THE NAVAJO NATION LEGISLATIVE BRANCH INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0002-21__ SPONSOR: <u>Eugene Tso</u>

TITLE: An Action Relating To Health, Education and Human Services, Budget and Finance, Resources and Development, and Naa'bik'íváti' Committees, and Navajo Nation Council; Approving Supplemental Funding from the Unreserved, Undesignated Fund Balance in the Amount of \$4,000,000 for the 110 Navajo Nation Chapter's Summer Youth Employment Programs; Waiving 12 N.N.C. §§ 820 (E), (F), and (J)

Date posted: January 08, 2021 at 4:31 PM

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Tracking No. <u>0002-21</u>

DATE: January 7, 2021

TITLE OF RESOLUTION: AN ACT RELATING TO HEALTH, EDUCATION AND HUMAN SERVICES, BUDGET AND FINANCE, RESOURCES AND DEVELOPMENT, AND NAA'BIK'ÍYÁTI' COMMITTEES, AND NAVAJO NATION COUNCIL; APPROVING SUPPLEMENTAL FUNDING FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF \$4,000,000 FOR THE 110 NAVAJO NATION CHAPTER'S SUMMER YOUTH EMPLOYMENT PROGRAMS; WAIVING 12 N.N.C. §§ 820(E), (F), AND (J)

PURPOSE: The purpose of this resolution is to allocate \$4,000,000 out of the UUFB to the 110 Chapters for Summer Youth Employment.

	OLD PERIOD: Bredrose Health, Education and Human Services Cking Time/Date:	
4	Date: 01-13-21 Budget & Finance Co	Thence
Eligible for A	ction: 01-14-21	Thence
1	PROPOSED NAVAJO NATION COUNCIL RESOUTCES & Development C	
2	24th NAVAJO NATION COUNCIL – Third Year, 2021 Naa'bik'íyáti' C	Thence
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4	INTRODUCED BY Navajo Natio	Council
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9	TRACKING NO. <u>0002-21</u>	
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11	AN ACT	
12	RELATING TO HEALTH, EDUCATION AND HUMAN SERVICES, BUDGET AND	
13	FINANCE, RESOURCES AND DEVELOPMENT, AND NAA'BIK'ÍYÁTI' COMMITTEES,	
14	AND NAVAJO NATION COUNCIL; APPROVING SUPPLEMENTAL FUNDING FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF	
15	\$4,000,000 FOR THE 110 NAVAJO NATION CHAPTER'S SUMMER YOUTH	
16	EMPLOYMENT PROGRAMS; WAIVING 12 N.N.C. §§ 820(E), (F), AND (J)	
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18	BE IT ENACTED:	
19	SECTION 1. AUTHORITY	
20	A. The Navajo Nation established the Health, Education and Human Services Committee	
21	(HEHSC) as a Navajo Nation Council standing committee, and as such empowered the	
22	HEHSC to review and recommend resolutions regarding employment. 2 N.N.C. § 401	
23	(B)(6)(A).	
24	B. The Navajo Nation established the Resources and Development Committee (RDC) as	
25	a Navajo Nation Council standing committee and as such gave RDC oversight over	
26	Navajo Nation Chapters. 2 N.N.C. §§ 164(A)(9), 500(A), and 501(C)(1).	
27	C. The Navajo Nation established the Budget and Finance Committee (BFC) as a Navajo	
28	Nation Council standing committee and as such empowered BFC to review and	
29	recommend to the Navajo Nation Council the management of all funds. 2 N.N.C. §§	
30	164(A)(9), 300(A), and 301(B)(2).	

- D. The Navajo Nation Council established the Naabik'íyáti' Committee as a Navajo Nation standing committee and as such proposed legislation that requires final action by the Navajo Nation Council shall be assigned to the Naabik'íyáti' Committee. 2 N.N.C. §§ 164(A)(9) and 700(A).
- E. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. § 102(A).
- F. The Navajo Nation Council may 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 during the fiscal year. Supplemental appropriations of General Funds within the current fiscal year are permitted, if and when additional sources of revenues above and beyond the initial or current revenue projections are projected and which are also in excess of the reserve amount set forth at § 820(J)."
- G. The Title 12 Supplemental Appropriation requirements include:
 - 1. All requests for annual operating funds and supplemental funds shall be submitted to the Office of Management and Budget (OMB) for budget impact analysis. 12 N.N.C. § 820(M).
 - 2. When the Controller identifies additional sources of revenues above and beyond the initial or current revenue projections, supplemental appropriations may be approved by the Navajo Nation Council. 12 N.N.C. § 820(L).
 - 3. Supplemental Appropriations made from non-recurring revenues shall only be made for non-recurring operations or purposes, as set forth at § 820(F). The Controller of the Navajo Nation shall be responsible for the designation of recurring and non-recurring revenues. 12 N.N.C. § 820(L).
 - 4. The Nation shall budget all recurring operating expenses, including capital maintenance, from recurring revenues. Long term debt shall not be used to finance recurring operating expenses. 12 N.N.C. §820(E).
 - 5. The Navajo Nation Code provides, "[t]he Nation shall restrict non-recurring revenues to budget non-recurring expenditures. In addition, non-recurring revenues will be budgeted only after an examination by the Controller to determine whether

