

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0157-24_

SPONSOR: Lester Yazzie

TITLE: An Action Relating to an Emergency for the Navajo Nation Council; Approving \$2,248,019.12 from the Unreserved, Undesignated Fund Balance (“UUFB”) for Chapters’ Summer 2024 Youth Employment Programs; Waiving 12 N.N.C. §820(E), §820(F), §820(J), §820(L), and §820(O)

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SUMMARY OF PROPOSED LEGISLATION

Tracking No. 0157-24

DATE: July 11, 2024

RE: AN ACTION RELATING TO AN EMERGENCY FOR THE NAVAJO NATION COUNCIL; APPROVING \$2,248,019.12 FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE (“UUF”) FOR CHAPTERS’ SUMMER 2024 YOUTH EMPLOYMENT PROGRAMS; WAIVING 12 N.N.C. §820(E), §820(F), §820(J), §820(L), AND §820(O)

PURPOSE OF THIS LEGISLATION:

to approve \$2,248,019.12 from the UUF for 79 Chapters’ for Summer Youth Employment Programs; waiving 12 N.N.C. §820(E), §820(F), §820(J), §820(L), and §820(O).

FINAL AUTHORITY and VOTE REQUIREMENT:

The Navajo Nation Council has final authority. A 2/3 majority vote is required.

PROPOSED NAVAJO NATION COUNCIL RESOLUTION

25th NAVAJO NATION COUNCIL - Second Year, 2024

Introduced by:


(Prime Sponsor)

Tracking No. 0157-24

AN ACTION

RELATING TO AN EMERGENCY FOR THE NAVAJO NATION COUNCIL;
APPROVING \$2,248,019.12 FROM THE UNRESERVED, UNDESIGNATED FUND
BALANCE (“UUFB”) FOR CHAPTERS’ SUMMER 2024 YOUTH EMPLOYMENT
PROGRAMS; WAIVING 12 N.N.C. §820(E), §820(F), §820(J), §820(L), AND §820(O)

BE IT ENACTED:

SECTION ONE. AUTHORITY

- A. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. §102(A).
As such, the Council may consider proposed legislation regarding an emergency matter, pursuant to 2 N.N.C. §164(A)(16).
- B. “[M]atters constituting an emergency shall be limited to the cessation of law enforcement services, and disaster relief services, fire protection services or other direct services required as an entitlement under Navajo Nation or Federal law, or which directly threaten the sovereignty of the Navajo Nation. Such an emergency matter must arise due to the pressing public need for such resolution(s) and must be a matter requiring final action by the Council.”
2 N.N.C. §164(A)(16).
- C. The Navajo Nation 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

1 revenues above and beyond the initial or current revenue projections are projected and which
2 are also in excess of the reserve amount set forth at §820(J).” 12 N.N.C. §820(L).

3 D. Further Title 12 restrictions on supplemental appropriations, including all amounts from the
4 Unreserved, Undesignated Fund Balance (“UUFB”), include:

- 5 1. Payment of recurring government operating expenses shall be from recurring
6 revenues, and payment of nonrecurring expenses shall be from nonrecurring
7 revenues such as UUFB funds. 12 N.N.C. §820(E); 12 N.N.C. §820(F).
- 8 2. Specifically, the UUFB shall not be used for recurring government
9 expenditures or operations. 12 N.N.C. §820(J); 12 N.N.C. §820(L).
- 10 3. Nonrecurring revenues such as UUFB funds may be used only after the
11 Controller determines whether such revenues are subsidizing an imbalance
12 between the Navajo Nation’s recurring revenues and expenditures, and
13 government expenditures shall only be authorized if a long-term (3 to 5 year)
14 forecast shows that the operating deficit will not continue; otherwise,
15 nonrecurring revenues will be added to the UUFB. 12 N.N.C. §820(F).
- 16 4. The above provisions in Title 12 may be waived by a two-thirds vote of the
17 full membership of the Navajo Nation Council. 12 N.N.C. §820(F).
- 18 5. All UUFB funding requests must be reviewed by the Controller to ensure
19 compliance with Title 12 provisions. 12 N.N.C. §820(L).
- 20 6. Pursuant to 12 N.N.C. §820(M) all UUFB funding requests must be submitted
21 to the Office of Management and Budget (“OMB”) for a budget impact
22 analysis.

