THE NAVAJO NATION LEGISLATIVE BRANCH INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: <u>0222-25</u> SPONSOR: <u>Andy Nez</u>

TITLE: An Action Relating to an Emergency for the Navajo Nation Council; Directing the Office of Management and Budget and Office of the Controller to Disregard Unlawful Line-Item Vetoes to the Comprehensive Budget for Fiscal Year 2026

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LEGISLATIVE SUMMARY SHEET

Tracking No. <u>0222-25</u>

DATE: September 24, 2025

TITLE OF RESOLUTION: AN ACTION RELATING TO AN EMERGENCY FOR THE NAVAJO NATION COUNCIL; DIRECTING THE OFFICE OF MANAGEMENT AND BUDGET AND OFFICE OF THE CONTROLLER TO DISREGARD UNLAWFUL LINE-ITEM VETOES TO THE COMPREHENSIVE BUDGET FOR FISCAL YEAR 2026

PURPOSE: This proposed resolution is an emergency and directs OMB and the Controller to disregard the Line-Item Vetoes to CS-44-25, as unlawful and invalid

FINAL AUTHORITY: Navajo Nation Council

VOTE REQUIREMENT: Simple Majority

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

PROPOSED NAVAJO NATION COUNCIL RESOLUTION 25th NAVAJO NATION COUNCIL – Third Year, 2025

INTRODUCED BY



Prime Sponsor

Tracking No. <u>0222-25</u>

AN ACTION

RELATING TO AN EMERGENCY FOR THE NAVAJO NATION COUNCIL;
DIRECTING THE OFFICE OF MANAGEMENT AND BUDGET AND OFFICE
OF THE CONTROLLER TO DISREGARD UNLAWFUL LINE-ITEM VETOES
TO THE COMPREHENSIVE BUDGET FOR FISCAL YEAR 2026

BE IT ENACTED:

SECTION ONE. AUTHORITY

- A. The Navajo Nation Council is the governing body of the Navajo Nation, and as such may consider proposed legislation regarding an emergency matter. 2 N.N.C. § 102(A) and 164(A)(16).
- B. "[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).

SECTION TWO. FINDINGS

- A. This resolution is being offered as an emergency due to the unlawful line-item vetoes of Resolution CS-44-25 issued by Navajo Nation President Nygren, that eliminate the Fiscal Year 2026 (FY26) operating costs for the Navajo Nation Legislative Branch impacting and threatening direct services to the Navajo People, the Nation's sovereignty and separation of powers of the Navajo Nation Government. See Chief Legislative Counsel Opinion No. CLC-01-25 finding the President's line-item vetoes to CS-44-25 unlawful, a threat to direct services and the Nation's sovereignty, and in violation of separation of powers, attached as Exhibit A.
- B. Pursuant to 2 N.N.C. § 1, the Navajo Nation Council established a three-branch system of government that consists of the Legislative, Executive, and Judicial Branches.
- C. To ensure accountable and responsible governance for the benefit of the Navajo People, the Navajo Nation Council and its Committees collectively oversee the Executive Branch, its Departments, Divisions and Offices. See 2 N.N.C. §§ 300(C)(1)-(6); 301(A), 301(B)(9)-(10) and (13); 400(C)(1)-(4), 401(A), 401(B)(1)-(5), 401(C)(1)-(6); 500(C), (1)-(8), 501(A), 501(B)(1)-(12), 501(C)(1)-(2); and 600(C)(1)-(8), 601(A), 601(B)(4), 601(B)(13), 601(B)(17), and 601(C)(1)-(3).

SECTION THREE. DINÉ BI BEENAHAZ'ÁANII

- A. The Diné bi beenahaz'áanii embodies Diyin bitsqqdee beenahaz'áanii (Traditional Law), Diyin Dine'é bitsqqdee beenahaz'áanii (Customary Law), Nahasdzáán dóó Yádiłhił bitsqqdee beenahaz'áanii (Natural Law), and Diyin Nohookáá Diné bi beenahaz'áanii (Common Law). These laws provide the foundation of Diné bi nahat'á (providing leadership through developing and administering policies and plans utilizing these laws as guiding principles) and Diné sovereignty. In turn, Diné bi nahat'á is the foundation of the Diné bi naat'á (government). 1 N.N.C. § 202.
- B. The practice of *Diné bi nahat'á* through the values and life way embodied in the *Diné bi beenahaz'áanii* provides the foundation of all laws proclaimed by the Navajo Nation government and the faithful adherence to *Diné bi nahat'á* will ensure the survival of the Navajo Nation. 1 N.N.C. § 202(F).

