



# Speaker's Report

2017 Winter Council Session

**LoRenzo Bates**

*23<sup>rd</sup> Navajo Nation Council*

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23<sup>rd</sup> Navajo Nation Council  
Winter Council Session  
January 2017



# Speaker's Report



## Message from Speaker LoRenzo Bates

Yá'át'éeéh 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 opening of the 2017 Winter Council Session.

January 13, 2017 marked two-years since the 23rd Navajo Nation Council took the oath of office, which signified the beginning of our journey together down a path filled with challenges, complexities, optimism, and success. Together, we developed priorities that encompass the words our constituents, the wisdom of our elders, and a vision for the future of Diné people.

Reflecting on the last two years, the 23rd Navajo Nation Council has strived to meet these priorities through the establishment of subcommittees and task forces that operate under the guidance of the Standing Committees. Each of which have their purpose and goals, which have led to significant achievements of this Council.

Together, the Council developed and approved the largest expenditure plan and investment in water infrastructure development in the history of the Navajo government – totaling over \$180 million. Shortly thereafter, the Council developed and approved the Permanent Trust Fund (PTF) Income Five-Year Plan to utilize a total of \$150 million from the annual interest from the Navajo Nation's PTF for economic development, community development, and agricultural projects across the Navajo Nation.

Other significant accomplishments over the past two years include the approval of the proposed Navajo Utah Water Rights Settlement, the successful conclusion of the Navajo Land Buy-Back Program, the approval of the New Mexico Gaming Compact with the Navajo Nation, salary increases for our Navajo law enforcement officers, the return of sacred cultural items from overseas, significant investments in power lines for numerous communities – these are some of the accomplishments that have occurred through the efforts of this Council working together with the Executive and Judicial Branches over the last two years.

As Speaker of the Council, it has been my honor to serve alongside my colleagues these past two years and to offer my guidance and support for the many initiatives and changes brought forth by this Council. I commend my Council colleagues for their hard work in bringing forth legislations that contribute to the improvement of our communities for our youth, elderly, veterans, and many others.

Moving forward, I am confident that the 23rd Navajo Nation Council will continue to make progress on our ongoing initiatives and face challenges with diligence and prudence. On behalf of the 23rd Navajo Nation Council, I again thank our Diné Citizens and many others for your contributions and continued support.

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A handwritten signature in black ink, appearing to read "LoRenzo Bates".

LoRenzo Bates, *Speaker*  
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## Trump Administration

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As President Obama prepared to leave office, he continuously urged the American people to work together by communicating and collaborating with one another despite political affiliations, differing viewpoints, and many other factors than often tend to divide people. With that notion in mind, I believe it is incumbent upon Navajo Nation leadership to see beyond the politics and differences and do what is right for the Navajo people. As leaders of the Navajo Nation we must be able to have an open conversation with the Trump administration and leadership from both sides of the aisle – this is imperative if we want progress for the Navajo Nation in the next four years.

When the 23rd Navajo Nation Council took office, my colleagues and I made it a top priority to develop and strengthen partnerships with leadership at the state and federal levels of government to move us forward. In regards to the Trump administration, this effort began in December of last year when several of my colleagues and I held meetings in Washington D.C. to begin informing and educating key officials within the Trump administration to educate and inform them of the Council's progress and ongoing initiatives.

Upon the confirmations of President Trump's nominees to oversee federal agencies, the Office of the Speaker is moving to arrange meetings with the heads of the U.S. Department of the Interior, U.S. Department of Housing and Urban Development, U.S. Department of Education, U.S. Department of Health and Human Services, and other federal agencies so that the Council and its Standing Committees have the opportunity to address issues and initiatives with respect to their specific oversight authorities and responsibilities.

As we meet with federal officials, it is important to remain mindful that the Navajo Nation receives significant federal funds to operate programs to provide direct services to Diné Citizens. It is clear that federal funding must be sustained and what has been accomplished under the Obama administration for indigenous peoples must be protected and respected. The Navajo Nation and people have much to gain by working respectfully and diligently with the Trump administration.

