



FOR IMMEDIATE RELEASE  
FEBRUARY 6, 2017

Office of the President and Vice President  
Mihio Manus  
Nicole Macias  
928.871.7000  
OPVP.PressRoom@gmail.com

## **PRESIDENT BEGAYE VETOES RESOLUTION SEEKING SUPPLEMENTAL DISASTER RELIEF BECAUSE IT VIOLATES NAVAJO NATION CODE**

WINDOW ROCK - On Feb. 5, Navajo Nation President Russell Begaye line item vetoed Resolution No. CJA-04-17, a legislation which sought to waive certain provisions of the Navajo Nation Code (N.N.C.) to approve supplemental funding for disaster relief services in the amount of \$242,576.08 from the Unreserved, Undesignated Fund Balance.

"This resolution is not in compliance with N.N.C. 12 N.N.C. 820 (J) requires the Minimum Fund Balance (MFB) to be maintained at no less than 10% of the Nation's General Fund Operating Balance for the prior fiscal year," President Begaye said. "Pursuant to the Office of the Controller and the Office of Management and Budget, this request for supplemental funding will cause the MFB to go below the 10% requirement, which is therefore in violation of 820 (J)."

In his budget memorandum, President Begaye stated that pursuant to the Attorney General, 12 N.N.C. 820(J) cannot be waived by the Council.

Also, 12 N.N.C. 820(O) requires that distribution to the Chapters must be based on the 50/50 requirement but this particular resolution allocated funds to only 33 Chapters.

The Resolution to approve supplemental funding for disaster relief violates 12 N.N.C. 820(O) in that it neither waived or amended the code.

President Begaye also noted that the Chapter accounts used were dated Sep. 30, 2016, and should have been based on up-to-date numbers. When a Chapter declares an emergency it is allowed to transfer monies from non-restricted accounts. Therefore, these accounts may have been fully replenished.

The Resolution included Chapters that had not declared a State of Emergency and vice versa where Chapters that had declared a State of Emergency were not included.

"It is important that we use our limited resources mindfully and direct the supplemental funding to the appropriate areas," Vice President Jonathan Nez said.

As noted, President Begaye requested a formal opinion from the Attorney General Ethel Branch which stated that Resolution No. CJA-04-17 did not properly amend the MFB of the Nation and attempted to waiver 12 N.N.C. 820(J), which was not statutorily authorized.

"I am held to the highest standard of ensuring the fiscal responsibility and integrity of the Nation," President Begaye said. "Our People should expect nothing less. For these reasons, I must line-item veto this Resolution."

The president encourages Council to utilize the UUFB rather than the MFB in requesting for supplemental funding that addresses emergency situations.

"It's the proper source to draw from in addressing supplemental funding of this nature and in it, there are adequate funds available," President Begaye said.

###