- C. It is the right and freedom of the *Diné* to choose leaders of their choice; leaders who will communicate with the people for guidance; leaders who will use their experience and wisdom to always act in the best interest of the people; and leaders who will also ensure the rights and freedoms of the generations yet to come. 1 N.N.C. § 203(A).
- D. All leaders chosen by the *Diné* are to carry out their duties and responsibilities in a moral and legal manner in representing the people and the government; the people's trust and confidence in the leaders and the continued status as a leader are dependent upon adherence to the values and principles of *Dine bi beenahazáanii*. 1 N.N.C. § 203(B).
- E. Each branch of Navajo Nation Government "works for and on behalf of the collective Navajo [P]eople in their role as *naat'aanii*." *Bahe v. Navajo Nation Labor Comm'n*, No. SC-CV-15-18, at *4 (Nav. Sup. Ct. 2018). "As a *naat'aanii*, it is a duty and an obligation to always work and seek a solution for the [P]eople, especially when the *ana' hoot'i'* concerns one's daily livelihood and requires an harmonious resolution." *Id*.
- F. In any dispute between Navajo Nation leadership, "k'é [is] the primary principle under Diné bi beenahaz'áanii, which is the Fundamental Law of the Navajo People. K'é is the high standard which the People hold our leadership in their enactments and exercise of powers during the period they hold Office, in service of the Navajo People who have chosen them, and in dealings with each other." Shirley v. Morgan, 9 Nav. R. 325, 327 (Nav. Sup. Ct. June 2, 2010).

SECTION FOUR. SEPARATION OF POWERS

- A. In 1989, the Navajo Nation Council passed Resolution CD-68-89 due to controversy involving leadership of the Navajo Nation allowing for too much centralized power without any checks on the exercise of power resulting in the abuse of power. The Navajo Nation Council decided that the Navajo Nation government cannot have concentrated power, and the government was thereby split into branches. *Shirley v. Morgan*, 9 Nav. R. 325, 335 (Nav. Sup. Ct. June 2, 2010).
- B. The Navajo Supreme Court held that the "Whereas" and "Resolved" Clauses of CD-68-89 operate today as a solemn promise by the Council to the Navajo People, intended

- to bind the hands of future Councils. See generally, *Shirley v. Morgan*, 9 Nav. R. 325, 338 (Nav. Sup. Ct. June 2, 2010).
- C. Accordingly, the Navajo Nation Council has a duty to act on its promises made to the Navajo People to ensure proper checks and balances between the three branches of Navajo government and to address any concerns related to the abuse of power to ensure a more responsible and accountable government. *Id.* See, also, CD-68-89, Whereas Clause 2.
- D. In particular, "[t]he separation of powers doctrine requires that each branch of government be permitted to exercise its duties without interference from the other two branches of government." *Shirley v. Morgan*, 9 Nav. R at 335. The Navajo Nation government contains judicial, legislative, and executive components, and "[t]hese components are expected to work cooperatively and cohesively together." *Id.* It is thus contrary to Fundamental Law if, "one of these components tries to assume a superior position." *Id.*

SECTION FIVE. LINE-ITEM VETO AUTHORITY AND LIMITATIONS.

- A. The President's Line-Item Veto authority was approved by Navajo voters through a special initiative election on December 15, 2009.
- B. The President's Line-Item Veto authority exists for two purposes: to establish sufficient checks and balances on the Navajo Nation Council; and, to control excessive spending that would otherwise be authorized by the Navajo Nation Council appropriations. *See* Legislation No. 153-20.
- C. Outside the Line-Item Veto authority created by the Initiative, the President does not have any power to control or oversee the operation of Legislative Branch offices, nor to affect their budgets except through approval or veto of the comprehensive budget. See 2 N.N.C. § 1005 (enumerating powers and duties of President); cf. 2 N.N.C. § 1005(A) (President responsible for proper and efficient operation of all *Executive Branch* offices) (emphasis added).
- D. "No branch of the Navajo Nation Government can perform or infringe on the essential functions of another branch." *Tuba City Judicial District*, 8 Nav. R. at 168.

