Yá’át’ééh and welcome my colleagues of the 23rd Navajo Nation Council, President Russell Begaye, Vice President Jonathan Nez, chapter officials, federal, state and county officials, legislative staff, and most importantly, to our Diné Citizens. Thank you for joining us as we welcome you to the 2017 Spring Council Session.

I would also like to extend a special welcome to our newest colleague, the Honorable Steven Begay, who was recently elected to represent the communities of Coyote Canyon, Mexican Springs, Naschitti, Tohatchi, and Bahastl’a’a’ as a member of the Council. We look forward to working collaboratively with you to accomplish the goals of the 23rd Navajo Nation Council.

I also extend my sincere appreciation to former Delegate Peterson B. Yazzie for serving those communities on an interim basis for the last several months.

As we begin the session and as we receive numerous reports and deliberate over legislations, I would like for us to remember that we are now in the spring season. For our people, it is a time of planting new seeds that will see us through the coming seasons. We have re-entered our newly renovated Council Chamber, and this too, represents a significant sign of progress and renewal.

Over the last several months, the Navajo Nation has encountered challenges related to our Nation’s current and upcoming budgets due to anticipated revenue shortfalls, federal budget cuts, and the possible closure of the Navajo Generating Station.

Although these issues may seem daunting, I believe it also challenges us as leaders to rise to a new level of ingenuity and grants us the opportunity to be innovative and to pursue new ways of providing for and empowering our people.

As we proceed with our agenda for the Spring Session, I ask my colleagues to be mindful and to remember that our people have always overcome challenges and persevered. I am confident that the Council will continue to make progress on our priorities and overcome adversities. On behalf of the 23rd Navajo Nation Council, I again thank our Diné Citizens and many others for your contributions and continued support.

Áhehéé’,

LoRenzo Bates, Speaker
23rd Navajo Nation Council
Priorities of the Navajo Nation Council

Since the Navajo Nation Council approved $180 million for water infrastructure projects through the Síhasin Fund and an additional $150 million for economic and community development projects last year, many have asked how the Navajo Nation will benefit economically through job creation and tax revenue.

With the assistance of Navajo Tribal Utility Authority (NTUA) and the Water Management Branch (WMB), we are now able to provide some preliminary projections that show how many jobs and the amount of tax revenue the Navajo Nation may gain as a result.

Approximately $80 million of the $180 million was approved for NTUA to conduct water projects through a loan agreement with the Navajo Nation over a five-year period. NTUA's initial projections show that over the five-year period, a total 433 construction jobs will be created periodically and a total of 22 permanent jobs. Tax revenue through NTUA over the five-year time span is estimated to reach approximately $3.1 million as a result of construction and other costs. In addition, the other projects being conducted by the WMB are estimated to generate $1.1 million in tax revenue.

I remind you that these projections are preliminary and are subject to many circumstances and changes. We will continue working closely with NTUA, WMB, and Indian Health Service to provide more data in terms of how the Navajo Nation will benefit directly from these projects. I extend my appreciation to these entities for working to compile this initial data, and we look forward to seeing these projects develop throughout the Navajo Nation as we move forward.

Navajo Nation Fiscal Year 2018 Budget

Revenue Projections – Fiscal Year 2018

In early March, the Office of Management and Budget (OMB) reported that initial projections indicate that the Navajo Nation’s revenue will decrease, which will impact next year’s Comprehensive Budget. The anticipated shortfall is due to the ongoing decline in coal and oil prices, which impacts royalties and tax revenues generated for the Navajo Nation from our oil and coal resources.

The extent of the decrease has yet to be determined, however, on March 31 the Office of the Controller reported that based on information provided by the Office of Navajo Tax Commission and the Minerals Department, the total gross revenue projection for next year's budget totals $177.3 million. After deducting set asides (Permanent Trust Fund, Veterans Trust Fund, Land Acquisition Fund, etc.), the net revenue projection totals $130.3 million. This net revenue projection is approximately $47 million less than the budget that the Navajo Nation approved for FY2017.

Although these projections are concerning, it is important to keep in mind that the revenue projections may
change due to the volatility of the oil and gas prices. The Office of the Speaker will continue to closely moni-
tor these projections as we proceed into the budget process in the coming months.

**Federal Budget – Trump Administration**

On March 16, the Trump administration released its initial budget request for FY2018, which is often referred
to as the “skinny budget.” The initial budget shows that the Trump administration is looking to significantly
increase military spending while proposing to cut non-military defense spending by approximately $54 bil-
lion. This includes a proposed cut of approximately $1.5 billion for the U.S. Department of the Interior, which
also includes the Bureau of Indian Affairs.

It is very important that the Navajo Nation’s leadership continue to monitor and analyze revenue projections,
this year’s budget, and any potential shortfalls that may need to be addressed. In addition, the possible
closure of Navajo Generating Station and its potential impact on Peabody Coal Co.’s Kayenta Mine could
impact our Nation’s budget even more so.

There are many circumstances that may impact next year’s budget and those circumstances are constantly
changing. The Budget and Finance Committee is well aware of the circumstances and is working with OMB,
Office of the Controller, and Council members to identify possible solutions to prevent or lessen a shortfall.
In addition, the three branch chiefs will meet and begin guiding the initial path for the development of next
year’s budget.

**Navajo Generating Station**

On February 12, the owners of Navajo Generating Station (NGS) voted to continue operations of the power
plant until the end of its current lease agreement with the Navajo Nation, which expires in December 2019.
The potential closure of the power plant is due in large part to the low cost of natural gas compared to coal,
which is the sole source of power generation at NGS.

Officials with Salt River Project have stated that they will continue the operation of NGS through
2019, as long as the Navajo Nation is able to extend or renew a lease agreement to allow
additional time after 2019 for decommissioning
the power plant.

