



## Navajo Nation Council - Office of the Speaker

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**FOR IMMEDIATE RELEASE:**



Navajo Nation Council members met with officials from the state of Arizona to discuss issues regarding the state's budget deficit on Monday, January 21, 2008 in Phoenix, Ariz. Pictured are State Rep. Albert Tom with Sen. Albert Hale in the background. Also pictured are Council Delegate George Arthur, AZ Governor Napolitano, Amos Johnson, and Lorenzo Bates. (Photos by Joshua Lavar Butler)

## Navajo Nation Council members meet with Arizona officials to discuss budget deficit

**PHOENIX, Ariz.** – Several Navajo Nation Council members from the Budget & Finance Committee and the Transportation & Community Development Committee conducted a joint work session to meet with officials from the state of Arizona to discuss issues regarding the state's budget deficit on Monday, January 21, 2008 in Phoenix.

The work session was hosted by the Office of the Speaker and the 21<sup>st</sup> Navajo Nation Council with members of the State Legislature, the Governor's office, and other state agencies to gain an understanding of the budget deficit that is impacting the state.

The Navajo Nation is particularly interested in understanding the budget implications to state programs, which provide services to the tribe and how its impact will affect the future of the Navajo Nation.

The Navajo Nation currently works with several agencies in a partnership to deliver services to Arizona citizens, such as the Department of Economic Security, the Arizona Health Care Cost Containment System (AHCCCS), the Department of Health and Human Services, Education, Department of Water Resources, the Department of Transportation, and the Veteran's Administration.

The Navajo Nation has been working diligently in the past few years to build stronger relationships with the state by contributing more frequently to the dialogue and by bringing state officials closer into the internal process of the tribe, so that an understanding can be

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reached in order to contribute more effectively.

The legislative budget plan was laid out in great detail to the meeting participants, in order to understand the status and threats to funding that it receives. The nation was briefed on the status of fund balances, state fund matches to federal funds, grant funds, and application funds that are typically made available to the Navajo Nation.

This meeting arose after Navajo concerns surfaced regarding the \$870 million short fall in the state's budget, which is attributed to several areas. The budget short fall is the result of the state's slow economy, a decrease in the housing market, decreases in consumer spending, decreases in revenue collection in sales, income tax and corporation taxes, and there is also a decline in construction, which provides spendable income and income taxes to the state.

The repercussions result in unemployment and a stagnant job growth. It was explained by Carolyn Atwater, Policy Advisor to the Senate Democratic Staff, that "things will get worse, before it gets better."

Arizona counties are also being affected by these implications, counties will experience a \$20 million cut in their budgets this upcoming fiscal year as well.

The Navajo Nation may be hit hard with proposed budget cuts also, evident by a proposed cut to funds for Diné College. The cut is being proposed in the amount of \$1.7 million.

Funds for judicial facilities are also worrisome, Council Delegate Kee Allen Begay (Many Farms/Round Rock) is worried that funds for new court facilities will be cut as well. The tribe heavily lobbied the state and advocated for the Multi-purpose/Judicial Facility in Dilkon, Ariz.

In 2007, all three Navajo Nation branch chiefs came together to visit Governor Napolitano to ask for her commitment in helping to provide funding for a judicial facility in Dilkon, Ariz.

In a letter to Governor Napolitano from Speaker Lawrence T. Morgan (Iyanbito/Pinedale), Morgan explained that "it is critical to the Nation that no funds upon which we rely upon be eliminated or reduced. In the event that this is unavoidable, the Nation needs a strategy for addressing such a dire situation. We thank you for the leadership that you have shown and your ongoing commitment to Arizona's tribal communities," he said.

Marnie Hodahkwen, Tribal Policy Advisor for Governor Napolitano, was available at the joint meeting and explained that the legislative leadership thinks that they need to do broad cuts to the state budget, but the Governor's office looks at the situation differently.

Hodahkwen added that the Governor's office is making sure that "we are not leaving any money on the table."

Hodahkwen added that the Governor will do what she can to avoid cuts to the Navajo Nation. It was explained that even in good years, there are always proposed cuts to Diné College. Despite the cuts, Hodahkwen said that "the Governor will work to fight for this budget."

Sen. Albert Hale encouraged more tribal involvement with the state and said that "if you stand on the outside, nothing changes – we have to take an active role in the budget process."

Hale thanked the Navajo Nation leaders for getting this meeting in place and encouraged a yearly event.

The Office of the Speaker plans to facilitate future meetings to strengthen the working relationships with the states. This work session was the first of its kind and was a success.

For additional information, contact Joshua Lavar Butler with the Office of the Speaker at 928-871-6384.