

U.S. House of Representatives Appropriations and Agriculture Committees: Severe Food

Distribution Shortages in Tribal and Elderly Communities Hearing

Remarks of Mrs. Marty Wafford, Under Secretary of Support and Programs

Chickasaw Nation Department of Health

Chairman Cole and Chairman Thompson, Ranking Member DeLauro and Ranking Member Scott, and Members of the Committees, thank you for holding this hearing. My name is Marty Wafford, and I am the Under Secretary of Support and Programs for the Chickasaw Nation Department of Health.

The mission of the Chickasaw Nation is to enhance the overall quality of life of the Chickasaw people. The Chickasaw Nation has administered the Food Distribution Program on Indian Reservations (FDPIR or FDP) since 1984. In 1994, we entered into a self-governance compact to become a tribally operated health care system. In 2022, we entered into the Food Distribution Program P.L. 93-638, Self-Determination Food Procurement Project (Beef).

Food Distribution Program on Indian Reservations

The Chickasaw Nation has five FDP locations (Ada, Ardmore, Duncan, Purcell, and Tishomingo) and one tailgate location (Colbert). In FY24, the Chickasaw Nation's program served more than 2,400 First American families in south-central Oklahoma.

Inventory Issue:

Most food in the Food Distribution package comes from the USDA-contracted national warehouse (Fresh produce and shelled eggs are supplied from different vendors and 638 foods are procured locally).

Prior to the transition to one national warehouse, there were two warehouses. The purchasing of foods for the program occurred at the national level and food was stored and delivery logistics coordinated out of these two locations.

In February 2024, during an official Tribal consultation between elected leaders of Tribes who manage FDPIR and USDA's FNS, federal officials announced the plan to consolidate national warehouse operations from two sites to one in Kansas City. Tribes advocated for a regional model because there was insufficient time to make the transition on a national scale. FNS proceeded with warehouse consolidation in April 2024 and at the same time transitioned to a sole national vendor, Paris Brothers. Tribal leaders expressed concern as some programs were already being impacted by missed deliveries and supply shortages.

Since April, having only one national vendor and one national warehouse for USDA foods has proven insufficient. The inventory crisis, which is negatively impacting First Americans across the country, is unfortunate and **does not fulfill the trust responsibility**.

Effects on Chickasaw Nation

Typically, the Chickasaw Nation receives numerous food orders each month. Currently, orders are delayed or have not arrived at all, contain partial orders, damaged or expired products. Examples include:

- The Ada FDP store received a portion of an order on July 12, nearly a month behind. The partial order contained products with the "Best By" date of July 12.
- The Tishomingo FDP store received more than 100 units of 1-lb block cheese instead of the allowable 5-lbs block cheese. This order was received August 14, 2024. The cheese expired December 2023.

Currently, the Chickasaw Nation outstanding food orders include:

- JULY: behind three orders, and understand those likely will not arrive.
- AUGUST: behind two orders
- SEPTEMBER: behind two orders

For these reasons, several items are low or out of stock including cereal, chicken breast, whole chicken, canned tuna, cheese, milk, juice, pasta, canned vegetables, canned fruit, beans, catfish, bison, pork chops, butter, oats, flour, cornmeal, and soups.

Chickasaw Nation FDP inventory levels are monitored daily and due to insufficient deliveries, product is being transferred from one site to another when inventories reach critical levels. Often, clients do not have choices within specific food categories and are resorting to whatever product is available. Per FNS Handbook 501 Regulations (Chapter VI & Chapter VII), a 1 to 3-month inventory supply should be maintained. **This situation results in a direct violation.**

Not only is this inventory crisis impacting clients, but it is also taking a toll on staff who spend countless hours trying to solidify the erratic delivery status of orders, apologizing to clients for the lack of available inventory or answering calls about what foods are in stock.

It is unacceptable for clients to find empty shelves and limited food options they are promised. There is nearly an hour drive between any of our locations. Clients should be able to shop for items their family needs and not be limited to whatever food is left on the shelves.

Have we forgotten this program assists some of our most vulnerable First Americans?

Throughout this dark period in the FDP, USDA has not offered a viable long-term strategy to get back on track. Some possible solutions tribes have suggested include:

1. Require national warehouse to meet scheduled deliveries immediately!

2. Utilize more than one national warehouse and vendor option.
3. Provide additional flexibilities in the short-term solutions provided by USDA in August since options do not apply to all tribes.
 - Temporary Expansion of USDA Department of Defense Fresh Fruit & Vegetable Program (USDA DoD Fresh): Initially this option is only available to three tribes.
 - Activate the Emergency Feeding Network with Situations of Distress through TEFAP state agencies: This option only applies if States choose to participate. States should not make the determination.
 - Leveraging the Local Food Purchase Assistance Cooperative Agreement Program (LFPA) for tribes currently receiving LFPA funding: This impacts how tribes utilize LFPA funds, if funds are obligated for other food programs, no additional LFPA funding or flexibilities are allowed.
 - Formula-based interim solution through the Commodity Credit Corporation for emergency food purchases: Although appreciated, this does not supply adequate funding for all food supply challenges.
4. Allow tribes to exercise self-governance by expanding FDP Self-Governance.

Expansion of Self-Governance Authority

In 2018, Congress authorized USDA to establish the FDPIR Self-Determination Demonstration Project, granting participating Tribal nations more control over their FDP. Although limited in scope and participation, the project has been highly successful.

This inventory and warehousing crisis is an example of how the locally or regionally procured food system works. The Chickasaw Nation has not experienced ordering or delivery

issues with foods procured through the Self-Determination Demonstration Project in which we currently supply a variety of beef products, pecans, and dried hominy (used to make traditional food, pashofa). USDA recently increased the guide take rate for FDP clients, but even with this increase, the Self-Determination Demonstration has been able to successfully sustain product and continue to offer participants protein and traditional foods.

The benefits of Self-Determination and Self-Governance authority may be best demonstrated when comparing federal administration to Tribal administration. Currently, Tribal communities that rely on USDA to procure food for their distribution programs are facing critical shortages and uncertainty. In contrast, tribally administered programs authorized under the FDPIR Self-Determination Demonstration Project have those products available and are thriving. A permanent expansion of FDPIR Self-Determination and Self-Governance authority in the next Farm Bill would give tribes more flexibility to adapt and respond to food supply disruptions and keep our communities fed.

For years, Tribal Nations have worked to reestablish complex food systems and economies. Tribal Nations are top producers of crops, cattle, and buffalo in some regions; they construct and operate meat processing facilities, run successful fish and shellfish hatcheries, and build regional food economies. USDA's mismanagement of FDPIR inventory highlights the urgent need for Congress to **expand Tribal Self-Determination and Self-Governance authority** to programs that serve Tribal communities.