

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0176-26_

SPONSOR: Crystalayne Curley

TITLE: An Action Relating to the Resources and Development, Budget and Finance, and Naabik'iyáti' Committees, and the Navajo Nation Council; Approving an Appropriation of \$34,019,365 from the Unreserved, Undesignated Fund Balance ("UUFB") for Drought Response and Mitigation Efforts; Waiving 12 N.N.C. § 820(N)(1); Waiving Fiscal Year 2026 Budget Instructions Manual Section (13)A(4)(a)

Date posted: July 13, 2026 at 8:23PM

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LEGISLATIVE SUMMARY SHEET

Tracking No. 0176-26

DATE: July 13, 2026

AN ACTION AN ACTION RELATING TO THE RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES, AND THE NAVAJO NATION COUNCIL; APPROVING AN APPROPRIATION OF \$34,019,365 FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE ("UUF") FOR DROUGHT RESPONSE AND MITIGATION EFFORTS; WAIVING 12 N.N.C. §820(N)(1); WAIVING FISCAL YEAR 2026 BUDGET INSTRUCTIONS MANUAL SECTION 13(A)(4)(a)

PURPOSE: This resolution, if approved, would appropriate \$34,019,365 from the UUF to various departments under the Division of Natural Resources for drought response and mitigation activities.

FINAL AUTHORITY: Navajo Nation Council

VOTE REQUIRED: 7/8 Vote of full membership

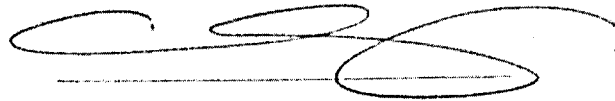
This written summary does not address recommended amendments as may be provided by the standing committees. The Office of Legislative Counsel requests each Council Delegate to review each proposed resolution in detail.

5-DAY BILL HOLD PERIOD: apohusan
Website Posting Time/Date: _____
Posting End Date: 07-18-26
Eligible for Action: 07-19-26

Resources & Development Committee
Thence
Budget & Finance Committee
Thence
Naabik'iyáti' Committee
Thence
Navajo Nation Council

PROPOSED NAVAJO NATION COUNCIL RESOLUTION
25th NAVAJO NATION COUNCIL – FOURTH YEAR, 2026

Introduced by:



(Prime Sponsor)

Tracking No. 0176-26

AN ACTION

RELATING TO THE RESOURCES AND DEVELOPMENT, BUDGET AND
FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES, AND THE NAVAJO NATION
COUNCIL; APPROVING AN APPROPRIATION OF \$34,019,365 FROM THE
UNRESERVED, UNDESIGNATED FUND BALANCE ("UUFb") FOR DROUGHT
RESPONSE AND MITIGATION EFFORTS; WAIVING 12 N.N.C. §820(N)(1);
WAIVING FISCAL YEAR 2026 BUDGET INSTRUCTIONS MANUAL SECTION
13(A)(4)(a)

BE IT ENACTED:

SECTION ONE. AUTHORITY

- A. The Resources and Development Committee is a standing committee of the Navajo Nation Council and has oversight authority over water, land, grazing, environment, agriculture, livestock, and wildlife. 2 N.N.C. § 500(A) and (C).
- B. The Budget and Finance Committee is a standing committee of the Navajo Nation Council and has the authority to review and recommend to the Council the budgeting, appropriation, investment and management of all funds. 2 N.N.C. § 300(A) and § 301(B)(2).
- C. The Naabik'iyáti' Committee is a standing committee of the Navajo Nation Council with the authority to hear all proposed resolutions that require final action by the

Council, and serves as the oversight Committee for the offices, programs, commissions, boards or task forces under the Legislative Branch. 2 N.N.C. § 164(A)(9), § 700(A) and § 701(A)(5).

D. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. § 102(A).

E. The Navajo Nation Council recognizes that prolonged drought conditions pose an immediate threat to the health, safety, welfare, and economic stability of the Navajo Nation and its people. Funding is necessary to ensure the timely implementation of drought response measures, including the development and improvement of water sources, the installation of water infrastructure, and other activities necessary to provide emergency water access and mitigate the impacts of drought on Navajo communities, livestock, agriculture, and natural resources.

