



AGUA CALIENTE BAND OF CAHUILLA INDIANS
TRIBAL COUNCIL

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April 7, 2020

Steven Mnuchin, Secretary
United States Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220
tribal.consult@treasury.gov

David Bernhardt, Secretary
Tara Sweeney, Assistant Secretary - Indian Affairs
United States Department of the Interior
1849 C Street, NW
Washington, D.C. 20240
consultation@bia.gov

**RE: PROPOSED FORMULA FOR DISTRIBUTION OF \$8 BILLION TRIBAL
CORONAVIRUS RELIEF FUND**

Dear Secretary Mnuchin, Secretary Bernhardt, and Assistant Secretary Sweeney:

On behalf of the Agua Caliente Band of Cahuilla Indians (“Agua Caliente” or “Tribe”), we respectfully submit this recommendation to guide your development of a methodology for distributing \$8 billion of tribal stabilization funding allocated in the Title VI, Sec. 601 of the CARES Act. Agua Caliente is one of the largest employers in the Coachella Valley, employing approximately 2,500 most non-tribal employees and injecting millions of dollars into the local economy.

Based on the Treasury Department’s indication that it will distribute funding pursuant to a formula rather than an application process, **we strongly urge you to adopt the formula below, which prioritizes the actual economic impact of COVID-19.** Such a formula is the only way the Treasury Department can remain in compliance with the CARES Act and achieve the Act’s purpose of stabilizing individual tribal economies. Any alternative methodology that gives exclusive or primary consideration to tribal population or other demographic data that has **no nexus to COVID-19**, will violate the CARES Act, create billion-dollar windfalls for a few tribes that will likely go unspent, and harm hundreds of tribes with urgent economic stabilization needs.

DISTRIBUTION FORMULA

STEP 1: Provide a \$1,000,000 **minimum distribution** to each federally recognized Indian tribe to ensure that even the smallest tribes have funding to address their COVID-19 caused needs during the pandemic.

STEP 2: Distribute \$1,500,000,000 to each federally recognized Indian tribe *pro rata* based on each tribe’s enrolled tribal member **population** to ensure that larger tribes have additional funding to address their COVID-19 caused needs.



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Page 2 of 2

STEP 3: Distribute the remainder of the \$8,000,000,000 fund to each federally recognized Indian tribe *pro rata* based on **economic impact**, measured by total wages paid by the Tribe and all of its wholly owned enterprises as documented using data from Forms W3 and 941 as necessary in the prior fiscal year ending September 30, 2019.¹ 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.

Based on the foregoing, we strongly urge you to adopt the formula proposed above. In addition, to ensure compliance with the April 27, 2020 deadline, we recommend distributions be made directly from the Treasury Department to each tribe using existing Treasury accounts and payment mechanisms.

Thank you for your consideration of this proposed distribution formula. We believe this formula carries out the primary goals of the CARES Act, protection of the American workforce and stabilization of the economy.

Respectfully,



Jeff L. Grubbe
Chairman, Tribal Council
**AGUA CALIENTE BAND OF
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¹ As an alternative, and in the event that Interior and Treasury do not have the time or resources to collect the data proposed to be provided in this step, Agua Caliente also believes the remainder of the \$8,000,000,000 could be equitably distributed as a flat dollar amount per tribal employee (\$8,500 based on an estimated 700,000 tribal employees), with the accuracy of employee numbers verified by existing data in possession of the Treasury Department.