



STATE OF THE NAVAJO NATION ADDRESS

PRESIDENT JOE SHIRLEY, JR.

PRESENTED TO THE
21ST NAVAJO NATION COUNCIL
APRIL 21, 2008

Speaker Morgan, Navajo Nation Council Delegates, Vice President Shelly, Mr. Chief Justice, relatives, and guests, *Ya'at'eeh!*

To begin, I'd like to recognize and thank the Citizens Energy Corporation for its generous energy assistance grant to the Navajo Nation in the amount of \$429,000. This grant is to help Navajo families who have suffered financially from the high cost of heating their homes. The Division of Social Services is administering the grant to provide payments directly to propane vendors, wood and coal vendors, Navajo Tribal Utility Authority, and other utility companies on behalf of eligible individuals and institutions in need. So far, the grant has provided relief to more than 262 individuals, 540 Navajo families and 15 institutions. I am very grateful to Citizens Energy Corporation, and hope to receive additional grants in the future on behalf of those in need.

In addition to its charitable works, Citizens Energy is involved in commercial activities. Under the leadership of its president, Joseph Kennedy II, the eldest son of the late Robert F. Kennedy, Citizens Energy is a leading innovator in petroleum, natural gas, and electricity delivery. Recently, the company has focused on alternative energy projects.

On March 12, 2008, the Navajo Nation entered into an Agreement in Principle with Citizens to explore wind energy development on the Navajo Nation. This will require a coordinated effort among the Diné Power Authority, local communities, and the Resources and Economic Development Committees of the Navajo Nation Council. Through this process, we hope to develop the largest renewable energy project on Native American lands. We expect to create up to 150 jobs on the Navajo Nation during construction, and 10-to-20 permanent jobs during operation. The project is expected to provide approximately \$3 million in annual tax and royalty revenues



to the Navajo Nation with a right to acquire a majority ownership of the project in the future. I look forward to working with Citizens to make this wind project a reality.

Ladies and gentlemen of the Council, our Administration continues to work hard to bring economic prosperity to the Navajo Nation, for only in this way will the Navajo people regain the independence we knew long ago. An important key to this prosperity will come through our gaming initiative. I am extremely pleased to report that construction of our first casino will be underway at the Church Rock location by next month. I want to thank our Navajo Nation Gaming Enterprise Chief Executive Officer, Mr. Robert Winter, for his unwavering commitment to seeing this development through. I look forward to more casino developments throughout the Nation, as do many of you. The benefits in terms of employment, business opportunities, and increased revenue will greatly help our host chapters and our ability to provide more and better government services to all of our people.

While we work to build security here at home, many young Navajos serve our Nation in Iraq, Afghanistan, and elsewhere to help promote freedom and build security throughout the world. Others have returned home after having served honorably in past wars or during peacetime. The Navajo Nation is grateful to our warriors who sacrifice so much to protect our freedom and our Diné way of life. As a grateful Nation, we must do all we can to provide assistance to our veterans, soldiers, and their families, in the way they want. For this reason, our Administration has worked to establish the Navajo Nation Division of Diné Veterans Services. It is our hope that through the creation of this Division, our ability to properly address the needs of our veterans and soldiers will be achieved. The Division of Dine' Veterans Services will target improved housing services, education and training, and the implementation of an aggressive grant management program to identify and obtain crucial funding for veterans services. I commend the dedicated work of the Human Services Committee and the Human Resources Division Director, Mr. Lawrence Oliver, and the Veterans Department staff who have diligently worked to develop the proposed enabling legislation, which is on your agenda. To allow the Nation to better serve all of our Navajo veterans, I respectfully request your approval of this worthy endeavor.

Ladies and gentlemen of the Council, when this body adopted the *Diné Natural Resources Protection Act* in April of 2005, the Navajo Nation became the first tribal government to ban uranium mining and processing within its land. Our Nation has said never again will we allow our people to be harmed by the mining and processing of uranium. Despite our efforts to protect our people and our land, there are those who continue to seek uranium development on and near Navajoland. Now, another of our sacred mountains is imperiled by companies that would enrich themselves at the cost of the Navajo people's most sacred beliefs. In December of 2007, application was made to the State of New Mexico for exploratory mining permits on our sacred mountain *Tsoodzil* and its nearby mesas.