President Russell Begaye and I have publicly stat-
ed that we want NGS to remain in operation be-
yond 2019, and while we understand that will be
a very challenging endeavor, the Navajo Nation
has a task force in place that is meeting regularly

Photo: NGS employees were provided a presentation session by the Office of the Speaker to update workers regarding NGS’s lease with the Navajo Nation on April 5, 2017.
with SRP officials to determine how to keep NGS in operation.

The Navajo Nation Council is well aware of the economic stakes and the impact that a closure would have on NGS workers and their families. We understand that revenue from NGS provides approximately one third of the Navajo Nation’s annual budget every year and hundreds of well-paying jobs for many Navajo people.

NGS is also the sole purchaser of coal from the Kayenta Mine, which is owned by the Navajo Nation and the Hopi Tribe. Therefore, a closure of NGS would mean the probable closure of Kayenta Mine unless the mine owners are able to sell coal to other buyers.

On behalf of the Council, Delegates Tom Chee, Nathaniel Brown, and I recently met with coal miners at Kayenta Mine, NGS workers, and local residents at Forest Lake Chapter to hear their concerns, provide information, and to answer their questions.

We provided both groups with information regarding the Navajo Nation’s projected revenues for next year’s budget, which indicates that the Nation will likely have a revenue shortfall due to declining coal and oil prices that provide a large portion of the comprehensive budget each year. If NGS were to discontinue operations this year, the Nation could be facing an even larger budget shortfall.

In addition, the Trump administration’s initial “skinny budget” also indicates that the Navajo Nation would receive less federal funding, which would add to the budget shortfall.

On April 12, President Begaye and I once again met with officials with the U.S. Department of the Interior and NGS stakeholders.

**Council Chamber Renovation**

Over the last several months, Keyah Construction, Inc. has made significant strides in renovating the interior of the Council Chamber. The renovation began in November 2016, and Keyah Construction, Inc. has been able to stay on track with an ambitious timeline in order to complete the first phase of the renovation last week.

As previously reported, the entire renovation process will be completed in several phases. The first phase included planning and design, while the second phase carried out the renovation and close of the project. The design phase spearheaded by Stroh Architecture allowed members of the Council to be actively involved in
the selection of the floor plan and carpeting.

Handicap accessibility has been a priority to comply with the Americans Disabilities Act in the first phase of renovation. We have addressed this priority by installing a wheelchair lift near the entrance to allow disabled individuals easier access to seating in the gallery. Additional ramps have been installed within the Council Chamber to make restrooms more accessible for the disabled and elderly as well.

Since the Council was reduced from 88 to 24 members, several modifications were made to meet the needs of the current membership. The designers were asked to provide several floor plans that were flexible to accommodate a possible increase in membership for future purposes.

The designers provided several layouts and the Council provided feedback on each of the options. All comments and recommendations were considered and based on a vote of the Council the current layout was selected.

The seating in the gallery was extended by an additional 12-inches to allow additional space and easier access for the public. Other improvements include new windows near the top of the Council Chamber, an additional row of seats were added for presenters, rearrangement of staff seating, and an area has been reserved for local media. To ensure the murals are protected long term, water leaks are being addressed through roof crickets and reroofing.

Photo: A quick look at workers from Keyah Construction, Inc. doing renovation work inside the Council Chamber.

The Navajo Nation Historic Preservation Department has been actively involved to ensure the property maintains the highest degree of integrity to meet the criteria established through the National Historic Landmark requirements.

Following the Spring Session, we anticipate additional renovations to occur such as repointing sandstones, reroofing, replacement of logs, and the potential use of solar energy to power the facility. Further renovations are dependent on securing additional funds, and the project is tentatively scheduled for completion by Fall 2017.

Síhasin Fund Subcommittee

In 2016, the Síhasin Fund Subcommittee recommended the Síhasin Fund Bulk Water and Wastewater Development and Sanitation Deficiency System (SDS) Project Expenditure Plan. The plan was successfully adopted to provide a comprehensive and cohesive nationwide bulk-water delivery.

Also, passed that year was the Síhasin Fund Twin Arrows Police and Fire Station for Economic/Community Development and the Navajo Community Development Financial Institution for Economic Development.
Each of these funded projects are critical in protecting the Navajo assets and establishing a viable economy. This year, the Síhasin Fund Subcommittee has actively pursuing projects that will provide a positive impact to regional economic and community developments. Between October 2016 and April 2017, the subcommittee has continued to meet with Navajo Nation entities, chapters, programs, and officials.

On February 24, the subcommittee met at Tóhajiilee Chapter and received reports from: U.S. Department of Agriculture - Rural Development, Navajo Telecommunications, Navajo Tribal Utility Authority Wireless, Navajo Technical University Telecommunication Infrastructure Assessment, and updates on the Síhasin Expenditure Plans and Development Projects.

The subcommittee met again on March 24 and 25 in Window Rock. The subcommittee heard oral proposals from Low Mountain Convenience Store, Glittering Mountain – Navajo Shopping Centers, Inc., Chinle Office of Diné Youth Complex, Division of Economic Development – One Stop Shop, The Bennett Implementation Plan by Native Builders, L.L.C., Cottonwood Convenience Store, and Elder Care Centers for the five (5) Navajo agencies. Indian Health Services – SDS provided an update to the subcommittee of the waterline projects.

The subcommittee recognizes and emphasizes the importance of the 2014 Act that mandated the net proceeds and earnings be used for planning and development of regional infrastructure supporting economic and community development, including housing, and educational opportunities. Therefore, all proposals will be thoroughly reviewed to ensure that all guidelines established with the Síhasin Policy are met.

**Naabik’íyáti’ Sexual Assault Prevention Subcommittee**

The Naabik’íyáti’ Sexual Assault Prevention Subcommittee (SAPS) has considerably advanced their efforts in completing steps to accomplish the subcommittee’s priorities that were established in June 2016, which now includes human trafficking.

The SAPS members continue to diligently assess sexual assault, abuse, rape, and human trafficking issues on the Navajo Nation and have taken necessary steps to research effective pathways to carefully begin developing prevention and post-vention efforts through monitoring the progress of each outlined priority.

