

1
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30

Title 3, Navajo Nation Code

Chapter 3. Range Land Leases for Pasture of Livestock

§ 501. Authority

The President of the Navajo Nation, with the advice and assistance of the Director of the Division of Natural Resources and the Department Manager of Department of Agriculture, is authorized and directed to select eligible Navajo stock owners, in accordance with the policy of the Navajo Nation contained in 16 N.N.C. § 1 *et seq.* for the purpose of leasing to such stock owners off-Reservation range lands for the pasture of livestock under the terms and conditions set out in the lease and Plan of Operation.

§ 502. [Reserved].

§ 503. Navajo Nation Ranches

A. Since 1954 the Navajo Nation has acquired a number of “Ranches” through acquisition. These “Ranches” are made up of Fee Patent Lands, Trust Lands, Allotted Lands, BLM Leased Lands, State Leased Lands, and other forms of land, in the States of New Mexico and Arizona.

B. Rationale and guidelines for the management of these Ranches, and all lands subsequently acquired by the Navajo Nation, unless specifically exempt, are contained in 3 N.N.C. §§ 1, 2, 3, 4, 501, 502, 503, and 504, 16 N.N.C. §§ 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 401, 451, 452, 453, 454, 601, 602, and 603; and ACJY-97-80 and CJA-1-81.

§ 504. Establishment-Navajo Nation Ranch Program

There is established a Navajo Nation Ranch Program within the Department of Agriculture, Division of Natural Resources. Except as otherwise stated herein, the Resources Committee of the Navajo Nation Council is empowered to exercise oversight of activities related to the utilization of the Navajo Nation Ranches. Utilization of Navajo Nation Ranches or unobligated lands shall not be deemed an entitlement program.

1
1 **§ 505. Purpose**

2 The Navajo Nation Ranch Program shall exist to fulfill the following purposes:

3 A. Provide for productive and optimum use of lands under the direct control of the
4 Navajo Nation designated as Ranch lands.

5 B. To ensure that sufficient revenues are realized to pay taxes, land use fees, and cost of
6 administration.

7 C. To carry out select purposes for land acquisition, pursuant to 16 N.N.C. §1 *et seq.*
8

9 **§ 506. Powers**

10 A. The Resources Committee of the Navajo Nation Council is authorized to adopt a form
11 of lease, as recommended by the Attorney General, Navajo Nation Department of Justice that
12 will ensure that the provisions of this Plan of Operation and provisions of the Navajo Nation
13 Code are carried out.

14 B. The President of the Navajo Nation, with the advice and assistance of the Navajo
15 Nation Ranch Program, Department of Agriculture, through the Executive Director, Division
16 of Natural Resources and the Resources Committee shall select eligible Navajo stock owners
17 for the purposes of leasing Navajo Nation Ranches, in accordance with the criteria established
18 in § 511 of this Plan of Operation.

19 C. The Resources Committee is authorized to establish use fees for Navajo Nation Ranch
20 Lands and to adjust these fees as may be necessary to achieve a reasonable economic value
21 for the use of these lands and to accomplish the purposes for which the land was acquired, as
22 stated in the preceding Section. These fees may be adjusted annually for such reasons as
23 unforeseen natural disasters and shall be adjusted at least every five years, based on the
24 recommendation of the Navajo Nation Ranch Program, Department of Agriculture through
25 the Executive Director, Division of Natural Resources.
26

27 **§ 507. Operation.**

28 The following guidelines shall govern the operation, management and use of Navajo
29 Nation Ranches:

30 A. Sound ranch management principles shall be adhered to at all times to ensure that

1 Navajo Nation resources are adequately maintained.

2 B. Sound practice of livestock management shall be adhered to at all times.

3 C. Leasing of lands shall be done in such a manner as to ensure the optimum use of the
4 resource and to protect the Navajo Nation's interests. For this purpose, the Resources
5 Committee shall be authorized to determine the size of each unit to be leased, as
6 recommended by the Navajo Nation Ranch Program, Department of Agriculture through the
7 Executive Director, Division of Natural Resources.