Tsoodzil is the home of the sacred jewel, *Dootlizhii*, which is the precious stone of the south. *Tsoodzil* makes up the essence of what it means to have a Navajo identity, to be a Navajo person. For the Diné, our sacred mountains are honored as the place where we make our prayers for a good life for ourselves and our children, for our elders and for our Nation. The exploration by drilling and other mineral development on our sacred *Tsoodzil* will have tremendous detrimental effects on our culture and ceremonies. To stop the desecration of our sacred mountain, the Navajo Nation Historic Preservation Department sought an emergency nomination to list this sacred mountain as a traditional cultural property on the State of New Mexico's registry of historic places. Fortunately, the New Mexico State Cultural Properties Review Committee voted unanimously to approve the emergency listing.

However, this listing protects our sacred mountain for only one year. In order for us to obtain a permanent classification of *Tsoodzil* as a traditional cultural property, additional information must be collected to reflect the full scope of its importance to our culture. This effort will require resources to collect the data and, if necessary, to litigate against any decision that will adversely affect our interests and our Diné way of life. The protection of our way of life should be deemed by all as a priority to ensure cultural survival for our children and future generations. I will keep you apprised of all developments in this regard.

Just as we must protect our resources on our borders, we have a duty to protect our resources from within. Members of the Council, the Navajo Nation government has a fiduciary responsibility to account for public funds and to manage our finances wisely. However, since Fiscal Year 2004, approximately \$182 million has been appropriated by this Council in the form of supplemental funding. Oftentimes, appropriations have been added as riders, erroneously defined as emergency legislation, which have bypassed all required reviews set forth in the Appropriations Act. For this reason, as President of the Navajo Nation, I will issue Executive Order 02-2008, to prohibit Executive Branch employees from seeking supplemental appropriations inconsistent with the requirements set forth in the Appropriations Act.

With all due respect, I want to share some sentiments with you about our Navajo Nation laws and Navajo Nation monies. We need to mind the affairs of our government through the rule of law. We cannot enact laws and then not follow them. We have done that too many times by waiving the laws that have been put into place, and conducting business as if there are no laws, especially where Navajo Nation funds are involved. By continuously waiving our laws to allocate monies routinely and unnecessarily away from the budget cycle put into place by law, we do it at the expense of our programs, many which do not get adequate funds to begin with. When monies are allocated routinely, unnecessarily, and not under an emergency, away from the budget cycle, it hurts vital programs, because monies that should otherwise be allocated during the budget cycle get allocated for those things which are not an emergency.



By establishing priorities, and planning budget amounts in line with those priorities, we will help to ensure fiscal responsibility and compliance with our laws. Certainly, if an emergency situation arises, as defined in Title 2, Executive Branch personnel will request supplemental appropriations to address it, but only after the budget is submitted and approved by the Office of the President and Vice President, which must occur prior to submitting it to the Navajo Nation Council for consideration. As leaders of the Navajo Nation, we must do all we can to ensure the sound use of public funds.

The Navajo people have entrusted us with the duty and responsibility to provide essential government services to them. These range from police and fire protection, social services to people and families in crisis, scholarships, and judicial facilities so that criminal and civil cases can be heard, among many other functions. With much of the tribal revenues already depleted this year, and a proposal to deplete it some more this Navajo Nation Council session, allocating monies during the regular budget cycle for maintaining basic services is and will continue to be a struggle. Nonetheless, I'm certain everyone here will agree that we are obliged to put the needs of the Navajo people first and foremost over our own comfort. For years we have discussed, and heard, and read of the critical need for new jails, for police stations, for courthouses, and for office facilities for our employees.

But before you is Legislation 202-08 that proposes a loan in the amount of \$50 million to build a new 79,000-square-foot legislative complex ahead of these other priorities. It also has been shared with me that there could be an amendment from the floor to raise that figure to \$125 million. Putting aside for a moment the wisdom of serving ourselves before we serve the people who elected us, consider how this legislation was fast-tracked to come before you today, with no public discussion. This proposal did not undergo the required Request for Proposals process. No due diligence was performed on the company selected to construct the building. No public advertisement or competitive bids were submitted from other lending institutions. No certification of debt was provided pursuant to the Bond Financing Act. And there was no compliance with Navajo preference regarding the selection of the construction company, architect, engineer, or the construction manager.

