



SOBOBA BAND OF LUISEÑO INDIANS

EXECUTIVE OFFICES OF THE TRIBAL COUNCIL

Via Email: heather.campbell@mail.house.gov

March 19, 2020

Chairman
Scott Cozart

Vice-Chair
Isaiab Vivanco

Secretary
Monica Herrera

Treasurer
Kelli Hurtado

Sergeant at Arms
Rose Salgado

Executive Assistant
to the Tribal Council
Dione Kitchen

Tribal Administrator
Michael Castello

The Honorable Kay Granger, Ranking Member
House Committee on Appropriations
Washington DC 20515

Re: Preventing Indian Tribal Government-Entity Defaults and Bankruptcies

Dear Ms. Granger:

I write on behalf of the Soboba Band of Luiseño Indians Tribe and our Tribe is a standing member of the National Indian Gaming Association (NIGA). Indian Country is pulling together as all Americans do their part to address the corona virus pandemic facing our Nation. We are all in this together, and we look forward to working with Congress to meet this unprecedented challenge to save American lives and stem the economic crisis that is unfolding.

Due to the unprecedented nature of this nationwide crisis, we join NCAI and NIGA in requesting the following provisions to stem the financial crisis that will soon impact much of Indian Country and to help address shortfalls in essential tribal government programs and services in light of this unprecedented pandemic:

1. NATIONAL EMERGENCY TRIBAL ECONOMIC RELIEF GRANTS:

Congress must provide Tribal Governments with no less than \$20 billion in direct federal aid over the next six (6) months (180 days). Like state and local governments, tribal government budgets will be stressed, and many will be unable to provide basic health, education, public safety, food assistance, and other critical needs to our communities. To help address significant shortfalls in tribal government revenue, and to avoid cuts in provision of these basic services, we urge Congress to make these funds accessible to Tribal Governments.

2. NATIONAL LOAN ASSISTANCE:

Indian Country urges Congress to enact legislation that will enforce a temporary 26-week restructuring on all loans and suspended interest rate accrual on loans with tribal governments and tribal government-owned entities.

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Accomplishing this goal will require statutory and regulatory changes that require banks to restructure debts with tribal governments and tribal-government-owned entities that have implemented closures due to COVID-19. The suspension of loan payments and interest accrual should apply to all entities owned and operated by a federally recognized tribe that has closed an operation to protect the public health and stop the spread of COVID-19. Additional incentives should be provided to require lenders to help tribal governments through liquidity/survival issues by extending additional credit during shutdowns implemented due to COVID-19.

Banks and lenders will not lose out on existing contractual agreements. Instead, agreements with tribal governments and tribal government-owned entities will be temporarily paused to help all Americans through the pandemic.

3. BUSINESS INTERRUPTION GRANTS

Direct grants should be provided to tribal government-owned enterprises that are facing closures due the corona virus across the country. Tribes are coordinating with state governors to close their operations, while many others are issuing tribal government emergency closures to help slow the spread of the virus. As a result of these government-owned business closures, the underlying businesses are (and will continue to be) experiencing a reduction to liquidity, which is needed to meet payroll for employees and management; essential governmental services for the tribal citizens; and debt service payments (interest and principal amortization).

Few tribal government-owned enterprises operate with excess liquidity, and will be forced to make difficult financial choices. Keeping the more than 375,000 tribal government-owned entity employees is paramount to ensure that our worker can protect their family's health and meet ongoing financial obligations (i.e., food, healthcare, childcare, rent/home payments, etc.).

