

**THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION**



LEGISLATION NO: _0239-22_

SPONSOR: Carl R. Slater

TITLE An Action Relating to the Health, Education, and Human Services, the Budget and Finance, and the Naabik'íyáti' Committees, and to the Navajo Nation Council; Approving \$111,554 from the Unreserved, Undesignated Fund Balance ("UUFB") for the Department of Diné Education for Internet Costs at 56 Sites; Waiving 12 N.N.C. § 820(E), § 820(F), § 820 (J), and § 820(L)

***Date posted:* December 6, 2022 at 5:05 PM**

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SUMMARY OF PROPOSED LEGISLATION

Tracking No. 0239-22

Date: December 6, 2022

Re: AN ACTION RELATING TO THE HEALTH, EDUCATION, AND HUMAN SERVICES, THE BUDGET AND FINANCE, AND THE NAABIK'ÍYÁTI' COMMITTEES, AND TO THE NAVAJO NATION COUNCIL; APPROVING \$111,554 FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE ("UUFB") FOR THE DEPARTMENT OF DINÉ EDUCATION FOR INTERNET COSTS AT 56 SITES; WAIVING 12 N.N.C. §820(E), §820(F), §820(J), AND §820(L)

Purpose of this Legislation:

to approve \$111,554 from the UUFB for DODE to cover internet costs for 56 sites that will lose federal funding as of January 1, 2023; waiving 12 N.N.C. §820(E), §820(F), §820(J), AND §820(L) to allow use of UUFB funds for recurring expenses.

OLC No. 22-383-1

5-DAY BILL HOLD PERIOD: Johnson
Website Posting Time/Date: _____
Posting End Date: 12-11-22
Eligible for Action: 12-12-22

Health Education & Human Services Committee
Thence
Budget & Finance Committee
Thence
Naabik'iyáti' Committee
Thence
Navajo Nation Council

PROPOSED NAVAJO NATION COUNCIL RESOLUTION
24th NAVAJO NATION COUNCIL - Fourth Year, 2022

Introduced by:



(Prime Sponsor)

Tracking No. 0239-22

AN ACTION

RELATING TO THE HEALTH, EDUCATION, AND HUMAN SERVICES,
THE BUDGET AND FINANCE, AND THE NAABIK'ÍYÁTI' COMMITTEES,
AND TO THE NAVAJO NATION COUNCIL; APPROVING \$111,554
FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE ("UUFB")
FOR THE DEPARTMENT OF DINÉ EDUCATION FOR INTERNET COSTS
AT 56 SITES; WAIVING 12 N.N.C. §820(E), §820(F), §820(J), AND §820(L)

BE IT ENACTED:

SECTION ONE. AUTHORITY

A. The Health, Education and Human Services Committee is a standing committee of the Navajo Nation Council, and serves as the oversight committee for the Department of Diné Education. 2 N.N.C. §400(A), §401(C)(1).

B. The Navajo Nation established the Budget and Finance Committee as a standing committee with the authority to review and recommend to the Navajo Nation Council the management of all funds, including the Navajo Nation's Unreserved, Undesignated Fund Balance ("UUFB"). 2 N.N.C. §164(A)(9); 2 N.N.C. §300(A), §301(B)(2).

C. The Naabik'iyáti' Committee was created as a standing committee, and all proposed legislation that requires final action by the Navajo Nation Council is assigned to the Naabik'iyáti' Committee for its review. 2 N.N.C. §164(A)(9); 2 N.N.C. §700(A).

1 D. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. §102(A).

2 As such, the Council may approve supplemental appropriations during the fiscal year.
3 “Supplemental appropriations of General Funds within the current fiscal year are permitted,
4 if and when additional sources of revenues above and beyond the initial or current revenue
5 projections are projected and which are also in excess of the reserve amount set forth at
6 §820(J).” 12 N.N.C. §820(L).

7 E. A “supplemental appropriation” is defined as: “[a]n appropriation of funds from the UUFB
8 during the fiscal year, outside of the annual Comprehensive Budget Process.” See Section
9 XIV.33 of the FY2023 Budget Instructions Manual.

10 F. The Title 12 restrictions on supplemental appropriations from the UUFB include:

11 1. Payment of recurring government operating expenses shall be from recurring revenues,
12 and payment of nonrecurring expenses shall be from nonrecurring revenues such as UUFB
13 funds. 12 N.N.C. §820(E), §820(F).

