## THE NAVAJO NATION LEGISLATIVE BRANCH INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: \_0043-22\_\_ SPONSOR: Wilson C. Stewart, Jr.

TITLE: An Act Relating to the Resources and Development, Budget and Finance, and Naabik'íyáti' Committees, and to the Navajo Nation Council; Approving \$437,947 Out of the Síhasin Fund to Purchase a New Motor Grader for Sawmill Chapter and to Purchase a New Backhoe for Red Lake Chapter; Approving the Related Expenditure Plan Pursuant to 12 N.N.C. § 2501 – 2508

Date posted: March 03, 2022 at 6:23PM

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## **LEGISLATION SUMMARY**

Tracking No. 0043-22

Date: March 3, 2022

Re: AN ACT RELATING TO THE RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES, AND TO THE NAVAJO NATION COUNCIL; APPROVING \$437,947 OUT OF THE SÍHASIN FUND TO PURCHASE A NEW MOTOR GRADER FOR SAWMILL CHAPTER AND TO PURCHASE A NEW BACKHOE FOR RED LAKE CHAPTER; APPROVING THE RELATED EXPENDITURE PLANS PURSUANT TO 12 N.N.C §2501 – §2508

Purpose: TO APPROVE \$437,947 OUT OF THE SÍHASIN FUND TO PURCHASE A GRADER FOR SAWMILL CHAPTER AND A BACKHOE FOR RED LAKE CHAPTER.

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osting End D	rate: 03-08-22 Budget & Finance Co	Thence
ligible for Act	tion:03-09-22	Thence
1	PROPOSED NAVAJO NATION COUNCIL RESOLUTION Naabik'íyáti' Co	
2	24th NAVAJO NATION COUNCIL - Fourth Year, 2022  Navajo Nation	Thence
3	Introduced by:	Council
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6	(Prime Sponsor)	
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8	Tracking No. <u>0043-22</u>	
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10	AN ACT	
11	RELATING TO THE RESOURCES AND DEVELOPMENT, BUDGET	
12	AND FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES, AND TO THE NAVAJO	
13	NATION COUNCIL; APPROVING \$437,947 OUT OF THE SÍHASIN FUND TO	
14	PURCHASE A NEW MOTOR GRADER FOR SAWMILL CHAPTER AND TO	
15	PURCHASE A NEW BACKHOE FOR RED LAKE CHAPTER; APPROVING THE	
16	RELATED EXPENDITURE PLANS PURSUANT TO 12 N.N.C §2501 – §2508	
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18	BE IT ENACTED:	
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20	SECTION ONE. AUTHORITY	
21	A. The Resources and Development Committee is a standing committee of the Navajo Nation	
22	Council with oversight authority over all 110 Navajo Nation Chapters. 2 N.N.C. §500(C)	
23	and 26 N.N.C. §102.	
24	B. The Budget and Finance Committee is a standing committee of the Navajo Nation Council	
25	with the responsibility to "review and recommend to the Navajo Nation Council the	
26	budgeting, appropriation, investment and management of all funds." 2 N.N.C. §301(B)(2).	
27	C. The Naabik'íyáti' Committee is a standing committee of the Navajo Nation Council that	
28	considers all proposed final actions by the Navajo Nation Council. 2 N.N.C. §164(A)(9).	
29	D. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. §102(A).	
30	As such, the Council may approve appropriations from the Navajo Nation's Síhasin Fund.	

E. 12 N.N.C. §2502, as amended by CJA-03-18, states the purpose of the Navajo Nation Síhasin Fund ("Síhasin Fund") 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; . . .
- 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.
- F. The Síhasin Fund provides that "Fund Principal" shall consist of all deposits made to the Síhasin Fund and that "Fund Income" shall consist of all earnings (interest, dividends, etc.) generated and realized by the Fund Principal, and that Síhasin Fund Income shall be deposited in, and added to, the Fund Principal until such time as a Fund Expenditure Plan is duly approved. 12 N.N.C. §2504 and §2505(C).
- G. The Síhasin Fund provides that "Fund Principal and Income shall not be expended except pursuant to a Fund Expenditure Plan consistent with the purposes set forth in §2502 of this Chapter and adopted by a two-thirds (2/3) vote of all members of the Navajo Nation Council." 12 N.N.C. §2505(A).