One of the SAPS’s priorities addresses a need to create a community-coordinated response. One of the first steps the subcommittee has taken, in collaboration with the Health, Education, and Human Services Committee (HEHSC), is to hold Sexual Assault Response (SAR) trainings in Arizona, New Mexico, and Utah.

The purpose of the trainings is to educate the SAPS and HEHSC regarding sexual assault prevention, post-vention, legal processes, prosecution, data information, victim services, law enforcement agency roles, and available resources in order to develop an effective sexual assault response plan on the Navajo Nation, and to strengthen relationships with all participating agencies.
In January, the SAPS/HEHSC held its first training in Arizona to gain insight and information from the U.S. Attorney’s Office, Federal Bureau of Investigation, Navajo Nation Police Department, Navajo Nation social service and health divisions, victim services, and sexual assault prevention programs that serve victims.

The upcoming training for New Mexico will take place on June 15th and 16th at Fire Rock Navajo Casino. All members of the Navajo Nation Council are invited to attend the SAR trainings. Additional invited attendees include the Indian Health Service, Navajo Nation Department of Justice, and sexual assault programs and coalitions. The training for the Utah Navajo area will be set at a later date.

The SAPS also aims to develop data sharing agreements between Navajo Nation divisions, as well as with outside entities such as IHS, U.S. DOJ, and the FBI. A significant barrier the subcommittee has encountered is the lack of data information and management on the Navajo Nation, namely statistics regarding sexual assault, abuse, rape, child abduction, prosecution of sex offenders, and sexually related violent crimes.

The lack of effective data collection and management makes it difficult to understand what policy changes are needed, which is critical to the subcommittee’s goal of identifying solutions, seeking outside additional resources, and understanding sexual assault prevention as it applies to the Navajo Nation.

The SAPS continues to receive numerous reports from Navajo departments, schools, colleges, and outside programs that serve Navajo citizens regarding data information, challenges, support, and the need for program funding to address sexual assault prevention.

The reports have aided the subcommittee in determining areas that need to be addressed in terms of policy recommendations, sexual assault/abuse prevention curriculum in schools and colleges on the Navajo Nation, as well as community youth programs. It also provides a clear picture of resource mapping of services and programs available to sexual assault victims and families.

Another key initiative that the SAPS has been working toward is continuing to advocate and establish a comprehensive AMBER Alert (America’s Missing: Broadcast Emergency Response Alert) system.

On March 29, U.S. Sen. John McCain (R –AZ) introduced S. 772 to the U.S. Senate, a bill that would amend the PROTECT Act to make Indian tribes eligible for AMBER Alert grants. According to the bill, the U.S. Attorney General would determine if a tribe does not have sufficient funds for an AMBER Alert system, and would increase the federal share of the costs.

The subcommittee has conveyed that it is important that the Navajo Nation establish a position to ensure that federal resources can be utilized by the Navajo Nation to aid in improving infrastructure for an AMBER Alert system, and to have it implemented effectively.

In collaboration with the SAPS, the Navajo Sexual Violence Prevention Work Group developed a policy brief entitled “Protect Navajo children: The Impact of Sexual Violence,” which conveys critical information and recommendations to Navajo policy makers to begin addressing sexual violence on the Navajo Nation. The
policy brief has been provided to Council members in hardcopy and electronic formats.

Lastly, the SAPS recognize that sexual assault prevention is not just a government issue, but it is a Navajo Nation-wide issue that involves the promotion of public awareness. April is the official Sexual Assault Awareness month, which is a concerted effort to end sexual violence.

The subcommittee has kicked-off their “Start by Believing” awareness campaign this week, which seeks to change our response to sexual assault and to end the cycle of silence to encourage victims to come forward, and incite Navajo communities to be an effective support system to sexual assault survivors.

I encourage my colleagues, Navajo Nation divisions and departments, chapters, schools, youth organizations, Executive Branch, Judicial Branch, and Diné citizens to participate in this campaign. Additional information regarding the campaign can be obtained from the Office of the Speaker.

As the SAPS’s initiatives progress, it will be up to Council to consider the upcoming proposed policy changes, and to be ready to debate issues that may challenge our personal views and traditional thought. However, we must make these critical decisions with an open mind and open heart to ensure protections for Navajo victims, children, women, elderly, and LGBTQI individuals.

Navajo Housing Authority Board of Commissioners

During the Winter Session in January, the Navajo Nation Council approved the Navajo Housing Authority (“NHA”) Reform Act, which was then signed into law in early February. The language in the Act includes lowering the number of NHA Board of Commissioners from eight to five, improving the qualification criteria, and establishing a nomination committee to select potential board members.

Recently, notices were advertised for NHA board positions for nearly one month through coordinated efforts between the Executive Branch and Legislative Branch. The advertisement period began from mid-February and closed on March 15. As of today, a total of thirty applications have been submitted.

Meanwhile, the Office of the Speaker is diligently working with Office of the President and Vice President (OPVP) to schedule interviews for qualified applicants. Interviews have not been scheduled at this time, however we anticipate that interviews will be conducted at the beginning of May.

According to the resolution, the nomination committee requires the President, the Speaker, and a Resources and Development Committee designee to nominate board members, who would then be confirmed by the Naabik’íyáti’ Committee. The nomination committee has 120-days after the law was enacted to recommend NHA Board of Commissioners for confirmation.
Utah Navajo Water Rights Settlement

Members of the Navajo Nation Council were pleased to be informed that Senator Orrin G. Hatch (R-UT) has introduced S. 644, a congressional bill that seeks the approval of the Utah Navajo Water Rights Settlement to benefit the Navajo Nation and the state of Utah.

The Council issued its support for the settlement in January 2015 when Council Delegate Davis Filfred, who represents five Navajo chapters in Utah, sponsored legislation supporting the proposed settlement, which would also provide funding for water infrastructure development for the chapters in Utah.