8 D. The Resources Committee shall be authorized to set aside lands for special
9 management purposes such as a bull pasture, livestock impoundment pasture, or special range
10 demonstration areas. In such instance, a Plan of Operation shall be prepared and attached to
11 the set aside action to govern the management of these lands and shall be approved by the
12 Government Services Committee of the Navajo Nation Council.

13 E. Under no circumstances whatsoever shall Navajo Nation funds, equipment, or
14 employees be used for the care of livestock belonging to the Lessee, except as provided
15 herein.

16 F. Timber, firewood (alive, or dead and down), all trees, shrubs, vegetation, fish,
17 wildlife,
18 water, surface rights, to ingress, egress, right-of-way, subsurface rights, mineral exploration
19 rights and any other natural, recreational, or any other such rights, resources and proceeds
20 from such resources shall remain the sole property and within the sole and exclusive
21 jurisdiction of the Navajo Nation. However, the lease-holder shall be provided advance notice
22 of the intent of the Nation in exercising these rights.

23 G. Should any violation of this Plan of Operation or the Navajo Nation Ranch Lease
24 Agreement occur, the Navajo Nation Ranch Program, Department of Agriculture through the
25 Executive Director, Navajo Division of Resources, shall take immediate action to protect the
26 interests of the Navajo Nation to the fullest extent, including the power to take immediate
27 control over said leased lands to the extent necessary to protect Navajo resources.

28 H. The Navajo Nation Ranch Program will establish a management plan for bull pasture,
29 livestock impoundment pasture and other activities consistent with the Purposes of this Plan
30 of Operation as specified in § 505.

1
1
2 **§ 508. Terms of the Lease.**

3 A. The Lessee shall be responsible for all costs associated with the minor upkeep as well
4 as responsibility for maintenance of fences, minor maintenance of livestock water delivery
5 systems, cattle guards, corrals, roads, and any other improvements, fixtures or structures
6 contained within his/her leased area at the time of the lease or installed thereafter, except
7 those major repairs as provided for in Paragraph (B), below.

8 B. The Lessee may request, through the Navajo Nation Ranch Program, Department of
9 Agriculture through the Executive Director, Division of Natural Resources, major repairs for
10 water systems, windmills, and water tanks, to the extent that such repairs are beyond the
11 means of the Lessee. These will be referred to the Department of Water Resources (or its
12 successor), with a recommendation from the Executive Director, and the repairs may be
13 made, subject to the availability of funding and the existing priorities for similar work, by the
14 Department of Water Resources (or its successor). Upkeep, maintenance (and use) of
15 headquarters structures, housing and corrals will remain the responsibility of the Division of
16 Natural Resources.

17 C. The Lessee shall be responsible for the care of his/her livestock in accordance with the
18 Navajo Nation Livestock and Foreign Animal Disease Response Act, 3 N.N.C. § 1501 *et seq.*
19 Neglect of livestock shall be cause for termination of the lease.

20 D. The Lessee shall accept the lands and improvements such as, fences, cattle guards,
21 corrals, windmills, water tanks, and forage in an "as is" condition upon acceptance of the
22 lease.

23 E. A lien may be granted on any and all livestock grazed on Navajo Nation Ranches in
24 the event of default of payment or failure to satisfy other provisions of the lease agreement.

25 F. Any and all improvements, including reconstruction of fences, erection of corrals
26 and/or other structures, shall be subject to the approval of the Navajo Nation Ranch Program,
27 Department of Agriculture through the Executive Director, Division of Natural Resources, or
28 his/her designee.

29 G. Livestock with brands so specified in the lease agreement shall be the only livestock
30 authorized to graze or be held on Navajo Nation Ranches.

1
1 H. Lease agreements shall be non-transferable and are not to be sublet or assigned to
2 heirs. At the time of application, the Lessee may designate an alternate Lessee for the purpose
3 of completing the full term of the lease period in the event the Lessee cannot (for reasons
4 beyond his control, illness, or death), complete the full term of the lease. The designated
5 alternate Lessee must meet the eligibility criteria as set forth in § 511 of this Plan of
6 Operation and must sign the application and lease agreement and abide by the rules and
7 regulations of the lease agreement. If the alternate Lessee is not designated by the applicant,
8 Navajo Nation Ranch Program, Department of Agriculture through the Executive Director,
9 Division of Natural Resources, may designate an alternate Lessee in the event that the Lessee
10 is unable to complete the full term of the lease.

