



25TH NAVAJO NATION COUNCIL

25TH NAVAJO NATION COUNCIL OFFICE OF THE SPEAKER

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Navajo Nation Council approves \$14.7 million to continue chapter projects through Revenue Replacement Reserve



Council Delegate Shawna Ann Claw sponsored Legislation No. 0213-26 in support of the completion of chapter projects through the Navajo Nation Fiscal Recovery Fund.

WINDOW ROCK, Ariz. — On Wednesday, the 25th Navajo Nation Council approved Legislation No. 0213-26, appropriating \$14,695,801 to the Revenue Replacement Reserve to support the completion of chapter projects originally funded through the Navajo Nation Fiscal Recovery Fund.

Sponsored by Council Delegate Shawna Ann Claw, the legislation replaces federal funding for 18 projects across eight delegate regions with Navajo Nation funding from the Unreserved Undesignated Fund Balance. It also directs the Office of the Controller to redirect the affected federal funds to other eligible fiscal recovery uses capable of meeting the applicable federal expenditure deadline.

Claw said the measure would help chapters complete previously approved projects despite administrative delays and approaching funding deadlines.

"This is not new funding, but what they were already allocated and unable to expend at this time," Claw said.

The projects include home renovations in Birdsprings, house weatherization in Teesto, consulting services in Nazlini, personnel and electrical connections in Whippoorwill, housing

improvements in Pinon, affordable housing in Bodaway Gap, bathroom additions and house wiring in Naschitti, community improvements in Chinle, and a waterline extension in Ganado.

The Navajo Nation established Sept. 30, 2026, as its internal expenditure deadline for fiscal recovery projects. The legislation identifies Dec. 31, 2026, as the applicable federal expenditure deadline for the affected funds. Moving the chapter projects to the Revenue Replacement Reserve allows them to continue beyond those deadlines using Navajo Nation general funds.

During her presentation, Claw described challenges that slowed chapter spending, including lengthy revisions to subrecipient agreements, delays obtaining required reviews and signatures, discrepancies between chapter and central financial records, and differing schedules for releasing project funds.

“You’ll notice there was not a consistent award basis, and that was based on their SRA,” Claw said, referring to the subrecipient agreements governing chapter funding.

The legislation preserves the approved purposes, scope and expenditure plans of the transferred projects. It does not increase the original \$8,802,340 allocation for any delegate region. The Office of the Controller, assisted by the Fiscal Recovery Fund Office and Office of Management and Budget, will implement the transfers and may adjust amounts to ensure accurate accounting.

Council Delegate Cherilyn Yazzie raised questions about reconciling project balances, documenting eligible receiving projects and ensuring that redirected federal funds comply with U.S. Treasury requirements. The legislation requires the federal transfers to be properly documented, closed out and reported, and directs the Controller to provide quarterly implementation reports to the Budget and Finance Committee.

The Department of Justice will also work with the Division of Community Development and affected chapters to revise agreements as necessary. The measure directs the responsible offices to prevent gaps in project funding during the transition.

“I hope that I have thoroughly explained the process of which we are requesting for your support, so that we can continue these projects for our chapters and communities,” Claw said.

The Navajo Nation Council serves as the final authority for Legislation No. 0213-26 and approved the measure with a vote of 17 in favor and three opposed.

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