THE NAVAJO NATION LEGISLATIVE BRANCH INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0060-22__ SPONSOR: <u>Eugene Tso</u>

TITLE: An Act Relating to the Health, Education, and Human Services, Resources and Development, Budget and Finance, and Naabik'íyáti' Committees, and the Navajo Nation Council; Approving \$4,000,000 from the Unreserved, Undesignated Fund Balance ("UUFB") for the 110 Navajo Nation Chapters' Summer 2022 Youth Employment Programs; Waiving 12 N.N.C. § 820(E), § 820(F), § 820(J), and § 820(L) to Allow Use of UUFB Funds for Recurring Chapter Expenses

Date posted: March 30, 2022 at 6:12PM

Digital comments may be e-mailed to comments@navajo-nsn.gov

Written comments may be mailed to:

Executive Director Office of Legislative Services P.O. Box 3390 Window Rock, AZ 86515 (928) 871-7586

Comments may be made in the form of chapter resolutions, letters, position papers, etc. Please include your name, position title, address for written comments; a valid e-mail address is required. Anonymous comments will not be included in the Legislation packet.

Please note: This digital copy is being provided for the benefit of the Navajo Nation chapters and public use. Any political use is prohibited. All written comments received become the property of the Navajo Nation and will be forwarded to the assigned Navajo Nation Council standing committee(s) and/or the Navajo Nation Council for review. Any tampering with public records are punishable by Navajo Nation law pursuant to 17 N.N.C. *§374 et. seq.*

SUMMARY OF PROPOSED LEGISLATION

Tracking No. 0060-22

Date: March 29, 2022

Re: AN ACT RELATING TO THE HEALTH, EDUCATION, AND HUMAN SERVICES, RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE, AND NAABIK'İYÁTI' COMMITTEES, AND THE NAVAJO NATION COUNCIL; APPROVING \$4,000,000 FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE ("UUFB") FOR THE 110 NAVAJO NATION CHAPTERS' SUMMER 2022 YOUTH EMPLOYMENT PROGRAMS; WAIVING 12 N.N.C. §820(E), §820(F), §820(J), and §820(L) TO ALLOW USE OF UUFB FUNDS FOR RECURRING CHAPTER EXPENSES

Purpose of this Legislation:

to allocate \$4,000,000 from the UUFB for the 110 Chapters' Summer 2022 Youth Employment Programs; waiving 12 N.N.C. §820(E), §820(F), §820(J), and §820(L) to allow use of UUFB funds for recurring Chapter expenses.

	OLD PERIOD: African Health Education & Human Services Co	
Posting End	ting Time/Date: 04-04-22 Resources & Development Co	Thence
Eligible for A	LESOUICES & DEVELOPHIE III CO	mmιπee Thence
1	PROPOSED NAVAJO NATION COUNCIL RESOLUTBUNGET & Finance Co	
2	24th NAVAJO NATION COUNCIL - Fourth Year, 2022	Thence
3	Introduced by:	mmittee Thence
4	Navajo Nation	
5	Cuorso	
6	(Prime Sponsor)	
7		
8	Tracking No. OOGO-22	
9		
10	AN ACT	
11	RELATING TO THE HEALTH, EDUCATION, AND HUMAN SERVICES,	
12	RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE,	
13	AND NAABIK'ÍYÁTI' COMMITTEES, AND THE NAVAJO NATION	
14	COUNCIL; APPROVING \$4,000,000 FROM THE UNRESERVED,	
15	UNDESIGNATED FUND BALANCE ("UUFB") FOR THE 110 NAVAJO	
16	NATION CHAPTERS' SUMMER 2022 YOUTH EMPLOYMENT	
17	PROGRAMS; WAIVING 12 N.N.C. §820(E), §820(F), §820(J), and §820(L) TO	
18	ALLOW USE OF UUFB FUNDS FOR RECURRING CHAPTER EXPENSES	
19		
20	BE IT ENACTED:	
21		
22	SECTION ONE. AUTHORITY	
23	A. The Navajo Nation established the Health, Education, and Human Services Committee as a	
24	Navajo Nation Council standing committee and empowered the Committee to review and	
25	recommend resolutions regarding employment matters. 2 N.N.C. §401(B)(6)(A).	
26	B. The Navajo Nation established the Resources and Development Committee as a Navajo	
27	Nation Council standing committee and gave the Committee oversight over the 110 Navajo	
28	Nation Chapters. 2 N.N.C. §164(A)(9); 2 N.N.C. §500(A); 2 N.N.C. §501(C)(1).	
29	C. The Navajo Nation established the Budget and Finance Committee as a Navajo Nation	
30	Council standing committee and authorized the Committee to review and recommend to the	

