THE NAVAJO NATION LEGISLATIVE BRANCH INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0052-22__

SPONSOR: <u>Eugene Tso</u>

TITLE: An Act Relating to Resources and Development, Budget and Finance and Naabik'íyáti' Committees, and to the Navajo Nation Council; Approving \$267,184 from the Unreserved, Undesignated Fund Balance for Animal Rez-Q, Inc. to Conduct the "Navajo Nation Spay, Neuter, Vaccination Blitz 2022" from April to September 2022 in Cooperation with the Navajo Nation Animal Control Program

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LEGISLATION SUMMARY TrackingNo. 0052-22

Date: March 9, 2022

Re: AN ACT RELATING TO RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE AND NAABIK'ÍYÁTI' COMMITTEES, AND TO THE NAVAJO NATION COUNCIL; APPROVING \$267,184 FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE FOR ANIMAL REZ-Q, INC. TO CONDUCT THE "NAVAJO NATION SPAY, NEUTER, VACCINATION BLITZ 2022" FROM APRIL TO SEPTEMBER 2022 IN COOPERATION WITH THE NAVAJO NATION ANIMAL CONTROL PROGRAM

Purpose: to approve \$267,184 out of the UUFB to Animal Rez-Q, Inc. to conduct its "Navajo Nation Spay, Neuter, Vaccination Blitz 2022" project across the Navajo Nation, which will consist of 4000 free spaying, neutering, and vaccinations of animals for Navajo Nation residents, to address and mitigate the overpopulation of unwanted animals on the Navajo Nation.

OLC No. 22-051-1

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Eligible for Act	tion: <u>03-17-22</u> The	ence
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10	AN ACT	
11	RELATING TO RESOURCES AND DEVELOPMENT, BUDGET AND	
12	FINANCE AND NAABIK'ÍYÁTI' COMMITTEES, AND TO THE NAVAJO	
13	NATION COUNCIL; APPROVING \$267,184 FROM THE UNRESERVED,	
14	UNDESIGNATED FUND BALANCE FOR ANIMAL REZ-Q, INC. TO	
15	CONDUCT THE "NAVAJO NATION SPAY, NEUTER, VACCINATION	
16	BLITZ 2022" FROM APRIL TO SEPTEMBER 2022 IN COOPERATION	
17	WITH THE NAVAJO NATION ANIMAL CONTROL PROGRAM	
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19	BE IT ENACTED:	
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21	SECTION ONE. AUTHORITY	
22	A. The Resources and Development Committee is a Standing Committee of the Navajo Nation	
23	Council with statutory authority over the Division of Natural Resources ("DNR"). 2 N.N.C.	
24	§501(C). The Department of Fish and Wildlife is within the DNR and the Navajo Nation's	
25	Animal Control Program is under the Department of Fish and Wildlife. 13 N.N.C.	
26	§1700(B)(1), Resolution No. CJY-64-18. The Resources and Development Committee	
27	recommends to the Navajo Nation Council the approval of resolutions that will accomplish	
28	the Committee's purposes. 2 N.N.C. §501(B)(4)(f).	
29	B. The Budget and Finance Committee was established as a standing committee of the Navajo	
30	Nation Council with the authority to review and recommend to the Council the budgeting,	

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appropriation, investment and management of all funds. 2 N.N.C. §300(A), §301(B)(2).

- C. The Naabik'íyáti' Committee was established as a standing committee of the Navajo Nation Council with authority to hear all proposed resolutions requiring final action by the Navajo Nation Council. 2 N.N.C. §164(A)(9), §701(A)(5).
- D. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. §102(A). As such, the 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)." 12 N.N.C. §820(L).
- E. The restrictions on supplemental appropriations, including all monies from the Navajo Nation's Unreserved, Undesignated Fund Balance, include:
 - 1. Payment of recurring government operating expenses shall be from recurring revenues, and payment of nonrecurring expenses shall be from nonrecurring revenues such as UUFB funds. 12 N.N.C. §820(E), §820(F).

2. Specifically, the UUFB shall not be used for recurring government expenditures or operations. 12 N.N.C. §820(J), §820(L).

3. Nonrecurring revenues such as UUFB funds may be used only after the Controller determines whether or not such revenues are subsidizing an imbalance between the Navajo Nation's recurring revenues and expenditures, and government expenditures shall only be authorized if a long-term (3-year to 5-year year) forecast shows that the operating deficit will not continue; otherwise, nonrecurring revenues will be added to the Unreserved, Undesignated Fund Balance. 12 N.N.C. §820(F).

4. The above provisions in Title 12 may be amended or waived by a two-thirds vote of the full Navajo Nation Council. 12 N.N.C. §820(F), 12 N.N.C. §880.

- 5. In compliance with 12 N.N.C. §820(F) all UUFB funding requests must be reviewed by the Controller. Such review is also required because the Controller determines which revenues and expenses are recurring and which are non-recurring. 12 N.N.C. §820(L).
- 6. In compliance with 12 N.N.C. §820(M) all UUFB funding requests must be submitted to the Office of Management and Budget ("OMB") for a budget impact analysis.