- E. The Navajo Nation President's line-item vetoes of a comprehensive budget may provide checks and balances to the Navajo Nation Council and stem excessive spending, but they are not permitted to infringe on the essential functions of the Navajo Nation Council.
- F. The Line-Item Veto authority does not include revoking past statutory laws or resolutions, revoking or eliminating government bodies and entities that were established as promises to the Navajo people to address certain issues (e.g., the Labor Commission, Government Development, or Elections Office), or revoking other general promises that the Navajo government created as promises to the People

SECTION SIX. COMPREHENSIVE BUDGET FOR FISCAL YEAR 2026 AND LINE-ITEM VETOES BY PRESIDENT NYGREN

- A. Pursuant to 12 N.N.C. § 800, the Navajo Nation Comprehensive budget and other fiscal matters are designed to provide that important policy decisions are made in a manner consistent with rational planning and to employ policies which distribute the costs of government services between the branches.
- B. The Speaker and the President have a duty to submit a budget for their respective branch of government to the Budget and Finance Committee and to advise the Council on the annual budget. 2 N.N.C. §§ 285(B)(6), 1005(C)(6),
- C. The Budget and Finance Committee held public work sessions on the FY 2026 budget on March 24 and April 14, 2025, and even met separately and directly with the Office of the President and Vice President on April 14, 2025.
- D. From April through July 2025, President Nygren failed to offer any budget amendments, failed to provide any sort of planning for the budget for the Office of the President and Vice President, and declined multiple opportunities to discuss the budget with the Budget and Finance Committee or directly with its Chair when invited.
- E. It was not until August 2025 that President Nygren finally requested a budget of \$6,906,860 for Fiscal Year 2026 for the Office of the President and Vice President. See BFJY-54-25; Letter from B. Nygren to S. Parrish (Aug. 18, 2025).

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- F. Thereafter, President Nygren declined to attend a meeting to discuss the comprehensive budget before its adoption. See Letter from S. Parrish to Branch Chiefs (Aug. 25, 2025) (inviting participation); Responsive Letter from B. Nygren (Aug. 26, 2026).
- G. On September 4, 2025, the Navajo Nation Council passed CS-44-25, approving the Navajo Nation's Comprehensive Budget for Fiscal Year 2026 (the "FY26 Budget").
- H. CS-44-25 appropriated \$603,719,676 for the Navajo Nation's overall FY 2026 Operating Budget.
- I. The FY26 Budget appropriated \$19,694,517 for the Legislative Branch's overall operating budget.
- J. The FY2026 Budget appropriated \$19,230,997 for the Judicial Branch's operating budget.
- K. The FY2026 Budget appropriated \$524,167,817 for the Executive Branch's operating budget, including an allocation of \$5,529,245 for the Office of the President and Vice-President.
- L. On September 15, 2025, in his veto message, Navajo Nation President Buu Nygren cited supposed failure to "adequately fund the Executive Branch and the Judicial Branch" and specifically "five District Courts [that] have zero dollars in their general fund operating budgets" and failure to "include adequate funding for the Office of the President and Vice President operating budget."
- M. The omission of general fund operating budgets for five District Courts will be remedied by proposed Legislation 0219-25.
- N. The \$5,529,245 operating budget for the Office of the President and Vice President represents a 12.3% budget increase from FY2025 and a 68% budget increase since FY2023, illustrated in the chart attached as Exhibit B.
- O. On or about September 15, 2025, Navajo Nation President Buu Nygren purported to exercise his Line-Item Veto authority not merely to reduce, but to wholly *eliminate* the following budget items within the Legislative Branch: all funding for the operating expenses of the Budget and Finance Committee; all funding for the operating expenses of the Health, Education and Human Services Committee; all funding for the operating expenses of the Resources and Development Committee; all funding for the operating

 expenses of the Law and Order Committee; *all* funding for the operating expenses of the Naabik'íyáti Committee; *all* funding for stipends to the Navajo Nation Council; *all* funding for the operating expenses of the Navajo Nation Council; *all* funding for the operating expenses of the Office of the Speaker; *all* funding for the operating expenses of the Office of Legislative Counsel; *all* funding for the operating expenses of the Office of Legislative Services; *all* funding for the salaries and operating expenses of legislative district assistants; and *all* funding for the salaries and operating expenses of the Navajo Youth Advisory Council. *See* Letter from Pres. B. Nygren to Speaker C. Curley (Sept. 15, 2025) and exhibits thereto.