## Navajo Nation Council Chamber Renovation

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In December, the Office of the Speaker closed the Council Chamber to allow for the renovation process to begin. Due to the ongoing renovation of the Council Chamber, the Navajo Nation Council and the Naa-bik'iyátí' Committee have held meetings and sessions at the Department of Diné Education auditorium and we thankful to DODE for their hospitality.

As previously reported, the Office of the Speaker sought Requests for Proposals (RFP) to design and rehabilitate the Council Chamber. The submitted proposals were then thoroughly reviewed and evaluated to assess their qualifications and feasibility. The evaluation group collectively selected Keyah Construction, INC for the design and rehabilitation project.

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Keyah Construction, INC along with Stroh Architecture, INC and Native Tele-Data Solutions provided a proposal that included a construction schedule, estimates on construction fees and other factors. The construction schedule was separated into phases that involve the: design phase, renovation phase, and project completion and close.



*Photo: Demolition of Navajo Nation Council Chamber floor. (Dec. 8, 2016)*

Currently, the Chamber is in the design phase, which consists of creating sketches and drawings that outline specifications that involve project materials, budgets, and consolidating these decisions into a comprehensive design. The interior and exterior renovation began in early December. The demolition of the Council seating area, gallery, and staff seating is now complete. Renovation of the exterior consists of repairing the roof, sandstone walls and replacing the large wood beams.

Along the way, we have remained mindful of creating a design that will provide more accessibility for the disabled and elderly, and one that is more conducive to conducting meetings and events in the Council Chamber. The construction is on schedule and completion is expected in April prior to the start of the Spring Council Session.

## Navajo Land Buy-Back Program

As Speaker of the Navajo Nation Council, it was my honor to recognize and thank federal and tribal officials during a closing ceremony that was held on Jan. 5, to mark the successful end to the Land Buy-Back Program for the Navajo Nation.

The Eastern Navajo Land Commission gathered with federal and tribal leaders at the Navajo Nation Museum as they hosted the event to acknowledge and recognize the significant accomplishments of staff and federal officials.

In April 2015, Navajo Nation Council members approved a cooperative agreement with the federal government to allow for the implementation of the land consolidation component of the Cobell Settlement – a class action lawsuit over claims that the government mismanaged and incorrectly accounted for the income from Indian Trust assets, specifically Individual Indian Money accounts.

The 2012 settlement provided \$1.9 billion for tribes to consolidate fractional land interests – \$1.5 billion to purchase fractional land interests, \$285 million for implementation and administrative costs, and \$60 million for scholarships.

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According to the U.S. Department of the Interior, more than 25,000 landowners with fractionated land interests received offers from the Buy-Back Program. In total, more than \$108 million was paid to landowners who chose to accept their purchase offers – approximately \$6 million more than was anticipated. Interests were purchased in more than 2,800 tracts, consolidating more than 155,500 equivalent acres for the Navajo Nation.

I am thankful to Deputy Secretary of the Interior Michael L. Connor, Land Buy-Back Program for Tribal Nations program manager John McClanahan, Bureau of Indian Affairs Navajo Regional Director Sharon Pinto, and Margaret Williams with the Office of the Special Trustee for American Indians for attending the event and for their support and contributions throughout the entirety of the program.

I want to especially honor and thank former members of the Navajo Nation Council Charles Damon, II and Danny Simpson. As the former chairman of the Eastern Navajo Land Commission, Honorable Charles Damon had a vision for helping our Navajo people and he played a major role in initiating the process that brought this program to the Navajo people. As a current member of the Eastern Navajo Land Commission, Honorable Danny Simpson also played an instrumental role in this process.

On behalf of the Council, I also extend my appreciation to ENLC members including Chairman Leonard Tsošie, Council Delegates Seth Damon, Jonathan Perry, Norman M. Begay, and Edmund Yazzie. Lastly, I thank ENLC office director Larry Rodgers and Tanya Tsošie for their tireless efforts in mobilizing the program, hiring staff, and ensuring that it was a success.

