



Intertribal Agriculture Council  
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**Oversight Hearing “Buy Native American: Federal Support for Native  
Business Capacity Building and Success”  
Before Members of the Senate Committee on Indian Affairs  
March 16, 2022**

**Introduction**

*This is the oral testimony of Lexie Holden, Associate Director of Policy & Government Relations for the Intertribal Agriculture Council (IAC), presented before the Senate Committee on Indian Affairs. Additional written testimony follows.*

Chairman Schatz, Vice Chair Murkowski, and Members of the Senate Committee on Indian Affairs, thank you for inviting me to speak with you all today. My name is Lexie Holden and I serve as the Associate Director of Policy & Government Relations for the Intertribal Agriculture Council. I am a citizen of the Choctaw Nation of Oklahoma. Today my testimony will focus on two tools which, if given the support they require, will continue to help Tribal economies and communities prosper.

**Tool 1: 638 Tribal Self-Determination Contracting at USDA**

One of the priorities of the Native Farm Bill Coalition (NFBC), of which the IAC is a founding member, has consistently been the intentional inclusion of more Native-produced foods in federal food assistance programs, like the Food Distribution Program on Indian Reservations (FDPIR). FDPIR and other USDA food assistance programs represent both a critical part of the food security safety net for Indian Country and a dedicated institutional market opportunity for Native producers, who are vastly underrepresented in these opportunities currently.

This underrepresentation is driven by a variety of factors, including the complicated nature of vendor certification processes at the federal level. The NFBC and Tribal leadership have encouraged USDA’s Agricultural Marketing Service (AMS) for years to be more intentional about reaching out to potential Native vendors by utilizing the IAC’s Technical Assistance Network as a resource to connect with producers directly.

We have finally started to see movement on that in the last few years– but only after the onset of the COVID-19 pandemic gave AMS additional impetus to rethink local food sourcing. It should not have taken a global health crisis for USDA to take Tribal leaders



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and producers seriously when they call for more Native-produced, culturally appropriate foods, especially in FDPIR which serves primarily Tribal citizens.

There are, however, other opportunities to include Native-produced foods in these programs that do not require Native food businesses to navigate the federal vendor processes. In the 2018 Farm Bill, Congress applied “638” Tribal self-determination contracting authority to FDPIR food purchasing in a demonstration project pilot that acknowledges Tribal sovereignty and enables Tribes themselves to directly buy food for FDPIR sites, rather than having the federal government make those decisions about what our people should be eating. This was a historic moment for Indian Country, as this authority had never before been applied to USDA.

Today, because of Congressional support and the work of Tribal leaders and the National Association of FDPIR, there are \$3.5 million dollars flowing into Indian Country to support the production of traditional, culturally appropriate, and fresh fruits and vegetables by Native producers, all of which are going to Tribal citizens in need through FDPIR.

Food sourcing through these 638 contracts is a powerful opportunity for Tribal Nations to do what we have always done: feed our own people. Opportunities in this space could include sourcing locally produced traditional and culturally appropriate foods for BIE schools, either through 638 contracting or expanded Farm to School opportunities. Programs like these keep food dollars circulating within our communities, create jobs for our citizens, and make sure that those in need have access to the kinds of healthy foods that have supported us from time immemorial.

## **Tool 2: Agricultural Resource Management Plans**

The second tool I would like to uplift is AIARMA, the American Indian Agriculture Resource Management Act. It was passed in 1993, but has never been fully funded. This is unacceptable, considering the opportunity the Act provides for Tribes to fully embody sovereignty over their lands by ensuring that Tribal, not Bureau of Indian Affairs (BIA) goals, are utilized for Tribal management of agricultural lands.

[The following italicized comments were excluded from oral testimony due to time constraints, but are understood best when read alongside the rest of this section.]

*Current BIA policies that direct "best interests" decision making regarding Tribal land leases frequently result in lease award determinations heavily weighted in favor of the*



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*highest bidder, which is frequently a non-Native off-reservation lessee. When non-Native off-reservation bidders are awarded, the vast majority of revenues resulting from production activity on those Tribally held leased lands, do not recirculate on reservation and the leased lands are subjected to production practices that are largely extractive, that is investments and enrollment in conservation activities or programs and compliance with grazing or land management best practices often fall short.*

*But this frequently occurring scenario can be addressed through an Agriculture Resource Management Plan or ARMP, which is a comprehensive plan that addresses not only use recommendations and preferences for physical agriculture attributes but incorporates Tribal preference into land management activity. A Tribal bidder preference for Tribal trust lands can be incorporated into an ARMP and encourage better land management practices with Tribal support as well as facilitate the recirculation of revenues on reservation, benefitting Tribal economies as a whole, encouraging generational and community wealth, and create or expand private revenue cycles independent of Tribal government allocations.*

Yet the creation of an ARMP is an expensive process to undertake. Tribes must pay dedicated staff to develop the plans and oversee the project, which involves substantial community feedback from all Tribal citizens and buy-in from Tribal leadership. For example, the ARMP management team at Blackfeet Nation in Montana estimated that their ARMP process cost them at least \$100,000 for their Tribe alone. But when Tribes attempt to find financial or capacity support from BIA offices for this process, they are too frequently told that offices are understaffed and underfunded and cannot help.