Legislation 202-08 again proposes to waive a number of important Navajo laws that are in place specifically to ensure the prudent use of public funds. Navajo law requires approval of a capital plan for capital projects. But this proposal is not part of the proposed Navajo Nation capital plan. It has not gone before the Transportation and Community Development Committee for consideration, and it is my strong belief that any major capital project that would indebt the Nation for 20 years or longer should be for the purpose of providing a direct and essential government function, like public safety and judicial facilities would. Allocating our efforts and resources for a purpose such as public safety and judicial facilities, that would protect our Navajo citizens, would enable the



Nation to prosecute criminals for violations of Navajo law, and would strengthen the Nation's sovereignty by empowering our courts to punish criminals.

Rather than helping our people in a direct way, Legislation 202-08 proposes to set aside 10 percent of all revenues coming to the Nation in order to pay off the debt that will be incurred and, by so doing, would take money away from helping our people. Despite this, no information is provided regarding the long-term impact such a set-aside would have on government operations. Obviously, an additional 10 percent set-aside will affect the operating budgets of the three branches of government in a most significant way. Based upon the Nation's current operating budget, a 10 percent reduction in net revenues would equal approximately \$19.7 million per year. While the Legislative and Judicial branches would be impacted to a degree, historical precedent shows that the Executive Branch would bear the greatest burden. In other words, a 10 percent set-aside to pay for a new legislative complex would drastically impact government operations, affect our ability to deliver services, could result in staff layoffs, and contradicts the very reason the people sent us here in the first place – to serve *their* needs.

It appears that this bill has prioritized the desire for convenience and expedience over the needs of our people and our government. The Navajo people cried out when the Council spent \$50,000 for rings. This expenditure is one thousand times that. One construction manager hearing of these plans foresaw oak-paneled rooms and marble floors for this cost. Even at the unheard of hypothetical construction cost of \$500 per square foot, this building would cost less than \$40 million. By comparison, the 148,000-square-foot Shiprock Alternative School cost \$20 million. The 91,000-square-foot Seba Delkai School was built for only \$16 million. The Pete V. Domenici Courthouse in Albuquerque, three times the size of this proposed building at 254,000-square-feet, cost \$43.7 million. Do we not feel awkward accepting other's help to heat our people's homes while taking out loans so we can meet in comfort? Members of the Council, I urge you to honor Navajo law, show respect to the Navajo people, and disapprove this legislation.

Another resolution on your agenda that should concern you as it concerns me is the proposed amendments to Title 10 – the *Diné Sovereignty in Education Act*. First, these amendments would strip all substantive authority to make decisions from the Navajo Nation Board of Education and hand over that authority to the Education Committee. Unlike the Board, the Committee was not established specifically to set educational standards and requirements, and to fulfill the vision of our past leaders.

Second, this resolution would slash the number of board members from 11 to seven, unseating all of the elected members by legislative fiat rather than by the elective process. Under current law, each Navajo agency is represented by a duly-elected member of the Board of Education. In essence, this proposal would rescind those



votes cast in good faith by Navajo voters, and disenfranchise them about who they want as their representatives on education-related matters.

Members of the Council, taking this action is wrong. It leads this body down a path fraught with hazards and inevitable heartache. It tampers with our democratic process and violates the people's trust. And it is indisputable that this proposal arose in reaction to issues involving our former superintendent. I would caution against allowing personnel matters to ever be used to confuse the original intent and purpose of our still-recent Title 10 amendments to strengthen Navajo education. This legislation would unravel all that is good and special about the Act. I recommend that you disapprove the proposed amendments to Title 10. We must allow sufficient time to permit the law to work as intended for the benefit of our children and our Nation.

Members of the Council, when I sought re-election in 2006, I promised the Navajo people that I would work to reform our government. Just as the Navajo Nation expects significant and genuine consultation before the Federal government makes decisions that affect our lives, so, too, do the Navajo people want to be consulted to be more involved in their own government. Under the Fundamental Law of the Diné, our people have said that the teachings they embrace in their daily lives should be applied to their government. The people's trust and confidence in their leaders has always depended upon adherence to the principles of *Diné bi beenabaz' áanii*. Since the signing of the Treaty of 1868 and before, this fundamental principle has been dependent upon the consent and will of the people and, in turn, upon their leaders' use of their wisdom and experience to always act in the people's best interests.

To help bring the people's vision into being, today I want to share with you that I will establish the Presidential Task Force on Government Reform. Within days, this task force will begin to coordinate an historic grassroots effort to build support for government reform. Through this process, it is my hope that the Navajo people will decide certain governmental authorities for the central government as well as other substantive matters. Through the public input process, we also hope to learn more about ways to improve the efficiency and effectiveness of the Nation's government.

Members of the Council, I thank you and hope that you have a successful and productive Spring Session.