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

16 3. UUFB funds may be used only after the Controller determines whether or not such
17 revenues are subsidizing an imbalance between the Navajo Nation’s recurring revenues
18 and expenditures, and government expenditures shall only be authorized if a long-term
19 (3-year to 5-year year) forecast shows that the operating deficit will not continue;
20 otherwise, nonrecurring revenues are added to the UUFB account. 12 N.N.C. §820(F).

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

23 5. Pursuant to 12 N.N.C. §820(F) all UUFB funding requests must be reviewed by the
24 Controller. Such review is also required because the Controller determines which
25 revenues and expenses are recurring and which are non-recurring. 12 N.N.C. §820(L).

26 6. Pursuant to 12 N.N.C. §820(M) all UUFB funding requests must be submitted to the
27 Office of Management and Budget (“OMB”) for a budget impact analysis.
28

29 **SECTION TWO. FINDINGS**

30 A. The Department of Diné Education (“DODE”) is requesting \$111,554 (rounded up) in

1 supplemental funding from the UUFB to cover expenses for internet services and CIPA
2 (Child Internet Protection Act) fees for 56 sites located across the Navajo Nation, starting as
3 of January 1, 2023. DODE explains that Navajo Nation Telecommunication and Utilities has
4 been paying these costs for the previous two years using federal funds from the USAC
5 (Universal Service Administrative Company), but this funding is expiring December 31,
6 2022. DODE's request memorandum is attached hereto as **EXHIBIT A**.

7 B. In Resolution No. NNBOC-804-2022 the Navajo Nation Board of Education indicates its
8 support for DODE's supplemental funding request, to keep internet services active for the
9 56 affected Navajo Nation Chapters (community libraries) and Head Start Centers that will
10 lose online internet access as of January 1, 2023. **EXHIBIT B**.

11 C. The 56 sites that will potentially lose their internet services are listed in the attached
12 **EXHIBIT C**.

13 D. DODE's required budget forms, and Appendix K "Supplemental Funding Proposal
14 Summary" are attached as **EXHIBIT D**.

15 E. The Office of the Controller issued a memorandum to satisfy the requirements in 12 N.N.C.
16 §820(L). **EXHIBIT E**. The Controller has identified DODE's proposed expenditures as
17 *recurring* and therefore a waiver of 12 N.N.C. §820(E), §820(F), and §820(J) is required.

18 F. The Office of Management and Budget has provided its budget impact analysis pursuant to
19 12 N.N.C. §820(M). **EXHIBIT F**.

20
21 **SECTION THREE. APPROVING \$111,554 FROM THE UUFB FOR THE**
22 **DEPARTMENT OF DINÉ EDUCATION FOR INTERNET COSTS**
23 **AT 56 SITES**

24 A. The Navajo Nation Council hereby approves a supplemental appropriation of \$111,554 from
25 the UUFB to the Department of Diné Education to cover expenses for internet services and
26 CIPA fees at the 56 potentially affected Navajo Nation Chapters and Head Start Centers
27 listed in **EXHIBIT C**.

28 B. This supplemental appropriation shall be from those funds that exceed the minimum fund
29 reserve balance in the UUFB required by 12 N.N.C. §820(J), as determined by the Controller.

30 C. This supplemental appropriation shall not lapse at the end of the fiscal year, as would

1 otherwise occur pursuant to 12 N.N.C. §820(N). However, any UUFB funds not spent or
2 encumbered within 12 months of the date such funds are provided to DODE shall revert to
3 the UUFB, unless otherwise approved prior to such reversion by both the Budget and Finance
4 Committee and the Naabik'íyáti' Committee of the Navajo Nation Council.

5
6 **SECTION FOUR. WAIVING 12 N.N.C. §820(E), §820(F), §820(J), AND §820(L)**

7 The Navajo Nation Council hereby waives 12 N.N.C. §820(E), §820(F), §820(J), and §820(L)
8 to allow use of UUFB funds for the DODE expenditures described in **EXHIBITS A-E**. Said
9 waivers are necessary because DODE's proposed expenditures are considered recurring
10 government costs.

11
12 **SECTION FIVE. EFFECTIVE DATE**

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

14
15 **SECTION SIX. SAVING CLAUSE**

16 If any portion of this Action is determined in valid by the Navajo Nation Supreme Court, or by
17 a District Court of the Navajo Nation without appeal to the Navajo Nation Supreme Court, the
18 remainder of this Action shall be the law of the Navajo Nation.