or not the revenues are subsidizing an imbalance between recurring revenues and expenditures, and expenditures may be authorized only if a long-term (three-five year) forecast shows that the operating deficit will not continue. Otherwise, non-recurring revenues will be added to the Unreserved, Undesignated Fund balance. This provision may be amended or waived by a two-thirds vote of the full Navajo Nation Council." 12 N.N.C. § 820(F).

SECTION 2. FINDINGS

- A. The 110 Navajo Nation Chapters have indicated a need for a supplemental appropriation of \$4,000,000 to fund Summer Youth Employment for the Summer of 2021. The budget forms, including Appendix K "Supplemental Funding Proposal Summary" for the proposed summer youth employment at the 110 Chapters are attached as **Exhibit A**.
- B. "Diné Customary Law declares and teaches that: [i]t is the right and freedom of the people that our children are provided with education to absorb wisdom, self-knowledge, and knowledge to empower them to make a living and participate in the growth of the Navajo Nation." 1 N.N.C. § 204 (F).
- C. One way for the Navajo Nation to honor Diné Customary Law is to assist high school and college students with temporary employment.
- D. The Summer Youth Employment program offers high school and college students the opportunity to gain work experience during their summer breaks, and earn funds to pay for some of their school expenses.
- E. The Summer Youth Employment program aligns with Diné Customary Law by providing Navajo Nation children with "education to absorb wisdom, self-knowledge, and knowledge to empower them to make a living and participate in the growth of the Navajo Nation." 1 N.N.C. § 204 (F).
- F. Due to the COVID-19 pandemic, Navajo Nation youth were largely unable to secure summer employment during the Summer of 2019.
- G. The Office of the Controller was requested to provide a memorandum to satisfy 12 N.N.C. § 820(L). The memorandum was not ready at the time of drafting this

resolution, but will be included as an exhibit when it becomes available.

H. The Office of Management and Budget was requested to provide a memorandum to satisfy 12 N.N.C. § 820(M). The memorandum was not ready at the time of drafting this resolution, but will be included as an exhibit when it becomes available.

SECTION 3. APPROVING SUPPLEMENTAL FUNDING FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF \$4,000,000 FOR 110 NAVAJO NATION CHAPTERS

- A. The Navajo Nation hereby approves supplemental funding from the Unreserved, Undesignated Fund Balance in the amount of \$4,000,000 for the 110 Navajo Nation Chapters to fund Summer Youth Employment.
- B. This supplemental appropriation of \$4,000,000 shall be from that amount of funds that exceeds the minimum fund balance of the Unreserved, Undesignated Fund Balance as determined by the Office of the Controller.
- C. The supplemental funding to the 110 Navajo Nation Chapters shall be allocated as follows: "fifty percent (50%) of the appropriation shall be divided equally among all chapters and the remaining fifty percent (50%) shall be divided proportionately among the chapters using a percentage equal to that figure which the number of registered voters in each chapter bears to the whole of registered Navajo Nation votes as determined by the most current voter registration figures available as of the date of the appropriation." 12 N.N.C. § 820(O).
- D. The supplemental funding will be deposited with each of the 110 Navajo Nation Chapters using the 50/50 formula as described in 12 N.N.C. § 820(O), in accordance with **Exhibit A**.

SECTION 4. WAIVING 12 N.N.C. §§ 820(E), (F), AND (J) TO THE EXTENT
THESE PROVISIONS PREVENT THE UNRESERVED,
UNDESIGNATED FUND BALANCE TO BE USED TO FUND
RECURRING EXPENDITURES OR GOVERNMENT
OPERATIONS

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The Navajo Nation Council hereby waives 12 N.N.C. §§ 820 (E), (F) and (J) in order to allow UUFB funds to be used for recurring expenditures and government operations.

SECTION 5. SAVING CLAUSE

Should any provision(s) of this Act be determined invalid by the Navajo Nation Supreme Court or the District Courts of the Navajo Nation, without appeal to the Navajo Nation Supreme Court, the remainder of the Act shall remain the law of the Navajo Nation.