Even Tribal Nations that are able to find external– non-federal– funding support to embark on the ARMP development process are often completely stymied by agency inaction within BIA as part of understaffing concerns. BIA sometimes takes over 6 months to provide Tribes with requested data that they must have to complete their plans. At a certain point, given that Tribes only have three years to complete the ARMP process within the framework provided by the statute, that agency inaction begins to resemble actionable discrimination.

Adding to this frustration, BIA has required Tribes engaging in ARMP processes to provide a full National Environmental Policy Act (NEPA) assessment in order to prove their compliance. This an incredibly burdensome process, especially given the lack of funding and staff support from BIA. The bottom line is, BIA needs more staff and Tribes



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need AIARMA to be fully funded in order to truly take advantage of the promise of this legislation.

### **A Path Forward**

Thank you for taking the time to listen to my testimony. I believe that these two tools, 638 Tribal Self-Governance contracts and Agricultural Resource Management Plans, could become invaluable to the strengthening of Tribal economies by facilitating market access for Native producers and by bolstering Tribal self-determination. They just require your support.

If you wish to reach me after the conclusion of this oversight hearing, please feel free to email me at [lexie@indianag.org](mailto:lexie@indianag.org).

### **Additional Written Testimony**

Native Americans have engaged in agriculture to feed their communities since time immemorial. Yet, our traditional ecological knowledge of North America's rich and complex food systems was suppressed in favor of creating a food system more familiar to settlers. Our deep connection to and respect for the land, water, and fauna was often disregarded in favor of a style of agricultural production which favored scale and profits. While early treaties between Tribes and the United States forced Native Americans to become farmers, many of our producers now choose to feed their communities in more traditional, sustainable, and regenerative ways. This choice is an exercise of our right to self-determination.

According to the 2017 Census of Agriculture, nearly 80,000 Tribal producers were operating on over 59 million acres of land, selling \$3.5 billion worth of agricultural products. However, many Native Americans are unable to access the food produced within their own Tribal communities. This is in part due to modern-day barriers, preventing our access to land, credit, and markets have caused Native-produced food to leave the community, taking the associated "food dollars" with it.

### **Interdepartmental Coordination**

One solution to some of the barriers Native American producers face is to increase interdepartmental coordination. There are several relationships which need to be improved: 1) the relationship between USDA and BIA, 2) the relationship between



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USDA, the Department of Commerce, and the State Department, and 3) the relationship between USDA and the GSA.

The first relationship between USDA and BIA must be improved because many restrictions governing leases on Tribal lands have an impact on which USDA programs our producers can access. Additionally, the current leasing structure is such that it favors the interests of the BIA rather than those of Tribal governments. Currently, leasing contracts on Tribal reservations are given to the highest bidder who, more often than not, is not Native American. This lack of connection to the community, as well as the relatively short lease lengths (10 years) encourage lessees to take as much as they can from the land in order to maximize profits, rather than operate in a manner which considers how future generations will be able to access that land and the surrounding waters. This leads to a degradation of the best plots of land within Tribal communities, while Tribal producers are forced to make do with plots which are of lower quality, placing them at an operational disadvantage from the start. While this might suit some Tribes, Tribal governments should have the ability to determine for themselves what leasing looks like on their lands.

To connect the importance of the aforementioned ARMPs with this conversation around the BIA/USDA relationship, if a Tribe were able to change their leasing structure it might initially result in a decrease in cash revenue, it would likely ultimately benefit the Tribe's economy. When an Agricultural Resource Management Plan favors or prefers bidders who are Tribal citizens, rather than the highest bidder, better support for Tribal sovereignty is only one outcome. The other outcomes include better resource management and increased on-reservation revenue circulation. Better resource management increases agriculture resource health in the long-term, while simultaneously increasing the quality and size of the yield. When agricultural revenue is able to circulate within the reservation economy, it creates more viable opportunities for business, more jobs, and more opportunities for scaling up operations through investments. It is in this way that ARMPs support Tribal economies.

The third relationship which needs to be improved upon is that between the USDA and GSA. The current Federal Acquisition Regulations (FAR), created by the GSA, do not support bringing more Native American producers into federal procurement contracts. At present, Part 26-1 of FAR provides an Indian Incentive Program. While we advocate for such incentives, the way in which the Program is structured does not actually benefit Native American producers. The Program encourages prime contractors to work with Native American subcontractors or vendors. However, the incentive funds go to the prime contractor who is likely non-Native, not the Native American vendor who likely



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faces barriers to access federal procurement contracts. This structure ultimately does not help our producers. The incentives should go to the Native American vendor as well.

