THE NAVAJO NATION LEGISLATIVE BRANCH INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0013-22__

SPONSOR: Pernell Halona

TITLE: An Act Relating to the Health, Education and Human Services, Budget and Finance, and Naabik'íyáti' Committees, and to the Navajo Nation Council; Approving \$540,528 in Supplemental Funding from the Unreserved, Undesignated Fund Balance to Rehoboth Christian School to Fund Student Transportation Costs, a Navajo Language Teacher Position, Summer School Expenses, and Other Needs

Date posted: _____January 19, 2022 at 5:20PM

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LEGISLATION SUMMARY SHEET

Tracking No. 0013-22

Date: JANUARY 11, 2022

Title: AN ACT RELATING TO THE HEALTH, EDUCATION, AND HUMAN SERVICES, **BUDGET** AND FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES, AND TO THE NAVAJO NATION **COUNCIL; APPROVING \$540,528 IN SUPPLEMENTAL FUNDING** FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE TO REHOBOTH CHRISTIAN SCHOOL TO FUND STUDENT TRANSPORTATION COSTS, A NAVAJO LANGUAGE TEACHER POSITION, SUMMER SCHOOL EXPENSES, AND OTHER NEEDS

PURPOSE OF THIS LEGISLATION: to allocate \$540,528 from the UUFB to Rehoboth Christian School to pay for student transportation costs, a Navajo language teacher, summer school opportunities, new furniture in the Special Ed classroom, and new HVAC/air conditioning in the Elementary School.

OLC No. 21-512-1

	HOLD PERIOD: <u>Johnsen</u> Health Education & Human Services Committee	
Posting End		
Eligible for <i>I</i>		
1	PROPOSED NAVAJO NATION COUNCIL RESOLUTION Naabik'íyáti' Committee	
2	24 th NAVAJO NATION COUNCIL - Fourth Year, 2022 Thence	
3	Introduced by: Navajo Nation Counc	Sil
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6	(Prime Sponsor)	
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10	AN ACT	
11	RELATING TO THE HEALTH, EDUCATION, AND HUMAN SERVICES,	
12	BUDGET AND FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES, AND	
13	TO THE NAVAJO NATION COUNCIL; APPROVING \$540,528 IN	
14	SUPPLEMENTAL FUNDING FROM THE UNRESERVED, UNDESIGNATED	
15	FUND BALANCE TO REHOBOTH CHRISTIAN SCHOOL TO FUND	
16	STUDENT TRANSPORTATION COSTS, A NAVAJO LANGUAGE TEACHER	
17	POSITION, SUMMER SCHOOL EXPENSES, AND OTHER NEEDS	
18		
19	BE IT ENACTED:	
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21	SECTION ONE. AUTHORITY	
22	A. The Navajo Nation established the Health, Education, and Human Services Committee	
23	("HEHSC") as a Navajo Nation Council standing committee, and as such gave HEHSC the	
24	authority to oversee the education initiatives of the Navajo Nation by promoting academic	
25	excellence and culturally relevant education. 2 N.N.C. §401(C)(2).	
26	B. The Navajo Nation established the Budget and Finance Committee ("BFC") as a Navajo	
27	Nation Council standing committee, and as such empowered BFC to review and	
28	recommend to the Navajo Nation Council the management of all funds. 2 N.N.C. §300(A),	
29	and §301(B)(2).	
30	C. The Navajo Nation Council established the Naabik'íyáti' Committee as a Navajo Nation	

standing committee, and proposed legislation requiring 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).

D. The Navajo Nation Council is the governing body of the Navajo Nation, with the authority to approve supplemental appropriations. 2 N.N.C. §102(A), 12 N.N.C. §820(L).

E. 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)."

F. The Title 12 Supplemental Appropriation requirements include:

 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 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 TWO. FINDINGS

A. The Rehoboth Christian School ("RCS") has submitted a letter, dated October 5, 2021, attached as **EXHIBIT A**. RCS is seeking supplemental funding from the Unreserved, Undesignated Fund Balance ("UUFB") to provide education to its students and to meet other needs of RCS. According to this letter, 75% of RCS students are Native American, and most of these students are enrolled Navajo Nation members.

B. RCS' supplemental funding proposal in the amount of \$540,528, along with budget forms and related documents, including Appendix K "Supplemental Funding Proposal Summary," are attached as EXHIBIT B. RCS' required grant application is attached as EXHIBIT C.

C. Regarding this UUFB funding request, the Controller may be asked to satisfy the requirements of 12 N.N.C. §820(L) by memorandum, or telephonically or in person when this matter is heard by the Navajo Nation Council.

D. Regarding this UUFB funding request, the OMB may be asked to provide the budget impact statement required by 12 N.N.C. §820(M) by memorandum, or telephonically or in person when this matter is heard by the Navajo Nation Council.

E. The Bahastl'ah Chapter through Resolution BAH-21-04-29-015, attached as **EXHIBIT D**, supports RCS' request for this funding.

SECTION THREE. APPROVING AN ALLOCATION OF \$540,528 FROM THE UUFB TO REHOBOTH CHRISTIAN SCHOOL

A. The Navajo Nation hereby approves \$540,528 in supplemental funding out of the Unreserved, Undesignated Fund Balance to the Rehoboth Christian School, as requested in **EXHIBIT B** and for the purposes explained in **EXHIBIT A**.

B. This supplemental appropriation of \$540,528 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.

SECTION FOUR. EFFECTIVE DATE

This Act shall become effective as provided in 2 N.N.C. §221(B) and 2 N.N.C. §164(A)(17).

OLC No. 21-512-1

1	SECTION FIVE. SAVING CLAUSE
2	If any provision of this Act is determined invalid by the Navajo Nation Supreme Court or a
3	District Court of the Navajo Nation, without appeal to the Navajo Nation Supreme Court, the
4	remainder of this Act shall remain the law of the Navajo Nation.
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