

1 **TRANSITION FOR REPEALED NAVAJO TRUST FUND ACT**

2 **AMENDMENTS**

3 2010 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: David P. Hinkins**

6 House Sponsor: Christine F. Watkins

7

8 **LONG TITLE**

9 **General Description:**

10 This bill amends the Transition for Repealed Navajo Trust Fund Act.

11 **Highlighted Provisions:**

12 This bill:

13 ▶ addresses receipt of litigation related monies; ~~§~~→ [and] ;

13a ▶ addresses expenditures on certain projects; and ←~~§~~

14 ▶ modifies a date related to qualifying for receipt of money for postsecondary
15 education.

16 **Monies Appropriated in this Bill:**

17 None

18 **Other Special Clauses:**

19 None

20 **Utah Code Sections Affected:**

21 AMENDS:

22 **51-9-504**, as last amended by Laws of Utah 2009, Chapter 356

23

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

25 Section 1. Section **51-9-504** is amended to read:

26 **51-9-504. Utah Navajo royalties and related issues.**

27 (1) (a) Notwithstanding Title 63, Chapter 88, Navajo Trust Fund, repealed July 1,



28 2008, and except as provided in Subsection (7), the following are subject to this Subsection (1):

- 29 (i) the repealed board of trustees;
- 30 (ii) the repealed trust administrator;
- 31 (iii) an employee or agent of the repealed Navajo Trust Fund; or
- 32 (iv) the repealed Dineh Committee.

33 (b) The repealed board of trustees may not:

34 (i) beginning on March 17, 2008, take an action that imposes or may impose a liability
35 or obligation described in Subsection (1)(d) that is:

- 36 (A) anticipated to be completed on or after January 1, 2010; or
- 37 (B) equal to or greater than \$100,000;

38 (ii) on or after May 5, 2008, take an action that imposes or may impose a liability or
39 obligation described in Subsection (1)(d).

40 (c) On or after March 17, 2008 a person described in Subsections (1)(a)(ii) through (iv)
41 may not take an action that imposes or may impose a liability or obligation described in
42 Subsection (1)(d).

43 (d) Subsection (1)(b) applies to a liability or obligation on:

- 44 (i) the repealed Navajo Trust Fund;
- 45 (ii) the Navajo Revitalization Fund created under Title 9, Chapter 11, Navajo

46 Revitalization Fund Act;

- 47 (iii) the state; or
- 48 (iv) any of the following related to an entity described in this Subsection (1)(d):

- 49 (A) a department;
- 50 (B) a division;
- 51 (C) an office;
- 52 (D) a committee;
- 53 (E) a board;
- 54 (F) an officer;
- 55 (G) an employee; or
- 56 (H) a similar agency or individual.

57 (2) The Division of Finance shall:

58 (a) establish a fund by no later than July 1, 2008:

- 59 (i) to hold:
- 60 (A) the monies in the repealed Navajo Trust Fund as of June 30, 2008;
- 61 (B) Utah Navajo royalties received by the state on or after July 1, 2008;
- 62 (C) revenues from investments made by the state treasurer of the monies in the fund
- 63 established under this Subsection (2)(a); [~~and~~]
- 64 (D) monies owed to the repealed Navajo Trust Fund, including monies received by the
- 65 repealed trust administrator or repealed Dineh Committee from an agreement executed by:
- 66 (I) the repealed board of trustees;
- 67 (II) the repealed trust administrator; or
- 68 (III) the repealed Dineh Committee; and
- 69 (E) monies related to litigation, including settlement of litigation related to Utah
- 70 Navajo royalties; and
- 71 (ii) from which monies may not be transferred or expended, except:
- 72 (A) as provided in Subsection (7); or
- 73 (B) as authorized by congressional action to designate a new recipient of the Utah
- 74 Navajo royalties; and
- 75 (b) by no later than July 1, 2008, transfer to the fund created under Subsection (2)(a) in
- 76 a manner consistent with this section the related assets and liabilities of the repealed Navajo
- 77 Trust Fund, including the transfer of monies in the repealed Navajo Trust Fund.
- 78 (3) The state treasurer shall invest monies in the fund created in Subsection (2)(a) in
- 79 accordance with Title 51, Chapter 7, State Money Management Act.
- 80 (4) (a) By no later than May 5, 2008, the repealed board of trustees shall:
- 81 (i) adopt a list of all related assets and liabilities of the repealed trust fund that are not
- 82 satisfied by May 5, 2008, which may include assets and liabilities that are contingent in nature
- 83 or amount;
- 84 (ii) adopt a list of all individuals who at the time of adoption meet the requirements of
- 85 Subsection (7)(b); and
- 86 (iii) provide a copy of the lists described in Subsections (4)(a)(i) and (ii) to:
- 87 (A) the state auditor; and
- 88 (B) the Department of Administrative Services.
- 89 (b) The state auditor, in addition to completing its Fiscal Year 2007-2008 audit of the

90 repealed Navajo Trust Fund, shall:

91 (i) verify the list of the related assets and liabilities of the repealed Navajo Trust Fund
92 adopted by the repealed board of trustees under Subsection (4)(a) by no later than June 30,
93 2008; and

94 (ii) provide a written copy of the verification to the governor and the Legislature by no
95 later than July 30, 2008.