The ENLC saw this program as a means to help the Navajo Nation with its land issues to promote development and economic opportunities for our people and communities. On behalf of the 23rd Navajo Nation Council, I am very thankful and very proud of all of you for your remarkable work and accomplishments.



*Photo: Speaker LoRenzo Bates joined Council Delegate Leonard Tsošie in presenting an appreciation plaque to Charles Damon, II, who previously served four terms on the Navajo Nation Council and is also the former chair of the Eastern Navajo Land Commission (ENLC). The ENLC members honored him for his very instrumental role in initiating the Buy-Back Program to benefit the Navajo Nation.*



*Photo: Eastern Navajo Land Commission members, Speaker LoRenzo Bates, Vice President Jonathan Nez, and federal officials at the closing ceremony for the Navajo Land Buy-Back Program at the Navajo Nation Museum in Window Rock, Arizona (Jan. 5, 2017).*

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## Arizona Gaming Compact

On November 21, Arizona Gaming Subcommittee chairman Council Delegate Alton Joe Shepherd and I were in attendance at the Arizona State Capitol as leaders from eight Arizona tribes signed an Agreement to Amend the Arizona Gaming Compact and a Memorandum of Agreement with Arizona Governor Doug Ducey to amend the current gaming compact between the tribes and the state.

Governor Ducey welcomed leaders from the Navajo Nation, Hualapai Tribe, White Mountain Apache Tribe, Gila River Indian Community, Fort McDowell Yavapai Nation, Salt River Pima-Maricopa Indian Community, Tonto Apache Tribe, and the Havasupai Indian Tribe to the Old Senate Room in the Old State Capitol where the tribes and Governor Ducey signed the Agreement and MOA that allows the tribes and state to proceed to a second phase of negotiations to finalize an amended gaming compact.



*Photo: Speaker LoRenzo Bates and Navajo Nation President Russell Begaye signs the Agreement and MOA with Governor Ducey at the Arizona State Capitol (Nov. 21, 2016).*

I am grateful to the combined efforts of the Subcommittee members, Office of the President and Vice President, and the Navajo Nation Department of Justice for successfully completing the first phase of the process and I am confident that we will be successful in negotiating the second and final phase of this challenging process.

Currently, the Navajo Nation is one of 21 Arizona tribes that are part of a compact that was approved in 2002 by Arizona voters through a public referendum known as Proposition 202.

On an annual basis, the gaming tribes now contribute over \$100 million to the state of Arizona, which funds education, trauma centers, and other important initiatives throughout the state.



*Photo: (Left to right) Speaker LoRenzo Bates, Arizona Governor Doug Ducey, and chairman Council Delegate Alton Joe Shepherd at the Arizona State Capitol (Nov. 21, 2016).*

In Oct. 2015, the Navajo Nation Council's Naabik'iyáti' Committee established the Arizona Gaming Sub-

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committee, which consists of members from both the legislative and executive branches, to negotiate the renewal of appropriate amendments to the current gaming compact. Since then, the subcommittee and the Office of the President and Vice President met with other Arizona tribes and Arizona Governor Doug Ducey to initiate discussions to create a framework to guide the negotiations.

On Nov. 10, the Naabik'iyáti' Committee approved legislation sponsored by Delegate Shepherd to support the agreement to amend the current gaming compact.

The subcommittee's intention is to finalize a compact that will improve business for tribal casinos by strengthening tribal exclusivity in regards to tribal gaming rights in the state, to increase the duration of the gaming compact, to expand the scope of Class III games allowed in gaming facilities, and to better streamline gaming regulations with the state.

I also extend my appreciation to the other Arizona Gaming Subcommittee members including Council Delegates Otto Tso, Jonathan Hale, Tuchoney Slim, Jr., and Dwight Witherspoon, as we move forward together into the second phase of negotiations.

## State Task Force

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The State Task Force members had a very productive year. There were many challenges but with the help of state lobbyists many of these challenges provided opportunities to meet with State Leadership. Throughout the year the State Task Force focused on lobbying efforts to build political clout to move issues forward.