- BUSINESS INTERRUPTION LOAN FOREBEARANCE

Due to the closure of tribal government-owned enterprises, many tribes will face defaults on existing loans, which will increase in severity with the length of the duration of operation closures. Defaults may initially be triggered due to the tribal business not being in compliance with its covenants, but it is also likely that payment defaults will ensue when a tribal government operation's liquidity deteriorates to a

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Hon. Kay Granger, Ranking Member
House Committee on Appropriations
Page | 2



SOBOBA BAND OF LUISEÑO INDIANS

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point where interest payment and/or principal repayments are unable to be made – this will result in payment defaults. When an Event of Default is triggered, lenders have the ability to enforce various remedies, which in the case of a tribal government-owned enterprises, will result in the significant loss of government revenue dedicated to community programs and services.

To stabilize tribal government budgets, Congress should temporarily prohibit lenders from enforcing their remedies in these cases where an Event of Default has occurred as a result of the corona virus operation closures. Such forbearance should span a timeframe that encompasses the shut-down period plus additional months to allow the underlying tribal operations to regain its revenue and cash flow profile from which to renegotiate loan terms with its lenders.

As Congress is well aware, federal laws prevent Indian tribes from generating government revenue through a tax base. Instead, many tribes rely on tribal government-owned enterprises as their sole source of non-federal revenue for government operations, services, and programs to Native communities. Through these enterprises, Indian tribes employ more than 375,000 American families. These jobs and tribal government revenue are at immediate risk.

Tribal governments nationwide are partnering with state and local governments to ensure the safety of Native and nearby communities by closing tribal government-owned operations. Many tribal governments have issued emergency closures and limits on Indian gaming operations, hotels, restaurants, and other service industry operations to stop community spread of the coronavirus.

These measures will help tribal government-owned enterprises remain viable until the health crisis subsides, and will help save the more than 375,000 American jobs annually that Indian Country has provided to Native and non-Native communities alike.

Respectfully,

Scott Cozart
Chairman

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Vice-Chair
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House Committee on Appropriations
Page | 3



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Executive Assistant
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Tribal Administrator

Michael Castello

March 21, 2020

The Honorable Gavin Newsom
Governor of the State of California
13030 10th Street, Suite 1173
Sacramento, CA 95814

Dear Governor Newsom,

On behalf of the Soboba Band of Luiseño Indians, I thank you for your leadership during this historically difficult time. As the Chairman of our Tribe, I am responsible for the health and safety of our Tribal members, employees, visitors and guests to the Soboba Reservation.

In order to align ourselves with your recommendations, and to ensure the safety of our tribe and of our patrons, we have decided to close our casino. We are voluntarily following the guidelines issued by your office and of those by the National Indian Gaming Commission.

Like many California Native Tribal Nations, we are proud to support our own Fire Department. The Soboba Fire Department provides automatic and mutual aid to our surrounding communities, the County of Riverside and the State of California.

Our Fire Department has participated in mass mutual aid requests on all of the major campaign fires such as Briceberg Fire outside Yosemite National Park and Kincade Fire in Sonoma County.

The Soboba Tribe is proud of our ability to support our neighboring communities during these times. Like other Tribes, we rely on our casino to fund our departments such as health, school, clinics, elders support, public safety, and our fire department.

I am writing today to ask for specific help for Soboba Fire Department. As this crisis grows, we will strive to be available to assist the local State and County government with emergency response and assistance.

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In order to assure our ability to remain a viable resource, we are asking for coordination with our Fire Department and our Fire Chief. Specifically, we are asking for help with funding. We want to be able to be in a position of continuing our services and mutual aid, but we need financial assistance to keep our fire station open. Unlike local municipal Fire Departments who are funded by local taxes, our Fire Department is funded by the earned revenue from the casino. We have been communicating with several other tribes who are facing a similar financial crisis.

I appreciate your willingness to address this issue. As always, we appreciate the strong partnership that we have with you and with the State of California.

