

Congress of the United States
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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.

A handwritten signature in blue ink, appearing to read "Ruben Gallego", with a long horizontal flourish extending to the right.

Ruben Gallego
Member of Congress