



THE NAVAJO NATION

OFFICE OF THE PRESIDENT & VICE PRESIDENT

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Navajo President Joe Shirley, Jr., appreciates council delegate's letter to Speaker Morgan stating special session would be costly, unneeded

Navajo Nation Council special session to cost \$35,583 to seek veto override

WINDOW ROCK, Ariz. – Navajo Nation President Joe Shirley, Jr., said today that he appreciates a Navajo Nation Council delegate's letter in support of his recent veto, and agreed that convening a special session would be a large and unnecessary expense when a regular session is only a month away.

The cost to hold a regular or special session is approximately \$13,833 per day for 87 delegates at \$60 per delegate, not including salary, according to the Navajo Nation Controller's office. The Speaker is not included in that calculation.

If delegates also attend a caucus meeting at \$250 per delegate, which is likely, that would cost an additional \$21,750 for 87 delegates, for a possible total cost of \$35,583 for the special session and caucus.

"The Speaker of the Navajo Nation Council needs to exercise leadership in the prudent spending of the peoples' money instead of being a leader in the unwise use of the peoples' money," the President said. "The Navajo Nation laws are there for a purpose, and we need to follow the laws instead of waiving them all the time."

On Friday, Council Delegate Leonard Tsosie wrote to Speaker Lawrence T. Morgan to say that a special session to seek a veto override was unnecessary, and that President Shirley's rationale for vetoing the resolution was correct.

"Convening a special session is costly," said Mr. Tsosie who represents Pueblo Pintado, Whitehorse Lake and Torreon chapters. "We should use the monies to extend water lines, power lines and telecommunication lines for the benefit of the Navajo people rather than spending it to hold an unwarranted and costly special session."

On March 10, the President vetoed a \$17 million appropriation resolution after his \$1 million request for the Navajo Nation

Department of Emergency Management had ballooned with an additional \$16 million in non-emergency amendments.

The President also cited his concern about the council's repeated waiver of Navajo law to make supplemental appropriations in this fashion.

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– Navajo Nation President Joe Shirley, Jr.

The council voted to take \$17,015,000 from the Grant Reserve Fund balance, which is intended to reimburse expenses for capital projects in addition to providing essential governmental services. The reserve fund was agreed to by the three Branch Chiefs and approved by the Navajo Nation Council during the FY 2008 budget process.

"The budget deliberations and the budget cycle are in place for all three branches so that there will be fairness when the peoples' monies are allocated amongst the branches to operate the Navajo Nation government," President Shirley said.

Mr. Tsosie also said the President was correct in his caution to refrain from waiving Navajo Nation laws, and for advising against taking money from established funds for purposes they were not intended for.

"Using funds for purposes other than what it was intended for is a dangerous precedent," Mr. Tsosie wrote to the Speaker.

“As the wisdom of your office dictates, we should not be raiding other funds.”

“This not only makes the image of the Navajo Nation Council look bad, but it furthers a bad image of the Navajo people and its government. If the override does not prevail, the Navajo people’s opinion is not going to be rewarding.”

Mr. Tsosie’s conclusions, and the President’s veto, are supported by an analysis prepared by the Navajo Nation Office of Management and Budget. OMB Director Dominic Beyal reported that the additional \$16 million in appropriations are not emergencies.

Because they were added as amendments from the floor, known as “riders,” neither his office nor executive branch divisions or council oversight committees were given an opportunity to review them or to make recommendations.

“It is unfortunate that the government now makes it a regular practice to bypass the laws which are there to promote fair, just, and wise budget decisions,” Mr. Beyal wrote.

“OMB earlier recommended to OPVP staff that support should be shown for the DPS Disaster Assistance emergency appropriation, given the state of emergency, but the riders are very questionable,” he said. “OMB repeats the recommendation that the Navajo government follow applicable laws and policies, and not waive them, so sound, prudent, and planned budget decisions addressing essential priorities can be made.”

Mr. Tsosie, who is a lawyer, agreed stating that he does not believe the council has the authority to waive law when it stands in the council’s way.

“The Navajo people never gave the council the power to waive or ‘throw out’ laws when it is convenient to do so,” he said. “Some at the Office of the Legislative Counsel may argue that this is inherent power of the Navajo Nation Council. I disagree.”

He said laws provide for accountability and “are stoppers to unwise exercise of power.” He said he was concerned that the practice of waiving laws could be used against the Navajo Nation in court.

In a news release from the Speaker’s office dated March 4 but issued March 11, it was reported that the President’s veto impacted direct services to Navajo people, although none of the \$16 million in supplemental appropriations had been budgeted, reviewed, and the legislation contained no provision for the central government to monitor expenses at the chapter level.

The release also stated that the President was incorrect to state that many chapters had reserve funds, although in this fiscal year so far there have been nearly \$38 million in supplemental appropriations and carry-overs to all 110 chapters. That means that each chapter has received approximately \$344,596 in appropriation and carry-overs in FY 2008, according to the OMB.

On Jan. 28, when a weather-related state of emergency was declared by the President and the Navajo Nation Commission on Emergency Management, the council appropriated \$2.7 million to all 110 Navajo communities for emergency purposes although only eight had declared weather-related emergencies.

The Speaker’s news release also stated that his office is receiving numerous requests for financial assistance, despite the President’s veto.

In FY 2007, the council appropriated \$9.6 million for discretionary financial assistance of which \$2 million was carried over to FY 2008 – the most ever moved into the next fiscal year. This fiscal year, \$7.1 million has been allocated to discretionary funds, of which \$1.5 million remains unspent.

At this rate, however, that money will be gone in two months, and an additional \$13 million will be needed for the duration of the fiscal year.

“Every other Navajo government entity operates for a full year within budgeted funds, but this particular cost is treated differently and without regard to other pressing priorities,” Mr. Beyal wrote. “The Legislative Branch is created to ‘legislate’ and not administer programs/services that the Executive Branch is responsible for. This financial assistance cost has now become the largest expense in the Legislative Branch.”

In addition, OMB states that the appropriation of \$2 million for the Speaker’s and delegates’ discretionary funds and budget for promotions, gifts, awards, contributions and catering raises the total appropriation for these costs to \$9.5 million this fiscal year.

OMB notes that in FY 2008 the Legislative Branch received a 19 percent increase – or \$3.3 million – over its FY 2007 base budget, in addition to carrying over \$5 million in unspent funds.

“No other branch in the Navajo government has the luxury of appropriating funds for its own purposes, without review, off of the Council floor, and without the input of the people or affected parties,” Mr. Beyal said.

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