

**EXECUTIVE ORDER
2021-04-CTH**

1. **Authority:** The Constitution and laws of the Cherokee Nation.

2. **Policy:** The Principal Chief is committed to working to ensure the health and safety of the Cherokee people. The COVID-19 global pandemic is the worst public health crisis in generations. Since at least March 2020 the pandemic has impacted the Cherokee Nation and all Cherokee citizens in some way. Its impact includes the loss of life, negative health impacts, unknown long term health problems, disruption of business and government operations, loss of revenue and many other impacts. These impacts threaten the health and welfare of all Cherokees now and in the foreseeable future. The American Rescue Plan Act (ARPA) provides a \$20 billion set aside for tribal governments under the State and Local Fiscal Recovery Fund (FRF) to help turn the tide of the pandemic, address the economic fallout, and build a strong foundation for recovery. This includes supporting immediate stabilization for households and businesses in Indian Country. In an effort to assist the Cherokee citizens, the Principal Chief has put forth a resolution to provide every Cherokee citizen who is a member of a household that experienced a negative economic impact due to the COVID-19 pandemic with a total of \$2,000 in direct relief assistance. As these funds fall under the Tribal General Welfare Exclusion Act of 2014, Pub. L. No. 113-168, 128 Stat. 1883 (2014), and the added §139E of the Internal Revenue Code, these payments are not to be considered or reported as income.

3. **Department of Treasury Tribal General Welfare Exclusion Act:** The Tribal General Welfare Exclusion Act of 2014, Pub. L. No. 113-168, 128 Stat. 1883 (2014), added § 139E to the Internal Revenue Code.

To qualify under the general welfare exclusion, the payments must (1) be made pursuant to a governmental program; (2) be for the promotion of general welfare (that is, based on need); and (3) not represent compensation for services.

New §139E(a) provides that gross income does not include the value of any Indian general welfare benefit. Section 139E(b) defines "Indian general welfare benefit" as any payment made or service provided to or on behalf of a member of an Indian tribe (or a spouse or dependent of a member) under an Indian tribal government program but only if (1) the program is administered under specified guidelines and does not discriminate in favor of members of the governing body of the tribe; and (2) the benefits provided under the program are available to any tribal member who

meets the guidelines, are for the promotion of general welfare, are not lavish or extravagant, and are not compensation for services.

4. Respond, Recover, and Rebuild Program Cash Assistance: The Principal Chief asserts that, based on the Tribal General Welfare Exclusion Act, and based on the fact that these cash assistance payments are to be considered "Indian general welfare benefit" as they are administered under the guidelines provided by the U.S. Department of Treasury, and 1) under the Cherokee Nation's Respond, Recover, and Rebuild Program are available to any tribal member who meets these guidelines, 2) are for the promotion of the general welfare, 3) are not lavish or extravagant, and 4) are not compensation for services, that these funds are not to be considered or reported as income.

6. Order: It is hereby ordered that the General Welfare Exclusion applies to the cash assistance for Cherokee citizens to be provided through the Cherokee Nation Respond, Recover, and Rebuild Program. These funds are not to be considered or reported as income received by Cherokee citizens.

7. Effective Date: This Order is effective immediately on this 28th day of May 2021.



Chuck Hoskin, Jr.
Principal Chief
Cherokee Nation