### **Buy Indian/Buy Native American Preference**

Currently, the Buy Indian Act (25 USC 47) directs the Secretary of the Interior and the Secretary of Health and Human Services to use Indian labor and purchase Indian industry products except where impracticable and unreasonable. Such a preference for Native American employees and vendors should be extended to the USDA, especially whenever USDA is purchasing any product, including food, for the purposes of feeding Native Americans within their communities. As the rate of food insecurity is highest for Native American households compared to all other racial/ethnic demographics, it makes sense to source food to feed Tribal communities from Tribal producers. Additionally, for many Tribal nations, their economy is based on agriculture production. In this way, our communities are able to access local or regionally grown, often traditional, foods, and Tribal producers are able to access federal procurement contracts which they historically have been excluded from. If the desire to support Tribal economies is sincere, then a concerted effort should be made to fill federal food procurement contracts with products made and produced by Native Americans. The inclusion of the USDA in the Buy Indian Act would help accomplish this.

### **Access to Credit**

Much of Indian Country is considered a credit desert. There are not enough financial institutions willing to lend capital to Native Americans, particularly for the purposes of agriculture. One of the greatest allies in this effort that has made significant progress is the Native Community Development Financial Institutions (CDFI). Native CDFIs deserve the support to continue their current work, along with the resources and tools to begin tackling agriculture lending. In addition to supporting Native CDFIs, there should be reforms within the larger financial institution space.

In the 2018 Farm Bill, the Native Farm Bill Coalition requested an in-depth GAO report on access to agriculture credit across Indian Country. This was requested with the Community Reinvestment Act in mind. This Act encouraged financial institutions to serve low- and moderate-income neighborhoods, including areas on or near Indian reservations. We know that access to credit remains a barrier for Native American producers, and this report would provide the data necessary to make targeted and broad reforms. However, we instead received a study on the Farm Credit System and its role in



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helping Native American producers access credit. This was far too narrow in scope, and the results have still not been shared.

The USDA plays a key role in closing the credit access gap for Tribal communities. Tribal Nations, Native/Intertribal organizations, and individual Native American producers use the USDA to access funds because it remains difficult to access them elsewhere. However, the USDA is not a perfect lender or grantor. We suggest that the USDA create Tribal set-asides in any programs which impact Tribal communities, increase the amount that USDA as an agency is willing to invest in projects (to at least 50% of the project cost), and transition away from loan programs to grant programs.

### **Access to Markets**

Native American producers do not only face barriers when attempting to access credit, but when trying to access domestic and international markets as well. Within the domestic market, food safety regulations can preclude Native American producers from participating in interstate commerce. Many Tribal Nations exercise their sovereignty by growing, harvesting, fishing, and hunting for their own food, and by developing their own Tribal food codes. Yet for those Tribes who have not developed their own Tribal food codes, federal food safety regulations do not always comport with traditional means of gathering food. Access to certified kitchens and processing facilities are also a challenge, preventing Tribes without access to these tools from transporting and selling their products across state lines.

Infrastructure and equipment needs are a primary concern for producers seeking domestic and international market access. According to the 2017 Census of Agriculture, 24,744 American Indian/Alaska Native-operated farms specialized in beef cattle. Yet at that time, there were no beef processing facilities owned and operated by a Native American Tribe before the Quapaw's facility opened in 2018. Although more Tribes now own and operate their own meat, poultry, and seafood facilities, access to processing facilities remains limited across Indian Country, inhibiting producers.

International market access can be hampered by many factors including competition from larger conglomerates or businesses that have the overhead to compete in the rapidly changing global markets. Our Tribal producers market their items as "premium" products, represented by their higher prices due to the higher costs of agricultural production in Indian Country. In Indian Country, everything is more expensive, from infrastructure like roads and broadband to farm equipment, fuel, and feed. Many consumers or buyers do not understand the barrier with Tribal producers must



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overcome in order to sell their products, and will choose the cheaper options instead. Other factors include capacity, political concerns, logistic disruptions, and rising energy and material/packaging prices.

Providing ongoing outreach to introduce USDA programs and services to Tribal governments, communities, and individuals to improve understanding of regulatory and technical support. Additionally, program funds received through Foreign Ag Services, like the Market Access Program and Agricultural Trade Promotion, are critical to the continuation of global market access opportunities for emerging or small to medium size Indian companies. These funds should both continue to flow to Native American producers, and the amount available to our producers should increase in order to help Native Americans capture a larger share of the agriculture market.

Again, if you have any questions regarding my oral or written testimony, please do not hesitate to reach out to me at [lexie@indianag.org](mailto:lexie@indianag.org)