11 I. All Lease agreements shall be for a period of 10 years with the option for renewal for
12 another 10 year term, provided that a recommendation is made by the Navajo Nation Ranch
13 Program, Department of Agriculture through the Executive Director, Division of Natural
14 Resources. Such recommendation shall be based on payment history, good performance,
15 evaluation and demonstrate sound stewardship of the Navajo Nation Ranches. At any time
16 during the term of the lease, the lease may be terminated for any violation of the terms herein.

17 J. Upon expiration or any earlier termination (not due to any default on the part of the
18 Lessee), of the lease agreement, the Navajo Nation will conduct a field inspection of all
19 improvements on the leased premises to determine which improvements will remain on the
20 premises. Fair compensation will be provided for such improvements pursuant to 16 N.N.C.
21 § 1401. Any other improvements shall become the property of the Navajo Nation, after 90
22 days from the termination date, if the Lessee does not exercise the option to remove said
23 improvements. Any removal of improvements shall be approved by the Navajo Nation Ranch
24 Program, Department of Agriculture through the Executive Director, Division of Natural
25 Resources, per the field inspection.

26
27 **§ 509. Payment**

28 A. The annual grazing fee shall be due and payable in two equal payments; the
29 first payment shall be due on or before November 15, and the second payment is due on or
30 before January 15, of the same lease year.

1
1 B. Minimum lease fee shall be established by the Resources Committee based on
2 the recommendation of the Navajo Nation Ranch Program, Department of Agriculture
3 through the Executive Director, Division of Natural Resources, in accordance with the
4 provisions of this Plan of Operation, on a per animal per month basis, and may be subject to
5 adjustment to be made as needed or necessary, to cover costs as provided herein. The
6 Lessee(s) will be informed in writing of any modifications made in the rental fee 60 days
7 prior to the beginning of the succeeding year. Such modification will be attached as an
8 amendment to the original lease and become a part of the lease.

9 C. In the event of any livestock reduction, the Lessee shall provide proof of
10 reduction by sales receipts and/or other proof of dispersal of livestock transactions. In order
11 for adjustments to be applied by Accounts Receivable any current invoice must be satisfied.
12 The Lessee shall submit in writing to the Navajo Nation Ranch Program a request with
13 supporting documents that reflects the reduction.

14 D. A minimum annual rental shall be stated in the lease agreement, and in no
15 event shall the annual billing be less than the minimum rental, with the exception of § 506(C).

16 E. Any additional livestock over the stocking rate allowed per the lease
17 agreement will be assessed at five times the current grazing fee and the Lessee shall remove
18 all excess livestock within 30 days or the lease will be terminated.

19 F. All funds received in payment of lease fees shall be deposited into an
20 Enterprise Fund and used:

- 21 1. To cover such costs and amortization as provided in § 505(A) of this Plan of
22 Operation.
- 23 2. For range conservation or improvements; and
- 24 3. Administrative costs.

25 G. Assessment, billing and collection of grazing fees and default procedures for
26 delinquency and non-payment of fees.

- 27 1. The Navajo Nation Ranch Program, Division of Natural Resources, shall: a.
28 Prepare and submit a "Livestock Assessment and Fee Request" document to Accounts
29 Receivable, Division of Finance, based on the applicable rental rate and the number of

1
1 animals authorized on the leasehold. The Livestock Assessment and Fee Request
2 document will contain the following information: (1) Name and address of
3 the Lessee(s); (2) Lease agreement number; (3) Total Amount Due; (4) Number of
4 livestock the fees were assessed on; and (5) Ranch/Unit Number.

5 2. Accounts Receivable, Division of Finance shall:

6 a. Prepare and send the invoice to the Lessee(s) within 15 days of receipt of the
7 "Livestock Assessment and Fee Request" document from the Navajo Nation Ranch
8 Program, Department of Agriculture through the Division of Natural Resources, on or
9 before October 31. The annual billing shall be the same as the previous year in the
10 event the Accounts Receivable is unable, for whatsoever reason, to prepare a new
11 billing by October 31. In such event, a new bill either allowing for a credit and refund
12 or requesting additional funds shall be prepared as soon as possible.

