

RESOLUTION OF THE  
BUDGET AND FINANCE COMMITTEE  
OF THE NAVAJO NATION COUNCIL

Recommending that the Navajo Nation Council Intensely Advocate Restoration of Appropriations, Equal to the Fiscal Year 1995 Levels, to Proposed Fiscal Year 1996 Federal Budget Reduction in H.R. 2099 Appropriation Bill which may Adversely Impact the Operating Programs in Veterans Affairs and Housing and Urban Development of the Navajo Nation

**WHEREAS:**

1. The Budget and Finance Committee of the Navajo Nation Council, pursuant to 2 N.T.C. Section 371 and 374 (b) (10), is established and continued as a standing committee of the Navajo Nation Council and is empowered to review the management of all funds including annual budgets of the Bureau of Indian Affairs, the Indian Health Services, and other departments and agencies of the U.S. government and to recommend the approval or disapproval of such budgets; and

2. The United States government has a unique trust responsibility and fiduciary obligation to the Navajo Nation and to the Navajo people as established by the Treaty of 1868 and federal statutes. United States President Bill Clinton and his Administration has reaffirmed respect for the unique government-to-government relationship between the United States and American Indian Tribes and Alaskan Native peoples; and

3. The Navajo Nation has observed with increasing alarm, the U.S. Congress' various proposals for significant budget rescissions and reductions in federal programs and allocations to American Indian Tribes including the Navajo Nation; and

4. The Navajo Nation Council has previously determined that annual appropriations through federal programs that provide services to Navajo people remain insufficient to maintain the federal trust and treaty obligations to meet the needs of the Navajo Nation and the Navajo people; and

5. Despite these factors, the current U.S. Congress proposes major rescissions, budget and downsizing initiatives which will decrease funds and services to the Native American people including the Navajo Nation; and

6. The following illustrates the potential negative impacts of reductions in the federal budget, as provided in H.R. 2099:

- a. The U.S. Congress proposed budget reduction will impede the Navajo Nation's ability to effectively administer the Community Development Block Grant Program (CDBG) to deliver critical service to the Navajo people's unmet need of 29,099 homes that are without plumbing, 20,869 without sanitary kitchen facilities, and 3,346 homes who will lack electricity. There remains a desperate need for water development, electrical power and adequate community facilities.
- b. A 10% cut in Navajo Nation CDBG would result in a loss of \$500,000. The overall amount of CDBG requests from the governing chapters for Fiscal Year 1994 and Fiscal Year 1995 were \$17.4 million and \$26.3 million, respectively. However, the Department of Housing and Urban Development (HUD) imposes ceiling limits on the amount of CDBG grants the tribes can apply for based on the population. The maximum eligibility for the Navajo Nation is currently \$5,000,000 per funding cycle. Thus, the Nation can only apply for CDBG to the extent of the ceiling limit. A 20% cut will result in a loss of \$1,000,000. In addition to constant need for infrastructure development, the capacity for the CDBG personnel to provide technical assistance service to the local governing chapters will be affected dramatically.
- c. If the U.S. Congress budget calls for total elimination of the Community Development Block Grant, it will be the most drastic reduction the U.S. Congress can impose on Indian CDBG. The total elimination of the Navajo Nation's primary non-tribal funding source for waterline and powerline projects will be severely affected, because the overall program operation and planned activities is dependent upon a stable and consistent funding.
- d. Any degree of a federal budget reduction in Indian Housing will jeopardize development of low income housing. Home ownership opportunities will become non-existent for Navajo Veterans and low income Navajo families. Rehabilitation and renovation services to existing Navajo Housing Authority's initiative would cease. These developments would indirectly impact economic and employment opportunities. In addition, reduction in economic activities related to the housing industry on the Navajo Nation could seriously impair a growing economy.
- e. The Navajo Housing Authority (NHA) statistic indicate a housing need of 4000 units as reflected by its waiting lists. Development funding affects approximately 500

workers who will be employed by contractors during a two year construction frame of 278 units. If a 20% budget reduction is imposed the amount will decrease to approximately 400. In Fiscal Year 1996, the \$282 million available for Indian Housing is expected to be cut to \$100 million. NHA is allocated approximately 35 percent of all available funding, and would therefore receive approximately \$35 million which remains inadequate.

- f. The Senate approved version of H.R. 2099 would provide the Environmental Protection Agency (EPA) about \$5.7 billion for Fiscal Year 1996. This budget recommendation is \$769 million (13%) more than the House bill, but nearly \$2 billion (35%) less than the President's request and \$1.6 billion (28%) less than current year spending. In addition, the Committee recommends streamlining EPA's operations and prepare a reorganization proposal by January 1, 1996. The Committee has included a provision which prevents EPA from establishing any new standards Safe Drinking Water Act (SDWA). In reduction of the budget it could affect the delivery of appropriate Navajo environmental protection.

7. The Budget and Finance Committee finds it to be in the best interest of the Navajo Nation to aggressively pursue the adequate restoration of programs and services which are critical to the welfare and safety of the Navajo people.

**NOW THEREFORE BE IT RESOLVED THAT:**

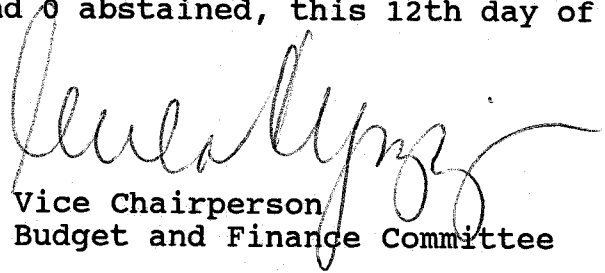
1. The Budget and Finance Committee of the Navajo Nation Council hereby recommends that the Navajo Nation Council strongly advocate adequate restoration of H.R. 2099 Appropriation Bill for Veterans Affairs and Housing and Urban Development to at least the Fiscal Year 1995 Appropriations, for Fiscal Year 1996.

2. The Budget and Finance Committee of the Navajo Nation Council hereby recommends that the Navajo Nation Council reiterate to the federal government its legal obligations to the Navajo Nation and its citizens to provide critical services as required by federal law and pursuant to the Treaty of 1868.

3. The Budget and Finance Committee of the Navajo Nation Council hereby recommends that the Navajo Nation Council direct the President of the Navajo Nation and other appropriate officials to communicate the intent of this resolution to the United States Congress and the President of the United States.

**CERTIFICATION**

I hereby certify that the foregoing resolution was duly considered by the Budget and Finance Committee of the Navajo Nation Council at a duly called meeting in Window Rock, (Navajo Nation) Arizona at which a quorum was present and that same was passed by a vote of 6 in favor, 0 opposed, and 0 abstained, this 12th day of December, 1995.

  
Vice Chairperson  
Budget and Finance Committee

Motion: Ernest Hubbell  
Second: John Perry, Jr.