April 7, 2020

The Honorable Steven Mnuchin  
Secretary of Treasury  
1500 Pennsylvania Ave. NW  
Washington, D.C. 20220

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

Dear Secretaries Mnuchin and Bernhardt:

On behalf of the Great Lakes Inter Tribal Council (GLITC), the non-profit organization which represents all 11 tribal nations in the State of Wisconsin as well as the Lac Vieux Desert Band of Lake Superior Chippewa Indians in Michigan, I write to offer guidance on the allocation of the Tribal portion of the Coronavirus Relief Fund. As you may be aware, our organization serves as a unified forum for member Tribes to discuss and resolve issues that require intertribal unity and attention such as the allocation formula for this Fund.

Given the plain language of the statute calls for the Fund to be allocated based on “increased expenditures...relative to aggregate expenditures in fiscal year 2019,” we were surprised to learn that your Departments did not intend to collect any data about the economic impacts in our communities prior to awarding these funds. Further, we have been concerned by comments that recommended allocating the Fund based on population, which we believe fails to serve as a good indicator for expenditures related to the COVID-19 pandemic and its economic consequences.

Instead, since employees are far and away the largest expenditure any tribal enterprise makes, GLITC respectfully requests that the distribution of the Fund factor in wage or employment data. This data can be self-reported and/or verified by a tribal government’s (or its enterprise’s) W-3, W-2 or Form 941. Alternatively, Interior and Treasury could reference data provided by a Unified Audit. By including actual economic data in the funding formula, your Departments will ensure that the formula follows the plain reading of the statute and congressional intent.

Following this logic, the GLITC endorses 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 or provide affiliated Tax Identification Numbers.

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, I 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. I deeply appreciate your leadership during this extraordinarily difficult time. Please do not hesitate to contact me, or have your staff contact Melinda Danforth at mdanforj@oneidanation.org.

Sincerely,

Shannon Holsey
President
Secretary/Treasurer
President, Stockbridge-Munsee Community

Tehassi Hill
Chairman, Oneida Nation