Respectfully,

Isaiah Vivanco
Vice-Chair

Chairman
Scott Cozart

Vice-Chair
Isaiab Vivanco

Secretary
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Treasurer
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Hon. Gavin Newsom, Governor
State of California
Page | 2



SOBOBA BAND OF LUISEÑO INDIANS

EXECUTIVE OFFICES OF THE TRIBAL COUNCIL

April 7, 2020

Chairman
Isaiah Vivanco

Vice-Chair
Geneva Mojado

Secretary
Monica Herrera

Treasurer
Sally Moreno-Ortiz

Sergeant at Arms
Daniel Valdez

Executive Assistant
to the Tribal Council
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Tribal Administrator
Michael Castello

The Honorable Steve Mnuchin
Secretary of Treasury
1500 Pennsylvania Ave NW
Washington, D. C. 20220
Tribal.consult@treasury.gov

The Honorable David Bernhardt
Secretary of the Interior
1849 C Street NW
Washington, D. C. 20240
consultation@bia.gov

Dear Secretaries Mnuchin and Bernhardt:

RE: Comments on the Distribution of the \$8 Billion Tribal Coronavirus Relief Fund

The Soboba Band of Luiseño Indians (Tribe) writes to the Department of the Treasury and the Department of the Interior to provide our comments and recommendations regarding the development of a methodology to facilitate a timely allocation of the \$8 billion set aside for Tribal governments (or Tribally-owned business entities) under the Coronavirus Relief Fund (CVF) authorized in Title V of the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

On the April 2, 2020 Tribal consultation call, the Treasury Department expressed a goal to create a fair and transparent process along with the quick release of the \$8 Billion relief funds to all Tribes. The Treasury also indicated a preference to distribute the funds pursuant to a formula rather than an application process. Respectfully, the Soboba Tribe requests that the distribution formula include as a factor the Tribe's increased expenditures relative to employee payroll and insurance costs or employment data adhering to the congressional intent expressed in the attached legislative colloquy.

Specifically, the Soboba Tribe recommends the following "Distribution Formula" below to advance the economic stabilization purpose of the CARES Act.

Recommended Distribution Formula

STEP 1: Provide a **direct \$1,000,000 minimum distribution** to each Tribe to ensure that even the smallest Tribes have funding to address their economic needs during the pandemic; and

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STEP 2: Distribute \$1,500,000,000 among all Tribes pro rata based on each Tribe's enrolled tribal member **population** to ensure that larger Tribes have additional funding to address their economic needs; and

STEP 3: Distribute the remainder of the \$8,000,000,000 fund to each Tribe pro rata based on **economic impact**, measured by **total wages and increased expenditures** paid by the Tribe and all of its wholly owned enterprises in 2019, as documented using W-3 data, and as necessary, using Tribal 941 data. Tribes may be required to self-certify.

In accordance with expressed legislative intent, the proposed Distribution Formula relies primarily on an objective indicator of tribal economic activity occurring in direct response to the Covid 19 crisis. In addition, the proposed Distribution Formula creates an appropriate base share for all the 574 Tribal governments, while creating Tribal access to additional funds not already addressed in other provisions of the CARES Act. Finally, the proposed Distribution Formula appropriately distinguishes between a formula for Tribal governments and one for State and Local governments - by directly addressing the negative economic impacts derived from the lack of a necessary tax base to stabilize Tribal governments.

Finally, we also recommend that the Treasury Department and the Inspector General take a broad view of "increased expenditures" in use of the funds. Again, as explained in the attached colloquy, eligible uses of the \$8 Billion fund should include any expense a Tribal government or business entity had previously budgeted-for, but due to the pandemic is now in excess of the revenue the Tribe is currently bringing in. Such a formula is the only way the Treasury Department can comply with the CARES Act to stabilize tribal economies. Lastly, the distributions should be made directly from the Treasury Department to each Tribe using existing Treasury accounts and payment mechanisms.

In closing, the Soboba Tribe urges a timely and transparent process in the distribution of the \$8 Billion Tribal set aside and strongly recommends the three-step Distribution Formula above.

