



TORRES MARTINEZ DESERT CAHUILLA INDIANS

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Thomas Tortez, Jr.

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Secretary:
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Treasurer:
Rosemarie Morreo

Councilmembers:
Art Lopez
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Gary Resvaloso

April 9, 2020

The Honorable Steven T. Mnuchin
Secretary of the Treasury
U.S. Department of the Treasury
1500 Pennsylvania Ave. NW Washington, D.C. 20220

The Honorable Tara Sweeney
Assistant Secretary for Indian Affairs
U.S. Department of the Interior
1849 C Street, N.W. Washington, D.C. 20240

**Re: CARES ACT TITLE VI, Coronavirus Relief Fund of \$8 Billion
Request for Tribal Comments on Allocation Methodology and Qualified Expenditures**

Dear Secretary Mnuchin and Assistant Secretary Sweeney,

The Torres Martinez Desert Cahuilla Tribe is located in both Imperial and Riverside Counties of California, and until last month operated the Red Earth Casino and Travel Center, which served as the primary funding source for our tribal government programs and operation, including support for tribal infrastructure, ancillary support for social and economic programs and services and the general welfare of tribal elders and children.

Our tribal government budget for 2020 is primarily funded by and depends upon our on-going gaming enterprise. Our 2020 budget is funded, like most businesses, based on in-coming monthly revenue during the 2020 year. When we voluntarily closed Red Earth Casino in response to this COVID-19 public health emergency, this funding came to an abrupt and unanticipated halt. Torres Martinez is a significant economic contributor to the surrounding counties, driving down the unemployment rate of Imperial County (17.1 percent in February 2020). We are now devoid of this funding while faced with new and continuing expenditures such as including unemployment insurance, health insurance contributions, contract expenses, loss of sales, jobs, wages, and tax revenue.

Congress provided the attached colloquy “Memorializing the Intent of the Tribal Portion of the Coronavirus Relief Fund in the Coronavirus Aid, Relief, and Economic Security Act (CARES Act),” which includes that the CARES Act was intended to recover any necessary monies that governments would have otherwise collected or generated in order to pay their employees and cover costs but for the COVID-19 pandemic. Congressman Cole addressed the \$8 billion tribal fund as specifically “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 differences in revenues transferred to tribal government accounts in 2020 versus the same period in 2019.”

Likewise, Congresswoman Torres stated:

“...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...

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 Indians Affairs, and other federal programs, often make up only 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 the 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.”

Congressman Reed emphasized:

“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 the closures of tribal government offices and enterprises....”

The Torres Martinez Tribe hereby petitions the disbursement of at least a majority of the \$8 billion tribal fund in equal amounts to each federally-recognized tribe, with the remainder of the fund allocated taking into account factors such as the following based on readily available data.

The Torres Martinez Desert Cahuilla hereby supports the proposal of a simple 3-step formula that ensures a fair distribution of the \$8 billion tribal fund, provides a base distribution for every tribe in the United States, and meets Congress’ intent of supporting tribal jobs during this pandemic. The proposed formula addresses tribal government stabilization needs and provides direct relief to their expenses associated with containment and prevention of COVID-19.

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.

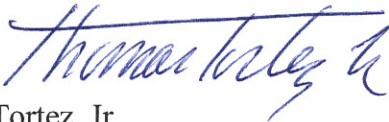
STEP 2.Distribute \$1,500,000,000 to each tribe pro rata based on each tribe's **enrolled tribal member population** to ensure that larger tribes have additional funding to address their economic needs.

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.

We believe such action is warranted by the dire circumstances created by this COVID-19 pandemic and, moreover, is consistent with the federal trust responsibility.

We appreciate your consideration of these comments and look forward to the disbursement of these funds to provide much needed COVID-19 relief to our tribal reservation and to tribes across the United States.

Respectfully,

A handwritten signature in blue ink, reading "Thomas Tortez, Jr.", with a stylized flourish at the end.

Thomas Tortez, Jr.
Tribal Chairman