



THE ECONOMIC IMPACT OF THE
CHEROKEE NATION:
CORONAVIRUS RELIEF FUNDING
ADDENDUM



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This memo examines the economic impact of pandemic policy relief funds received by the Cherokee Nation and spent or distributed within Oklahoma. The economic impacts considered here serve as an addendum to the 14-county detailed analysis provided for fiscal year 2021.

Through fiscal year 2022, the Cherokee Nation received and allocated or committed more than \$1.8 billion in pandemic relief funds. The majority of the funds come through the Coronavirus Relief Fund (CARES Act), the Fiscal Recovery Fund (ARPA), and Indian Health Services (CARES Act and ARPA). It is worth emphasizing that as a sovereign government, the Cherokee Nation served as an additional layer of relief funding in Oklahoma. The funds received and dispersed by the Cherokee Nation drove the economic recovery across the Cherokee Reservation and were complemented by funds received by the state and local governments.

Much of the funding was allocated in some form of direct assistance to Cherokee citizens. This direct assistance helped to offset citizens' lost income during the pandemic but also to help with household costs for things like utility payments, clothing assistance, and technology support for students and teachers engaging remote instruction. In the data reviewed for this analysis, more than half of the total funds were allocated as direct assistance.

A portion of the funds were used to keep all employees on payrolls and fully paid through the duration of the mandatory shutdown. Similarly, a portion of the funds were used to provide hazard pay to those health care and essential employees on the frontlines of the pandemic response.

Finally, a significant portion of the allocated funds were spent on construction, infrastructure, and vendor purchases specific to the pandemic response. These expenditures include efforts to adapt physical workspaces or public infrastructure to meet the new demands presented in the pandemic and to provide messaging to tribal citizens and community stakeholders on evolving health best practices. These funds provided safety equipment from air purifiers to respirators to masks, gowns, and gloves. Importantly, these

funds also allowed the Cherokee Nation to generously provide grant support to community partners also working to relieve stress in their communities.

Nearly 84%, or \$1.5 billion was spent in Oklahoma with the difference representing direct assistance to Cherokee Nation citizens outside the state and vendor purchases of specialty equipment and supplies from suppliers outside the state.

Construction projects, vendor purchases, grants, and other spending within the state result in a direct industry output impact. A review of relief spending indicates nearly \$765 million in new statewide purchases of goods and services. Nearly \$760 million enters the analysis as direct changes to household income (from direct assistance) and has no direct output impact. Instead, a portion of the household income change is spent locally in the economy and becomes a piece of the induced output impact (note the large induced impacts below).

The direct changes to industry output from Cherokee Nation projects and purchases as well as the direct change to household income set in motion economic responses that multiply the initial economic activity. This spillover, or multiplier, activity is presented as indirect and induced impacts below. In total, the Cherokee Nation relief spending exerts a total impact of nearly \$2.1 billion while supporting 14,783 full and part-time jobs with more than \$753 million in labor income.

Cherokee Nation Pandemic Relief Economic Impact			
Impact	Output	Employment	Labor Income
Direct	\$ 764,829,434	7,002	\$ 364,572,337
Indirect	\$ 246,105,936	1,188	\$ 69,578,607
Induced	\$ 1,068,178,309	6,593	\$ 318,900,617
Total	\$ 2,079,113,679	14,783	\$ 753,051,561

Finally, note that the impacts presented here are largely separate from and in addition to the fiscal year 2021 economic impacts of the 14 counties. It is estimated that less than 15% of the inputs in this analysis are also present in the 14-county dataset. Where overlap does exist, it is primarily in the salary and wage payments to CN and CNB employees from relief funds.

The Cherokee Nation has long provided economic opportunities in areas of the state where opportunities are needed. In the pandemic response, the Cherokee Nation was able to not only maintain their economic influence through normal government and business operations but was able to also serve citizens and community partners as a critical additional source of pandemic relief. Taking the reports together reveals more than \$3 billion in direct production and purchases of goods and services in the state that, through the multiplier process, had a more than \$5 billion impact on the state of Oklahoma with much of that impact centered in the northeastern part of the state.