Water infrastructure is a necessary part of building our economy and our communities, and that is what this bill would provide for our people, as stated by Delegate Filfred.

The Council listed the settlement of water rights in Utah and the Little Colorado River as a top priority when members took office in January 2015. The proposed agreement with Utah developed after years of negotiations resulting from a Memorandum of Agreement between the Navajo Nation and the state of Utah in 2003 that allowed the two sides to formally enter into discussions to determine the water rights of the Nation.

In December of 2015, representatives from the Navajo Nation Department of Water Resources and Department of Justice, along with the Navajo Nation Water Rights Commission, and the State of Utah reached an agreement as to the quantification and settlement of the water rights claims.

I extend my appreciation to Senator Hatch for introducing the Navajo Nation/State of Utah Water Rights Settlement Act. The approval of the settlement would be another great step forward in bringing safe, clean drinking water to the many Navajo people residing in the Utah Navajo Communities.

Navajo Indian Irrigation Project/Navajo Agricultural Products Industry

The Navajo Indian Irrigation Project (NIIP) continues to struggle with inadequate funding to address deferred maintenance needs. Navajo Agricultural Products Industry (NAPI) continuously emphasizes that additional funding is needed to sustain Operations, Maintenance, and Repair (OM&R) functions for the NIIP and to complete Blocks 9, 10, and 11.

Over the years, it has been the position of the Navajo Nation to complete the full build out of the NIIP. However, in many discussions regarding the future of the NIIP, it is concluded that NIIP may never be completed at its current funding level. With the consensus of the Office of the President and Vice President, Office of the Speaker, Resources and Development Committee, and the 23rd Navajo Nation Council, NAPI has taken the initiative to advocate for the completion of Block 9, which has a total of 9,873.0 of potential farm acres remaining.
On March 3, the Navajo Nation submitted comments to the U.S. Department of the Interior for the NIIP to be considered eligible for appropriated funds to address deferred maintenance needs according to the Water Infrastructure Improvement for the Nation Act (WIIN). President Obama signed the Act into law in 2016 authorizing $35,000,000 for fiscal years 2017 through 2021 to carry out maintenance and repair activities nationwide for Indian Irrigation Projects.

The terms of the WIIN Act require the Navajo Nation to submit programmatic goals for NIIP that address repairing, replacing, modernizing, or performing maintenance for the project no later than April 14, 2017. Currently, NAPI officials are in the process of identifying goals in collaboration with Office of the President and Vice President, Office of the Speaker, and the Resources and Development Committee.

Moving forward, I have introduced legislation to establish a Naabik’íyáti’ NIIP Negotiation Subcommittee. The subcommittee will consist of five members from the Council’s Standing Committees. The responsibilities of the subcommittee include advocating for funding for NAPI’s OM&R program, advocating for funding under the WIIN Act, and lobbying in the interest of the NIIP.

Currently, NAPI is in full operation for the 2017 Crop Season with land preparation, and initiating their Organic Program. NAPI began diverting water on February 15 from Navajo Lake to NAPI fields. NAPI proposes to plant a total of 72,870.6 acres of crops. This includes 14,854.1 acres of alfalfa, 7,259.4 acres of beans, 12,224.0 acres of corn, 8,090.8 acres of wheat, 1,968.0 acres of hay grazer, 873.0 acres of organic crops, and 9,727.8 of miscellaneous acres. In addition, 5,535.1 acres is leased to Pumpkin Patch Fundraisers and Upland Desert Popcorn, 3,996.2 acres to Navajo Mesa, and 8,342.2 to Anderson Hay.

Also, at the request of the 23rd Navajo Nation Council, a tour of the NIIP is scheduled for April 25 at NAPI. The objective of the tour is to provide the Council members a visual understanding of the deferred maintenance facilities of the NIIP. The tour includes a visit to the Kutz Pumping Plant, Kutz Siphon Breach, Canal lining failure, M45.7LA/LB Pumping Plant, Gallegos Lifting and Substation, and Block 9 drip field development.

I will continue to collaborate with federal officials and Navajo Nation leadership as the NIIP project continues to be a priority of the Navajo Nation Council.

**Hydraulic Fracturing (“Fracking”) on Sacred Sites**

Many concerns have been brought to the attention of the Navajo Nation Council regarding on-going petroleum drilling activities on culturally and historically significant areas in the Eastern Navajo Agency. Several communities express these concerns, which includes Torreon, Ojo Encino, Counselor, and Nageezi.

Several of the Council’s Standing Committees and subcommittees visited some of these chapters over the past few months to hear directly from impacted families and departments about drilling activities. Many of these concerns entail firsthand accounts from those who are opposed to continued oil-drilling activities. These community members also feel strongly that oil companies are potentially in violation of drilling near what are considered sacred sites.
These meetings resulted in discussions that involved topics such as health issues, air quality, protection of sacred sites, road conditions, human rights, public safety, jurisdiction, lack of community consultation, and lack of communication.

In moving forward, the Navajo Nation recognizes the complexities in addressing these concerns that involve questions and inquiries of potential violations of drilling related activities and the possible negative impact it may place on the communities. One major issue the Navajo Nation continues to encounter is the various jurisdictional questions related to Bureau of Land Management (BLM) boundaries, allotment land boundaries, and trust land boundaries.

Furthermore, the Navajo Nation Historic Preservation Department (NNHPD) has been involved in order to address sacred sites, also known as Traditional Cultural Properties (TCP). NNHPD retains a database of identified TCP, but they do not have all TCP and sacred areas documented in the San Juan Basin. NNHPD recommends that the BLM fund a TCP Study to help identify sacred sites and places of cultural significance in order to address this issue.

On March 9, a legislation seeking to oppose hydraulic “fracking” on the Navajo Nation was discussed during the Naabik’íyáti’ Committee meeting. The legislation was tabled along with a directive to schedule a hearing no later than 60 days of the tabling motion. A hearing is tentatively scheduled for May 8 at the Multi-Purpose Building in Nageezi, NM.

