

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: 0236-24

SPONSOR: Casey Allen Johnson

TITLE: An Action Relating to Resources and Development Committee; Approving a Limited Waiver of Sovereign Immunity for the Navajo Nation Hospitality Enterprise, DBA Sanders Fuel Center, for the Sonic Franchise LLC Number 24 Franchise Agreement

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LEGISLATIVE SUMMARY SHEET

Tracking No. 0236-24

DATE: October 30, 2024

TITLE OF RESOLUTION: AN ACTION RELATING TO RESOURCES AND DEVELOPMENT COMMITTEE; APPROVING A LIMITED WAIVER OF SOVEREIGN IMMUNITY FOR THE NAVAJO NATION HOSPITALITY ENTERPRISE, DBA SANDERS FUEL CENTER, FOR THE SONIC FRANCHISE LLC NUMBER 24 FRANCHISE AGREEMENT

PURPOSE: The purpose of this legislation is to approve a limited waiver of sovereign immunity for the Navajo Nation Hospitality Enterprise, DBA Sanders Fuel Center, (“NNHE”), which is required for NNHE to execute a franchise agreement with Sonic Franchise LLC.

Final Authority: Resources and Development Committee

Vote Required: Simple Majority

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

OLC No. 24-408-1

5-DAY BILL HOLD PERIOD J-10
Website Posting Time/Date _____
Posting End Date: 11-06-24
Eligible for Action: 11-07-24

1 PROPOSED STANDING COMMITTEE RESOLUTION
2 25th NAVAJO NATION COUNCIL—Second Year, 2024

3 INTRODUCED BY

4 
5
6 Primary Sponsor

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8 TRACKING NO. 0236-24
9

10 AN ACTION

11 RELATING TO RESOURCES AND DEVELOPMENT COMMITTEE;
12 APPROVING A LIMITED WAIVER OF SOVEREIGN IMMUNITY FOR THE
13 NAVAJO NATION HOSPITALITY ENTERPRISE, DBA SANDERS FUEL
14 CENTER, FOR THE SONIC FRANCHISE LLC NUMBER 24 FRANCHISE
15 AGREEMENT
16

17 **BE IT RESOLVED:**

18 **SECTION ONE. AUTHORITY**

- 19 A. The Resources and Development Committee is a standing committee of the Navajo
20 Nation Council. 2 N.N.C. § 500(A).
21 B. Pursuant to 5 N.N.C. § 1844, the Navajo Nation Hospitality Enterprise operates under the
22 legislative oversight of the Economic Development Committee of the Navajo Nation
23 Council.
24 C. In accordance with CAP-10-11, all references to the Economic Development Committee
25 shall mean the Resources and Development Committee.
26

27 **SECTION TWO. FINDINGS**

- 28 A. The Navajo Nation Hospitality Enterprise (or “NNHE”) is a wholly owned
29 enterprise of the Navajo Nation. 5 N.N.C. § 1841(A) and (B).
30

1 B. NNHE has and shall possess all of the attributes of Navajo sovereignty,
2 including but not limited to immunity from suit...unless, by either contract
3 approved by NNHE in conformity with its plan of operation or by resolution
4 of the Navajo Nation Council any such attribute of sovereignty is expressly
5 waived or abrogated as to NNHE or to any transaction involving NNHE. 5
6 N.N.C. § 1841(C).

7 C. NNHE's Plan of Operation, Article XVI, Subsection A(2) states:

8
9 When the Enterprise's Management Board has, in any particular matter by
10 duly adopted resolution, waived the Enterprise's immunity from suit so as
11 to permit suit against the Enterprise in the courts of the Navajo Natin, the
12 courts of the United States or of any states as may be appropriate and
13 agreed to by the Management Board of the Enterprise. A decision by the
14 Management Board to agree to state or federal court jurisdiction with
15 respect to any matters arising for the development, construction,
16 ownership, or management of properties of the Enterprise that lie within
17 Navajo Indian country shall be valid only if such decision has been
18 approved by resolution of the Economic Development Committee of the
19 Navajo Nation Council, after any consultation with the Attorney General
20 of the Navajo Nation as such Committee deems advisable.

21
22 D. NNHE (DBA Sanders Fuel Center) and Sonic Franchising LLC ("Sonic")
23 have negotiated that certain Number 24 License Agreement (herein referred to
24 as the "Sonic License Agreement"), which is attached for reference as **Exhibit**
25 **A.**

26 E. Given the provisions of the Sonic Franchise Agreement, NNHE is seeking the
27 approval of a limited waiver of NNHE's sovereign immunity from the
28 Resources and Development Committee.
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F. NNHE’s Management Board approved the Sonic Franchise Agreement and a limited waiver of NNHE’s sovereign immunity via Resolution No. 2024-1, which is attached as **Exhibit B**.

G. The Resources and Development Committee finds it is in the best interest of the Navajo Nation and NNHE to approve a limited waiver of NNHE’s sovereign immunity as necessitated by the provisions of the Sonic Franchise Agreement.

SECTION THREE. APPROVAL

A. The Navajo Nation Council hereby approves a limited waiver of sovereign immunity for the Navajo Nation Hospitality Enterprises strictly related to the provisions contained in the Sonic Franchise Agreement attached as **Exhibit A**.

B. Nothing in this resolution shall be construed, either expressed or implied, as a waiver of the Navajo Nation’s sovereign immunity.