F. All reasonable efforts shall be made to develop water sources already available in [drought-]stricken areas. Where sound wells equipped with windmills are not producing properly, engines and pump jacks shall be installed. Equipment and labor shall be paid for out of appropriated funds, but operation of the installations shall be at the direction of each community, and the costs paid for by the people making use of the facilities. 22 N.N.C. § 123(A).

G. In areas where natural water sources are not adequate, special equipment shall be purchased and installed under the special water program. Storage tanks, hauling tanks, drinking troughs, pumps, pipe and fixtures shall be acquired and installed under the program where the need and efficiency make it most feasible. 22 N.N.C. § 123(B).

H. The Navajo Nation Council “may adopt and approve supplemental appropriations to the Annual Comprehensive Budget during the fiscal year. Supplemental appropriations of General Funds within the current fiscal year are permitted, if and when additional sources of revenues above and beyond the initial or current revenue projections are projected and which are also in excess of the reserve amount set forth at § 820(J).” 12 N.N.C. § 820(L).

1 I. The restrictions on supplemental appropriations, including all amounts from the
2 UUFB, include:

- 3 1. Payment of recurring government operating expenses shall be from recurring
4 revenues, and payment of nonrecurring expenses shall be from nonrecurring
5 revenues such as UUFB funds. 12 N.N.C. § 820(E), and § 820(F).
- 6 2. Specifically, the UUFB shall not be used for recurring government
7 expenditures or operations. 12 N.N.C. § 820(J) and, § 820(L).
- 8 3. Nonrecurring revenues such as UUFB funds may be used only after the
9 Controller determines whether or not such revenues are subsidizing an
10 imbalance between the Navajo Nation's recurring revenues and expenditures,
11 and government expenditures shall only be authorized if a long-term (3-year
12 to 5-year) forecast shows that the operating deficit will not continue;
13 otherwise, nonrecurring revenues will be added to the Unreserved,
14 Undesignated Fund Balance. 12 N.N.C. § 820(F).
- 15 4. The above provisions in Title 12 may be amended or waived by a two-thirds
16 vote of the full Navajo Nation Council. 12 N.N.C. § 820(F).
- 17 5. In compliance with 12 N.N.C. § 820(F), all UUFB funding requests must be
18 reviewed by the Controller. Such review is also required because the
19 Controller determines which revenues and expenses are recurring and which
20 are non-recurring. 12 N.N.C. § 820(L).
- 21 6. In compliance with 12 N.N.C. § 820(B) and (M), all UUFB funding requests
22 must be submitted to the Office of Management and Budget ("OMB") for a
23 budget impact analysis.
- 24 7. Pursuant to 12 N.N.C. § 820(N)(4), UUFB appropriations revert to the
25 General Fund at the end of the fiscal year unless the Navajo Nation Council
26 waives such reversion by a 7/8 vote.

27 28 **SECTION TWO. FINDINGS.**

- 29 A. The Navajo Nation is experiencing severe and prolonged drought conditions that
30 continue to adversely impact domestic water availability, livestock operations,

1 agricultural production, rangeland conditions, and the overall health, safety, and
2 welfare of the Navajo people, making it necessary to provide funding for drought
3 response, mitigation, and disaster relief activities throughout the Navajo Nation.

4 B. The drought has resulted in significant reductions in surface water supplies, unreliable
5 groundwater access in certain areas, drying of springs and stock ponds, increased
6 reliance on hauled water, livestock stress and potential herd losses, reduced
7 agricultural productivity, and increased economic hardship for families and
8 communities that depend on livestock and agriculture for subsistence and income.

9 C. The Navajo Nation Council recognizes that drought conditions have escalated to a
10 level requiring emergency response and drought-related disaster relief services, as
11 demonstrated by the Navajo Nation's declaration of a State of Emergency and the
12 implementation of Stage 2 fire restrictions in response to extreme drought conditions
13 and the heightened risk of wildfires throughout the Navajo Nation.

