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Navajo Trust Fund Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Christine F. Watkins

Senate Sponsor: Ronald M. Winterton

LONG TITLE

General Description:

This bill addresses the Navajo Trust Fund.

Highlighted Provisions:

This bill:

- changes frequency of board meetings and reporting to the board by the trust administrator;
- exempts certain investment activities from government records provisions;
- modifies certain annual reporting requirements; and
- makes technical and conforming amendments.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

51-10-202, as last amended by Laws of Utah 2021, Chapter 382

51-10-204, as enacted by Laws of Utah 2015, Chapter 319

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **51-10-202** is amended to read:

51-10-202 . Board of trustees of the fund -- Trust administrator -- Investment activities.

(1)(a) There is created a board of trustees of the fund composed of the following three members:

- (i) the state treasurer;

- 28 (ii) the director of the Division of Finance; and
 29 (iii) the director of the Governor's Office of Planning and Budget or the director's
 30 designee.
- 31 (b) The state treasurer is chair of the board.
 32 (c) Three members of the board is a quorum.
 33 (d) A member may not receive compensation or benefits for the member's service, but
 34 may receive per diem and travel expenses in accordance with:
 35 (i) Section 63A-3-106;
 36 (ii) Section 63A-3-107; and
 37 (iii) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
 38 63A-3-107.
- 39 (2)(a) The board shall:
 40 (i) contract with a person to act as trust administrator in accordance with Title 63G,
 41 Chapter 6a, Utah Procurement Code, and when not provided for by this chapter,
 42 define the trust administrator's duties; or
 43 (ii) if unable to find a qualified person under Subsection (2)(a)(i) to act as trust
 44 administrator for a reasonable cost, hire a qualified person to act as trust
 45 administrator and, when not provided for in this chapter, define the trust
 46 administrator's duties.
- 47 (b) If the board hires a trust administrator under Subsection (2)(a)(ii), the board may hire
 48 or authorize the trust administrator to hire other persons necessary to assist the trust
 49 administrator and the board to perform the duties required by this chapter.
- 50 (3) The board shall:
 51 (a) on behalf of the state, act as trustee of the fund and exercise the state's fiduciary
 52 responsibilities;
 53 (b) meet at least [~~once every other month~~] quarterly;
 54 (c) review and approve [~~the policies, projections, rules, criteria, procedures, forms,~~
 55 ~~standards, and performance goals~~] a policy, projection, rule, criteria, procedure, form,
 56 standard, or performance goal established by the trust administrator;
 57 (d) review and approve the fund budget prepared by the trust administrator;
 58 (e) review [~~the progress reports from programs~~] a progress report from a program
 59 financed by the fund;
 60 (f) review a financial [~~records~~] record of the fund, including a fund [~~receipts,~~
 61 ~~expenditures, and investments~~] receipt, expenditure, or investment; and

- 62 (g) do any other thing necessary to perform the state's fiduciary obligations under the
63 fund.
- 64 (4) The attorney general shall:
- 65 (a) act as legal counsel and provide legal representation to the board; and
66 (b) attend or direct an attorney from the attorney general's office to attend each meeting
67 of the board.
- 68 (5) The board may consult with knowledgeable state personnel to advise the board on
69 policy and technical matters.
- 70 (6) A record of information relating to an investment activity of the fund is exempt from
71 Title 63G, Chapter 2, Government Records Access and Management Act.
- 72 Section 2. Section **51-10-204** is amended to read:
- 73 **51-10-204 . Trust administrator duties.**
- 74 (1) Under the direction of the board, the trust administrator shall:
- 75 (a) review the documents and decisions highlighting the history of the fund, including:
76 (i) the Nelson report, prepared as part of the Bigman v. Utah Navajo Development
77 Council, Inc. C77-0031;
78 (ii) the November 1991 performance audit of the fund by the legislative auditor
79 general;
80 (iii) Sakezzie v. Utah Indian Affairs Commission, 198 F. Supp. 218 (1961);
81 (iv) Sakezzie v. Utah Indian Affairs Commission, 215 F. Supp. 12 (1963);
82 (v) the September 8, 1977, consent decree, the stipulation dated November 29, 1984,
83 modifying the consent decree, and the court's memorandum opinion dated
84 September 25, 1978, in Bigman v. Utah Navajo Development Council, Inc.
85 C77-0031; and
86 (vi) rulings related to Pelt v. Utah;
- 87 (b) review ~~all~~ the potential sources of fund revenues;
- 88 (c) prepare an annual ~~[projections]~~ projection of money that will be available for a
89 Navajo ~~[programs]~~ program;
- 90 (d) identify the property owned by the fund;
- 91 (e) establish and maintain a record system and retention schedule to retain ~~[records]~~ a
92 record relating to the fund's property and operations, including:
93 (i) ~~[records]~~ a record related to the ethics and conflict policy developed under
94 Subsection (2)(c);
95 (ii) ~~[requests for proposals and proposals]~~ a request for proposal and a proposal