Sincerely,



Chairman Isaiah Vivanco

Attachment - 1

Congress of the United States
Washington, DC 20515

March 27, 2020

*Memorializing the Intent of the Tribal Portion of the Coronavirus Relief Fund in the
Coronavirus Aid, Relief, and Economic Security Act (CARES Act)*

[Mr. Gallego]. Madame Speaker, I rise to discuss the bill that we are voting on today, the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”). This bill is incredibly important to all of our citizens and communities. Our country is going through a war with this new virus, and we need to get every resource possible out into our communities to help fight this pandemic. We also need to protect our workers and keep them paid so they can purchase the food and supplies they need to get their families through this crisis safely.

That is what I want to speak to today. One of the last provisions added to this bill was Title VI, which establishes a Coronavirus Relief Fund that provides \$150 billion for the Secretary of Treasury to disseminate to States, Tribal Governments and units of local government in fiscal year 2020. These funds are to severe financial pressure these governments are under during this public health emergency.

Specifically, the funds are intended to cover expenditures that were not accounted for in the budgets of these governments prior to the COVID-19 virus outbreak. For most of these governments, their budgets are based on the revenues they accounted for over the course of the fiscal year, including from revenues anticipated to be generated from business enterprises. These anticipated revenues are what these governments use to pay the wages of their employees.

I want to memorialize that it is the intent of this Chamber that the funds in the Coronavirus Relief Fund are intended to help cover the loss of revenues that would have otherwise been collected and generated by these governments to cover the wages of their employees. We need to make sure these employees continue to be paid and that every effort is made to prevent them from losing their jobs during this pandemic.

[Mr. Joyce]. I want to thank the gentleman from Arizona for raising this issue. As we prepared to appropriate supplemental funding for Indian Country through the Bureau of Indian Affairs budget, my colleagues and I became keenly aware of the need to mitigate the hardships that this pandemic has caused for Tribal governments who have to rely on business revenues—rather than taxes—to fund essential services for their Tribal members. In addition, Tribal governments are often the largest employers on reservations, where unemployment rates are already significantly higher than the rest of the country.

For these reasons, this bill directs that not less than \$400 million—nearly 90 percent of the Bureau of Indian Affairs supplemental appropriation—shall be made available to meet the direct needs of Tribes. For these same reasons, this bill directs that not less than \$450 million of the Indian Health Service supplemental appropriation be distributed to directly operated programs and to Tribes and Tribal organizations by utilizing existing contracts, compacts, and other agreements to speed up the process.

In addition, I was pleased to see and support an additional \$8 billion for payments to Tribal governments through the Coronavirus Relief Fund in this bill. Because of the Federal Government's unique government-to-government relationship with Indian Tribes, providing these funds to Tribes directly—rather than through the States—is the right approach. It is critical that the Secretaries of Treasury and the Interior consult with Tribal leaders immediately to determine the most expeditious, transparent, and fair method of allocating these funds.

[Mr. Cole.] I want to echo my colleague's good words on this topic. A key part of the relief package, was the tribal government stabilization fund. This fund would be used by tribal governments to offset the dramatic losses they are facing at this time. This funding would be used to help them continue to do the right thing and keep their employees on the job--paid, and supported--as our nation responds to, and recovers from the pandemic.

Title VI, Sec. 601(c)(7) provides \$8,000,000,000 in relief to tribal governments for losses of revenues and increased expenditures associated with COVID-19. The bill provides:

[T]he amount paid under this section for fiscal year 2020 to a Tribal government shall be the amount the Secretary shall determine, in consultation with the Secretary of the Interior and Indian Tribes, that is based on increased expenditures of each such Tribal government (or a tribally-owned entity of such Tribal government) relative to aggregate expenditures in fiscal year 2019 by the Tribal government (or tribally-owned entity) and determined in such manner as the Secretary determines appropriate to ensure that all amounts available under subsection (a)(2)(B) for fiscal year 2020 are distributed to Tribal governments.

