THE NAVAJO NATION LEGISLATIVE BRANCH INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0116-24__ SPONSOR: <u>Danny Simpson</u>

TITLE: An Action Relating to Resources and Development Committee; Approving a Budget Reallocation in the Amount of \$1,068,991.15, from the Navajo Nation Division of Transportation's Navajo Nation Road Fund to Fund the N36/NM371 Intersection Improvement Project; the Whitehorse Yard Maintenance Building; and Business Unit C01561 NDOT Road Projects; and Waiving Navajo Nation Road Fund Regulations Section VII

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LEGISLATIVE SUMMARY SHEET Tracking No. (2) 16 - 24

DATE: May 22, 2024

TITLE OF RESOLUTION: PROPOSED STANDING COMMITTEE RESOLUTION; AN ACTION RELATING TO RESOURCES AND DEVELOPMENT COMMITTEE; APPROVING A BUDGET REALLOCATION IN THE AMOUNT OF \$1,068,991.15, FROM THE NAVAJO NATION DIVISION OF TRANSPORTATION'S NAVAJO NATION ROAD FUND TO FUND THE N36/NM371 INTERSECTION IMPROVEMENT PROJECT; THE WHITEHORSE YARD MAINTENANCE BUILDING; AND BUSINESS UNIT C01561 NDOT ROAD PROJECTS; AND WAIVING NAVAJO NATION ROAD FUND REGULATIONS SECTION VII

PURPOSE: The purpose of this legislation is to approve a budget reallocation of \$1,068,991.15 of Navajo Nation Road Funds to fund three projects: N36/NM371 Intersection Improvement Project; the Whitehorse Yard Maintenance Building; and Business Unit C01561 NDOT Road Projects. The legislation would also waive Navajo Nation Road Fund Regulations Section VII.

Final Authority: Resources and Development Committee

Vote Required: Two-thirds (2/3) vote of the membership of the committee

This written summary does not address recommended amendments as may be provided by the standing committees. The Office of Legislative Counsel requests each Council Delegate to review each proposed resolution in detail.

	Resources & Development C	ommittee
	ting Time/Date	
Posting End Eligible for		
Eligible for A	Action: 05-29-24	
1	PROPOSED NAVAJO NATION STANDING COMMITTEE RESOLUTION	
2	25th NAVAJO NATION COUNCIL – Second Year, 2024	
3	INTRODUCED BY	
4		
5	U650	
6	(Prime Sponsor)	
7		
8	TRACKING NO. <u>0116-24</u>	
9		
10	AN ACTION	
11	RELATING TO RESOURCES AND DEVELOPMENT COMMITTEE; APPROVING A	
12	BUDGET REALLOCATION IN THE AMOUNT OF \$1,068,991.15, FROM THE	
13	NAVAJO NATION DIVISION OF TRANSPORTATION'S NAVAJO NATION ROAD	
14	FUND TO FUND THE N36/NM371 INTERSECTION IMPROVEMENT PROJECT; THE	
15	WHITEHORSE YARD MAINTENANCE BUILDING; AND BUSINESS UNIT C01561	
16	NDOT ROAD PROJECTS; AND WAIVING NAVAJO NATION ROAD FUND	
17	REGULATIONS SECTION VII	
18		
19	BE IT ENACTED:	
20		
21	SECTION ONE. AUTHORITY	
22	A. The Resources and Development Committee is a standing committee of the Navajo	
23	Nation Council. 2 N.N.C. §500(A).	
24	B. The Resources and Development Committee is the oversight committee of the Navajo	
25	Nation Division of Transportation. 2 N.N.C. §501(C).	
26	C. Pursuant to 2 N.N.C. §185(A) "[s]ubject to existing funding or contract requirements,	
27	the committees, may reallocate funds appropriated by the Navajo Nation Council to	
28	the divisions, departments and programs over which the committees have oversight	
29	authority provided that funds are determined available by the Controller; further	
30	provided that such reallocation is upon the request of the affected division, department	

or program and further provided that reallocation of funds is by two-thirds (2/3) vote of the membership of the committee, board or commission."

SECTION TWO. FINDINGS

- A. The Navajo Nation Road Fund Regulations ("Regulations"), as approved by resolution RDCJN-36-14, regulate the Navajo Nation Road Fund which is funded by the fuel excise tax. These Regulations state at Section VII Use of Unexpended Funds, "[a]ny unexpended funds within a fiscal year shall be reverted back to the Fund Balance and eligible for reallocation for the following fiscal year specific to Section V [eligible road maintenance and road improvement activities]."
- B. A request has been made by the Navajo Nation Division of Transportation to reallocate excess funds from thirty-four (34) completed Navajo Nation Road Fund Projects. The Navajo Nation budget forms regarding these thirty-four (34) projects are attached as **Exhibit A**.
- C. The reallocated funds will be used to fund three projects: N36/NM371 Intersection Improvement Project; the Whitehorse Yard Maintenance Building; and Business Unit C01561 NDOT Road Projects. The Navajo Nation Budget forms for these projects are attached as Exhibit B.
- D. The Section 164 Review Form Document No. 022445, titled "2024 Road Funds (FET) Reallocation," is attached as **Exhibit C.**
- E. The Section 164 Review Form Document No. 022445 shows that the Office of Management and Budget provided a review of the request on 5.16.24 and found it "sufficient." See, Exhibit C.
- F. A memorandum dated May 16, 2023 from the Office of the Controller stating the "When the balances were run a total amount of \$1,068,991.15 was the available balance." The May 16, 2023 memorandum is attached as **Exhibit D**.
- G. The Navajo Nation Department of Justice, on 5/16/24, found Section 164 Review Form Document No. 022445 "legally sufficient." See Exhibit C.

SECTION THREE. WAIVING NAVAJO NATION ROAD FUND REGULATIONS ("REGULATIONS"), RDCJN-36-14, BY PREVENTING THE UNEXPENDED FUNDS FROM REVERTING TO THE NAVAJO NATION ROAD FUND BALANCE

The Resources and Development Committee waives Navajo Nation Road Fund Regulations, RDCJN-36-14, allowing unexpended funds within a fiscal year from reverting back to the Navajo Nation Road Fund Balance.

SECTION FOUR. APPROVAL OF REALLOCATION

- A. The Navajo Nation's Resources and Development Committee hereby approves a budget reallocation in the total amount of \$1,068,991.15 from thirty-four (34) completed Navajo Nation Road Fund Projects, as seen in **Exhibit A**, to fund three projects described in **Exhibit B**, N36/NM371 Intersection Improvement Project; the Whitehorse Yard Maintenance Building; and Business Unit C01561 NDOT Road Projects.
- B. The Navajo Nation's Resources and Development Committee hereby directs the staff of the Office of Management and Budget to establish the necessary business unit for the reallocated funds.