

## 23rd Navajo Nation Council Office of the Speaker

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## Budget and Finance Committee receives update report regarding Gaming Distribution Plan

**WINDOW ROCK** – The Budget and Finance Committee received an update report on Tuesday, regarding the Navajo Nation Gaming Distribution Plan from the Navajo Nation Office of Management and Budget and the Navajo Nation Department of Justice.

The Navajo Nation Council established the Gaming Revenues Fund Management Plan, which states that the distribution policy allocates gaming revenues to chapters in a manner that recognizes both the immediate and long-term needs of the Navajo Nation, specifically for capital improvement projects and utilities.

Chapters are required to submit proposals to the Office of the Controller for review to ensure that it meets the federal guidelines in accordance with the Indian Gaming Regulatory Act. If the proposals meet all requirements, funding is awarded to the chapter through direct payment to vendors.

According to the update report, the BFC recently conveyed concerns to the Department of Justice regarding payment issues for chapter utilities and capital improvement projects. BFC chair Council Delegate Seth Damon (Bááháálí, Chichiltah, Manuelito, Tsé Lichíí', Rock Springs, Tsayatoh) said the budget issue has caused a delay in services provided to chapter constituents.

"The problem that the chapters are having is that some chapters' lights will be out by the end of this year, and the chapters are turning in the budget documents. They have been approved by the OOC, but when it gets to OMB—they are not processing them because they're telling the chapters they can only spend the money on utilities or capital outlay projects, not both," said Delegate Damon.

Delegate Damon stated that chapters should be able to split the gaming revenue they receive for direct services and determine what the allocation will fund, as well as the amount that they deem is necessary for chapter projects. Projects included home renovations, bathroom additions, and electrical wiring for chapter constituents who are in need of the services.

OMB director Dominic Beyal, stated that the chapter requests to utilize the gaming distribution

funds did not meet the federal gaming guidelines, which stipulates that funding must be used to serve the general public and not individual homes. He added that there were concerns regarding how the budgets are set up and should be clarified for proper funding allocation.

BFC member Council Delegate Leonard Tsosie (Baca/Prewitt, Casamero Lake, Counselor, Littlewater, Ojo Encino, Pueblo Pintado, Torreon, Whitehorse Lake) said chapters should not depend on the gaming distribution fund to offset costs such as travel and utility accounts, and recommended that the funding be put on hold until the Navajo Nation Gaming Enterprise has paid off their loan agreements.

"I thought that the deal was we would pay off the loan first. Then people got impatient and it turned into a political thing, and they forced the Navajo Nation Gaming Enterprise to cough up some money and start distributing it to the chapters," said Delegate Tsosie. "The sooner we pay off the loans, the sooner we can construct other casinos and increase the gaming distribution funding for the chapters in the long run."

Delegate Tsosie recommended a directive to hold a work session to consider amending the Gaming Revenues Fund Management Plan. The work session would include the NNDOJ, OMB, OOC, and the Capital Projects Management Department.

Details of the work session will be announced at a later date. Budget and Finance Committee members voted 5-0 to accept the report, with one directive.

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