February 2, 2024

Honorable Crystalyne Curley, Speaker Office of the Speaker Navajo Nation Council P.O. Box 3390 Window Rock, AZ 86515

RE: CJA-12-24, An act relating to an Emergency for the Navajo Nation Council; Supporting the Creation of a Tribal Education Trust Fund New Mexico House Bill 134 "Creating the Tribal Education Trust Fund; Providing Reporting Requirements; Creating the Tribal Education Trust Fund Disbursement Formula Task Force; Making Appropriations;" and Opposing the Creation of the Task Force.

Dear Honorable Members of the 25th Navajo Nation Council:

As President of the Navajo Nation, I am the only leader elected by the entire Navajo Nation. One of the authorities entrusted in me is to speak on behalf of the Navajo Nation to all outside governments.

With that, I am signing this resolution into law supporting the creation of the Tribal Education Trust Fund, through New Mexico House Bill 134 ("HB 134"), which was introduced by New Mexico Representative Derrick J. Lente. I also stand with the Navajo Nation Council to oppose the creation of a tribal education trust fund disbursement formula task force. This proposed task force will be charged with creating a disbursement formula to equitably allocate and disburse funds from the trust fund to each Indian nation, tribe, and pueblo located in New Mexico. Nearly 80 percent of the tribal Indian student population is Navajo. However, the proposed representation in HB 134 does not reflect this statistic and inadequately considers the Navajo Nation's population base and geographic presence within the State of New Mexico. During the House Education Committee hearing on January 26, 2024, the Navajo Nation requested to remove the task force language from the bill.

Sincerely,

Dr. Buu Nygren, President

THE NAVAJO NATION

# RESOLUTION OF THE NAVAJO NATION COUNCIL 25<sup>th</sup> NAVAJO NATION COUNCIL - SECOND YEAR, 2024

### AN ACTION

RELATING TO AN EMERGENCY FOR THE NAVAJO NATION COUNCIL; SUPPORTING THE CREATION OF A TRIBAL EDUCATION TRUST FUND NEW MEXICO HOUSE BILL 134 "CREATING THE TRIBAL EDUCATION TRUST FUND; PROVIDING REPORTING REQUIREMENTS; CREATING THE TRIBAL EDUCATION TRUST FUND DISBURSEMENT FORMULA TASK FORCE; MAKING APPROPRIATIONS;" AND OPPOSING THE CREATION OF THE TASK FORCE

#### WHEREAS:

- A. The Navajo Nation Council is the governing body of the Navajo Nation, 2 N.N.C. § 102(A), as such determines the position of the Navajo Nation; further, the Navajo Nation has a government-to-government relationship established and memorialized through the Treaty of 1850 (9 Stat. 974) and Treaty of 1868 (15 Stat. 667).
- B. Matters constituting an emergency shall be limited to cessations of direct services required as an entitlement under Navajo Nation or Federal law, or which directly threaten the sovereignty of the Navajo Nation. Such emergency matters must arise due to the pressing public need for such resolution(s) and must be a matter requiring final action by the Council. 2 N.N.C. § 164(A)(16)
- C. This resolution is offered as an emergency since the need to adequately fund education throughout the Navajo Nation creates a direct threat to the sovereignty of the Navajo Nation.
- D. Representative Derrick J. Lente introduced New Mexico House Bill 134, titled, "Creating the Tribal Education Trust Fund; Providing Reporting Requirements; Creating the Tribal Education Trust Fund Disbursement Formula Task Force; Making Appropriations," on January 18, 2024. The text of New Mexico House Bill 134 ("House Bill 134") is attached as Exhibit A.
- E. The purpose of HB 134 is, in relevant part, for the public education department to create a disbursement formula for the tribal education trust fund.
- F. House Bill 134 as introduced provides, "[t]he public education department shall create a disbursement formula, in consultation with the tribal education task force created pursuant to Section 2 of this 2024 act."