The hearing will provide further opportunity for community members to express their concerns, whether families are in favor or opposed to hydraulic fracking. The 23rd Navajo Nation Council will continue to collaborate with tribal and federal officials to further discuss and to identify solutions for the safety of the impacted communities.

**Naabik’íyáti’ State Task Force**

**Arizona State Legislature**

Currently, there is a disagreement on the cost of the voter-approved Proposition 105, which raises the minimum wage. The issue at hand is the state’s budgetary effect of a raise on the minimum wage on costs for services the state pays to private contractors for social services and health services. This could have a budget impact of $30 million or more. At this point, neither Gov. Doug Ducey nor the Legislature have moved on the budget as of yet.

State Task Force chair Council Delegate Kee Allen Begay, Jr., STF members Council Delegate Nathaniel Brown, Council Delegate Davis Filfred, and myself, met with various members of the House and Senate leadership prior to the legislative session.

We had the opportunity to meet with the newly appointed Speaker of the House, Javan D. Mesnard (R –
Dist.17) and the chairman of the House Education Committee, to begin educating them about the wide variety of issues impacting the Navajo Nation.

**New Mexico State Legislature**

“Partnering for a Better Tomorrow” was the theme for the 2017 American Indian Day at the New Mexico State Legislature. STF chair Delegate Begay, STF members Council Delegate Seth Damon, Council Delegate Leonard Tsosie, and myself, were present at the annual event. We met with Lt. Governor John Sanchez, President Pro Tempore Mary Kay Papen, Minority Whip Rep. Rod Montoya, and Rep. Sharon Clahchischilliage.

The meetings provided an opportunity to present the Navajo Nation Priorities booklet, Legislative Priorities Resolution, and to discuss matters important to Navajo Nation for the session.

**Utah State Legislature**

The 2017 American Indian Caucus Day at the Utah State Legislature was a very productive day for myself and STF members Council Delegate Nathaniel Brown, Council Delegate Jonathan Hale, Council Delegate Davis Filfred, Council Delegate Herman Daniels. Navajo leaders were provided the opportunity to meet with Utah State Rep. Michael E. Noel (R – Dist. 73), Utah House Speaker Gregory Hughes (R – Dist. 51), and Utah State Senate President Wayne L. Niederhauser (R – Dist. 9).

On February 6, Council members attended the Utah American Indian Caucus Day in Salt Lake City, UT to convey important issues that affect Utah Navajo communities such as telecommunication infrastructure, the Bear’s Ears National Monument, and the Utah Navajo Trust Fund.

We conveyed the Navajo Nation’s concern regarding the state of Utah’s attempts to lobby President Trump to rescind the Bears Ears monument designation, and expressed to them that Council is open to any discussion with Utah legislators to find common ground on the issue.

Delegate Hale, chair for the Health, Education, and Human Services Committee, also advocated to the state leaders regarding the need to enact Utah House Bill 43, which would allocate $500,000 specifically to the San Juan School District to address the achievement gap to improve the academic performance of Navajo students.

We were happy to be informed that H.B. 43 did pass and was signed into law by Gov. Gary Herbert on March 24. The resolution modifies provisions related to education and American Indians and Alaska Natives, and it creates a pilot program related to teachers at AI/AN concentrated schools. The bill appropriates for FY2018 to the State Board of Education – State Administrative Office, and would be a recurring appropriation from the Education Fund in the amount of $500,000.
State Bills

Prior to the start of each legislative session, members of the State Task Force with the assistance of state lobbyists from New Mexico, Arizona, and Utah worked diligently to establish legislative priority listings for the Nation as it pertains to each state. The legislative priority listings were established to provide guidance to state lobbyists and state legislators as they advocate on behalf of the Navajo Nation. Below are a few significant bills being considered during the 2017 legislative sessions.

Arizona

- H2530 – Rural Development Tax Credits (Rep. Shope)
- H2373 – Tobacco Settlement; Indian Tribes; Info (Rep. Carter)
- H2472 – Private Postsecondary Institutions; Peace Officers (Rep. Kern)
- H2084 – Tribal Courts; Involuntary Commitment Orders (Rep. E. Farnsworth)
- SB 1412 – Surface Water; Adjudication (Sen. Griffin)
- HCM2006 – Clean Power Plan; Repeal; Replace (Rep. Barton)
- H2479 – AHCCCS; Waivers; Tribal Exemptions (Rep. Benally)
- H2204 – Native American Veterans; Tax Settlement (Rep. Shope)
- SCR1028 – Veterans’ Services; Navajo Nation; Cooperation (Rep. Peshlakai)
- H2394 – Empowerment Scholarships; Expansion; Phase-In (Rep. J. Allen)
- H2465 – Empowerment Scholarship Accounts; Revisions (Rep. Livingston)

New Mexico:

- SB 462 – Severance Tax Bond Projects (Sen. Carlos Cisneros)
- SJM 20 – Native Americans Support of Standing Rock Sioux (Sen. John Pinto, Sen. Benny Shendo)
- SB 260 – Capital Projects Reversion Dates (Sen. Joseph Cervantes)
- HB 487 – Tax Gas at the Rack (Rep. James Townsend)
- HB 357 – Native American Voting Info Task Force (Rep. Derrick Lente)
- HB 162 – Sale of liquor for consumption off licensed premises (Rep. Johnson)
- SB 381 – School Transportation by Alternative Means (Sen. Pat Woods)

Utah

- HB 43 - American Indian and Alaskan Education Amendments (Rep. Noel, Sen Hinkins) Enrolled
- HCR 11 - Concurrent Resolution to Rescind the Bears Ear National Monument Designation (Speaker Hughes, President Niederhauser) – Enrolled
In January, Navajo Nation leaders and citizens were pleased to learn that former President Barack Obama signed a proclamation to officially designate Bears Ears as a national monument under the Antiquities Act of 1906. The Bears Ears National Monument encompasses approximately 1.3 million acres of land—sacred to the Navajo Nation, Ute Mountain Ute Tribe, Hopi Tribe, Ute Indian Tribe, and Zuni Nation.