- 96 received;
- 97 (iii) ~~[contracts]~~ a contract awarded;
- 98 (iv) project progress and a completion ~~[reports]~~ report;
- 99 (v) ~~[invoices]~~ an invoice; and
- 100 (vi) a purchasing ~~[records]~~ record;
- 101 (f) review ~~[the]~~ an existing and proposed ~~[programs]~~ program financed by the fund;
- 102 (g) evaluate whether ~~[the programs]~~ a program described in Subsection (1)(f) ~~[are]~~ is the
- 103 most practical and cost-efficient means to provide the desired benefit to Navajos;
- 104 (h) consult regularly with the ~~[administrators of the programs financed by the fund to~~
- 105 ~~obtain progress reports on the programs]~~ administrator of a program financed by the
- 106 fund to obtain a progress report on the program;
- 107 (i) attend ~~[all]~~ the meetings of:
- 108 (i) the Diné Advisory Committee; and
- 109 (ii) the board;
- 110 (j) certify that ~~[the expenditures]~~ an expenditure of the fund:
- 111 (i) ~~[empty]~~ complies with the state's fiduciary responsibilities as trustee of the fund;
- 112 and
- 113 (ii) ~~[are]~~ is consistent with this section;
- 114 (k) make an annual report:
- 115 (i) to the:
- 116 (A) board;
- 117 (B) governor; and
- 118 (C) Native American Legislative Liaison Committee, created in Section 36-22-1;
- 119 and
- 120 (ii) that:
- 121 (A) identifies the source and amount of the revenue received by the fund;
- 122 (B) identifies the recipient, purpose, and amount of the expenditures from the fund;
- 123 (C) identifies ~~[specifically each of the fund's investments and the actual return and~~
- 124 ~~the rate of return from each investment]~~ investment categories and the rate of
- 125 return of each category of investment; and
- 126 (D) recommends any necessary statutory changes to improve administration of the
- 127 fund or to protect the state from liability as trustee;
- 128 (l) submit a written annual report to the:
- 129 (i) Division of Indian Affairs;

- 130 (ii) Navajo Nation;
- 131 (iii) United States Bureau of Indian Affairs; and
- 132 (iv) United States Secretary of the Interior;
- 133 (m) establish, in conjunction with the state treasurer and the Division of Finance,
- 134 appropriate accounting practices for the fund receipts, expenditures, and investments
- 135 according to generally accepted accounting principles;
- 136 (n) provide a summary [~~records~~] record of fund receipts, expenditures, and investments
- 137 to the board and to the Diné Advisory Committee at each [~~of their meetings~~] meeting
- 138 of the board or Diné Advisory Committee;
- 139 (o) pay an administrative [~~expenses~~] expense from the fund;
- 140 (p) report [~~monthly~~] quarterly to the board about:
- 141 (i) the trust administrator's activities; and
- 142 (ii) the status of the fund; and
- 143 (q) call an additional [~~meetings~~] meeting of the Diné Advisory Committee when necessary.
- 144 (2) In conjunction with the Diné Advisory Committee and under the direction of the board,
- 145 the trust administrator shall:
- 146 (a) before the beginning of each fiscal year, establish a list of the needs of Navajos for
- 147 that year to be used for the annual budget;
- 148 (b) before the beginning of each fiscal year, develop and approve an annual budget for
- 149 the fund;
- 150 (c) develop an ethics and conflict of interest policy that emphasizes the need to avoid
- 151 even the appearance of conflict of interest or impropriety that is to apply to:
- 152 (i) the trust administrator;
- 153 (ii) the trust administrator's staff; and
- 154 (iii) the Diné Advisory Committee;
- 155 (d) require the trust administrator, each of the trust administrator's staff, and each
- 156 member of the Diné Advisory Committee to sign and keep on file written
- 157 documentation that acknowledges:
- 158 (i) [~~their~~] receipt of the ethics and conflict of interest policy described in Subsection
- 159 (2)(c); and
- 160 (ii) [~~their~~] willingness to abide by the ethics and conflict of interest policy described
- 161 in Subsection (2)(c); and
- 162 (e) make expenditures from the fund:
- 163 (i) "for the health, education, and general welfare of the Navajo Indians residing in

164 San Juan County" as required by:
165 (A) Pub. L. No. 72-403, 47 Stat. 1418 (1933);
166 (B) Pub. L. No. 90-306, 82 Stat. 121 (1968); and
167 (C) this chapter; and
168 (ii) including expenditure for roads and utilities.
169 (3) The trust administrator, under direction of the board, may:
170 (a) contract with [~~public and private entities~~] a public or private entity; and
171 (b) unless prohibited by law or this chapter, acquire and hold money and other property
172 received in the administration of the fund.
173 Section 3. **Effective Date.**
174 This bill takes effect on May 6, 2026.