# THE NAVAJO NATION LEGISLATIVE BRANCH INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: <u>0173-19</u> SPONSOR: <u>Herman M Daniels</u>

TITLE: An Action Relating To The Resources And Development Committee,
Budget And Finance Committee, NAABIK'IYATI' Committee, And The Navajo
Nation Council; Allocating \$9,565,000 From The Shashin Fund To The Office Of
Diné Youth And Approving And Adopting The Shonto Youth Center Fund
Expenditure Plan Pursuant To 12 N.N.C. §§ 2501 - 2508

Date posted: June 28, 2019 at 4:54 PM

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Office of Legislative Services
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### LEGISLATIVE SUMMARY SHEET

Tracking No. <u>0/73-/9</u>

DATE:

June 25, 2019

TITLE OF RESOLUTION: AN ACTION RELATING TO THE RESOURCES AND DEVELOPMENT COMMITTEE, BUDGET AND FINANCE COMMITTEE, NAABIK'ÍYÁTI' COMMITTEE, AND THE NAVAJO NATION COUNCIL; ALLOCATING \$9,565,000 FROM THE SÍHASIN FUND TO THE OFFICE OF DINÉ YOUTH AND APPROVING AND ADOPTING THE SHONTO YOUTH CENTER FUND EXPENDITURE PLAN PURSUANT TO 12 N.N.C. §§ 2501-2508.

**PURPOSE:** If approved, this resolution will allocate \$9,565,000 from the Síhasin Fund to the Office of Diné Youth and approve and adopt the Shonto Youth Fund Expenditure Plan pursuant to 12 N.N.C. §§ 2501-2508.

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.

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1	PROPOSED NAVAJO NATION COUNCIL RESOLUTI	
2	24th NAVAJO NATION COUNCIL – First Year, 2019 Naa'bik'íyáti' C	Thence ommittee
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4	Navajo Nation	n Council
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10	AN ACTION	
11	RELATING TO THE RESOURCES AND DEVELOPMENT COMMITTEE, BUDGET	
12	AND FINANCE COMMITTEE, NAABIK'ÍYÁTI' COMMITTEE, AND THE NAVAJO	
13	NATION COUNCIL; ALLOCATING \$9,565,000 FROM THE SÍHASIN FUND TO	
14	THE OFFICE OF DINÉ YOUTH AND APPROVING AND ADOPTING THE	
15	SHONTO YOUTH CENTER FUND EXPENDITURE PLAN PURSUANT TO 12	
16	N.N.C. §§ 2501- 2508.	
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18	BE IT ENACTED:	
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20	Section One. Authority	
21	A. The Navajo Nation Council is the governing body of the Navajo Nation. 2	
22	N.N.C. § 102 (A).	
23	B. The Naabik'íyáti' Committee of the Navajo Nation Council is empowered to	
24	review all proposed legislation which requires final action by the Navajo Nation	
25	Council. 2 N.N.C. §164(A)(9).	
26	C. The Budget and Finance Committee of the Navajo Nation Council is empowered	
27	to review and recommend to the Navajo Nation Council the budgeting,	
28	appropriation, investment, and management of all funds. 2 N.N.C. § 301(B) (2).	
29	D. The Resources and Development Committee of the Navajo Nation Council has	
30	oversight of the chapters of the Navajo Nation, 2 N.N.C. § 501(C)(1).	

E. The Naabik'íyáti Committee of the 24<sup>th</sup> Navajo Nation Council continued the Naabik'íyáti Síhasin Fund Subcommittee in Resolution NABIAP-23-19. The Naabik'íyáti Síhasin Fund Subcommittee was initially established in 2015 by Resolution NABIAP-20-15 to provide recommendations to the Naabik'íyáti Committee and Navajo Nation Council for projects to be funded using Síhasin Funds. Notwithstanding the creation and continuation of the Naabik'íyáti Síhasin Fund Subcommittee, approval from the Subcommittee is not a requirement for the Navajo Nation Council to approve Síhasin Fund expenditure plans.