14 D. The Navajo Nation Council finds that the current drought conditions constitute an
15 emergency requiring immediate and coordinated response efforts to prevent further
16 harm to human health, livestock, agricultural systems, and natural resources across
17 the Navajo Nation.

18 E. The extreme drought conditions have also increased public safety and resource
19 management concerns, including heightened wildfire risk, strain on local
20 infrastructure due to increased water hauling activity, and increased costs associated
21 with emergency response and mitigation efforts.

22 F. Navajo Nation law authorizes the development, improvement, and expansion of water
23 infrastructure in drought-affected areas, including the restoration of existing wells,
24 installation of pumps and related equipment, and the acquisition and installation of
25 water storage and delivery systems where natural water sources are inadequate.

26 G. The Division of Natural Resources ("DNR") is the primary entity responsible for
27 implementing drought response and mitigation activities, including but not limited to
28 water hauling support, livestock watering assistance, agricultural drought relief,
29 infrastructure deployment, and coordination with local communities to address
30 immediate water and resource needs.

- 1 H. The Navajo Nation Council finds that coordinated action by DNR is necessary to
2 ensure that drought response efforts are effectively implemented, efficiently
3 managed, and distributed to the communities and producers most affected by drought
4 conditions.
- 5 I. The severity and geographic scope of the drought requires immediate financial
6 intervention to prevent further deterioration of water access, livestock conditions, and
7 agricultural productivity across the Navajo Nation.
- 8 J. On October 7, 2003, the Navajo Nation Commission on Emergency Management
9 (“CEM”) passed Resolution No. CEM-031007, attached as **Exhibit A**, which
10 approved the Navajo Nation Drought Contingency Plan 2003. The Plan was
11 developed to provide guidance to individuals, Chapters, and tribal and federal
12 programs in preparing for, responding to, and mitigating the impacts of drought
13 throughout the Navajo Nation.
- 14 K. On June 9, 2026, CEM passed Resolution No. CEM 26-003, attached as **Exhibit B**,
15 which declared a State of Emergency due to severe and on-going drought conditions
16 affecting the Navajo Nation.
- 17 L. On June 30, 2026, the DNR provided a memorandum, attached as **Exhibit C**,
18 requesting supplemental funding from the UUFB to support emergency drought
19 response activities across the Navajo Nation.
- 20 M. On July 2, 2026, the Navajo Nation President issued Executive Order No. 03-2026,
21 attached as **Exhibit D**, which set Stage 2 Fire Restrictions for the Navajo Nation due
22 to high temperatures, inadequate precipitation, high wind conditions and low relative
23 humidities affecting the Navajo Nation.
- 24 N. The proposed emergency drought response activities, together with their
25 corresponding project descriptions and estimated costs, attached as **Exhibit E**,
26 provides the basis for the supplemental appropriations request.
- 27 O. The DNR has provided the required Navajo Nation budget forms for the Department
28 of Agriculture, along with the Appendix J - Supplemental Funding Proposal
29 Summary. Budget Forms are attached as **Exhibit F**.
- 30

- 1 P. The DNR has provided the required Navajo Nation budget forms for the Department
2 of Water Resources, along with the Appendix J - Supplemental Funding Proposal
3 Summary. Budget Forms are attached as **Exhibit G**.
- 4 Q. The DNR has provided the required Navajo Nation budget forms for the Department
5 of Fish and Wildlife, along with the Appendix J - Supplemental Funding Proposal
6 Summary. Budget Forms are attached as **Exhibit H**.
- 7 R. The Department of Water Resources ("DWR") has provided the required Navajo
8 Nation budget forms, along with the Appendix J – Supplemental Funding Proposal
9 Summary. Budget Forms are attached as **Exhibit I**.
- 10 S. The San Juan River Dineh Water Users, Inc. ("Dineh Water Users") has provided the
11 required grant application and Navajo Nation budget forms, along with the Appendix
12 J – Supplemental Funding Proposal Summary. The submitted documents indicate the
13 DNR's Department of Water Resources shall be the responsible entity to administer
14 the grant and monitor the Dineh Water Users' expenditure of grant funds. The Grant
15 Application and Budget Forms are attached as **Exhibit J**.
- 16 T. The Office of the Controller provided a memorandum as required by 12 N.N.C.
17 §820(L), indicating that the proposed expenditures include *non-recurring*
18 expenditures. The Controller's Memo is attached as **Exhibit K**.
- 19 U. The Office of Management and Budget ("OMB") provided its memorandums as
20 required by 12 N.N.C. §820(M). The OMB Memos are attached as **Exhibit L**.
- 21 V. Chapters submitted resolutions, attached as **Exhibit M**, expressing support for Dineh
22 Water Users to assist Navajo farmers and ranchers in the operation, maintenance, and
23 repair of irrigation systems along the San Juan River.
- 24

