



AGRICULTURE & RURAL DEVELOPMENT

Agriculture is a major economic, employment, and nutrition sector in Indian Country. The 2012 US Department of Agriculture Census of Agriculture counted at least 56,092 American Indian-operated farms and ranches on more than 57 million acres of land. These farms and ranches sold \$3.3 billion of agricultural products, including more than \$1.4 billion of crops and \$1.8 billion of livestock and poultry.⁶⁷ Additionally, the 2007 Census of Agriculture Fact Sheet notes that, “American Indian farm operators are more likely than their counterparts nationwide to report farming as their primary occupation...to derive a larger portion of their overall income from farming...[and] to own all of the land that they operate.”⁶⁸ As a result of the huge agricultural footprint across Indian Country and the fact that more than 35 percent of American Indian and Alaska Native peoples live in rural communities,⁶⁹ tribal governments and farmers look to active partnerships throughout the US Department of Agriculture (USDA) to sustain and advance common interests across the broad array of services that this federal agency provides to tribal governments.

Programs at USDA span a wide range of areas that have an impact on Indian Country, including food safety, housing, business development, telecommunications and broadband, water systems, crop insurance, nutrition, land conservation, forestry, research, and of course the programs designed to assist farmers. In FY 2012, Rural Development and the Rural Utility Service together funded investments totaling more than \$190 million in Indian Country, with approximately half of that in the form of loans and loan guarantees. As such, tribal governments look to the myriad of services, programs, and resources available from the USDA to ensure sustained prosperity and economic security to American Indians and Alaska Natives—not only through its programs to farmers and ranchers, but also through programs that serve tribal governments, natural resource managers, youth, colleges, water infrastructure providers, tribal utilities and housing providers, and tribal communities.

Key Recommendations

DEPARTMENT OF AGRICULTURE

Agriculture Appropriations Bill

Office of Tribal Relations

- Fund the USDA's Office of Tribal Relations at a minimum of \$1.5 million.

The Office of Tribal Relations (OTR), located within the Office of the Secretary, is a critical voice for agriculture in Indian Country within the USDA, especially since a vast majority of USDA's services and programs affect and touch tribal lands and communities. Many times, when decisions are being made, there is a need to open lines of communication between the agency and within Indian Country. OTR serves a linchpin role in expanding all USDA program support throughout Indian Country, as well as ensuring that relevant programs and policies are efficient, easy to understand, accessible, and developed in consultation with the American Indians and Alaskan Native constituents they impact. The OTR is also responsible for coordinating policies affecting American Indians and Alaska Natives across other federal agencies and throughout the USDA.

Over the past three years, OTR has increased its responsibilities in four major areas:

- Pursuant to the settlement in *Keepseagle v. Vilsack*, OTR coordinates all USDA responsibilities for Technical Assistance in 10-15 regional locations over the course of the five-year settlement period and is the Designated Federal Official for the Council for Native American Farming and Ranching.
- Pursuant to Memorandums of Understanding (MOUs) between the USDA and the Bureau of Indian Affairs, OTR is critical to the development of inter-agency strategic plans involving data sharing, land consolidation, and credit deployment.
- OTR is the lead for implementation of the intra- and inter-agency implementation of the USDA's 2012 Sacred Sites Report and corresponding MOUs between USDA and the US Departments of the Interior, Energy, and Defense, as well as the Advisory Council on Historic Preservation.
- OTR supports USDA Rural Development (RD) and Rural Utility Service on implementation and administration of the 2012 Substantially Underserved Trust Areas initiative under section 306F of the Rural Electrification Act of 1936, as amended (7 U.S.C. 906f). This initiative will allow RD to provide greater flexibility and more favorable loan terms around much-needed electricity, water and waste disposal, telecommunications, distance learning and broadband infrastructure in trust areas.

The OTR's initial funding level of \$1 million in FY 2010 was slashed in FY 2011 and FY 2012 and continues to remain around \$500,000 in FY 2016. This leaves OTR with insufficient personnel and resources to support its vast mission within the Department, in partnership with other federal departments, and throughout the many Native communities in the United States. With the added responsibilities for OTR initiated in 2012, it is clear that OTR requires additional resources to function in accordance with US law and policy in FY 2016.

Lack of sufficient funding presents a barrier to OTR expanding their work to provide the programs, technical assistance, content or even the basic communications to ensure that non-Internet education and training are available to tribes on all USDA programs. Active tribal participation in USDA funding opportunities is required to assist the build-out of broadband infrastructure, and support the workforce development required to fully utilize Internet capabilities, business programs, and financing necessary to bring Native goods and services to market.

DEPARTMENT OF AGRICULTURE

Agriculture Appropriations Bill

Rural Development, Rural Housing and Community Facilities Programs

- *Set-aside \$20 million of program allocation from the Rural Development 502 Direct Loan Program to establish a demonstration relending program for Indian Country.*

Rural Development has limited staff resources to provide Single Family Housing direct loans on tribal land. In FY 2014, of the 6,575 direct loans made nationally by Rural Development, only seven of them were to American Indians or Alaska Natives on tribal land. Native community development financial institutions (Native CDFIs) have experience operating on tribal land. In addition, they provide extensive financial and homebuyer education to their clients. The proposed demonstration relending program would make Native CDFIs eligible borrowers under the 502 direct loan program and enable them to relend to eligible families for the construction, acquisition, and rehabilitation of affordable housing.

