THE NAVAJO NATION LEGISLATIVE BRANCH INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0182-22__

SPONSOR: Carl R. Slater

TITLE: An Act Relating to the Resources and Development, Budget and Finance, and Naabik'íyáti' Committees, and to the Navajo Nation Council; Approving \$970,000 from the Síhasin Fund for the Demolition and Cleanup for Four Former Business Sites Under the Chinle RBDO, and Approving the Related Expenditure Plan

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SUMMARY OF PROPOSED LEGISLATION

TrackingNo. 0182-22

Date: September 23, 2022

Re: AN ACT RELATING TO THE RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES, AND TO THE NAVAJO NATION COUNCIL; APPROVING \$970,000 FROM THE SÍHASIN FUND FOR THE DEMOLITION AND CLEANUP OF FOUR FORMER BUSINESS SITES UNDER THE CHINLE RBDO, AND APPROVING THE RELATED EXPENDITURE PLAN

Purpose of this Legislation:

to allocate \$970,000 to the DED/Chinle RBDO for the demolition and cleanup of four old business sites located in the Round Rock and Lukachukai communities.

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1	with the responsibility to "review and recommend to the Navajo Nation Council the
2	budgeting, appropriation, investment and management of all funds." 2 N.N.C. §301(B)(2).
3	D. The Naabik'íyáti' Committee is a standing committee of the Navajo Nation Council that
4	considers all proposed final actions by the Navajo Nation Council. 2 N.N.C. §164(A)(9).
5	E. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. §102(A).
6	As such, the Council may approve appropriations from the Navajo Nation's Síhasin Fund.
7	F. 12 N.N.C. §2502, as amended by CJA-03-18, states the purpose of the Navajo Nation Síhasin
8	Fund ("Síhasin Fund") as follows:
9	§2502 Purpose
10	A. The purposes of this Fund are to provide financial support and/or financing for:
11	1. The planning and development of economic development and regional
12	infrastructure supporting economic development and community development,
13	including such infrastructure as, but not limited to, housing, commercial and
14	government buildings, waterline, solid waste management development,
15	powerline Projects, and transportation and communication systems, within the
16	Navajo Nation;
17	B. For the Purpose in §2502(A)(1), Fund expenditures for infrastructure shall not be
18	limited by 12 N.N.C. §1310(F) or TCDCJY-77-99.
19	C. Leveraging the Fund by way of guaranteeing loans, match funding, direct funding
20	in part, and other weighted uses of the Fund, including loan financing from the Fund,
21	for the purposes in §2502(A)(1), shall be favored over direct funding in whole.
22	G. The Síhasin Fund provides that "Fund Principal" shall consist of all deposits made to the
23	Síhasin Fund and that "Fund Income" shall consist of all earnings (interest, dividends, etc.)
24	generated and realized by the Fund Principal, and that Síhasin Fund Income shall be
25	deposited in, and added to, the Fund Principal until such time as a Fund Expenditure Plan is
26	duly approved. 12 N.N.C. §2504 and §2505(C).
27	H. The Síhasin Fund provides that "Fund Principal and Income shall not be expended except
28	pursuant to a Fund Expenditure Plan consistent with the purposes set forth in §2502 of this
29	Chapter and adopted by a two-thirds (2/3) vote of all members of the Navajo Nation
30	Council." 12 N.N.C. §2505(A).

SECTION TWO. FINDINGS

A. In a letter dated July 7, 2022, the Chinle RBDO is requesting \$970,000 from the Síhasin Fund for the demolition and cleanup of four former business sites under its jurisdiction. These sites are located in the communities of Round Rock (2 sites - old Round Rock Trading Post and old Leo Jim site), and Lukachukai/Upper Greasewood (2 sites - old Upper Greasewood Trading Post and old Kennedy Trading Post). A summary of the four projects is attached hereto as EXHIBIT A.

B. Each of the four projects is described in further detail, with a cost estimate, in the attached **EXHIBIT B**.

C. The Chinle RBDO explains that, once the demolition and cleanup projects are completed, the four sites will be ready for new business opportunities at those locations. EXHIBIT A.
D. Allocation of the Síhasin funds as requested by the Chinle RBDO meets the criteria for Síhasin expenditures because the proposed expenditures will involve economic and community development and commercial buildings, as described in 12 N.N.C. §2502(A)(1).

SECTION THREE. APPROVING \$970,000 FROM THE SÍHASIN FUND FOR THE DEMOLITION AND CLEANUP OF FOUR FORMER BUSINESS SITES UNDER THE CHINLE RBDO, AND APPROVING THE RELATED EXPENDITURE PLAN

A. Pursuant to 12 N.N.C. §2505(A), the Navajo Nation hereby approves \$970,000 from the Síhasin Fund for the Chinle RBDO's four demolition and cleanup projects at the former business sites described herein, and also approves the Expenditure Plan for the four projects as set forth in the attached **EXHIBITS A**, and **B**.

B. The total amount of Síhasin funds approved in this Act may be further leveraged 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 a 2/3 approval vote of the full membership of the Navajo Nation Council.

C. The Controller shall determine whether the source of the Síhasin funds approved in this Act
will be Síhasin Fund Principal or Síhasin Fund Income, or a combination of both.

D. Within thirty (30) calendar days after the effective date of this Act, the approved Sihasin funds shall be disbursed to the DED for the Chinle RBDO's use in implementing and completing its four demolition and cleanup projects described in **EXHIBITS A** and **B**.

E. The approved Síhasin funds for the four Chinle RBDO projects shall not lapse at the end of the fiscal year as might otherwise occur pursuant to 12 N.N.C. §820(N). However, notwithstanding the above, any Síhasin funds not spent or encumbered within thirty-six (36) months of the effective date of this Act shall revert to the Síhasin Fund Principal, unless otherwise approved prior to such reversion by both the Resources and Development Committee and the Naabik'íyáti' Committee.

F. The Síhasin funds approved herein shall not be comingled with funds from any other sources, whether designated for the four projects or otherwise. Any and all savings or unused amounts of the approved Síhasin funds shall be returned to the Síhasin Fund Principal once the four Chinle RBDO projects are completed, or upon the reversion deadline in SECTION THREE (E) above.

G. The Síhasin Fund may be reimbursed the amount of funds approved herein, from funds available to the Navajo Nation from any and all state, federal, or other sources.

SECTION FOUR. EFFECTIVE DATE

This Act shall become effective pursuant to 12 N.N.C. §2505(A) and 2 N.N.C. §221(B).

SECTION FIVE. SAVING CLAUSE

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