- P. The various eliminated operating expense budgets within the Legislative Branch include travel expenses, communications and utilities, supplies, repairs and maintenance, lease and rental costs, and existing and proposed contracts with vendors, suppliers, contractors, and professional service providers. The Navajo Nation Council, Legislative standing committees, and offices and programs in question cannot function without these operating funds.
- Q. In the September 15, 2025, letter communicating his line-item vetoes, President Nygren purported to "send a clear message that we have to come together to talk through the adequate funding for the FY2026 Comprehensive Budget" and anticipated "we can come together as soon as later this week in a Leadership Meeting," to amend the budget. Despite this supposed invitation and willingness to meet, President Nygren has subsequently refused to meet with the Council or any Committee; instead, he required delegates to meet with him individually.

SECTION SEVEN. THE LINE-ITEM VETOES ARE UNLAWFUL AND INVALID.

A. The President of the Navajo Nation shall serve as the Chief Executive Officer of the Executive Branch of the Navajo Nation government with full authority to conduct, supervise, and coordinate personnel and programs of the Navajo Nation. He/she shall have fiduciary responsibility for the proper and efficient operation of all *Executive Branch* offices. (emphasis added) 2 N.N.C. § 1005(A).

- B. Pursuant to 2 N.N.C. § 1005(C), a majority of the enumerated powers of the President require him/her to confer with the Legislative Branch and to perform his/her duties with fiduciary responsibility to the Navajo government and the Navajo People. The President's enumerated powers are:
 - 1. Faithfully execute and enforce the laws of the Navajo Nation.
 - 2. Negotiate and execute contracts subject to applicable laws.
 - 3. Appoint supervisory executive personnel subject to applicable laws.
 - 4. Appoint members of boards, commissions, and other entities subject applicable laws.
 - 5. Report quarterly to the Navajo Nation Council on the state of the Navajo Nation.
 - 6. Recommend to the Budget and Finance Committee an annual operating budget or amendments thereof for the Executive Branch and advise the Navajo Nation Council on the annual budget recommended by the Budget and Finance Committee.
 - 7. Recommend to the Navajo Nation Council supplemental appropriations for the Executive Branch.
 - Recommend legislation, rules or regulations to the Navajo Nation Council or its Committees.
 - 9. Exercise such powers as may be lawfully delegated to the Office of the President of the Navajo Nation.
 - 10. Sign legislation passed by the Navajo Nation Council into Navajo law within ten (10) calendar days after the certification of the legislation by the Speaker or Speaker Pro Tem.
 - 11. Veto legislation passed by the Navajo Nation Council subject to an override of the veto by two-thirds (2/3) vote of the membership of the Navajo Nation Council. The veto shall be exercised by the President by a letter to the Speaker specifying the reasons for the veto. The President's veto shall not be subject to an override by the Navajo Nation Council after the end of the next regular

- session of the Navajo Nation Council following the session in which the legislation was first passed by the Council.
- 12. The President's authority to sign into law or veto legislation shall be deemed to be waived if not exercised within ten (10) calendar days after certification of the legislation by the Speaker or Speaker Pro Tem and the legislation shall be deemed enacted and become effective pursuant to 2 N.N.C. § 221.
- 13. Speak and act for the Navajo Nation on any and all matters relating to the Navajo-Hopi land dispute subject to applicable laws.
- 14. Issue executive orders for the purpose of interpreting, implementing or giving administrative effect to statutes of the Navajo Nation in the manner set forth in such statutes. Executive orders shall have the force of law upon the recipient.
- C. In essence, the Navajo Nation President's powers and duties originate from the very existence and operation of the Navajo Legislative Branch, the Navajo Nation Council, and the Council's Standing Committees as established in Resolution CD-68-89.
- D. President Nygren's line-item vetoes are unlawful for the following reasons:
 - President Nygren's line-item vetoes obstruct the work and responsibilities of the leadership of the Legislative Branch whom the Navajo People elected to represent them in the Navajo Nation Government. "All delegates of the Navajo Nation Council shall attend all regular and special meetings of the Navajo Nation Council or Committees..." 2 N.N.C § 167.
 - 2. President Nygren's line-item vetoes prevent the Nation's Legislative Branch from providing direct services to the Navajo People. The Navajo Nation Council, amongst many other responsibilities are, "[t]o protect the interests of the Navajo People through the prudent management of the financial reserves of the Navajo Nation and the use of funds available for expenditure by the Navajo Nation" 2 N.N.C. § 300 (C)(4). "To oversee the Navajo Nation policies and priorities to optimize the delivery of social services and health services to the Navajo people consistent with the traditional practices and customs of the Navajo People. 2 N.N.C. § 400 (C)(4). "To establish policies and legislation appropriate to the housing needs of the Navajo Nation and its People." 2 N.N.C. § 500 (C)(3).

