THE NAVAJO NATION LEGISLATIVE BRANCH INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0137-24__ SPONSOR: <u>Brenda Jesus</u>

TITLE: An Action Relating to the Resources and Development Committee;
Approving a Budget Revision Request from the Navajo Environmental Protection
Agency ("NEPA") to Move Funds from the Navajo Nation's Hazardous Substances
Fund to the Phase 2 Trustee Established Under the Phase 2 Settlement Agreement
with the United States that Governs 46 Orphan Abandoned Uranium Mine Sites on
the Navajo Nation

Date posted: <u>June 27, 2024 at 1:34PM</u>

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

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Tracking No. <u>0137-24</u>

DATE: June 26, 2024

TITLE OF RESOLUTION: PROPOSED STANDING COMMITTEE RESOLUTION; AN ACTION RELATING TO THE RESOURCES AND DEVELOPMENT COMMITTEE; APPROVING A BUDGET REVISION REQUEST FROM THE NAVAJO ENVIRONMENTAL PROTECTION AGENCY ("NEPA") TO MOVE FUNDS FROM THE NAVAJO NATION'S HAZARDOUS SUBSTANCES FUND TO THE PHASE 2 TRUSTEE ESTABLISHED UNDER THE PHASE 2 SETTLEMENT AGREEMENT WITH THE UNITED STATES THAT GOVERNS 46 ORPHAN ABANDONED URANIUM MINE SITES ON THE NAVAJO NATION

PURPOSE: The purpose of the resolution is to approve the Navajo EPA's Budget Revision Request of \$102,862.78 from the Phase 1 Trust account to the Phase 2 Trust account, to comply with the Phase 2 Settlement Agreement with the United States, which Agreement governs the continued cleanup of 46 orphan abandoned uranium sites on the Navajo Nation.

Final Authority: Resources and Development Committee

Vote Required: Two-thirds (2/3) vote of the full 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.

5-DAY BILL HOLD PERIOD Resources & Development Commit		ommittee
Posting Er	d Date: 07-02-24	
Eligible fo		
. 1	PROPOSED STANDING COMMITTEE RESOLUTION	
2	25th NAVAJO NATION COUNCIL - Second Year 2024	
. 3	Introduced by:	
4	$\int \int $	
5	- La filyen	
6	(Sponsor)	
7 8	Tracking No	
9		
10	AN ACTION	
11	RELATING TO THE RESOURCES AND DEVELOPMENT COMMITTEE;	
12	APPROVING A BUDGET REVISION REQUEST FROM THE NAVAJO	
13	ENVIRONMENTAL PROTECTION AGENCY ("NEPA") TO MOVE FUNDS	
14	FROM THE NAVAJO NATION'S HAZARDOUS SUBSTANCES FUND	
15	TO THE PHASE 2 TRUSTEE ESTABLISHED UNDER THE PHASE 2	
16	SETTLEMENT AGREEMENT WITH THE UNITED STATES THAT GOVERNS	
17	46 ORPHAN ABANDONED URANIUM MINE SITES ON THE NAVAJO NATION	
18		
19	BE IT ENACTED:	
20		
21	SECTION ONE. AUTHORITY	
22	A. The Resources & Development Committee is a standing committee of the Navajo Nation	
23	Council with oversight authority over matters concerning the environment, and over the	
24	Navajo Environmental Protection Agency. 2 N.N.C. §500(C), §501(C)(1).	
25	B. The Navajo Nation's Hazardous Substance Fund was established under 4 N.N.C. §2701 to	
26	fund the NEPA's Superfund Program, which Program administers, implements, and enforces	
27	the Navajo Nation Comprehensive Environmental Response, Compensation, and Liability	
28	Act. The purpose of this Act is to clean up hazardous and contaminated sites across the	
29	Navajo Nation, to protect the public health, safety, and welfare, and to improve the natural	
30	environment.	

- C. The Resources and Development Committee was designated as the legislative oversight committee for the Hazardous Substance Fund. See Resolution No. BFJA-09-11.
 - D. The FY2024 Budget Instructions Manual, at Section 12(C) requires Oversight Committee approval for a budget reallocation that transfer funds from one Business Unit to another or that changes an existing Business Unit account by \$50,000 or more.

SECTION TWO. FINDINGS

- A. The Navajo Environmental Protection Agency ("NEPA") is requesting approval of the transfer of \$102,862.78 in funds from Object Code 6960 Subcontracted Services to Object Code 7310 Contingencies & Losses. The relevant Budget Revision Request form, with proper signatures, is attached hereto as **EXHIBIT A**.
- B. In 2015 and in 2016, the Navajo Nation and the United States entered into a Phase I and a Phase 2 Settlement Agreement, respectively, which documents govern a total of 46 abandoned uranium sites on the Navajo Nation for which no responsible party can be held legally liable for cleanup these sites are called "Orphan Sites." The most recent agreement between the Parties pertaining to these Orphan Sites is Addendum 4 to the Phase 2 Settlement Agreement, attached hereto as **EXHIBIT B**.
- C. The Environmental Department Manager for the Waste Regulatory Compliance Department of NEPA, Mr. Warren Roanhorse, has prepared a memorandum explaining that NEPA's requested transfer comes from the requirement under the Phase 2 Settlement Agreement Addendum 4 to move leftover funds from the Phase 1 Agreement cleanup activities to the Trust account established for the Phase 2 Agreement activities. Mr. Roanhorse states that the Phase 2 Trust will not be allocated additional federal money unless and until the remaining Phase 1 funds are transferred to the Phase 2 Trust. **EXHIBIT C.**
- D. Further explanation about the transfer of funds is set forth in a letter from the U.S. Department of Justice, dated May 16, 2023. **EXHIBIT D**.
- E. The Resources & Development Committee held a Work Session with the NEPA and the
 Phase 2 Trustee on April 28, 2023, during which the transfer of funds was explained.

 EXHIBIT E.
 - F. The Controller has indicated that sufficient funds are sitting in account number N01347 to

1	cover NEPA's requested Budget Revision. EXHIBIT F.
2	G. The request Budget Revision has been reviewed in the Section 164 Executive Review
3	process, and found to be sufficient by the reviewers. EXHIBIT G.
4	H. Approving the transfer of funds will allow the extensive cleanup work and environmental
5	remediation activities at the orphan uranium sites to continue. The Resources &
6	Development Committee therefore finds it to be in the best interest of the Navajo Nation to
7	approve the NEPA's Budget Revision Request of \$102,862.78 to the Phase 2 Trust.
8	
9	SECTION TWO. APPROVAL AND DIRECTIVES
10	A. The Resources & Development Committee hereby approves the NEPA's Budget Revision
11	Request attached hereto as EXHIBIT A and directs the Office of Management and Budget
12	to immediately process the requested funds transfer.
13	B. The Resources & Development Committee further authorizes the proper Navajo Nation staff
14	and officials to take such further action as necessary and appropriate to effect the requested
15	funds transfer to the Phase 2 Trust, in order to facilitate the Navajo Nation's compliance with
16	its obligations under the Phase 2 Settlement Agreement.
17	
18	SECTION THREE. EFFECTIVE DATE
19	This Action shall become effective in accordance with 2 N.N.C. §500(C), 2 N.N.C. §501(C)(1),
20	Resolution No. BFJA-09-11, and 2 N.N.C. §221(C).
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22	SECTION FOUR. SAVING CLAUSE
23	If any part of this Action is determined invalid by the Navajo Nation Supreme Court, or by a
24	District Court of the Navajo Nation without appeal to the Navajo Nation Supreme Court, the
25	remainder of this Action shall be the law of the Navajo Nation.
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