F. The Navajo Nation Code provides the purpose of the Navajo Nation Síhasin Fund ("Síhasin Fund") is as follows:

### § 2502 Purpose

- A. The purposes of this Fund are to provide financial support and/or financing for:
  - 1. The planning and development of economic development and regional infrastructure supporting economic development and community development, including such infrastructure as, but not limited to, housing, commercial and government buildings, waterline, solid waste management development, powerline projects, and transportation and communication systems, within the Navajo Nation; and
  - 2. Education opportunities for members of the Navajo Nation.
- B. For the purpose in § 2502(A)(1), fund expenditures for infrastructure shall not be limited by 12 N.N.C § 1310(F) or TCDCJY-77-99.
- C. Leveraging the Fund by way of guaranteeing loans, match funding, direct funding in part, and other weighted uses of the Fund, including loan financing from the Fund, for the purposes in § 2502(A)(1), shall be favored over direct funding in whole.

12 N.N.C. § 2502, as amended by CJA-03-18.

G. The Sihasin Fund provides that "Fund Principal" shall consist of all deposits made to the Sihasin Fund and that "Fund Income" shall consist of all earnings (interest, dividends, etc.) generated and realized by the Fund Principal, and that Fund Income shall be deposited in and added to Fund Principal until such time as a Fund Expenditure Plan is duly adopted. 12 N.N.C. §§ 2504 and 2505 (C).

## Section Two. Findings

- A. The Shonto Youth Center Project is detailed in the project proposal attached as **Exhibit A**.
- B. A project summary and an architectural design schematic are attached within Exhibit A.
- C. Letters of support for the Shonto Youth Center are attached within Exhibit A.
- D. The Shonto Community Governance will submit matching funds in the amount of \$1,300,000.00. See Exhibit A.

## Section Three. Allocation of \$9,565,000 to the Office of Diné Youth and Approval and Adoption of the Shonto Youth Center Expenditure Plan

- A. The Navajo Nation hereby allocates to the Office of Diné Youth the total amount of \$9,565,000.00 to construct the Shonto Youth Center as detailed in **Exhibit A**.
- B. The Navajo Nation hereby approves and adopts the Shonto Youth Center Expenditure Plan, attached and incorporated herein as **Exhibit A**.
- C. The Síhasin Funds allocated for the Síhasin Fund Shonto Youth Center Expenditure Plan may be further leveraged by bond or loan financing pursuant to the Navajo Nation Bond Financing Act, 12 N.N.C. § 1300 et seq., as amended, using Síhasin Fund earnings for repayment and financing costs upon the recommendation of the Budget and Finance Committee and approval by a two-thirds (2/3) vote of all members of the Navajo Nation Council.

## Section Four. Approval and Adoption of Expenditure Plan Administration

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The Navajo Nation hereby approves administration of the Síhasin Youth Center Expenditure Plan as follows:

- The Navajo Nation Controller shall determine whether the source of the annual allocations from the total allocation of \$9,565,000.00 will be Síhasin Fund Principal or Income or a combination of both;
- 2. The Navajo Nation Controller shall release the funds to the Office of Diné Youth during the Navajo Nation Fiscal Year 2019 pursuant to a construction plan or other such schedule agreed to by the Office of the Controller and Office of Diné Youth within 30 days of the formal adoption of this legislation;
- 3. The funds allocated for the Shonto Youth Center shall be used solely to design, plan, and construct the Shonto Youth Center described in Exhibit A. Any and all cost-savings shall be returned to the to the Síhasin Fund once the Shonto Youth Center is completed; and
- 4. The funds allocated for the Shonto Youth Center shall not lapse on an annual basis pursuant to 12 N.N.C. §820 (N), however, any funds not spent or encumbered within twenty-four (24) months of the date funds are made available to the Office of Diné Youth shall revert to the Sihasin Fund principal, unless recommended otherwise by the Resources and Development Committee and approved by the Naabik'íyáti' Committee.

#### Section Five. Effective Date

The Síhasin Fund Shonto Youth Center Expenditure Plan, as set forth above, shall become effective pursuant to 12 N.N.C. § 2505.

### Section Six. Directives

The Shonto Chapter and the Office of Dine Youth shall report the status of the Shonto Youth Center to the Division of Community Development and the Naabik'íyáti' Committee at least once per quarter after the initial disbursement of funds.