I would like to thank Council Delegates Davis Filfred, Nathaniel Brown, Herman Daniels, Jr., the Bears Ears Inter-Tribal Coalition, and Utah Diné Bikeyah for their persistent advocacy that resulted in the Bears Ears National Monument—a victory for the five tribes and the protection of our sacred land areas.

Under the proclamation, it states that a Bears Ears Commission would be created and five commission members appointed by the tribes. Council members have passed a resolution appointing Delegate Filfred to serve on the commission. The commission would provide recommendations and input regarding the Bears Ears National Monument to federal agencies such as the U.S. Forest Service and the Bureau of Land Management.

On March 29, the Bears Ears Commission held its first meeting in Bluff, Utah to review the proclamation language, define the function and roles within the commission, and to appoint a chair and co-chair of the commission.

The commission would include the assistance of a technical working team and a core team of organizations and coalitions, who would be delegated to carry out research, public engagement, data collection, information sharing, cultural resources, policy analysis, and to administer service projects.

Delegate Filfred attended the meeting and provided feedback regarding the next steps in protecting the Bears Ears National Monument designation, which is currently under opposition by some officials within the state of Utah and San Juan County, Utah.

The Bears Ears Commission may seek to establish a legal position regarding the National Monument to ensure protections for Bears Ears, which would require assistance and recommendations from the Navajo Nation.
In February, Delegate Brown introduced Legislation No. 0065-17, which seeks to oppose Utah’s House Concurrent Resolution 11—a resolution that requests President Trump to rescind the national monument designation of Bears Ears. H.C.R. 11 was sponsored by State Rep. Gregory H. Hughes and Utah Senate President Wayne L. Niederhauser, and was passed and signed into law by Utah Gov. Gary Herbert on Feb. 3.

However, Delegate Brown has expressed that he would continue to push his legislation forward to reiterate to the state of Utah and the federal government regarding the Nation’s position. Naabik’íyáti’ Committee resolution NABIJA-01-17 conveys the Navajo Nation’s official stance to protect Bears Ears, as well as to oppose any Congressional action that would threaten the status of the Bears Ears National Monument.

It is crucial that the Navajo Nation Council remain persistent in asserting our position opposing the state of Utah’s efforts, and I am confident that we will continue fighting to protect the National Monument.

On March 8, my office sent a letter to the U.S. Secretary of the Interior Ryan Zinke, extending an invitation to visit the Navajo Nation to tour Navajo land and engage in a thorough discussion regarding issues such as the Bears Ears National Monument, our natural resources, and land issues.

The Office of the Speaker is still awaiting a response from Sec. Zinke and will continue to monitor the situation. Our office will continue to provide updates regarding the Bears Ears Commission to Council as the initiative moves forward.
Second Quarterly Report Program Summaries
Fiscal Year 2017

Office of the Auditor General

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The Office of the Auditor General conducts internal audits of Navajo Nation programs, departments, chapters, entities and vendors in conjunction with the “One Nation, One Voice” governance priority of the Navajo Nation.

For FY2017, the Office of the Auditor General issued a total of 27 reports to date. Accomplishments from FY2017 Second Quarter - Issued 16 reports:

- 17-12 Many Farms Chapter Corrective Action Plan Follow-up Review
- 17-13 FMIS Disaster Recovery Corrective Action Plan Follow-up Review
- 17-14 Accounts Payable Duplicate Payment Special Review
- 17-15 Navajo Veterans Housing Program Internal Audit
- 17-16 Investigation Report - Aneth Chapter’s non-profit corporation
- 17-17 Tonalea Chapter Special Review
- 17-18 NDOT P-card Corrective Action Plan Follow-up Review
- 17-19 NDOT Road Fund Corrective Action Plan Follow-up Review
- 17-20 Veterans Administration Fort Defiance Agency Corrective Action Plan Follow-up
- 17-21 to 17-24 Investigation reports - four employees
- 17-25 Coyote Canyon Chapter Corrective Action Plan Follow-up Review
- 17-26 Leupp Chapter Corrective Action Plan Follow-up Review
- 17-27 Wide Ruins Chapter Corrective Action Plan Follow-up Review

Goals for FY 2017 Third Quarter (ongoing projects and activities)

- Tribal Parks Special Review
- Water Rights Commission Special Review
- FMIS Address Book Corrective Action Plan Follow-up Review
- Department of Personnel Management Corrective Action Plan Follow-up Review
- Sanostee Chapter Special Review
- Kaibeto Chapter Special Review
- Fraud Investigations of chapters/staff
- Revisits of sanctioned programs and chapters
Speaker’s Report

Issues/Recommendations

- Lack of auditors to conduct surprise audit of chapters. Recommend funding additional five (5) auditors to do surprise audits at each agency.
- Lack of auditors to conduct performance audit of Navajo Nation programs and departments. Recommend funding additional five (5) auditors to be assigned at the division level.
- Lack of auditors to conduct follow-up reviews of programs and chapters corrective action plan implementation. Recommend funding additional three (3) auditors to do follow-up reviews.
- Lack of funding to pay for the risk assessment of Executive Branch departments and programs costing approximately $100,000. The risk assessment will help identify the high risk or non performing departments/programs that should be scheduled for performance audit.

Eastern Navajo Land Commission

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Section One: Accomplishments for the second quarter:

- Commission’s top priorities (1: NELI/NIIP Project; 2: Resolving FWAD; 3: Oversight of Navajo Land Buy-Back Program; 4) New land purchase opportunities).
- The NavajoBBP concluded November 30th. Officially between the Navajo Nation and the Federal Land Buy-Back Program under USDOI was closed out on February 28, 2017.
- Fort Wingate Army Depot Land Division: Senate Bill S.2943 resulting in the “National Defense Authorization Act of 2017” allowed for the land division is between the Navajo Nation and Zuni Pueblo. The map appended to the Act illustrating the land division was the wrong map. Although Navajo and Zuni leadership have expressed to Congressman Pearce, the Navajo President apparently preferred the map from the July 08, 2013 negotiations, this map has always been reported to have errors. The “correct” map is one passed by the ENLC and Naabi Committee in April 2016.
- Resumed contacts with the NNWO regarding the NELI/NIIP Project.

