Treasury. The TA Application was approved by Treasury. Provided legal and logistical support to facilitate DED's oversight of program administrator Change Labs' compliance with Navajo Business and Procurement Act. Reviewed and approved program administrators' revisions to lender participation agreement to onboard new NSBCI lender, Mission Driven Finance. We completed negotiation for the participating lender agreements with Native American Bank for the NSCBI large loan program to be implemented by DED. The agreements are finalized, however, there need to be further discussions about establishing accounts with Native American Bank to hold SSBCI funds. We continue to attended bi-weekly meetings with Navajo DED, Change Labs, and the U.S. Treasury regarding the SSBCI program.

3. Gaming

Navajo Nation Gaming Regulatory Office (NNGRO): For March 26 NNGRO and Navajo Gaming Enterprise (NNGE) Coordination and Update Meeting, prepared and presented report on Gaming Development Fund and Navajo Nation Transfer Pool Agreements, and also reviewed and co-presented Compact Trust Fund report with NNGE. Attended Arizona Department of Gaming Tribal Gaming Conference with Director Michele Jones. ECDU completed the review and update of the Navajo Nation Gaming Regulatory Office Title V Amendments, including final proofing because of recent NNGRO staff changes.

Lower Highway 89 Trust Acquisition: Provided final title commitment documentation to Bureau of Indian Affairs. Obtained confirmation from BIA that Lower Highway 89 has been designated BIA Tract ID Number 790 T 377461 in the Trust Asset Accounting Management System (TAAMS). This designation completes the fee-to-trust process.

Twin Arrows Road Settlement: Together with the Office of Attorney General, Litigation Unit, and NNGE, received, reviewed, and presented Hopi settlement proposal to Navajo Nation leadership and stakeholders. Obtained historical information, mapping data, appraisal, and estimated tax implications relating to Hopi requests to support consideration of proposal by leadership.

4. Voting Rights

Analyzed Arizona and Utah legislation that would amend federal and state election requirements and procedures, and prepared memo summarizing legislation for leadership consideration. ECDU attended monthly Native Vote strategy meetings with the Intertribal Council of Arizona and began attending biweekly meetings with the Coconino County Precinct Task Force, which selects polling places for upcoming elections.

5. Department of Retirement Services

ECDU advised Program on an overpayment/underpayment issue regarding a former employee. Drafted a memo for the Program on the proposed retired judges' program advising on the necessary amendments to the Navajo Nation Code and Retirement Plan Document in order to implement the program. ECDU attended one RPAC meeting this quarter.

6. Office of Navajo Tax Commission (ONTC)

Tobacco Products Tax and Nicotine Products and Electronic Smoking Products Tax: Worked with Delegate Slater, Office of Navajo Tax Commission, and Office of Legislative Counsel on implementation matters. Drafted amendment to Resolution CO-47-24 to delay effective date; this proposed amendment is currently with Office of Legislative Counsel for review. Provided summary of CO-47-24 to Tax Commission, along with proposed timeline and procedure to promulgate Tobacco Products Tax Regulation amendments and new Electronic Smoking Products Tax Regulations. Provided support and oversight of Regulation drafting by Anthony Maestas; we anticipate the proposed Regulations will be submitted to the Tax Commission in the next quarter for considerations and to begin the review and promulgation process.

Solar Tax: Worked with Delegate Slater, Office of the Tax Commission, and Office of Legislative Counsel to draft the proposed Solar Tax that was introduced by Delegate Slater for the spring Council session. Conducted research on utility solar taxes in the surrounding states. Ran simulations with the Office of the Tax Commission to determine what the impact of the tax would be on tax revenues.