25 **SECTION THREE. APPROVAL OF \$9,450,000 FROM THE UUFb FOR THE**
26 **DEPARTMENT OF AGRICULTURE TO IMPLEMENT DROUGHT RESPONSE**
27 **AND MITIGATION ACTIVITIES**

- 28 A. The Navajo Nation hereby approves supplemental appropriation in the amount of
29 \$9,450,000 from the UUFb for the Department of Agriculture to mitigate the impacts
30 of drought through livestock supplemental feed assistance, farm and ranch

1 infrastructure improvement projects, agricultural field and irrigation canal repair
2 projects, the Feral Horse Management Program, and other drought response and
3 mitigation activities, in accordance with the attached **Exhibit F**.

4 B. This supplemental appropriation approved herein shall be from those funds that
5 exceed the minimum fund reserve balance of the UUFB required by 12 N.N.C. §
6 820(J).

7 C. Upon the effective date of this resolution, the approved UUFB funds shall be
8 promptly transferred into those budget line items listed in the attached **Exhibit F**.

9
10 **SECTION FOUR. APPROVAL OF \$15,469,365 FROM THE UUFB FOR THE**
11 **DEPARTMENT OF WATER RESOURCES TO IMPLEMENT DROUGHT**
12 **RESPONSE AND MITIGATION ACTIVITIES**

13 A. The Navajo Nation hereby approves supplemental appropriation in the amount of
14 \$15,469,365 from the UUFB for the Department of Water Resources to implement
15 drought response and mitigation activities by improving, rehabilitating, repairing,
16 maintaining, and developing water infrastructure and water resource facilities to
17 enhance water availability for agricultural, livestock, and community use, in
18 accordance with the attached **Exhibit G**.

19 B. This supplemental appropriation approved herein shall be from those funds that
20 exceed the minimum fund reserve balance of the UUFB required by 12 N.N.C. §
21 820(J).

22 C. Upon the effective date of this resolution, the approved UUFB funds shall be
23 promptly transferred into those budget line items listed in the attached **Exhibit G**.

24
25 **SECTION FIVE. APPROVAL OF \$600,000 FROM THE UUFB FOR THE**
26 **DEPARTMENT OF FISH AND WILDLIFE FOR CLIMATE ADAPTATION AND**
27 **WILDLIFE WATER INFRASTRUCTURE**

28 A. The Navajo Nation hereby approves supplemental appropriation in the amount of
29 \$600,000 from the UUFB for the Department of Fish and Wildlife to mitigate the
30 impacts of drought by supporting climate adaptation planning and wildlife water

1 infrastructure improvements, in accordance with the attached **Exhibit H**.

2 B. This supplemental appropriation approved herein shall be from those funds that
3 exceed the minimum fund reserve balance of the UUFB required by 12 N.N.C. §
4 820(J).

5 C. Upon the effective date of this resolution, the approved UUFB funds shall be
6 promptly transferred into those budget line items listed in the attached **Exhibit H**.