23
24 **SECTION TWO. FINDINGS**

25 A. Diné Customary Law declares and teaches that: “[i]t is the right and freedom of the people
26 that our children are provided with education to absorb wisdom, self-knowledge, and
27 knowledge to empower them to make a living and participate in the growth of the Navajo
28 Nation.” 1 N.N.C. §204(F).

29 B. The Navajo Nation honors Diné Customary Law by assisting high school and college
30 students with temporary employment during their summer breaks. Chapter summer youth

1 employment programs offer these students the opportunity to gain valuable work experience
2 during their summer breaks, and to earn funds to pay for their school expenses.

3 C. 79 of the 110 Navajo Nation Chapters have indicated a need for supplemental funds to pay
4 for their summer youth employment programs for Summer 2024. On behalf of these 79
5 Chapters, the Division of Community Development (“DCD”) is requesting \$2,248,019.12 in
6 UUFB funds to distribute among those 79 Chapters listed in **EXHIBIT 1** that have less than
7 \$50,000 in their summer youth employment program accounts.

8 D. If this Action is approved by the Council, the distribution of UUFB funds shown in
9 **EXHIBIT 1** will ensure that all 110 Chapters will have a minimum amount of \$50,000 in
10 their summer youth employment accounts.

11 E. At this time, the Navajo Nation Council is concerned that the 79 Chapters currently do not
12 have funds to cover their Summer Youth Employment expenditures and obligations. The
13 Council therefore finds that the DCD’s request for \$2,248,019.12 in UUFB funds is indeed
14 an emergency matter because the 79 Chapters’ lack of funds “directly threaten[s] the
15 sovereignty of the Navajo Nation” and there certainly exists a “pressing public need” for
16 these funds.

17 F. The required Budget Forms 1, 2, and 4, along with Appendix J “Supplemental Funding
18 Proposal Summary” for the Chapters’ proposed expenditures, are attached as **EXHIBIT 2**.

19 G. The Office of the Controller has provided a memorandum as required by 12 N.N.C. §820(L).
20 This memorandum indicates that the proposed expenditures are *recurring*. **EXHIBIT 3**.

21 H. The Office of Management and Budget has provided its memorandum as required by 12
22 N.N.C. § 20(M). **EXHIBIT 4**.

23
24 **SECTION THREE. APPROVING \$2,248,019.12 FROM THE UUFB TO THE**
25 **DIVISION OF COMMUNITY DEVELOPMENT FOR 79**
26 **CHAPTERS’ 2024 SUMMER YOUTH EMPLOYMENT**
27 **PROGRAMS**

28 A. The Navajo Nation hereby approves \$2,248,019.12 from the UUFB to be distributed to DCD
29 for the 79 Chapters listed in the attached **EXHIBIT 1**, for these Chapters’ summer 2024
30 youth employment programs. Each Chapter receiving funds under this Action shall use 5%

1 of the funds it receives under this Action for materials and supplies needed for its summer
2 youth employment program.

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

5 C. Pursuant to 12 N.N.C. §820(N) the amount received by each of the 79 Chapters shall not
6 lapse at the end of the fiscal year, so long as each Chapter accounts for any funds that remain
7 at the end of the FY2024 Fiscal Year and budgets such funds in the FY2025 Fiscal Year for
8 the same purpose.

9
10 **SECTION FOUR. WAIVING 12 N.N.C. §820(E), §820(F), §820(J), §820(L), AND §820(O)**
11 **TO ALLOW FOR THIS APPROPRIATION**

12 The Navajo Nation hereby waives 12 N.N.C. §820(E), §820(F), §820(J), §820(L), and §820(O)
13 to allow for the UUFB allocation under this Action, as shown in the attached **EXHIBIT 1** and
14 **EXHIBIT 2**. Such waivers are necessary because the proposed Chapter UUFB expenditures
15 are considered recurring government expenses, and the distribution of funds to Chapters does
16 not follow the 50/50 formula set forth in §820(O).

17
18 **SECTION FIVE. EFFECTIVE DATE**

19 This Action shall become effective as provided in 2 N.N.C. §221(B), 2 N.N.C. §1005(C)(10),
20 and 2 N.N.C. §164(A)(17).

21
22 **SECTION SIX. SAVING CLAUSE**

23 If any portion of this Action is determined invalid by the Navajo Nation Supreme Court, or by
24 a 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.