

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0062-20__

SPONSOR: Amber Kanazbah Crotty

TITLE: An Action Relating To An Emergency; Approving Supplemental Funding From The Unreserved, Undesignated Fund Balance In The Amount Of Four Million Dollars (\$4,000,000) For Emergency Funds To The Navajo Department Of Health, COVID-19 Emergency Funds, Business Unit New

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LEGISLATIVE SUMMARY SHEET

Tracking No. 0062-20

DATE: March 19, 2020

TITLE OF RESOLUTION: AN ACTION RELATING TO AN EMERGENCY; APPROVING SUPPLEMENTAL FUNDING FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF \$4,000,000 FOUR MILLION DOLLARS FOR EMERGENCY FUNDS TO THE NAVAJO DEPARTMENT OF HEALTH, COVID-19 EMERGENCY FUNDS, BUSINESS UNIT NEW

PURPOSE: The purpose of this resolution is to approve a supplemental appropriation to the Navajo Department of Health.

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.

PROPOSED NAVAJO NATION COUNCIL RESOLUTION
24th NAVAJO NATION COUNCIL – Second Year, 2020

INTRODUCED BY

(Prime Sponsor)



TRACKING NO. 0062-20

AN ACTION

RELATING TO AN EMERGENCY; APPROVING SUPPLEMENTAL FUNDING FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF FOUR MILLION DOLLARS (\$4,000,000) FOR EMERGENCY FUNDS TO THE NAVAJO DEPARTMENT OF HEALTH, COVID-19 EMERGENCY FUNDS, BUSINESS UNIT NEW

BE IT ENACTED:

SECTION 1. AUTHORITY

- A. The Navajo Nation Council is the governing of body of the Navajo Nation. 2 N.N.C. § 102(A).
- B. Pursuant to 2 N.N.C. §164 (A)(16) “[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.”
- C. The Navajo Nation Council has the authority to approve supplemental appropriations. 12 N.N.C. § 820(L). Pursuant to 12 N.N.C. § 820 (L), “[t]he Navajo Nation Council may adopt and approve supplemental appropriations to the Annual Comprehensive Budget

1 during the fiscal year. Supplemental appropriations of General Funds within the current
2 fiscal year are permitted, if and when additional sources of revenues above and beyond
3 the initial or current revenue projections are projected and which are also in excess of the
4 reserve amount set forth at § 820(J).”

5 D. The Title 12 Finance Act Supplemental Appropriation requirements include:

- 6 1. All requests for annual operating funds and supplemental funds shall be submitted
7 to the Office of Management and Budget for budget impact analysis. 12 N.N.C.
8 § 820(M).
- 9 2. When the Controller identifies additional sources of revenues above and beyond
10 the initial or current revenue projections, supplemental appropriations may be
11 approved by the Navajo Nation Council. 12 N.N.C. § 820(L).
- 12 3. Supplemental Appropriations made from non-recurring revenues shall only be
13 made for non-recurring operations or purposes, as set forth at § 820(F). The
14 Controller of the Navajo Nation shall be responsible for designation recurring and
15 non-recurring revenues. 12 N.N.C. § 820(L).
- 16 4. The Nation shall budget all recurring operating expenses, including capital
17 maintenance, from recurring revenues. Long term debt shall not be used to finance
18 recurring operating expenses. 12 N.N.C. §820(E).
- 19 5. The Navajo Nation Code provides, “[t]he Nation shall restrict non-recurring
20 revenues to budget non-recurring expenditures. In addition, non-recurring revenues
21 will be budgeted only after an examination by the Controller to determine whether
22 or not the revenues are subsidizing an imbalance between recurring revenues and
23 expenditures, and expenditures may be authorized only if a long-term (three-five
24 year) forecast shows that the operating deficit will not continue. Otherwise, non-
25 recurring revenues will be added to the Unreserved, Undesignated Fund balance.
26 This provision may be amended or waived by a two-thirds vote of the full Navajo
27 Nation Council.” 12 N.N.C. § 820(F).

1 **SECTION 2. FINDINGS**

- 2 A. In light of the Navajo Nation's Emergency Declaration regarding the outbreak of the
3 COVID-19 virus this supplemental funding request is made for the purpose of
4 emergency financial stability to address all aspects of providing emergency services
5 including, preparedness, mitigation, response, and recovery. The aim of the funding is
6 to reduce the harmful health effects of the pandemic virus.
- 7 B. The Navajo Department of Health has requested a supplemental appropriation for
8 COVID-19 Emergency Funds, Business Unit New. The total amount requested is Four
9 Million Dollars (\$4,000,000). The budget documents are attached as **Exhibit A**.
- 10 C. Due to the emergency nature of the funding request, the budget impact analysis
11 required by 12 N.N.C. 820(M) can be provided by the Office of Management and
12 Budget when this matter is heard by Council either in person or telephonically.
- 13 D. Due to the emergency nature of the funding request the Controller can satisfy the
14 requirements provided in 12 N.N.C. § 820(L) when this matter is heard by Council
15 either in person or telephonically.

16

17 **SECTION 3. APPROVING SUPPLEMENTAL FUNDING FROM THE**
18 **UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF**
19 **FOUR MILLION DOLLARS (\$4,000,000) FOR EMERGENCY FUNDS TO THE**
20 **NAVAJO DEPARTMENT OF HEALTH, COVID-19 EMERGENCY FUNDS,**
21 **BUSINESS UNIT NEW**

- 22 A. This supplemental appropriation of \$4,000,000 shall be from that amount of funds
23 that exceeds the minimum fund balance of the Unreserved, Undesignated Fund
24 Balance as determined by the Office of the Controller and as indicated the documents
25 in **Exhibit A**.
- 26 B. The Navajo Nation hereby approves supplemental funding from the Unreserved,
27 Undesignated Fund Balance in the amount of \$4,000,000 for emergency funds as
28 indicated in the documents in **Exhibit A**.
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