- G. Each New Mexico tribe is required to submit "to the public education department a summary of its operating budget and plan for the ensuing fiscal year based on tribally determined goals and needs." Moreover, the summary "shall include a brief narrative describing how the budget and plan will contribute to the purposes of the Indian Education Act."
- H. House Bill 134 creates a tribal education trust fund disbursement formula task force (the "task force") within the public education department. The assistant secretary of Indian education shall serve on the task force in an advisory function and the task force shall be supported by the public education department.
- I. Nine representatives are contemplated for the task force. These representatives are as follows:
  - a. Three representatives from the Navajo Nation;
  - Two representatives, one from Jicarilla Apache Nation, and one from Mescalero Apache Tribe;
  - c. Three representatives, one from the southern pueblos, one from the northern pueblos, and one from the western pueblos; and
  - d. The chair of the Indian education advisory council.
- J. The task force is charged with developing a disbursement formula for the public education department to use in distributing funds from the tribal education trust fund.
- K. As part of its process in developing a disbursement formula, the task force "shall ensure that the distribution formula is equitable for each Indian nation, tribe, and pueblo located wholly or in part in the state."
- L. The task force is required to consider "tribal needs and tribal size, including both a base and student count elements for the disbursement formula."
- M. The Navajo Nation supports the creation of the tribal education trust fund in House Bill 134, as that is consistent with the Navajo Nation's 2024 legislative priorities for New Mexico, as approved in Resolution NABID-60-23.
- N. The Navajo Nation, however, urges the New Mexico legislature to reconsider the task force. The Navajo Nation's position is

that the task force inadequately considers either the Navajo Nation's population base, or geographic presence within the State of New Mexico.

# THEREFORE, BE IT RESOLVED:

- A. The Navajo Nation supports the creation of a Tribal Education Trust Fund in House Bill 134.
- B. The Navajo Nation opposes the task force in House Bill 134.
- C. The Navajo Nation Council hereby authorizes the Navajo Nation President, and the Navajo Nation Speaker to take all steps necessary to advocate for the Navajo Nation's position with respect to House Bill 134.

#### CERTIFICATION

I, hereby, certify that the foregoing resolution was duly considered by the 25<sup>th</sup> Navajo Nation Council at a duly called meeting in Window Rock, Navajo Nation (Arizona), at which a quorum was present and that the same was passed by a vote of 20 in Favor, and 00 Opposed, on this 31<sup>st</sup> day of January 2024.

Honorable Eugenia Charles-Newton, Speaker Pro Tem 25th Navajo Nation Council

Date

Motion: Honorable Shaandiin Parrish

Second: Honorable Nathan Notah

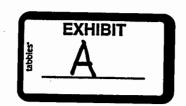
Speaker Pro Tem Eugenia Charles-Newton not voting

# ACTION BY THE NAVAJO NATION PRESIDENT:

1.	I, hereby, sign into law the
	foregoing legislation, pursuant to
	2 N.N.C. § 1005 (G) (10), on this
	2 day of 1-15rung, 2024.
	1-16
	Buu Nygren, President
	Navajo Nation

2. I, hereby, veto the foregoing legislation, pursuant to 2 N.N.C. § 1005 (C)(11), on this \_\_\_\_\_ day of \_\_\_\_, 2024 for the reason(s) expressed in the attached letter to the Speaker.

Buu Nygren, President Navajo Nation



## HOUSE BILL 134

# 56TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2024

## INTRODUCED BY

### Derrick J. Lente

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FOR THE INDIAN AFFAIRS COMMITTEE AND THE LEGISLATIVE EDUCATION STUDY COMMITTEE

### AN ACT

RELATING TO PUBLIC EDUCATION; CREATING THE TRIBAL EDUCATION TRUST FUND; PROVIDING REPORTING REQUIREMENTS; CREATING THE TRIBAL EDUCATION TRUST FUND DISBURSEMENT FORMULA TASK FORCE; MAKING APPROPRIATIONS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. [NEW MATERIAL] TRIBAL EDUCATION TRUST FUND -- CREATED -- PURPOSE -- DISTRIBUTION -- REPORTING REQUIREMENTS --PUBLIC EDUCATION DEPARTMENT DUTIES -- APPROPRIATION .--

The "tribal education trust fund" is created as a nonreverting fund in the state treasury. The tribal education trust fund shall be used for any purpose enumerated in Section 22-23A-2 NMSA 1978 or in an intergovernmental agreement between an Indian nation, tribe or pueblo and the public education department. The fund consists of .226731.3

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distributions, appropriations, gifts, grants and donations. Income from investment of the fund shall be credited to the fund. Money in the fund shall be expended only as provided in this section.

