# THE NAVAJO NATION LEGISLATIVE BRANCH INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: <u>0185-19</u> SPONSOR: <u>Kee Allen Begay</u>, <u>Jr</u>

TITLE: An Action Relating To Law And Order, Health, Education And Human Services Committee, Budget And Finance, And Naabik'íyáti' Committees, And Navajo Nation Council; Approving A Funding Request Of Fifty Million Dollars (\$50,000,000) From The Síhasin Fund To Establish The Navajo Nation Youth Trust Fund Expenditure Plan Pursuant To CD-68-14 And 12 N.N.C. § 2501-2508; Waiving 12 N.N.C. § 2502 (A) (1); Enacting The Navajo Nation Youth Trust Fund

**Date posted:** July 3, 2019 at 7:19 PM

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Office of Legislative Services
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# Tracking No. 0185-19

**DATE:** July 2, 2019

TITLE OF RESOLUTION: AN ACT RELATING TO LAW AND ORDER, HEALTH, EDUCATION AND HUMAN SERVICES COMMITTEE, BUDGET AND FINANCE, AND NAABIK'İYÁTI' COMMITTEES, AND NAVAJO NATION COUNCIL; APPROVING A FUNDING REQUEST OF FIFTY MILLION DOLLARS (\$50,000,000) FROM THE SÍHASIN FUND TO ESTABLISH THE NAVAJO NATION YOUTH TRUST FUND EXPENDITURE PLAN PURSUANT TO CD-68-14 AND 12 N.N.C §§ 2501 – 2508; WAIVING 12 N.N.C. § 2502 (A)(1); ENACTING THE NAVAJO NATION YOUTH TRUST FUND

**PURPOSE:** The purpose of this legislation is to allocate Sihasin Funds to establish a Navajo Nation Youth Trust Fund and to enact a Youth Trust Fund in the Navajo Nation Code.

NOTE: The voting requirement on this legislation is 90 percent (90%) of the full membership of the Navajo Nation Council.

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.

	HOLD PERIOD: Law & Order Comm	
Website Po Posting End		ence
Eligible for a	Action: 1/4/19 Health Education & Human Services Comm	iittee ence
!	PROPOSED NAVAJO NATION COUNCIL RESOLUTION & Finance Comm	
2	24th NAVAIO NATION COUNCIL First Voor 2010	ence
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	(Prime Sponsor) Kee Allen Began Jr.	
6	(1 Time Sponsor)	
7 <b>8</b>	TRACKING NO. 0185-19	
9		
10	AN ACT	
11	RELATING TO LAW AND ORDER, HEALTH, EDUCATION AND HUMAN	
12	SERVICES COMMITTEE, BUDGET AND FINANCE, AND NAABIK'ÍYÁTI'	
13	COMMITTEES, AND NAVAJO NATION COUNCIL; APPROVING A FUNDING	
14	REQUEST OF FIFTY MILLION DOLLARS (\$50,000,000) FROM THE SÍHASIN	
15	FUND TO ESTABLISH THE NAVAJO NATION YOUTH TRUST FUND	
16	EXPENDITURE PLAN PURSUANT TO CD-68-14 AND 12 N.N.C §§ 2501 – 2508;	
17	WAIVING 12 N.N.C. § 2502 (A)(1); ENACTING THE NAVAJO NATION	
18	YOUTH TRUST FUND	
19		
20	BE IT ENACTED:	
21	Section One. Authority	
22	A. The Law and Order Committee of the Navajo Nation Council is empowered to	
23	review and make recommendations to the Navajo Nation Council on proposed	
24	amendments to and enactments in the Navajo Nation Code, 2 N.N.C. § 601 (B)	
25	(14).	
26	B. The Health, Education and Human Services Committee of the Navajo Nation	
27	Council is empowered to exercise oversight authority to review and recommend	
28	resolutions relating to social services and education, 2 N.N.C. § 401(6)(a).	
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- C. The Budget and Finance Committee of the Navajo Nation Council is empowered to review and recommend to the Navajo Nation Council the budgeting, appropriation, investment, and management of all funds. 2 N.N.C. § 301 (B) (2).
- D. The Naabik'iyati' Committee of the Navajo Nation Council is empowered to review all proposed legislation which requires final action by the Navajo Nation Council. 2 N.N.C. §164(A)(9).
- E. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. § 102 (A).

# Section Two. The Naabik'íyáti Síhasin Fund Subcommittee and Navajo Nation Síhasin Fund

- A. The Naabik'íyáti Committee of the 24th 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 expenditure plans from the Navajo Nation Síhasin Fund.
- B. 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. § 1301(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.

- C. 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).
- D. Amendments to the Síhasin Fund require "a ninety percent (90%) vote of the full membership of the Navajo Nation Council and signature of the President of the Navajo Nation." 12 N.N.C. § 2508.