Tribal governments or tribally-owned entities can demonstrate “increased expenditures” relative to 2019 by listing expenditures associated with the closure or diminished operation of business and government facilities, including payments made to employees or other entities while businesses or government operations are closed or operating in a limited capacity, as well as the difference in revenues transferred to tribal government accounts in 2020 versus the same period in 2019.

[Ms. Torres.] I want to thank the gentlemen for raising this important topic. Tragically, in recent days I've heard from many tribal nations in California, and they are really struggling. That's because they did the right thing to help our country combat this virus by closing their businesses. It is worth noting here for a moment, that they did so proactively and we are under no obligation to take such drastic steps. But, as we have come to expect from our leaders in the tribal community, they did the right thing because it was the right thing to do.

These closures have been nothing short of catastrophic. The very resources that had been used to fund the tribal government and provide services virtually evaporated overnight. These governments run, for the most part, on these tribal funds. The funds provided by the federal government via the Indian Health Service and the Bureau of Indian Affairs, and other federal programs, often only make up a very small percentage of the total cost of running Tribal governments. So, when these businesses closed, the Tribes knew that doing so would compromise their ability to serve their people during this time of crisis.

I heard these stories and knew that Congress had to respond. This \$8 billion fund will address this decrease in revenues and we have mandated that the Secretary of Treasury, works with the Secretary of Interior, to make sure that these decreased revenues are into their determination when making funds available to tribes.

[Mr. Reed.] I want to echo the remarks of my colleagues about the need for the Secretaries of the Treasury and Interior to incorporate into their analysis the unexpected costs of paying employees' wages and salaries along with the costs of maintaining facilities during closures of tribal government offices and enterprises. In my district, the Seneca Nation is one of the largest employers. They closed their government and business enterprises to try to help stop the spread of the COVID-19 virus. New York now has the largest number of COVID-19 cases in the country. Closing these businesses and offices is, unfortunately, a necessary action that needs to be taken to help stop the spread of the virus. Thankfully, the Seneca Nation has continued to pay the wages and salaries of their more than 3,000 employees. But, with their enterprises closed, they will not be able to continue to do so without some federal relief. The federal government has a trust responsibility to these tribal nations, and we also need to help our American workers. The tribal portion of the Coronavirus Relief Fund that is included in the CARES Act is intended to keep these workers paid. The lost revenues resulting from closures due to the COVID-19 virus are unexpected expenditures that need to be considered when distributing monies from this fund.

[Mr. Kildee.] I want to thank the gentleman from Arizona for raising this issue and seeking clarification. Yes, it is the intent of this chamber that States, Tribal governments, and local units of governments use the funds in the Coronavirus Relief fund to recover any necessary monies that they would have otherwise collected or generated in order to pay their employees and cover

costs but for the COVID-19 pandemic. As the legislation indicates, these funds are specifically targeted towards expenditures incurred between March 1, 2020 and December 30, 2020. I agree that it is important to try to keep American workers employed and paid during this time. And, I agree with your assessment that these governments rely on the collection of taxes and generation of revenues to pay the wages of these employees, and those costs were an anticipated expenditure to be allowable under the Coronavirus Relief Fund.



Ruben Gallego
Member of Congress

California TRIBAL GOVERNMENTS

April 9, 2020

The Honorable Steven Mnuchin
Secretary of Treasury
1500 Pennsylvania Ave. NW
Washington, D.C. 20220
tribal.consult@treasury.gov

The Honorable David Bernhardt
Secretary of the Interior
1849 C St. NW
Washington, D.C. 20240
consultation@bia.gov

Dear Secretaries Mnuchin and Bernhardt:

On behalf of our respective tribal governments throughout California, we write to provide you input on developing a methodology or formula to allocate the \$8 billion set aside for Tribal governments and tribally owned business entities from the Coronavirus Relief Fund in Section 5001 of the recently enacted Coronavirus Aid, Relief, and Economic Security (CARES) Act.