7. Navajo-Hopi Land Commission Office (NHLCO)

During this quarter ECDU attended Navajo-Hopi Land Commission (NHLC) meetings both virtually and in-person. ECDU worked with Office of Legislative Counsel to draft a NHLC resolution ratifying a right of way for the Gallup Water Supply Project. ECDU continues to provide guidance to NHLCO on various issues including right of way concerns with the Hopi Tribe and the expenditure of its ARPA housing monies. ECDU worked with Director Ahasteen from the Washington Office to develop a term sheet, which was considered and approved by NHLC, for the potential closure of the Office of Navajo Hopi Indian Relocation (ONHIR). ECDU continues to oversee litigation for individual relocatees who were denied benefits by ONHIR, as well as the Nation's litigation against ONHIR. ECDU represents the Nation in the District Court of Arizona cases against the Hopi Tribe regarding the rental payments for Navajo individuals residing on the Hopi Partitioned Land. This case was continued again this quarter while the Nation and the Hopi Tribe continue to work on a proposed settlement agreement for outstanding rental payments.

Human Services & Government Unit

To assist with the safety and public welfare of our Navajo People, HSGU continues to provide assistance to the Navajo Police Department (NPD) with the negotiation and review of various law enforcement agreements with surrounding state, county, and tribal agencies. Through HSGU and NPD monthly meetings, HSGU has been able to move agreements forward with direction and communication from NPD. To continue the Navajo Nation's self-government, HSGU has continued working with Office of Management and Budget with responses to federal agencies related to P.L. 93-638 contracted programs. HSGU is also working with NPD and the Navajo Department of Criminal Investigations (NDCI) to review their 638 contract scopes of work and provide assistance for potential revisions to more appropriately describe the law enforcement services conducted by the NPD and NDCI to prepare for their contract renewal proposals. HSGU continues to assist the Navajo Department of Health with addressing special projects to allow for

provision of health services to Navajo, including future plans for continued partnership with the Navajo Area Indian Health Services and local service providers.

To provide for the best interest of our Navajo children and families, HSGU continues to assist Department of Child Support Services to increase its ability to collect child support by creating and advancing several other policies/remedies to encourage non-compliant non-custodial parents to meet their child support obligation. In this quarter, HSGU prosecuted 122 child support cases that provide child support payments to custodial parents. HSGU has also assisted the ICWA Program (ICWAP) with reviewing and providing guidance on the state ICWA laws in Utah and Colorado for the legislative session in the respective states, along with conducting case staffing and providing guidance on ICWA matters. HSGU also continues to facilitate discussion between the ICWAP and Office of Vital Records to ensure there is consistent, clear, and timely communication on eligibility and enrollment of our Navajo children on ICWA matters.

In assisting with the overall best interests and protection of the Navajo Nation, HSGU continues to work, not only with the Navajo Nation Insurance Commission on financial and programmatic matters, but also with the Risk Management Program and other Navajo Nation departments on the defense of Federal Tort Claims Act claims in federal and tribal court, as well as ensuring workers compensation claims are reviewed consistently with Navajo Nation law and policies. Within this quarter, HSGU assisted with the finalization of the Group Health Benefits Plan Document amendments with an effective date of January 1, 2025. HSGU also continues to provide amendments, guidance, and reviews of various policies, rules, and regulations for Navajo Nation divisions and departments.

Chapter Unit

Most, but not all, CU work is generated from legal service requests submitted through the DOJ online portal (High Q). Additionally, CU also provides legal guidance to other Navajo Nation Government Officials and Staff on subject matters related to Chapter governments. In total, the CU successfully completed thirty (30) requests for legal services (“RFS”) this quarter. CU/DOJ attended all Agency Council Meetings and provided oral and/or written reports. Unfortunately, and fortunately, one CU staff member resigned this quarter but CU was able to hire another staff member as a replacement. CU had a couple of notable accomplishments this quarter: 1). CU provided trainings to newly elected Chapter Officials for all five agencies; 2) CU also provided additional trainings to Chapter Officials and Chapter Employees for some Chapters in the Western Agency; and 3) CU also presented a PowerPoint on various Chapter issues at the orientation for the Navajo Board of Election Supervisors and Navajo Election Administration staff. CU requests for continued support from Navajo Leadership for additional permanent attorney staff.