

1. On Page 4, Line 24, delete ~~The Navajo Nation hereby acknowledges~~ and replace with Except as provided in Section Two (F), the Navajo Nation hereby acknowledges.
2. On Page 5, Line 8, insert new subsection F. as follows:

**F. FIRST QUARTER EXPENDITURE LIMITATION**

1. Limitation. Notwithstanding Section Two (D), no Branch, Division, Department, Program, or other budget unit of the Navajo Nation shall expend, encumber, or otherwise obligate more than twenty-five percent (25%) of its total Fiscal Year 2027 appropriation from the General Fund (projected revenue/UUFB) account during the first quarter of Fiscal Year 2027, October 1, 2026 through December 31, 2026.

2. Funds Subject to the Limitation. The limitation in Subsection F(1) applies only to appropriations from the General Fund (projected revenue/UUFB) account. The limitation does not apply to the statutory set-asides appropriated in Section Two (A), to the Fixed Costs allocated in Section Two (B)(4), or to appropriations from the Indirect Cost Fund account, the External Funds Cash Match account, the Proprietary Fund account, the Fiduciary Fund account, or the Special Revenue Fund – Internal Funds account, as long as such funds are only utilized for their statutory purpose.

3. Excluded Expenditures. The following are excluded from the limitation in Subsection F(1) and from the calculation of the appropriation against which it is measured:

- a. Personnel expenses and associated fringe benefits under object code 2001;
- b. Obligations lawfully encumbered before October 1, 2026;
- c. Debt service, judgments, settlements, and insurance premiums;
- d. Expenditures required to earn, match, or draw down external funds, including federal and state grant and contract funds;
- e. Expenditures of the Navajo Election Administration for the 2026 Navajo Nation general election and the resulting transition; and
- f. Expenditures necessary to prevent the cessation of law enforcement services, disaster relief services, fire protection services, or other direct services required as an entitlement under Navajo Nation or Federal law, consistent with 2 N.N.C. § 164(A)(16).

4. Amounts Not Expended. This subsection establishes the rate at which appropriated funds may be expended and does not reduce, rescind, or lapse any appropriation. Amounts not expended during the first quarter of Fiscal Year 2027 remain available to the budget unit for the remainder of Fiscal Year 2027.

5. Relief from the Limitation. A budget unit may expend in excess of the limitation in Subsection F(1) only upon prior written approval of the Budget and Finance Committee. A request for approval shall state the amount, the purpose, and the reason the expenditure cannot be deferred beyond December 31, 2026.

6. Implementation. The Controller shall not process any expenditure that would exceed the limitation in Subsection F(1) absent approval under Subsection F(5). The Office of Management and Budget shall configure the Navajo Nation's financial management system to give effect to this subsection and shall report first quarter expenditures against the limitation to the Budget and Finance Committee no later than the fifteenth day of each month during the first quarter of Fiscal Year 2027.

3. Directives to the Office of Management and Budget. Provide to the Budget and Finance Committee, no later than October 15, 2026, a schedule showing for each budget unit its total Fiscal Year 2027 appropriation from the General Fund (projected revenue/UUFB) account, the amount excluded under Section Two (F)(3), and the resulting first quarter limitation.
4. Renumber or re-letter succeeding paragraphs, sections, and exhibits, as necessary and appropriate. The Office of Legislative Services and the Office of Legislative Counsel are authorized to make technical edits, including re-calculating totals, related to this amendment and its exhibits to implement the sponsor's intent. This Amendment supersedes inconsistent language in any other amendment(s), which language shall be conformed to this Amendment.