As you may be aware, California accounts for nearly 30 percent of all tribal Government gaming in the United States. Our 109 federally recognized tribal governments employ more than 63,000 people, and contribute at least \$7.8 billion to the State's economy each year.

Based on the initial consultation on April 2, 2020, it is our understanding that funding for Tribes under Section 5001 will be allocated based on a formula. It is imperative that any distribution formula takes into account the clear intent of the CARES Act: to help keep employees connected to their employers. As such, we respectfully request the methodology or formula for distribution of these funds factor in wage or employment data as expressed by the legislative history, since employees are far and away the largest expenditure any tribal enterprise makes. This employment data can be self-reported and/or verified by referencing the W-3 or Form 941 of tribal governments and their enterprises. Alternatively, Interior and Treasury could reference data provided by a Unified Audit. By basing the funding formula on wage and employment data, your Departments will ensure that the formula captures the plain reading of the statute and congressional intent.

Following this logic, we endorse the following funding distribution formula:

STEP 1: Provide a \$1,000,000 **minimum distribution** to each Tribe to ensure that even the smallest Tribes have funding to address their economic needs during the pandemic.

STEP 2: Distribute \$1,500,000,000 to each Tribe *pro rata* based on each Tribe's enrolled tribal member **population** to ensure that larger Tribes have additional funding to address their economic needs.

STEP 3: Distribute the remainder of the \$8,000,000,000 fund to each Tribe *pro rata* based on **economic impact, measured by total wages paid** by the Tribe and all of its wholly owned enterprises in 2019. If requested to do so, Tribes may be required to self-certify.

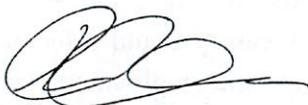
This formula directly advances the economic stabilization purpose of the CARES Act by relying primarily on an objective indicator of tribal economic activity that is a current and accurate measure of the impact COVID-19 is having on each Tribe's economy. Moreover, the proposed formula addresses all Tribes' government stabilization needs, regardless of whether a Tribe has commercial enterprises, as it also accounts for wages paid to tribal government employees.

On the contrary, a formula based exclusively or primarily on population would fail to satisfy your responsibilities under the law. Simply put, population is not a proxy for aggregate changes in government expenditures related to the COVID-19 pandemic. For instance, while the population of each tribal nation will remain relatively unchanged between 2019 and 2020, government revenues and expenditures will be staggeringly different.

Finally, we would like to offer our view that the Department of Treasury and the Inspector General should take a broad view of "increased expenditures," under the grant fund. As explained in a colloquy on the date of enactment of the law, and echoed by many tribal leaders during the first consultation, these eligible uses of the fund should include any expense a tribal government or enterprise had previously budgeted-for, but due to the pandemic is now in excess of the revenue the tribe is currently bringing in.

Thank you for your consideration of our comments. We deeply appreciate your leadership during this extraordinarily difficult time.

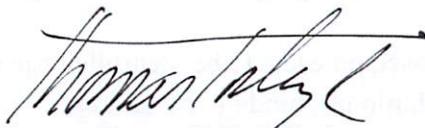
Sincerely,



Jeff Grubbe, Chairman
Agua Caliente Band of Cahuilla Indians



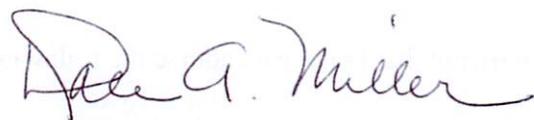
John A. Christman, Chairman
Viejas Band of Kumeyaay Indians