In December, three separate legislations were drafted to establish and adopt a position on behalf of the Navajo Nation in regards to the 2017 legislative sessions for the states of New Mexico, Arizona and Utah. Chairman of the State Task Force Honorable Kee Allen Begay, Jr. sponsored the legislations, which were unanimously passed by the Naabik'iyáti' Committee on December 22.

### *Arizona*

Through the guidance provided by the State Task Force members, Chairman Kee Allen Begay Jr., and former Arizona Sen. Carlyle Begay assisted with lobbying efforts that garnered bipartisan support for issues that impacted the Navajo Nation. The State Task Force early on determined that placing the needs of the Navajo people was more important than any partisan politics.

Navajo worked with other constituencies on several issues and were successful in achieving the following: a 20-year extension on Diné College- Navajo Technical University Compact Extension, introduction of Code Writers Education Project, the expansion of the Tribal College Dual Program fund, funding for Joint Technical Education Districts (JTED), Native American Veterans Tax Refund Bill (HB2323), Expansion of Kids Care Insurance Program (SB1457), restore funding for ALTCS Dental Services (SB1507), funding for BIA Highway-60, expand Arizona Department of Economic Security (DES) Office in Chinle, Ariz., Passage of Cooperative Associations (HB2614), and Rule Making Electric Generation , Unity (SCM1016).



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Although we were successful in many areas, there were a couple of unsuccessful attempts to pass the Transaction Privilege Tax Equity (TPT), S1269 and 1400. As a result of several meetings with both Governor Ducey and ADWR the state has indicated it is prepared to enter into discussions on water settlements, if and when Navajo indicates its desires to do so.

The Navajo Nation's recommendations for the 2017 Arizona Legislative Session are highlighted in Naabik'iyati' Resolution NABID-107-16.

## *New Mexico*

In 2016, the State of New Mexico faced financial hardships. Unfortunately, these hardships resulted in reversions of funds allocated for New Mexico Chapter Capital Outlay Projects. Since, the reversions the Office of the Speaker and State Task Force members collectively worked with Governor Susana Martinez and state legislators to create solutions to prevent further reversions of Capital Funds.



*Photo: Former Arizona Senator Carlyle Begay, Chairman Council Delegate Kee Allen Begay, Jr., Council Delegate Davis Filfred, Speaker LoRenzo Bates, Council Delegate Walter Phelps, and Council Delegate Nelson BeGaye met with newly appointed Arizona House Speaker J.D. Mesnard on Dec. 29, 2016.*

In December, members of the State Task Force met with members of the New Mexico State Legislature including: Rep. Eliseo Alcon, Rep. D. Wonda Johnson, Senator John Pinto, Rep. Patricia A. Lundstrom, Senator George Muñoz, Senator Clemente Sanchez, Rep. Harry Garcia, Rep. Sharon Clahchischilliaage, Rep. Rod Montoya, Rep. Paul C. Bandy and Sen. William Sharer.

The meeting with state leadership provided an opportunity for members of the State Task Force to present the priorities outlined in Naabik'iyati' Res-

olution NABID-105-15. The list included legislative priorities and are as follows: Capital Outlay, Public Safety, Education, State Budget, Water Rights, Fantasy Gaming, Gold King Mine Spill, Sacred Sites, Veteran Issues, Roads, Capital Punishment.

## *Utah*

At the beginning of the 2016 Utah Legislative Session, Navajo Leadership met with members of the House and Senate. The meeting provided an opportunity to discuss various ways to improve the communication between Navajo Leadership and the Utah Legislature. In addition to meeting with house leadership meetings were arranged with Sen. David Hinkins, Sen. Kevin Van Tassell, Sen. Daniel Thatcher, and Sen. Howard Stephenson.

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There are several issues with primary importance from education to public lands. Much of the efforts during the legislative session were to improve technology to enhance student's performance, teacher retention, and school bus routes.

In addition our lobbyist has also been working with Senator Van Tassell to seek more funding for SB14. Sen. Van Tassell has requested information to help convey to his colleagues how the money is spent for the Navajo Nation.