7
8 **SECTION SIX. APPROVAL OF \$7,500,000 FROM THE UUFB FOR THE**
9 **DEPARTMENT OF WATER RESOURCES TO REPAIR AND RESTORE**
10 **WINDMILLS ON THE NAVAJO PARTITIONED LANDS**

11 A. The Navajo Nation hereby approves supplemental appropriation in the amount of
12 \$7,500,000 from the UUFB for the Department of Water Resources to repair,
13 rehabilitate, restore, replace, and improve windmills and related water delivery
14 components serving fifteen (15) Chapters within the Navajo Partitioned Lands to
15 increase the reliability and availability of livestock and domestic water sources, in
16 accordance with the attached **Exhibit I**.

17 B. This supplemental appropriation approved herein shall be from those funds that
18 exceed the minimum fund reserve balance of the UUFB required by 12 N.N.C. §
19 820(J).

20 C. Upon the effective date of this resolution, the approved UUFB funds shall be
21 promptly transferred into those budget line items listed in the attached **Exhibit I**.

22
23 **SECTION SEVEN. APPROVAL OF \$1,000,000 FROM THE UUFB FOR THE**
24 **SAN JUAN RIVER DINEH WATER USERS, INC. TO SUPPORT**
25 **AGRICULTURAL IRRIGATION AND WATER DELIVERY ALONG THE SAN**
26 **JUAN RIVER**

27 A. The Navajo Nation hereby approves supplemental appropriation in the amount of
28 \$1,000,000 from the UUFB for the San Juan River Dineh Water Users, Inc. ("Dineh
29 Water Users") to support irrigation system operations, maintenance, repairs, and water
30 management activities, and to provide assistance to farm boards along the San Juan

1 River in sustaining agricultural production and water delivery, in accordance with the
2 attached **Exhibit J**.

3 B. This supplemental appropriation approved herein shall be from those funds that
4 exceed the minimum fund reserve balance of the UUFB required by 12 N.N.C. §
5 820(J).

6 C. Within thirty (30) business days after the effective date of this Action, the Controller
7 shall transfer the approved UUFB funds to the Navajo Nation Department of Water
8 Resources (“DWR”).

9 D. DWR shall administer the funds and provide the money to the Dineh Water Users, in
10 accordance with an appropriate grant agreement, memorandum of agreement, or other
11 legal document executed by the Dineh Water Users and the Navajo Nation. Said
12 agreement shall be binding upon the parties, shall be approved by DWR and the
13 Controller, and shall establish a project schedule, payment or drawdown plan, fund
14 management plan, or other relevant procedures governing the use of funds described
15 in **Exhibit J**.

16 E. The Dineh Water Users shall be responsible for complying with all provisions of the
17 legal agreement described in Section Seven (D) above.

18 F. DWR and the Dineh Water Users shall submit a written report, and a verbal report if
19 so requested, explaining the ongoing status of projects and their expenditure of the
20 approved UUFB funds, to the Resources and Development Committee. Said reports
21 shall be provided by the end of each Fiscal Year Quarter until all water infrastructure
22 projects are complete or all UUFB funds approved in this Action are exhausted.

23
24 **SECTION EIGHT. WAIVING 12 N.N.C. §820(N)(1)**

25 The Navajo Nation waives 12 N.N.C. §820(N)(1) to the funds appropriated herein. Any
26 unexpended or unencumbered balance of the \$34,019,365 appropriated under this Action
27 shall not revert to the UUFB at the end of Fiscal Year 2026, but shall remain available for
28 expenditure for the purposes authorized herein until fully expended.

29
30 **SECTION NINE. WAIVING FY 2026 BIM SECTION 13(A)(4)(a)**

1 The Navajo Nation waives the Fiscal Year 2026 Budget Instructions Manual Section
2 13(A)(4)(a) which requires budgets approved under this Action to be prorated through the
3 remainder of FY 2026. The recipients of the appropriations herein may budget
4 expenditures beyond FY 2026 as necessary to implement the authorized programs and
5 projects.

6
7 **SECTION TEN. EFFECTIVE DATE**

8 This Action shall become effective in accordance with 2 N.N.C. §221(B) and 2 N.N.C.
9 §164(A)(17).

10
11 **SECTION ELEVEN. SAVING CLAUSE**

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