Thomas Tortes, Tribal Chairman
Torres Martinez Desert Cahuilla



Edwin "Thorpe" Romero, Chairman
Barona Band of Mission Indians



Dale Miller, Chairman
Elk Valley Rancheria



Robert Martin, Tribal Chairman
Morongo Band of Mission Indians

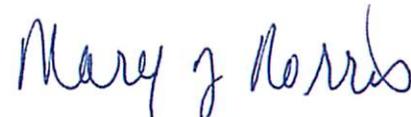

Mark Macarro, Tribal Chairman
Pechanga Band of Luiseño Indians


Melanie Rafanan, Chairwoman
Sherwood Valley Band of Pomo Indians


Tishmall Turner, Vice Chairwoman
Rincon Band of Luiseño Indians


Cody Martinez, Chairman
Sycuan Band of the Kumeyaay Nation


Lynn Valbuena, Chairwoman
San Manuel Band of Mission Indians


Mary J. Norris, Chairwoman
Cahto Tribe

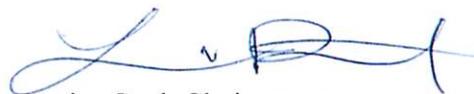

Kenneth Kahn, Tribal Chairman
Santa Ynez Band of Chumash Indians


Daniel Salgado, Chairman
Cahuilla Band of Indians


Isaiah Vivanco, Tribal Chairman
Soboba Band of Luiseño Indians


Anthony Roberts, Chairman
Yocha Dehe Wintun Nation


Regina Cuellar, Chairwoman
Shingle Springs Band of Miwok Indians


Lovina Saul, Chairwoman
Santa Rosa Band of Cahuilla Indians


Brenda D. Lavell, Chairperson
Table Mountain Rancheria


Erica M. Pinto, Chairwoman
Jamul Indian Village

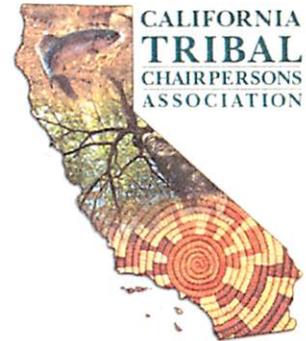
Letter also signed by:

AMANDA VANCE, Tribal Chairperson
Augustine Band of Cahuilla Indians

California TRIBAL GOVERNMENTS



CALIFORNIA NATIONS
INDIAN GAMING ASSOCIATION



May 12, 2020

The Honorable Steven Mnuchin
1500 Pennsylvania Ave NW
Washington D.C. 20220

RE: CARES Act Tribal Government Stabilization Fund Distribution

Dear Secretary Mnuchin,

This letter is sent on behalf of the Tribal Alliance of Sovereign Indian Nations (TASIN), the California Nations Indian Gaming Association, and numerous other California Tribal Nations. We write to express our deep disappointment and frustration with the Department of Treasury's initial distribution of the Coronavirus Relief Fund to tribal governments under the CARES Act. Not only did the Department fail to use the data provided by tribes — the very data requested by the Department itself — the Department opted, without consulting with Tribes, to instead use Indian Housing Block Grant service population information. That information is not merely outdated, but also does not represent a reasonable marker of the economic impact of COVID-19. The inevitable result has been the inequitable allocation of \$4.8 billion of the \$8 billion directed to assist tribal governments and tribally owned business entities through the Coronavirus Relief Fund established by the CARES Act.

To avoid furthering these inequities in the remaining 40% distribution of funds, the final distribution must be based on current data that is standardized and verifiable. Accordingly, we respectfully request distribution of the remaining \$3.2 billion be based primarily on wages and employee costs reported to the IRS on tribal W-3s (Line 5) or quarterly 941s (Line 5(c)). This is the most accurate indicator of actual "increased expenditures" relative to the aggregated percentage of expenditures in fiscal year 2019, which is the only valid factor identified by the CARES Act.

Although we believe reported wages is the only verifiable economic factor at this time, we understand the Treasury Department's desire to incorporate projected COVID-19 expenditures as a factor. To the extent this is necessary, we propose no more than 20% weight be assigned to projected COVID-19 expenditures incurred between March 1 and December 30, 2020.