- В. The state investment officer shall invest money in the tribal education trust fund in accordance with the prudent investor rule set forth in the Uniform Prudent Investor Act.
- C. The state investment officer shall report quarterly to the legislative education study committee and the state investment council on the investments made pursuant to this section. Beginning in fiscal year 2025, a report shall be submitted no later than October 1 each year to the legislative education study committee and any other appropriate interim committees.
- D. Beginning in fiscal year 2026, a distribution shall be made from the tribal education trust fund to the public education department on July 1 of each year in which adequate money is available in the tribal education trust fund in an amount equal to the greater of twelve million five hundred thousand dollars (\$12,500,000) or five percent of the average of the year-end market values of the tribal education trust fund for the preceding five calendar years; provided that the public education department shall distribute funding received pursuant to this subsection according to the formula .226731.3

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developed pursuant to Section 2 of this 2024 act.

- In addition to the distribution pursuant to Subsection D of this section, money in the tribal education trust fund may be expended in the event that general fund balances, including all authorized revenues and transfers to the general fund and balances in the general fund operating reserve, the appropriation contingency fund, the tobacco settlement permanent fund, the state-support reserve fund and the tax stabilization reserve, will not meet the level of appropriations authorized from the general fund for a fiscal year. In that event, to avoid an unconstitutional deficit, the legislature may appropriate from the tribal education trust fund to the general fund only in the amount necessary to meet general fund appropriations for that fiscal year and only if the legislature has authorized transfers from the appropriation contingency fund, the general fund operating reserve, the tax stabilization reserve and the tobacco settlement permanent fund that exhaust those fund balances.
- F. The public education department shall enter into intergovernmental agreements with New Mexico tribes prior to the disbursement of funds pursuant to Subsection G of this section.
- Beginning in fiscal year 2026, on July 15 of each year, the public education department shall disburse money received pursuant to Subsection D of this section to each New .226731.3

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Mexico tribe that has entered into an intergovernmental agreement with the department. Money disbursed to a New Mexico tribe shall not revert and shall carry over to the next fiscal year for continued use by the New Mexico tribe. Money disbursed pursuant to this subsection shall be disbursed on warrants signed by the secretary of finance and administration pursuant to vouchers signed by the secretary of public education or the secretary's designee.

- The public education department shall create a disbursement formula, in consultation with the tribal education trust fund disbursement formula task force created pursuant to Section 2 of this 2024 act, that ensures that a New Mexico tribe receives nonreverting disbursements each year on July 15 that the New Mexico tribe may use to carry out the purposes of the Indian Education Act.
- Prior to April 15 of each year, each New Mexico tribe shall submit to the public education department a summary of its operating budget and plan for the ensuing fiscal year based on tribally determined goals and needs. This summary shall include a brief narrative describing how the budget and plan will contribute to meeting the purposes of the Indian Education Act.
- J. Prior to October 15 of each year, each New Mexico tribe shall submit to the public education department a spending report and an assessment of program impact, student .226731.3

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engagement and student outcomes based on tribally determined criteria.

The public education department shall report to the legislative education study committee, any other appropriate interim committee and the New Mexico tribes no later than November 15 of each year the total disbursements made pursuant to Subsection G of this section for the previous fiscal year, a summary of tribal reports received and a projection of available disbursements pursuant to Subsection G of this section in the following fiscal year.