Section Two: Goals for 3rd Quarter of FY-17:

- Re-new talks with Congressional member on the NELI/NIIP Project
- Explore options with BLM regarding Customary Land Users on BLM lands
- Proceed with complying with requirements under the Fort Wingate Army Depot land division provisions

Section Three: Issues/Recommendations:

- Continue contacts to assure the “correct” FWAD map gets congressional attention for a technical amendment.
- Assure coordinated Navajo position on the NELI/NIIP Project
Navajo Nation Ethics and Rules Office

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Section One: Accomplishments from 2nd quarter:
- Exceeded Program Performance Goals no. 1: review 20 new intakes, actual number is 38; no. 2: file 5 ethics cases with Office of Hearings and Appeals, actual number is 16; no. 4: 10 consultations with other tribal programs and departments, actual number is 20; no. 5: close and process 20 cases, actual number is 20 – met program performance goal.
- An Executive Director was hired for the Ethics and Rules Office.
- Successfully hosted the 2017 Navajo Nation Governance Conference in Albuquerque, NM. The conference was attended by 514 registered individuals which represented 89 of 110 Navajo Chapters.
- Legislation to amend the ethics statute of limitation, 2 N.N.C. § 3769 was introduced by Delegate D. Witherspoon.

Section Two: Goals for 3rd Quarter in FY2017
- Update the Ethics and Rules Plan of Operation.
- Prepare an unmet needs budget in preparation for FY18 budget hearings, to include an additional program vehicle and additional staff.
- File applications for garnishment in eligible cases.
- Conduct more presentations to chapters in collaboration with ASC/Division of Community Development and Division of Human Resources.
- Standardize internal forms for filing with the Office of Hearings and Appeals.

Section Three: Issues/Recommendations
- Pending Navajo Nation Supreme Court decision regarding interpretation of the current statute of limitations for filing an ethics complaint with the Office of Hearings and Appeals.
- Amend the Ethics in Government Law and Plan of Operation.
- Additional vehicle needed for investigations.

Office of Navajo Government Development

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Accomplishments from 2nd quarter:
- The Office of Navajo Government Development, Office of Ethics and Rules, Election Administration,
Section One: Accomplishments from 1st Quarter

- Regional Indigenous Consultation with United Nations Special Rapporteur on the Rights of Indigenous Peoples: The Office, in partnership with the University of Colorado—Boulder College of Law, assisted with the official visit by the United Nation Special Rapporteur on the Rights of Indigenous Peoples, Victoria Tauli-Corpuz, on the effects of energy development on indigenous peoples in the United States.

- How to Enable the Participation of Indigenous Peoples’ Representatives and Institutions at the United Nations: The Office accompanied Council Delegate Nathaniel Brown to two United Nations

Goals for 3rd Quarter in FY2017

- In May, the Office will provide a report to the Naa’bik’iyati’ Committee on the effectiveness of the reduced Navajo Nation Council.

- In June, the Office will begin work to update the booklet on the Navajo Nation Government.

Issues/Recommendations

- The Commission has only four members. Seven members are required to have a quorum to do business. The Office will continue to ensure that members are recommended and the Office will track the legislation.
meetings to advance the Navajo Nation position on the needs for special recognition status for the Navajo Nation within the United Nations. The Navajo Nation advocated for the ability to participate in all United Nations meetings that’ll impact Navajos, have a United Nations seat on the floor, submit written documents, recommendations, and respond on issues that’ll impact Navajos.

- Reviewed Citizen Complaints: The Office received new complaints during the second quarter. Intake meetings were conducted and majority of the complaints were staffed for investigations. Majority of issues include predatory automobile sales and employment issues. In addition, the Office continues to work with the City of Winslow regarding conciliation measures after the death of Loreal Tsingine.

- Ensure San Juan County Utah Voting Rights is Address: The Office continues to work on voting rights issues for the State of Utah San Juan County. Currently, the Commission is a complaining party in the matter of Navajo Nation Human Rights Commission et al v. San Juan County et al and Navajo Nation v. San Juan County. Both cases surround redistricting the county and school board, and the mail-in ballot issue.

- Free Consumer Legal Consumer Advice Day: The Office developed and coordinated a Free Consumer Legal Advice day, which was held on March 29th in Window Rock, Arizona at the Navajo Department of Diné Education auditorium. The event was open to the public and had 31 participants attend the event.

Section Two: Goals for 3rd Quarter

- Conduct Public Hearing and Assessment: Conduct new public hearing on assessing the funeral cost in and off the border towns. Traditional medicine people with proper protocol will guide this public hearing.

- Fair Elections Legal Network Voting Surveys: the Office entered into a Letter of Agreement with the Fair Elections Legal Network, a nonprofit organization in Washington, D.C., and continues to work on implementing a Navajo voter survey with the nonprofit organization. The survey is intended to collect information on why Native Americans have a difficult time participating in federal and state elections, and what are the best practices.


Section Three: Issues/Recommendations

- Subcommittee on Sacred Sites: Several internal Navajo sacred site issues come to the commission. While the office is required to coordinate with other Navajo government programs, it continues to be a concern that Navajo individuals raise concerns on sacred sites with the commission while the Navajo Historic Preservation Department (“HPD”) statutorily protects all Navajo cultural resources. It is necessary to streamline how the commission and HPD would respond to cultural properties issues.