8

9

10

11

12 13

14

15 16

17

18 19

20 21

22

23 24

25 26

27

28

29 30

- Navajo Nation Council the management of all funds. 2 N.N.C. §164(A)(9); 2 N.N.C. §300(A); 2 N.N.C. §301(B)(2).
- D. The Navajo Nation established the Naabik'íyáti' Committee as a Navajo Nation Council standing committee, and all proposed legislation that requires final action by the Navajo Nation Council is assigned to the Naabik'íyáti' Committee for its review and consideration. 2 N.N.C. §164(A)(9); 2 N.N.C. §700(A).
- E. 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).
- F. The Title 12 restrictions on supplemental appropriations, including all amounts from the UUFB, 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); 12 N.N.C. §820(F).
 - 2. Specifically, the UUFB shall not be used for recurring government expenditures or operations. 12 N.N.C. §820(J); 12 N.N.C. §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 membership of the Navajo Nation Council. 12 N.N.C. §820(F); 12 N.N.C. §880.
 - 5. Pursuant to 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).

3

4 5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

SECTION TWO. FINDINGS

A. All 110 Navajo Nation Chapters have indicated a need for supplemental funds to pay for their summer youth employment programs for the Summer of 2022. On behalf of the 110 Chapters, the Division of Community Development ("DCD") is requesting \$4,000,000 in UUFB funds to distribute among all 110 Chapters.

6. Pursuant to 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.

- B. The required Budget Forms, including Appendix K "Supplemental Funding Proposal Summary" for the Chapters' proposed expenditures, are attached as **EXHIBIT A**.
- C. DCD has prepared a comprehensive list of each Chapter's needed amount to fund its Summer 2022 Youth Employment Program, showing the total amount needed of \$4,000,000 for all 110 Chapters. **EXHIBIT B**.
- D. 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).
- E. The Navajo Nation honors Diné Customary Law by assisting high school and college students with temporary employment during their summer breaks. Chapter summer youth employment programs offer these students the opportunity to gain work experience during their summer breaks, and to earn funds to pay for their school expenses.
- F. Due to the COVID-19 pandemic, many Navajo Nation youth were largely unable to secure summer employment during the Summers of 2020 and 2021; therefore, this \$4,000,000 in funding is badly needed to assist them with jobs and income this Summer.
- G. The Office of the Controller was asked to provide a memorandum as required by 12 N.N.C. §820(L). This memorandum shall be provided to the assigned Committees and the Navajo Nation Council when this legislation is up for consideration.
- H. The Office of Management and Budget was asked to provide a budget impact analysis as required by 12 N.N.C. § 20(M). This analysis shall be provided to the assigned Committees and the Navajo Nation council when this legislation is up for consideration.

3

5 6

7 8

9

10 11

12 13

14

16

15

17 18

19

20

21 22

23 24

25 26

27

28

29 30

SECTION THREE. ALLOCATING \$4,000,000 FROM THE UUFB TO THE DIVISION OF COMMUNITY DEVELOPMENT FOR THE 110 CHAPTERS' SUMMER 2022 YOUTH EMPLOYMENT PROGRAM

- A. The Navajo Nation hereby allocates \$4,000,000 out of the UUFB to the Division of Community Development to be used for the 110 Chapters' summer youth employment programs for 2022, as shown in the attached EXHIBIT A and EXHIBIT B.
- B. This supplemental appropriation shall be from those funds that exceed the minimum fund reserve balance in the UUFB required by 12 N.N.C. §820(J), as determined by the Controller.
- C. Pursuant to 12 N.N.C. §820(O) the \$4,000,000 shall be deposited with each of the 110 Chapters 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."
- D. Pursuant to 12 N.N.C. §820(N) the amount received by each of the 110 Chapters under the overall \$4,000,000 allocation approved herein shall not lapse at the end of the fiscal year, so long as each Chapter accounts for any funds that remain after the conclusion of its Summer 2022 Youth Employment Program and then budgets such funds in the next fiscal year for its Summer 2023 Youth Employment Program.

SECTION FOUR. WAIVING 12 N.N.C. §820(E), §820(F), §820(J), and §820(L) TO ALLOW USE OF UUFB FUNDS FOR RECURRING CHAPTER **EXPENSES**

The Navajo Nation hereby waives 12 N.N.C. §820(E), §820(F), §820(J), and §820(L) to allow use of the UUFB for the 110 Chapters' summer youth employment programs for Summer 2022, as shown in EXHIBIT A and EXHIBIT B. These waivers are necessary because the proposed Chapter UUFB expenditures are considered recurring government expenses.

SECTION FIVE. EFFECTIVE DATE

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

SECTION SIX. 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.