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Navajo President Shelly Signs Law to Increase Funding for Scholarships and Economic Development

WINDOW ROCK, Ariz. – Navajo Nation President Ben Shelly signed into law legislation that would bring as much as \$8 million to Navajo scholarships and Navajo economic development.

President Shelly signed the law last Wednesday, Oct. 31.

President Shelly signed the Navajo Nation Sales Tax Distribution Reform Act of 2012, which increases the Navajo Sales Tax by one percent and redistributes the taxes to include the Office of the Navajo Nation Scholarship and Financial Assistance and the economic development fund.

“If we are going to have a better future, we must invest in our children’s education. I know this won’t help every student that is in need, but we must keep finding way to serve our students while being less dependent on the federal government. This act is a step in the right direction,” President Shelly said.

“The passage of this act took teamwork from both executive and legislative sides. Together we did this for our children,” President Shelly added.

Council Delegate Dwight Witherspoon sponsored the legislation.

“I can attend graduations and know we can support more of our students seeking post secondary education to improve the quality of life for them individually, their family and extended family,” Council Delegate Witherspoon said.

The revenue generated by the one percent sales tax increase will be split between the Navajo scholarship office and an economic development fund, which could be as much as \$4 million each.

Funding for Navajo general fund, judicial and public safety facilities will remain intact. In the legislation, percentage cuts for revenue generated from the sales tax will change but only to accommodate the scholarships and the economic development fund.

The economic fund will have mandates in place that will ensure proper plans are developed before money can be taken from the fund.

“We have to make sure that the projects we invest in are solid and will help the Navajo Nation,” President Shelly said.

When the legislation was first introduced, President Shelly, Delegate Witherspoon, the scholarship office, and other staff traveled to different chapters and universities to advocate support for the legislation.

Rose Graham, director of Navajo scholarship office, said the revenue generated from the sales tax is welcomed because funding for scholarships from outside sources has been declining for the past few years.

“It is my hope that we will continue to work closely together to find solutions so that we don’t have to turn away thousands when they apply for scholarships,” Graham said.

The new tax is scheduled to begin in January 2013.

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