- Consumer Advocacy: The Navajo people significantly depend on the goods and services provided in the border towns. Many Navajos also move to the border towns for better education and jobs while they continue to maintain strong connection with their traditions, culture and values. It is essential that Navajo Nation advocate for advancement in assuring that these Navajo individuals have an opportunity to become leaders in these border towns, too.
• Navajo Voting Rights Lawsuits: The office will continue to monitor and assist the attorneys who filed the lawsuit in Navajo Nation Human Rights Commission et al v. San Juan County et al and Navajo Nation v. San Juan County by providing needed information, and keep the plaintiffs updated as they are stakeholders in the lawsuit.

Navajo Nation Labor Commission

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Section One: Accomplishments from 2nd quarter of FY 2017:
• Efficient use of allocated funds, NNLC held twenty (32) evidentiary hearings
• NNLC and program timely processed two (2) appealed NNLC cases to Navajo Nation Supreme Court
• NNLC program timely processed fifteen (15) formally filed complaint
• NNLC timely adjudicated fifteen (32) NPEA cases
• NNLC and program timely closed and issued eight (10) orders
• NNLC & program timely issued and mailed eight hundred 650) subpoenas and notice of hearings by first class, facsimile and email to counsels of record or parties
• NNLC will continue to adjudicate seventy five (65) pending NPEA cases
• NNLC program made five (3) audio copies at parties’ request

Section Two: Goals for 3rd Quarter of FY 2017:
• Efficient use of allocated funds and timely processed appealed NNLC case(s)
• NNLC & program will timely adjudicate NPEA cases
• NNLC & program will timely process formally filed NPEA complaint(s) and/or petition(s)
• NNLC & program will timely issue and close out NPEA cases
• NNLC & program will continue review and amend NNLC Ruled of Procedure
• NNLC & program will continue to preserve substantial rights of all employees and employers in accordance to Navajo Law

Section Three: Issues/Recommendation(s):
• NNLC only received funding for 40 hearings for FY 2017. Additional funds will be needed to adjudicate pending NPEA cases during FY2017. In FY 2016, NNLC conducted 79 evidentiary hearings.
Navajo Nation Election Administration

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Section One: Accomplishments from 2nd Quarter

• Election Board members conducted seven regular meetings
• Election Board approved thirteen resolutions during their regular meetings
• Election Administration completed the 2016 Navajo Nation Chapter Election
• Recommended three amendments to the Navajo Nation Council to Title 11
• Conducted 18 Special Elections to fill 21 Positions Not Applied For
• Opened attorney position for Election Board and Administration

Section Two: Goals for 2nd Quarter

• Work with Navajo Nation Council on Transportation Stimulus Referendum Election
• Continue working on amending Election Laws
• Fill existing positions not applied for vacancies
• Enforcement of Policies
• Assist in planning and conducting 2017 Governance Conference
• Secure and interview applicants for attorney position assigned for the Board and Election Administration
• Continue working with Chapters on local referendum elections
• Fill the vacant Executive Director position; provide orientation for new Director
• Continue other Goals and Objectives of the Election Board; implement directives

Section Three: Issues/Recommendations

• Election Administration needs funding for a new office building
• Obtain Independent Legal Counsel
• Establish Board and Administration as an independent entity
• Navajo Nation Election need funding for new voting equipment
• Program and Board Funding Short fall for FY2017
• Administration needs upgraded office equipment

Navajo Utah Commission

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Section One: Accomplishments from 2nd Quarter

- The Navajo Utah Commission secured $292,600 in FY2017 appropriations from the Utah Olene Walker Housing Loan Fund (OWHLF) to finance construction of one single-family housing unit for a low-income family in each of the seven Utah chapters. Leveraged funding ($245,000) from the Utah Navajo Revitalization Fund (project no. 120576) will provide employment opportunities for approximately 28 local Navajo carpenters.

- The initial Navajo Utah Commission request to the Utah Native American Legislative Liaison Committee (NALLC) resulted in the sponsorship of HB 43 (Native American – Alaskan Native Education Amendments) by Rep. Mike Noel and eventually enactment of HB 43 and appropriations of $250,000 in yearly allocation for San Juan School District schools to address the achievement gap for Navajo students.

- The Navajo Utah Commission completed a funding application seeking $75,000 from the Utah Navajo Trust Fund to assist the Red Mesa Chapter in fulfilling plumbing requirements for a scattered site waterline extension project sponsored by the Northern Agency IHS Department of Environmental Health at cost of $523,000.

- The Navajo Utah Commission prepared and distributed position statement regarding priority Utah Navajo issues to Gov. Gary R. Herbert and the 2017 Utah Legislature and expressed support for HB 43, HB 394, and SB 91, and expressed concerns and opposition for S.J.R. 5, and HCR 11 respectively.

Section Two: Goals for 3rd Quarter

- Work with Utah chapters in expending funding appropriated by the Utah Navajo Revitalization Fund for capital projects sponsored by Utah chapters.

- Plan, organize, and conduct capacity-building training for Utah chapters relative to strategic planning and/or project management.

- Assist two Utah chapters in prioritizing two construction-ready projects and preparing funding applications for appropriations from the Navajo Nation Capital Projects Management Department.

- Work with the Utah chapters in identifying and selecting housing grant recipients for the Utah Olene Walker Housing Loan Fund contract and initiate procurement of housing construction materials and supplies.

Section Three: Issues/Recommendations

- The Navajo Nation Council established the Navajo Nation Capital Outlay Special Revenues Fund in FY2000 to match funds with state appropriated capital projects. The Utah chapters as a group received a $1 million appropriation for 13 projects approximately 15 years ago. The Utah chapters have not received any additional allocation since then despite accumulation of state funds. The Navajo Nation Capital Projects Management Department recently worked with the Navajo Nation Council to amend the Navajo Nation Capital Outlay Special Revenues Fund Act and indicate funding is imminent. The Utah chapters currently have $6,364,800 in state of Utah appropriations available for 23 projects. The Utah chapters are requesting a set-aside from the Navajo Nation Capital Projects Management Department to supplement and implement Utah projects.