96 (5) The governor shall ensure that the reporting requirements under P.L. 90-306, 82
97 Stat. 121, are met.

98 (6) The Department of Administrative Services, in cooperation with the Department of
99 Human Resources, may assist employees of the repealed Navajo Trust Fund as of June 30,
100 2008, in accordance with Title 67, Chapter 19, Utah State Personnel Management Act.

101 (7) With the fund created under Subsection (2) and the fixed assets of the repealed
102 Navajo Trust Fund, the Department of Administrative Services shall:

103 (a) ~~§~~ **→ subject to Subsection (8), ←§** fulfill the liabilities and obligations of the repealed
103a Navajo Trust Fund as of June
104 30, 2008;

105 (b) provide monies to an individual enrolled member of the Navajo Nation who:

106 (i) resides in San Juan County;

107 (ii) as of June 30, ~~[2010]~~ 2012, has received monies under this Subsection (7)(b) for
108 postsecondary education;

109 (iii) beginning the later of June 30 or the day on which the individual first receives
110 monies under this Subsection (7)(b), is enrolled in postsecondary education for the equivalent
111 of at least two semesters each year; and

112 (iv) meets the eligibility requirements adopted by the repealed board of trustees as of
113 March 17, 2008;

114 (c) through the Division of Facilities Construction and Management, reasonably
115 maintain the fixed assets of the repealed Navajo Trust Fund, to the extent that a lessee of a
116 fixed asset is not required by a lease to maintain a fixed asset;

117 (d) through the Division of Facilities Construction and Management, take those steps
118 necessary to secure the purchase:

119 (i) of the following that is owned by the repealed Navajo Trust Fund as of May 5,
120 2008:

- 121 (A) the government service building; or
 122 (B) another fixed asset of the repealed Navajo Trust Fund, if the sale of the fixed asset
 123 is consistent with the obligations of the state with regard to the Utah Navajo royalties; and
 124 (ii) (A) in an arms length manner; and
 125 (B) so that fair market compensation is paid to the repealed Navajo Trust Fund; and
 126 (e) charge the fund established under Subsection (2)(a) for the expenses that are
 127 necessary and reasonable to comply with the requirements of this Subsection (7).

127a **§→ (8) To fulfill the liabilities and obligations of the repealed Navajo Trust Fund as of June**

127b **30, 2008, the Division of Finance may expend monies from the fund:**

127c **(a) for a liability or obligation incurred before March 17, 2008, to the extent that the**

127d **expenditure was expressly a liability or obligation of the repealed Navajo Trust Fund as of**

127e **March 17, 2008; and**

127f **(b) on and after March 11, 2010, for a project approved under Subsection (1)(b)(i) by the**

127g **repealed board of trustees, except that the Division of Finance may not expend monies from**

127h **the fund for a project approved under Subsection (1)(b)(i):**

127i **(i) in excess of \$100,000 in the aggregate for the project; or**

127j **(ii) to fulfill a liability or obligation related to the project if the expenditure would be on or**

127k **after the earlier of:**

127l **(A) the day on which monies from the fund are transferred as authorized by congressional**

127m **action to designate a new recipient of the Utah Navajo royalties; or**

127n **(B) January 1, 2012.**

- 128 [~~8~~] **9 ←§** Unless expressly prohibited by this part, the state may take any action with regard
 129 to the assets held by the state under this part that is consistent with the obligations of the state
 130 related to the Utah Navajo royalties.

Legislative Review Note

as of 2-26-10 11:41 AM

Office of Legislative Research and General Counsel

S.B. 237 - Transition for Repealed Navajo Trust Fund Act Amendments

Fiscal Note

2010 General Session

State of Utah

State Impact

Enactment of this bill will not require additional appropriations.

Individual, Business and/or Local Impact

Individual members of the Navajo Nation may benefit by the extension of the date related to qualifying for a scholarship. No direct, measureable cost and/or benefit to businesses or local governments.