13 b. Receive payments, issue receipts, deposit receipts in the established
14 Enterprise Fund, and submit payment information to the Navajo Nation Ranch
15 Program.

16 H. Delinquency and Non-Payment Procedures: Accounts Receivable, Division of
17 Finance, shall adopt the following procedure to collect delinquent accounts:

18 1. If full payment has not been received after 30 days from the due date of January
19 15, the account shall be considered delinquent.

20 2. If the bill is not paid by February 15, Accounts Receivable shall send a 30 day
21 notice, charging the regular fee plus a two percent (2%) late charge of total fees due.

22 3. If the bill is not paid by March 1, Accounts Receivable shall send a 45 day late
23 notice, charging the regular fee plus a late charge at four percent (4%) of total fees due.

24 4. If there is no response to the 45 days late notice by March 30, Accounts Receivable
25 shall send a final notice, charging the regular fee plus a late charge of six percent (6%) of
26 total fee due.

27 5. After April 15, if all payments are not made or acceptable arrangements for
28 payments are not made, the lease agreement shall be terminated.

29 6. After the lease is terminated, Accounts Receivable shall continue efforts to receive
30 payments on the account to May 15. If all payments are not made, Accounts Receivable

1
1 and the Navajo Nation Ranch Program shall turn the delinquent account over to the
2 Department of Justice for collection purposes.

3 I. Collection. The Department of Justice shall follow established Navajo Nation
4 Procedures for handling the collection of delinquent accounts.

5
6 **§ 510. Termination of lease agreement and temporary use agreement**

7 A. Should any violation or noncompliance of this Plan of Operation or the lease
8 agreement occur, the Navajo Nation Ranch Program, Department of Agriculture through the
9 Executive Director, Division of Natural Resources, shall immediately begin administrative
10 proceedings to remedy such violations or to terminate the lease agreement.

11 B. If any violation or noncompliance occurs, the Lessee shall be given written notice of
12 such violation and action necessary to remedy the violation. Violation of nonpayment of
13 grazing fee payment, shall be handheld under § 509, and termination of the lease agreement,
14 if such violation is not remedied shall be handheld under this Section.

15 C. The Lessee will have 30 days to remedy the violation and give written notice of the
16 remedial actions to the Navajo Nation Ranch Program, Department of Agriculture through the
17 Executive Director, Division of Natural Resources, within the 30 days to avoid termination of
18 the lease.

19 D. The Navajo Nation Ranch Program, Department of Agriculture through the
20 Division of Natural Resources shall conduct a field inspection and determine whether
21 the violation has been removed to the satisfaction of the stipulation of this Plan of
22 Operation and the lease agreement. If it is determined that the
23 violation/noncompliance has not been remedied or removed, the lease shall be
24 terminated.

25 E. At any time during the term of the lease agreement, the Lessee can terminate the lease
26 agreement for any reason(s), by providing written notice to the Navajo Nation Ranch
27 Program, Department of Agriculture through the Executive Director, Division of Natural
28 Resources, at least 60 days prior to the “date of termination”. The Lessee shall notify the
29 Navajo Nation Ranch Program, Department of Agriculture through the Division of Natural
30 Resources of the date that he/she will be vacating the leases premises.

1
1 F. The Navajo Nation Ranch Program, Department of Agriculture through the Executive
2 Director, Division of Natural Resources, shall acknowledge and will formally accept the
3 relinquishment or termination of the lease agreement by providing a written statement within
4 a reasonable time of the date of Lessee's written notice.

5 G. Any determination shall not relieve the Lessee from his/her obligation to pay any
6 accrued rent. The Lessee is responsible for settling all grazing fee accounts within the 60 days
7 before the termination becomes effective.

8 H. The Lessee shall not remove any livestock or other improvement (structures) from the
9 leased premises, until the Navajo Nation Ranch Program, Department of Agriculture through
10 the Executive Director, Division of Natural Resources, has formally acknowledged, in
11 writing, that no rental or other damage payments are due. If any payments are due, the Navajo
12 Nation Ranch Program, Department of Agriculture through Executive Director, Division of
13 Natural Resources, shall exercise the rights of seizing all livestock or creating a lien for
14 payment of said grazing fees due [per § 508 (E)].