- 3. President Nygren's line-item vetoes interfere with the essential functions of government performed by the Legislative Branch of the Navajo Nation. For example, the Office of Legislative Counsel is, "to provide legal representation to the Navajo Nation Council, standing committees, commissions and boards of the Navajo Nation Council, offices and programs of the Legislative Branch, independent of the Department of Justice . . . to represent the legal interests of the Legislative Branch of the Navajo Nation." 2 N.N.C. § 964 (A)(7).
- 4. President Nygren's line-item vetoes render impossible the Navajo Nation Council's duty to oversee the Executive Branch of the Nation's government, to ensure accountability and responsible governance.
- 5. In many cases, the services impeded or blocked by President Nygren's line-item vetoes are required by Navajo fundamental law, the Navajo Nation Code, and the doctrine of separation of powers.
- President Nygren's use of line-item vetoes to defund the Legislative Branch
 violates the separation of powers between the branches of the Navajo Nation
 government and exceeds the line-item veto authority granted to the President of
 the Nation.
- E. President Nygren has not used *Diné bi beenahaz'áanii* in his decision to defund the Legislative Branch thereby preventing the Legislative Branch from performing its governmental functions of legislating and providing oversight of the Executive Branch.
- F. President Nygren's line-item vetoes undermine the very intent that caused the amendments to Title II as demonstrated in the Whereas clauses of Resolution CD-68-89.
- G. The Navajo Nation Council hereby expresses its dissatisfaction with President Nygren's leadership of the Navajo Nation and his inability to perform the powers and duties in accordance with his fiscal and fiduciary responsibility as required under Navajo law.
- H. The Navajo Nation Council hereby disapproves of Navajo Nation President Nygren's abuse of power with regard to the line-item vetoes exercised in the FY2026 Budget.

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SECTION EIGHT. DIRECTIVE TO THE OFFICE OF MANAGEMENT AND BUDGET

- A. The Navajo Nation Council directs the Office of Management and Budget (OMB) to disregard President Nygren's line-item vetoes to CS-44-25 eliminating funds for operations of the Legislative Branch for Fiscal Year 2026, as they are unlawful and invalid.
- B. The Navajo Nation Council directs the OMB to recalculate numerical values or to make any other changes to the exhibits to CS-44-25 such that they conform to CS-44-25 and to any amendments thereto passed by the Navajo Nation Council.
- C. If for any reason, the proposed directive is rejected or OMB fails to comply, within fifteen (15) calendar days of approval of this resolution, the Executive Director of OMB shall provide a written memo to the Navajo Nation Council outlining the reasons the directive is rejected or incomplete.

SECTION NINE. DIRECTIVE TO THE OFFICE OF THE CONTROLLER

- A. The Navajo Nation Council directs the Office of the Controller to disregard President Nygren's line-item vetoes to CS-44-25 eliminating funds for operations of the Legislative Branch for Fiscal Year 2026, as they are unlawful and invalid.
- B. The Navajo Nation Council directs the Office of the Controller to conduct its duties in accordance with the budgets and values set forth by the Office of Management and Budget consistent with CS-44-25 and any amendments thereto passed by the Navajo Nation Council.
- C. If for any reason, the proposed directive is rejected or the Controller fails to comply, within fifteen (15) calendar days of approval of this resolution, Controller shall provide a written memo to the Navajo Nation Council outlining the reasons the directive is rejected or incomplete.

SECTION TEN. EFFECTIVE DATE

The Directives enacted herein shall be effective pursuant to 2 N.N.C. §§ 164(A)(17) and 221(B).