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ARIZONA JOBS IN JEOPARDY

Fort McDowell Yavapai Nation, Arizona (April 13, 2020) - Arizona is home to world class tribal casinos and casino resorts. These businesses, and the employees who depend on them, have been deeply hurt by the measures implemented to help contain the COVID 19 pandemic. Tribal governments, communities and the entities they operate have done their part to flatten the curve. These efforts are part of the statewide and national response to the pandemic, which comes at great cost to employees and employers alike. That is why Congress enacted the CARES Act, a package that included the Paycheck Protection Program (PPP), offering forgivable low-interest loans to small businesses to retain workers and maintain payroll.

Unfortunately for the nearly 30,000 tribal casino employees in Arizona, together with associated hotels and restaurants, this relief is not available. Despite the intent of Congress, the Small Business Administration (SBA) recently adopted rules for the implementation of the PPP that excludes tribal gaming facilities from this critically important economic rescue program.

“It is imperative that the SBA revise these rules,” said Bernadine Burnette, President of the Fort McDowell Yavapai Nation. “If they fail to do so, many of our employees, and employees of similar business across Arizona, will lose their jobs and their paychecks. Mass layoffs on this scale would be an economic disaster for our state and would be especially catastrophic in rural Arizona. In rural Arizona, tribal casinos and hotels are backbones of these small economies and often their largest employer.”

The SBA excluding tribal casinos from the CARES Act will be particularly hard hitting because, in addition to being significant employers, tribal casinos also fund tribal governments and tribal government functions such as education, healthcare, first responders, housing and elder services. The tribes also share a percentage of their gaming revenue with the state through the Tribal/State Gaming Compacts. These funds support programs for all Arizonans, including education, emergency departments and trauma centers.

Fort McDowell’s We-Ko-Pa Casino Resort employs more than 600 Arizonans. As is the case at most tribal casino resorts, the majority of our employees are non-Indians. Fort McDowell also employs over 250 tribal government employees. If tribal casinos aren’t permitted to participate in the PPP, we will lose our valued employees and they will lose their jobs. Additionally, virtually all of the revenue to support our tribal government and employees is generated by our casino resort. A prolonged shutdown puts all these jobs at risk as well.

Members of the state’s congressional delegation have stated the intent of the law was to include tribes in the PPP. The new SBA rules disregards that congressional intent and in doing so, put the future of hundreds of tribal casinos nationally in jeopardy along with the 300,000+ jobs they provide.

“It is essential that tribal casinos be ruled eligible for the SBA’s PPP provisions so that we can continue to pay our employees for the duration of this shutdown” said Paul Russell, Vice President of the Fort McDowell Yavapai Nation. “It is critically important that tribes are included in future legislation to mitigate the impacts of the COVID-19 crisis. We will continue to do our part to defeat this virus and ask that tribes be treated on parity with other businesses.”