#### Section Three. Findings

The purpose of the Youth Trust Fund is to provide funding for youth-centered programs, projects, and services within the Navajo Nation. These projects include establishing Navajo youth initiatives to benefit the physical, mental, and emotional health, welfare and safety of young Navajos.

# Section Four. Approval and Adoption of Expenditure Plan from Sihasin Funds

A. The Navajo Nation hereby approves and adopts the Navajo Nation Youth Trust Fund.

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- B. The Navajo Nation hereby approves funding to establish a Navajo Nation Youth Trust Fund in the amount of fifty million dollars (\$50,000,000).
- C. The Síhasin Funds allocated to establish the Navajo Nation Youth Trust Fund 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 & Finance Committee and approval by a two-thirds (2/3) vote of all members of the Navajo Nation Council.

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

The Navajo Nation hereby approves administration of the Navajo Youth Trust Fund Expenditure Plan as follows:

- 1. The Navajo Nation Controller shall determine whether the source of the fifty million dollars (\$50,000,000) will be Síhasin Fund Principal or Income or a combination of both;
- The funds allocated for the Navajo Nation Youth Trust Fund shall be for the purposes specified in the Navajo Nation Youth Trust Fund, at 12 N.N.C. § 1192, in Section Six of this Resolution.
- 3. The Navajo Nation Controller shall establish the Navajo Youth Trust Fund during Navajo Nation Fiscal Year 2019 or Fiscal Year 2020, provided that the Navajo Youth Trust Fund is established within thirty (30) days of the formal adoption of this legislation.

### Section Six. Enacting the Navajo Nation Youth Trust Fund

The Navajo Nation enacts the Navajo Nation Youth Trust Fund, as follows:

Title 12. Fiscal Matters
Chapter 10. Navajo Nation Trust Funds

Subchapter	10	Navaio	o Nation	Youth	Trust	Fund
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The "Navajo Nation Youth Trust Fund" hereinafter "Youth Trust Fund" is established

Sí<u>hasin Fund. Any funds depos</u>ited into the Youth Trust Fund, plus accrued interest, shall be

The purpose of the Youth Trust Fund is to provide funding for youth-centered programs,

projects, and services within the Navajo Nation. These projects include establishing Navajo

youth initiatives to benefit the physical, mental, and emotional health, welfare and safety of

A. Youth Trust Fund Principal shall consist of the initial funding that established the

appropriation processes and procedures; and any contributions made by any parties or

B. Youth Trust Fund income shall consist of all earnings, such as interest and dividends

fund, all Navajo Nation appropriations made pursuant to the Navajo Nation

generated by the principal and interests of the Youth Trust Funds.

with an initial allocation of fifty million dollars (\$50,000,000) from the Navajo Nation

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### § 1192 Purpose

young Navajos.

entities.

§1191 Establishment

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# § 1194 Expenditure of Youth Trust Fund Income

§1193 Definition of Principal and Income

used only as provided hereinafter in this subchapter.

The Youth Trust Fund income shall be expended as follows:

- A. Ninety-five percent of the Youth Trust Fund income shall be used as provided in § 1192 of this subchapter. Five percent (5%) of the Youth Trust Fund shall be reinvested to cover the rate of inflation.
- B. Any grants made from Youth Trust Fund income to Navajo Nation government and non-Navajo Nation programs and projects, shall be awarded in accordance with rules and regulations developed by the Office of Dinè Youth as approved by

Ì	the Health, Education and Human Services Committee of the Navajo Nation
2	Council.
3	§ 1195 Expenditure of Fund Principal
4	Fund principal shall not be expended except pursuant to a referendum adopted by a two-
5	thirds majority of those voting in an election open to all registered Navajo voters. The Navajo
6	Nation Council may place a "Referendum to Expend Youth Trust Fund Principal" on the
7	ballot of any primary, special, or general election by a two-thirds (2/3) vote of the full Navajo
8	Nation Council.
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10	§ 1196 Expenses
11	All expenses directly associated with the administration and management of the Youth
12	Trust Fund shall be paid from the Youth Trust Fund income as approved by the Budget and
13	Finance Committee of the Navajo Nation Council, prior to any income distributions made in
14	accordance with §§ 1193 and 1195 of this subchapter. Such expenses shall include
15	investment advisory and management fees, audit costs, and other related expenses, pursuant
16	to duly approved contracts for such services.
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18	§1197 Fund Investment
19	All monies deposited into the Navajo Youth Fund shall be invested in accordance with
20	the Navajo Nation Master Investment Policies as adopted by the Budget and Finance
21	Committee of the Navajo Nation Council.
22	
23	§ 1198 Amendments
24	Any section or sections in this subchapter may be amended upon the recommendation of
25	the Health, Education and Human Service Committee and the Budget and Finance
26	Committee of the Navajo Nation Council by a majority vote of the full membership of the
27	Navajo Nation Council.
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