7. Supplemental funding such as UUFB appropriations shall lapse at the end of the current fiscal year unless the Navajo Nation Council decides otherwise. 12 N.N.C. §820(N).

SECTION TWO. FINDINGS

A. Animal Rez-Q, Inc. ("ARQ") is a private nonprofit Section 501(c)(3) entity that was incorporated under Navajo Nation law in 2014. ARQ provides affordable animal wellness services to tribal nations. See *www.animalrezq.org*. ARQ's Founder and President is Glenda Davis, who has over 30 years of experience working for the Navajo Nation in various programs involving veterinary services, livestock management, and animal control. EXHIBIT 1.

B. ARQ is requesting \$267,184 in UUFB funds to conduct a widescale spaying, neutering, and vaccination project across the Navajo Nation from April 1, 2022 to September 30, 2022, in cooperation with the Navajo Nation Animal Control Program, and Altered Tails Barnhart Clinic in Phoenix, Arizona. Altered Tails is the largest nonprofit spay and neuter organization in Arizona. See *www.alteredtails.org*. ARQ's project, titled: "Navajo Nation Spay, Neuter, Vaccination Blitz 2022" will address and mitigate the problem of the current overpopulation of some 250,000 unwanted animals on the Navajo Nation. ARQ explains the need for this project, its request for funds, and the logistics of its plan to provide free spaying, neutering, and vaccinations of 4000 animals for Navajo Nation residents. EXHIBIT 2.

C. ARQ has prepared a detailed timeline and budget for its proposed project and expenditures of the requested \$267,184 in UUFB funds. EXHIBIT 3. ARQ will also be submitting a Navajo Nation Grant Application for its funding request, which will be attached hereto as EXHIBIT 4.

 D. ARQ has submitted support letters for its "Blitz 2022" project, from its proposed partners the Navajo Nation Animal Control Program and Altered Tails Barnhart Clinic in Phoenix, Arizona. EXHIBIT 5.

E. The Controller has been asked to prepare a memorandum regarding this funding request, to
 comply with 12 N.N.C. §820(F) and §820(L). This memorandum may be provided to the
 assigned Committees and the Navajo Nation Council when this legislation is considered.

F. OMB was asked to prepare a budget impact analysis regarding this funding request, to comply with 12 N.N.C. §820(M). This analysis may be provided to the assigned Committees and the Navajo Nation Council when this legislation is up for consideration.
G. The Navajo Nation has determined that approving the requested UUFB funds for ARO is a

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critical priority for the Navajo Nation, to address and mitigate the widespread problem of animal overpopulation on the Navajo Nation.

SECTION THREE. APPROVAL OF \$267,184 FROM THE UUFB FOR ANIMAL REZ-Q'S PROPOSED PROJECT TITLED: "NAVAJO NATION SPAY, NEUTER, VACCINATION BLITZ 2022"

A. The Navajo Nation hereby approves \$267,184 out of the UUFB for Animal Rez-Q, Inc. to implement and conduct its proposed "Navajo Nation Spay, Neuter, Vaccination Blitz 2022" project across the Navajo Nation, in accordance with the attached EXHIBIT B.

B. The \$267,184 in UUFB funds shall be from those revenues that exceed the 10% minimum balance of the UUFB which must be maintained according to 12 N.N.C. §820(J).

C. Pursuant to 2 N.N.C. §820(N), the \$267,184 shall lapse at the end of Fiscal Year 2022 and all unexpended and/or unencumbered amounts shall revert to the UUFB, unless otherwise determined by the Navajo Nation Council.

D. Starting thirty (30) business days after the effective date of this Act, the Controller shall
begin releasing the UUFB funds approved herein to ARQ, provided that an appropriate grant
agreement, memorandum of agreement, or other legal document establishing a project
schedule, payment or drawdown plan, fund management plan, or other relevant procedures,
has been agreed to by the Controller and is executed by ARQ and the Navajo Nation.

E. The \$267,184 in UUFB funds shall be used by ARQ strictly for its "Navajo Nation Spay,
 Neuter, Vaccination Blitz 2022" project, in accordance with the attached EXHIBIT B.

F. As a condition of receiving the \$267,184 in UUFB funds, upon request ARQ shall allow the
Navajo Nation full access to its financial records related to the UUFB funds that ARQ has
received, for the purpose of the Navajo Nation's review and audit of ARQ's expenditures
of UUFB funds, if such audit is determined by the Controller to be necessary or appropriate.
G. By October 31, 2022, ARQ shall submit a written report, and a verbal report if so requested

by the Committee Chairperson, explaining the status of its "Blitz 2022" project and its use of the approved UUFB funds, to the Resources and Development Committee, the Budget and Finance Committee, and the Naabik'íyáti' Committee.

SECTION FOUR. EFFECTIVE DATE

This Act shall become effective pursuant to 2 N.N.C. §221(B) and 2 N.N.C. §164(A)(17).

SECTION FIVE. SAVING CLAUSE

If any portion of this Act is determined invalid by the Navajo Nation Supreme Court, or by a District Court of the Navajo Nation without appeal to the Navajo Nation Supreme Court, the remainder of this Act shall be the law of the Navajo Nation.