Before distributing the remaining 40% of funds, we urge you to consider the real costs and impacts that tribes and more than 62,000 direct California tribal employees are experiencing as a result of the forced closures of our tribal governments and wholly-owned tribal enterprises. Reviewing actual economic impacts will allow us to contribute to the Nation's economic recovery as effectively and quickly as possible. It will also provide us the much needed resources to reopen our enterprises so we can get our regional economies back on track.

That the initial distribution has been inequitable is obvious: five tribal nations (out of 574 eligible recipients nationwide) received almost \$1.5 billion, or 31%, of the \$4.8 billion that has been distributed by the Treasury Department so far. In contrast, at least 67 tribes in the country have only received the minimum payment of \$100,000.

The disparity has been particularly stark for California Tribes. Though home to 19% of all tribal governments with 109 federally recognized Indian tribes, almost one third of the tribes receiving the \$100,000 minimum payment are in California. Moreover, only seven of California's 109 tribes will receive more than \$10 million and none of those are located in Southern California, which is the part of the state hardest hit by the COVID-19 pandemic. The funding allocation outcome cannot be justified given the economic impacts to California tribes.

The population-based formula chosen by Treasury for its distribution of the initial \$4.8 billion is particularly inequitable for California tribes because of the legacy of the genocide endured by California tribes. That history is the ugly backdrop to the small tribal populations that we see today in the state. In addition, the failure to ratify the 18 treaties that were negotiated with California tribes in the early 1850's — agreements in which the tribes upheld their end of the deal and the United States did not — resulted in the small land bases that tribes retain today. This history explains why the data that your Department relied upon grossly underestimates the needs of California tribal governments in response to COVID-19.

Our governments voluntarily closed our tribal governments and enterprises around March 15, 2020 in response to the emergency health declarations proclaimed by President Trump and the State Governor to mitigate the spread of the COVID-19 virus. Many of us continued to pay our employees and provide health insurance well after our revenues discontinued so these individuals did not have to rely on State unemployment programs and federal welfare programs, which were being overrun by applicants. We struggle today to operate our tribal governments, support our tribal citizens, and provide a path forward for our employees and operations – all under the extreme stress of having no incoming revenue. The impacts of COVID-19 on our tribal economies are real and immediate, thus we strongly urge Treasury to distribute the remaining funding no later than **May 22, 2020**.

Sincerely,

Lynn Valbuena, Chairwoman
Tribal Alliance of Sovereign Indian Nations

James Siva, Chairman
California Nations Indian Gaming Association

Bo Mazzetti
California Tribal Chairperson's Association

Edwin "Thorpe" Romero, Chairman
Barona Band of Mission Indians

John A. Christman, Chairman
Viejas Band of Kumeyaay Indians

Robert Martin, Tribal Chairman
Morongo Band of Mission Indians

Thomas Tortes, Tribal Chairman
Torres Martinez Desert Cahuilla

Dale Miller, Chairman
Elk Valley Rancheria

Mark Macarro, Tribal Chairman
Pechanga Band of Luiseño Indians

Cody Martinez, Chairman
Sycuan Band of the Kumeyaay Nation

Lovina Saul, Chairwoman
Santa Rosa Band of Cahuilla Indians

Daniel Salgado, Chairman
Cahuilla Band of Indians

Brenda D. Lavell, Chairperson
Table Mountain Rancheria

Jeff Grubbe, Chairman
Agua Caliente Band of Cahuilla Indians

Isaiah Vivanco, Tribal Chairman
Soboba Band of Luiseño Indians

Anthony Roberts, Chairman
Yocha Dehe Wintun Nation

Erica M. Pinto, Chairwoman
Jamul Indian Village

Darrell Mike, Chairman
Twenty Nine Palms Band of Mission Indians



Doug Welmas, Chairman
Cabazon Band of Mission Indians



Tishmall Turner, Vice Chairman
Rincon Band of Luiseño Indians