

SANTA YNEZ BAND OF CHUMASH INDIANS

P.O. BOX 517 · SANTA YNEZ · CA · 93460

Tel: 805.688.7997 · Fax: 805.686.9578

www.santaynezechumash.org



BUSINESS COMMITTEE

KENNETH KAHN, CHAIRMAN
RAUL ARMENTA, VICE-CHAIRMAN
MAXINE LITTLEJOHN, SECRETARY-TREASURER
MIKE LOPEZ, COMMITTEE MEMBER
GARY PACE, COMMITTEE MEMBER

April 1, 2020

By Email

The Honorable Steven Mnuchin
Secretary of the Treasurer
1500 Pennsylvania Ave. N.W.
Washington, D.C. 20220
Tribalconsult@treasury.gov

The Honorable Tara Sweeney
Assistant Secretary-Indian Affairs
1849 C Street N.W.
Washington, D.C. 20240
consultation@bia.gov

RE: CARES ACT Title VI, Coronavirus Relief Act

Dear Secretary Mnuchin and Assistant Secretary Sweeney:

The Santa Ynez Band of Chumash Indians (“Tribe” or “Chumash”) provides the following guidance on what qualifies as necessary expenditures incurred during the Coronavirus health emergency. We recommend that Tribal Governments qualify for reimbursement from the Coronavirus Relief Fund (the Fund) in six broad categories:

1. Shutdown expenses
2. Maintenance expenses
3. Direct expenses
4. Remobilization expenses
5. Tribal Health Clinic
6. Construction Suspension/Termination: Tribal Museum example

Below, you will find detailed examples of expenses in each category for the Chumash Tribe. However, as each Tribal Government’s experience is unique, we recommend that any regulation remain broadly applicable and flexible.

COVID-19

Since January of this year the following Declarations of Emergency have been declared at every level of government:

- (1) federal Health and Human Services (HHS) Secretary Alex Azar declared a public health emergency on January 31, 2020 retroactively effective to January 27, 2020, pursuant to the Public Health Service Act; and
- (2) on March 4, 2020, Governor Newsom proclaimed a State of Emergency to exist in California as a result of the threat of COVID-19; and
- (3) on March 13, 2020, the President declared the ongoing Coronavirus Disease 2019 (COVID-19) pandemic of sufficient severity and magnitude to warrant an emergency declaration for all states, tribes, territories, and the District of Columbia pursuant to section 501 (b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121-5207 (the "Stafford Act"); and
- (4) the County of Santa Barbara County Health Officer and Director of Emergency Services both declared local health emergencies which were ratified by the Santa Barbara County Board of Supervisors on March 17, 2020; and
- (5) on March 19, 2020, Governor Newsom issued an Executive Order based on the Order of the California Department of Public Health "Stay at Home" Order as follows:
To protect public health, I as State Public Health Officer and Director of the California Department of Public Health order all individuals living in the State of California to stay home or at their place of residence except as needed to maintain continuity of operations of the federal critical infrastructure sectors, as outlined at <https://www.cisa.gov/identifying-critical-infrastructure-during-covid-19>.

The Santa Ynez Band of Chumash Indians ("Tribe") has also made its own Declarations of Emergency:

1. On March 15, 2020, the Tribe issued Resolution #1010 for a Declaration of Emergency as to COVID-19 from the period of March 15, 2020 until June 1, 2020 and to provide a more comprehensive plan to address these issues on or before June 1, 2020 with the Tribe being authorized to take extra measures to respond to this crisis and to seek tribal, state and federal aid for a crisis response; and
2. On March 15, 2020, the Business Council as the Board of Directors for the Chumash Casino and Resort Enterprise ("CCR Enterprise") issued Enterprise Board (EB) Resolution **EB-15 Re: Chumash Casino and Resort Enterprise Board Closure to the Public of the Chumash Casino and Resort Enterprise due to COVID-19** in response to the COVID-19 crisis and ordered the closure on 11:59 p.m. to the public of the CCR Enterprise, and further ordered that all access roads, entryways, sidewalks, parking lots, and all other means of entry to the CCR Enterprise be closed to the public; and
3. On Friday, March 20, 2020, the Tribe issued Resolution #1010-A for a Declaration of Emergency as to COVID-19 "Stay at Home" Resolution as a matter of Tribal law for all persons on the Santa Ynez Indian Reservation except as needed to maintain continuity of operations of critical Tribal infrastructure

The initial effect of the Emergency Declarations and “Stay at Home” orders was the closure of all tribal businesses. One example is the closure of the Chumash Casino and Resort incurring the following shutdown expenses:

Shutdown expenses:

- Layoffs,
- Unemployment insurance reimbursement and increased ratings,
- Extended employer contributions for health insurance and other benefits,
- Possible payment by employer of employee contributions to health insurance and other benefits,
- Waste of Perishables like food, etc.,
- Bank and Armored Car expense to remove casino cash,
- Lost Entertainment Deposits and Payments,
- Wasted Advertising,
- Wasted maintenance contract expenses.

After closure of all tribal businesses, the tribe began incurring maintenance costs.

Maintenance expenses:

- Paying skeleton crew of maintenance and security,
- Maintaining internal environment like HVAC and water,
- Maintaining external environment like Wastewater Recycling Facility and storm water drainage on property and in stream,
- Costs for hardware, software and technology services to perform essential services during the stay at home order,
- Interest on debts during closure,
- Use of casino inventory to maintain Tribal Government Critical Infrastructure.

As part of the COVID-19 crisis, there are additional direct expenses to disinfect and remediate the virus.

Direct expenses:

- Remediation and Decontamination,
- Additional/”deep” cleaning,
- Additional disinfectant,
- Personal Protective Equipment (PPE).

Ultimately, the tribe has the goal of re-opening all tribal businesses, including, without limitation, the Chumash Casino and Resort.

Remobilization expenses:

- Pre-Opening Payroll Costs,
- Rehiring & Orientation,
- Wage inflation,

- Expense inflations,
- Possible shortages,
- New temperature measuring technology,
- Bank and Armored Car expense to get cash for Casino opening,
- Increase borrowing costs for any line of credit.

Specific tribal departments have also been negatively impacted by COVID-19 such as tribal health clinics.

Tribal Health Clinic

- Loss of third party billings as tribal and community members lose health coverage that was provided by employers,
- Closure of dental and other non-COVID-19 services,
- Depletion of supplies,
- Increased spending on PPE and other COVID-19 supplies.

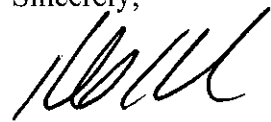
As a result of COVID-19, many ongoing construction projects have been suspended or even abandoned. For example, the Chumash Museum and Cultural Center had problems with suppliers and laborers being affected by “Stay at Home” orders.

Tribal Museum:

- Suspension/Termination fees, costs and damages

Please contact me or Sam Cohen, Government Affairs and Legal Officer (scohen@sybmi.org; cell: 805-245-9083) if you have any questions or if we can assist you further in implementing the CARES Act.

Sincerely,



Kenneth Kahn,
Tribal Chairman