# The public education department may:

- establish procedures and adopt rules, after formal consultation with the New Mexico tribes, as required to administer and disburse money pursuant to Subsection G of this section; and
- (2) solicit, receive and report on tribal education budgets, plans and reports pursuant to this section.
- Nothing in this section shall interfere with the sovereignty of federally recognized New Mexico tribes.
- Beginning in fiscal year 2025 and in each subsequent fiscal year, the lesser of one percent of the tribal education trust fund or one hundred thousand dollars (\$100,000) is appropriated from the tribal education trust fund to the public education department for expenditure in the fiscal year in which it is appropriated to administer the tribal education .226731.3

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trust fund. Administrative costs include staff salaries and expenses related to administration of the tribal education trust fund. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall revert to the tribal education trust fund.

O. As used in this section, "New Mexico tribe" means an Indian nation, tribe or pueblo located wholly or partially in New Mexico in which Native American students are being educated in New Mexico.

SECTION 2. TEMPORARY PROVISION -- TRIBAL EDUCATION TRUST FUND DISBURSEMENT FORMULA TASK FORCE--CREATION--MEMBERSHIP--DUTIES -- REPORTING REQUIREMENTS .--

The "tribal education trust fund disbursement formula task force" is created within the public education department. The task force shall function from the date of its appointment, which shall be no later than December 1, 2024, until July 1, 2031. The assistant secretary of Indian education of the public education department shall serve on the task force in an advisory function. The task force shall be supported by the public education department. The task force shall consist of the following nine members:

(1) three representatives from the Navajo Nation nominated by the leadership of New Mexico's Indian nations, tribes and pueblos and appointed by the public education department's assistant secretary of Indian education; .226731.3

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- two representatives, one from the (2) Mescalero Apache Tribe and one from the Jicarilla Apache Nation, nominated by the leadership of New Mexico's Indian nations, tribes and pueblos and appointed by the public education department's assistant secretary of Indian education;
- three representatives, one from the southern pueblos, one from the northern pueblos and one from the western pueblos, nominated by the leadership of New Mexico's Indian nations, tribes and pueblos and appointed by the public education department's assistant secretary of Indian education; and
- the chair of the Indian education advisory council.
- The task force shall develop a disbursement formula that the public education department shall use for the disbursement of funds from the tribal education trust fund. The task force shall ensure that the disbursement formula is equitable for each Indian nation, tribe and pueblo located wholly or in part in the state. The task force shall consider tribal needs and tribal size, including both a base and student count elements for the disbursement formula.
- The task force shall report its recommendations for a disbursement formula to the governor, the legislature and the secretary of public education prior to July 1, 2025.
- The task force shall reconvene on July 1, 2030 .226731.3

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to review and assess the equity and functionality of the disbursement formula and provide additional recommendations, if necessary, to the governor, the legislature and the secretary of public education prior to July 1, 2031.

Ε. Members of the task force may receive per diem and mileage as provided for nonsalaried public officers in the Per Diem and Mileage Act and shall receive no other compensation, perquisite or allowance.

SECTION 3. APPROPRIATION. -- One hundred million dollars (\$100,000,000) is appropriated from the general fund to the tribal education trust fund for expenditure in fiscal year 2025 and subsequent fiscal years to carry out the purpose of the tribal education trust fund. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert to the general fund.

SECTION 4. EFFECTIVE DATE. -- The effective date of the provisions of this act is July 1, 2024.

- 8 -

Navajo Nation Council Special Session

1/31/2024 12:07:06 PM

Amd# to Amd#

New Business: Item B. (MAIN)

**PASSED** 

MOT Parrish, S

#0028-24: [Modified]

SEC Notah, N

Yeas: 20 Nays: 0 Excused: 2 Not Voting: 0

Yea: 20

Arviso, S	Curley, C	Nez, R	Slater, C
Aseret, L	James, V	Notah, N	Tolth, G
Begay, N	Jesus, B	Parrish, S	Tso, O
Claw, S	Johnson, C	Simonson, G	Yanito, C
Crotty, A	Nez, A	Simpson, D	Yazzie, C

Nay:0

Excused: 2

Begay, H

Daniels, H

Not Voting: 0

Presiding Speaker: Charles-Newton, E