15
16 **§ 511. Eligibility**

17 All applicants must meet the following eligibility criteria:

18 A. Enrolled members of the Navajo Nation.

19 B. Non-Navajos are not eligible.

20 C. Applicants are not eligible if they hold other grazing permits, with more than 75 sheep
21 units, issued by the Navajo Nation, BIA, or BLM within the Navajo Nation, including the
22 Eastern Navajo Agency. For purposes of this Section, both interests of the husband and wife
23 will be used to determine eligibility.

24 D. Allottees are eligible if they meet the other requirements and if they own less than a
25 full interest in an allotment of 160 acres or more, or if they own cumulative interest in various
26 allotments that, together, do not exceed such an interest.

27 E. All applicants must be at least 21 years of age, and demonstrate their ability to pay the
28 established fees and manage land and livestock. Applicant shall submit, along with the
29 application, a proposed Ranch Management Plan which shall include acceptable livestock
30 management and range conservation plans for the unit(s) they are applying for.

1
1 F. Applicants are eligible to lease no more than two range units as so specified by the
2 Resources Committee, based on recommendations by the Navajo Nation Ranch Program,
3 Department of Agriculture through the Executive Director, Division of Natural Resources.

4 G. Former leaseholders whose leases were terminated due to default shall not be eligible
5 to reapply for a period of ten years from the date of default.

6 H. Former leaseholders whose leases were cancelled due to adverse disposition of Navajo
7 Nation lands shall be given first preference to other ranch lands when available.

8 I. In the event that two or more applicants apply for the same unit and equally meet the
9 qualifications, tie-breaker bidding shall be allowed. The applicant bidding the highest fee,
10 above the minimum, shall be recommended to the Resources Committee.

11
12 **§ 512. Adverse disposition**

13 A. The Navajo Nation, through its normal governmental operations may authorize such
14 actions as mineral exploration, development, power lines extensions, oil well projects, drilling
15 projects and other energy development projects, right-of-ways and other “adverse disposition”
16 which would severely impair or limit the use of land for grazing purposes stated herein.

17 B. If any such adverse disposition of all or any portion of a lease is authorized, to the
18 extent that the grazing capacity of the leasehold area is reduced, the lease shall be terminated
19 or the leasehold description revised and the stocking rate adjusted accordingly.

20 C. For the purposes of this Section, the Lessee shall be entitled to compensation for the
21 loss of grazing rights to the extent of advance payment for those rights (calculated in acreage)
22 actually lost as determined by the Navajo Nation Ranch Program, Department of Agriculture
23 through the Executive Director, Division of Natural Resources.

24
25 **§ 513. Unobligated land**

26 A. Lands which are not adequate to comprise an economic ranch unit, or for which there
27 are no qualified applicants, may be determined to be “unobligated lands” by action of the
28 Resources Committee, based upon the recommendation of the Navajo Nation Ranch Program,
29 Department of Agriculture through the Executive Director, Division of Natural Resources.

30 B. These lands shall be managed in the best interest of the Navajo Nation as determined

1
1
2 by the Navajo Nation Ranch Program, Department of Agriculture through the Executive
3 Director, Division of Natural Resources.

4 C. Former leaseholders who may not be eligible under the terms of this Plan of Operation
5 may be given preference in the use of unobligated lands.

6
7 **§ 514. Temporary use**

8 A. The Navajo Nation Ranch Program, Department of Agriculture through the Executive
9 Director, Division of Natural Resources, shall have the authority to allow temporary use of
10 the Navajo Nation Ranches when it is deemed in the best interest of the resource to do so, or
11 continuity of use is required to retain federal or state grazing rights, or under special
12 circumstances when so directed by the Resources Committee.

13 B. All temporary use authorizations shall be in writing to coincide with the general terms
14 of the lease agreement and this Plan of Operation, shall not exceed a term of six months and
15 shall not be renewable without the approval of the Resources Committee.

16 **§ 515. Amendment**

17 This Plan of Operation may be amended from time to time as recommended by the Navajo
18 Nation Ranch Program, Department of Agriculture through the Executive Director, Division
19 of Natural Resources, to the Resources Committee of the Navajo Nation Council who then
20 recommends final action by the Government Services Committee of the Navajo Nation
21 Council.