To prepare for the upcoming 2017 Utah Legislative Session, the State Task Force established a list of priorities and in December Naabik'iyati Committee passed resolution NABID-104-16. The resolution highlights the eight (8) priorities that include: Utah Water Rights Settlement, Transportation, Education, Gold King Mine Spill, Bears Ear National Monument Designation, San Juan County Redistricting, Telecommunications, and Public Safety.

## Energy

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Natural gas prices continue to hold steady due to the advancement of "fracking" technology and horizontal drilling. These developments provide a significant challenge for the Navajo Nation's coal economy that provides jobs and revenues.

EPA regulations continue to be a major concern for the Navajo Nation's coal industry and we are now facing another daunting challenge with the possible closure of Navajo Generating Station and Kayenta Mine due to economic conditions in the short-term and EPA regulations in the long-term. While the communities in which these resources reside face the greatest potential impact to the loss of these assets, all Navajo communities would face losses in terms of overall cuts to the Navajo Nation's comprehensive budget.

Officials with the Salt River Project (SRP), which operates the Navajo Generating Station, have been meeting with our elected officials to prepare us for a potential decision by the owners of the Navajo Generating Station on whether or not they will be operating the power plant beyond 2019, which is the end of their current lease agreement with the Navajo Nation. The Council's Energy Task Force will continue to meet with SRP and Peabody Energy to work to find solutions to the challenges facing our nation.

When we purchased the Navajo Mine and set up the Navajo Transitional Energy Company to manage that mine, we set a very clear directive within their enabling legislation to invest not less than 10% of their profits into renewable and alternative energy resources so that our Nation could diversify our energy portfolio and provide for a more stable Navajo Nation economy.

This transition from our current jobs and revenues standard to a more diverse economy takes time and money. Although we have many supporters of the emerging 'green' economy, that transition has been slow and tedious. It is more important than ever that we advocate for the continuation of our Navajo Generating Station so that we can maintain our Navajo jobs and revenues while striving to diversify our economic resources.

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## Former Bennett Freeze Area – Renewable Energy Solutions

On December 28, through the assistance of Council Delegate Walter Phelps and Cameron Chapter President Milton Tso, the Office of the Speaker was able to arrange a visit to the home of Modesta Jones, a lifelong resident of the community of Cameron, as a Navajo-owned business known as Big Navajo Energy installed a solar/wind battery based power system that now provides electricity for Jones and her family for the first time in decades.

Delegate Phelps and I arranged for Big Navajo Energy to donate the equipment to provide electricity for the Navajo elderly and her family who had lived in the Former Bennett Freeze Area community her entire life without electricity and running water.

Big Navajo Energy, a 100-percent Navajo owned renewable energy company, is in the process of donating solar/wind-battery based power systems and Solar Heaters systems provided by SolarThermiX to families living in the FBFA in cooperation with the Navajo Nation Council. The system is intended to provide basic amenities such as lighting and heating for the winter season.

Big Navajo Energy president Dory Peters continues to work with local community leaders to provide access to the renewable technology to bring electricity to more homes that represent more than 18,000 families on the Navajo Nation that do not have electricity.

Three families who reside the FBFA were selected by Council members to receive renewable energy generators and heaters as a way of addressing one of the Council's top priorities – to bring clean and renewable energy to the Navajo Nation.

I was honored to join the family as their home became the first to receive a new energy system, while recognizing that basic infrastructure remains a tremendous need for families living in the Former Bennett Freeze



*Photo: Speaker LoRenzo Bates, Big Navajo Energy president Dory Peters (right), and homeowner Modesta Jones plug in a lamp following the installation of a solar/wind battery based power system in Cameron, Arizona (Dec. 28, 2016).*



*Photo: Speaker LoRenzo Bates and Big Navajo Energy president Dory Peters (middle) at the home of Modesta Jones in Cameron, Arizona (Dec. 28, 2016).*

Area.

Although the family lives approximately half a mile from the nearest electrical line, the chapter estimates that it would cost over \$40,000 to extend the power line to the homesite, so this technology provides a more affordable option and a solution for families to consider.