## **SECTION TWO. FINDINGS**

A. The Sawmill Chapter is requesting \$317,947 out of the Síhasin Fund for the purchase of a new motor grader for the Chapter, which is needed for grading, leveling, and repairing road in the community. The Sawmill Chapter explains its need and request for funds in Resolution

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- No. SAW-09-13-2021--02, dated September 13, 2021, attached as **EXHIBIT A**.
- B. The Sawmill Chapter has provided several price quotes for the motor grader, as well as a detailed description of the vehicle and appurtenant equipment. **EXHIBIT B**.
- C. Allocation of the \$317,947 as requested by the Sawmill Chapter meets the criteria for Síhasin expenditures because the proposed expenditure involves the improvement of transportation infrastructure that supports economic and community development, as described in 12 N.N.C. §2502(A)(1).
- D. The Red Lake Chapter is requesting \$120,000 out of the Sihasin Fund for the purchase of a new backhoe for the Chapter, which is needed for burials, irrigation projects, and repairing roads in the community. The Red Lake Chapter explains its need and request for funds in Resolution No. RLC-08-21-34, dated August 18, 2021, attached as **EXHIBIT C**.
- E. The Red Lake Chapter has provided a price quote for the backhoe, as well as a detailed description of the vehicle and appurtenant equipment. **EXHIBIT D**.
- F. Allocation of the \$120,000 as requested by the Red Lake Chapter meets the criteria for Síhasin expenditures because the proposed expenditure involves the improvement of transportation and water infrastructure that supports economic and community development, as described in 12 N.N.C. §2502(A)(1).

## SECTION THREE. APPROVING \$437,947 OUT OF THE SÍHASIN FUND FOR THE PURCHASE OF VEHICLES AND RELATED EQUIPMENT FOR SAWMILL CHAPTER AND RED LAKE CHAPTER; APPROVING THE RELATED EXPENDITURE PLANS

- A. In accordance with 12 N.N.C. §2505(A), the Navajo Nation hereby approves \$317,947 out of the Sihasin Fund for the purchase of a new motor grader and appurtenant equipment for the Sawmill Chapter, as explained in this Act.
- B. The Navajo Nation hereby approves the Expenditure Plan for the purchase of a new motor grader and appurtenant equipment for the Sawmill Chapter, as described in the attached **EXHIBIT A and EXHIBIT B.**
- C. In accordance with 12 N.N.C. §2505(A), the Navajo Nation hereby approves \$120,000 out of the Síhasin Fund for the purchase of a new backhoe and appurtenant equipment for the

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and related equipment for the Red Lake Chapter, as described in the attached EXHIBIT C and EXHIBIT D. E. The total amount of \$437,947 in Síhasin funds approved in this Act may be further leveraged

D. The Navajo Nation hereby approves the Expenditure Plan for the purchase of a new backhoe

- 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 approval of the Budget and Finance Committee and upon further approval by a twothirds (2/3) vote of the full membership of the Navajo Nation Council.
- F. The Controller shall determine whether the source of the \$437,947 approved herein will be Síhasin Fund Principal or Síhasin Fund Income, or a combination of both.
- G. The \$437,947 shall be disbursed to the Navajo Nation Division of Community Development ("DCD") within twenty (20) business days after the effective date of this Act. DCD shall then arrange for use of the \$317,947 for the Sawmill Chapter and the \$120,000 for the Red Lake Chapter, for the vehicle/equipment purchases described in EXHIBITS A-D, according to DCD's payment procedures for vehicle purchases for chapters not certified under the Local Governance Act (26 N.N.C. §1 - §2005).
- H. Each Chapter shall be responsible for complying with the Expenditure Plans for the Síhasin funds approved herein, as shown in the attached EXHIBITS A-D.
- I. Each Chapter shall be responsible for the proper operation, regular maintenance, and necessary repairs, of its purchased vehicle and all related equipment, which responsibility includes ensuring that all vehicle operators are properly trained and licensed. Also, each Chapter shall obtain appropriate liability and/or comprehensive insurance coverage for its purchased vehicle and/or equipment, as may be instructed by DCD, which insurance shall be maintained for the useful life of the vehicle or equipment.
- J. Any and all savings or unused amounts of the Síhasin funds approved herein shall be immediately returned to the Síhasin Fund Principal once the purchases described herein are completed, or upon the reversion deadline in Section Three (K) below.
- K. The \$437,947 shall not lapse on an annual basis, which would otherwise occur pursuant to 12 N.N.C. §820(N). However, any Síhasin funds not spent or encumbered within six (6)