Big Navajo Energy has access to portable renewable energy generators that are military grade and commercial industrial 1 to 200 megawatt size solutions that only require wind, solar, biomass or geothermal to power them. For more information on the energy generators or the direct, emissions free solar thermal heating units, please visit [bignavajoenergy.com](http://bignavajoenergy.com).

## Little Colorado River Water Settlement

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On November 10, the Naabik'iyátí' Committee approved Resolution NABIN-95-16, which established a subcommittee, comprised of members from the Executive and Legislative Branches, to negotiate a Little Colorado River water rights settlement with the Hopi Tribe and non-Indian water users in the state of Arizona.

Naabik'iyátí' Committee members also nominated and confirmed Council Delegates Walter Phelps, Otto Tso, Lee Jack, Sr., Dwight Witherspoon, and Alton Joe Shepherd – each of which represents communities along or near the LCR – to serve on the subcommittee. In December, the subcommittee held its first official meeting and selected Honorable Lee Jack, Sr. to serve as the chairman of the subcommittee.

Resolution NABIN-95-16 designates a total of nine (9) members to serve on the subcommittee as follows:

- Five (5) members from the Naabik'iyátí' Committee
- One (1) member from the Office of the President and Vice President (OPVP)
- One (1) member from the Navajo Nation Department of Justice (NNDJ)
- One (1) member from the Division of Natural Resources – Water Management Program
- One (1) member from a community along the Little Colorado River

Members of the Navajo Nation Council last met with Hopi Tribal Chairman Herman G. Honanie and other members of the Hopi Tribal Council on September 20, to discuss a possible Little Colorado River water rights settlement.

During the meeting, I informed the Hopi representatives that the Navajo Nation Council was not directly involved in previous discussions or meetings with the Hopi Tribe and therefore, there is a need for delegates to become more informed of previous discussions and possible terms of negotiations. I also stressed the need to secure a water rights settlement, which remains a top priority for each of the Navajo Nation's three branches of government.

During the meeting, members of both councils stated that they would remain committed to engaging in

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further discussions in order to reach an agreement that benefits both tribes and allows the tribes to present a unified voice when negotiating with non-Indian stakeholders at the state level.

Chairman Honanie and other Hopi Tribal Council members agreed with the need to move forward in a timely manner so that the process could proceed to the state level where the tribes would then begin negotiating with non-Indian stakeholders.

In previous meetings, officials determined that the tribes would proceed with the "Two Nations, One Voice" concept, meaning that the Hopi Tribe and the Navajo Nation would develop terms of an agreement prior to beginning negotiations at the state level.

The Navajo Nation's negotiating team and the Hopi Tribal Council will look to meet in the coming weeks to further discuss the possible terms of an agreement. A proposed water rights settlement will require the approval of both tribal councils, Arizona water users, and Congress.

## Gold King Mine Spill – Compensation Claims

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On January 13, the 23rd Navajo Nation Council was very disappointed with the announcement from the U.S. Environmental Protection Agency that the agency is not legally able to pay compensation for claims submitted by Navajo farmers, livestock owners, and many others who were impacted and devastated by the Gold King Mine spill that occurred over a year and half ago.

Since the spill occurred in August 2015, the Navajo Nation Council and local leaders have met with officials from the U.S. EPA, Congressional members, and many others to advocate for full compensation for our people. We have provided written and oral testimony before Congress detailing the hardships and financial losses that our people have suffered due to the contamination caused by the spill, and yet we have been told that the federal government is not responsible for compensation – this is not right.

We as leaders of the Navajo Nation call upon our Congressional leaders from the states of Utah, New Mexico, and Arizona to do what is right for our people by demanding that the U.S. EPA reconsider its decision and that the U.S. EPA provide full compensation to the many Navajo people who sustained extensive losses due to the spill that was caused by the agency.

On behalf of the Navajo Nation Council and the many Navajo people affected by the USEPA's announcement, I respectfully call upon our Congressional leaders to do what is right for the Navajo people.

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