DEPARTMENT OF AGRICULTURE

Agriculture Appropriations Bill

Rural Development, Rural Utilities Programs, and Rural Housing and Community Facilities Programs

- *Provide a minimum of \$2.5 billion to USDA Rural Development.*

As tribes seek to build sustained prosperity and economic security, it is imperative that tribal citizens and businesses on tribal lands have access to environments that are stable, conducive to economic and community development and supportive of schools, health facilities, first responders and businesses.

The Department of Agriculture’s Rural Development (USDA-RD) programs support a broad array of utility needs and business activities in Indian Country by providing loans, grants, and other assistance for community facilities, housing financing, preservation and repair, electric utilities, high cost energy, telecom infrastructure and distance learning, broadband infrastructure, water/waste systems and other infrastructure deployment. USDA-RD manages programs across three mission areas—the Rural Business and Cooperative Programs (see Economic Development section above), Rural Housing and Community Facilities Programs, and Rural Utilities Programs. Through its Rural Development mission area, USDA administers and manages housing, business, and community infrastructure and facility programs through a national network of state and local offices. These programs are designed to improve the economic stability of rural communities, businesses, residents, farmers, and ranchers and improve the quality of life in rural America.

- *Provide \$9 billion to Rural Utility Services.*

The FY 2016 budget for Rural Utility Services saw a slight increase, but continues to be below FY 2012 and 2013 levels nearly \$2 billion dollars, and is down almost \$100 million from FY 2014. USDA-RD began implementing changes in 2012 designed to improve access to RUS funding for individuals living in Substantially Underserved Trust Areas (SUTA – including Indian lands and lands owned by Alaska Native Regional Corporations and Village Corporations – to improve basic services, including: water and waste disposal, rural electrification and high-cost energy, telecommunications and broadband infrastructure, and distance learning and telemedicine. The SUTA changes, authorized by the 2008 Farm Bill (but not appropriated), still require additional funding for administration as well as for programs and loan authority within RUS. It is important that more funding is available to provide the infrastructure development and upgrades necessary in Indian Country.

Of special concern is the need to maintain funding for tribal set-asides for water, wastewater, and solid waste management for Indian country and Alaska Native villages. USDA's Water and Environmental Program (WEP) provides a combination of loans, grants, and loan guarantees for drinking water, sanitary sewer, solid waste, and storm drainage facilities in tribal and rural areas and cities and towns of 10,000 or less. WEP also makes grants to non-profit organizations to provide technical assistance and training to assist rural communities with water, wastewater, and solid waste management. Since FY 2013, funding for WEP was substantially cut and only provided tribal-specific grants and loans of \$22 million for tribes in the lower 48 states and \$23 million for Alaska Native villages, equaling cuts of \$26 million and \$61 million respectively. The FY 2016 budget allocation of \$64 million remains static as it must be split amongst tribes in the contiguous United States, Alaska Native tribes, and Native Hawaiians.

More than 12 percent of tribal homes lack access to safe drinking water and basic sanitation, which is a rate more than 20 times the national average.⁷⁰

For example, many Alaska Native villages must transport human waste in large containers to open pit sewage lagoons. The federal government's failure to address this situation is unacceptable, especially in light of its trust obligation to tribal nations. The existing federal budget does not make a significant dent in addressing this fundamental deficit in quality of life for Native peoples, and recent cuts to this budget makes it worse, exposing Native peoples and youth to unhealthy water and its subsequent detrimental impacts to human health, economic development, and community morale.

DEPARTMENT OF AGRICULTURE

Agriculture Appropriations Bill

Rural Development, Rural Housing and Community Facilities Programs

- *Provide a minimum of \$28 billion in loan authority for the Rural Housing and Community Facilities Programs.*

In FY 2013, the Rural Housing Service (RHS) programs provided \$177 million in economic support to American Indian and Alaska Native enterprises and communities as well as tribal colleges. RD provided 56 Single Family Housing direct loans, equaling \$119 million, and 1,100 Single Family Housing loan guarantees at \$155 million. Tribal colleges received \$3 million for 24 grants under the Tribal College Community Facilities Initiative, and tribal communities received more than \$114.7 million in loan and grant financing under the Community Facilities Program.

Access to housing, community and home repair financing provides Native individuals, families and communities with security, credit facilities, and repair and weatherization needs. This financing also supports community and educational facilities and provides employment in construction and related industries that flows from access to capital in Indian Country.

DEPARTMENT OF AGRICULTURE

Agriculture Appropriations Bill

USDA Natural Resources Conservation Service (NRCS)

- *Fund the Environmental Quality Incentives Program (EQIP) at least \$1.6 billion as required by the 2014 Farm Bill.*
- *Fund the Conservation Stewardship Program (CSP) at a minimum of \$1.449 billion.⁷¹*

Between FY 2010 and FY 2011, the Natural Resources Conservation Service (NRCS) saw an 85 percent increase in tribal participation in their programs, which could be attributed to USDA's outreach to tribal governments. Specifically, NRCS has assisted with the establishment of 33 Tribal Conservation Districts by working with the Intertribal Agricultural Council (IAC) and Indian Nations Conservation Alliance (INCA).

American Indians and Alaska Natives hold their natural resources as sacred and depend heavily upon them for economic, cultural, and spiritual sustenance. Historically, federal natural resources funding for tribes has been limited, as tribes are ineligible for dozens of federal natural resource programs. Other funding for tribal natural resource programs under Bureau of Indian Affairs' appropriations consistently experiences the smallest budget increases of all the Department of the Interior bureaus. While working to sustain essential efforts amidst the harsh budget climate and potential cuts to funding, tribes should have access to new opportunities afforded by USDA's NRCS programs. The 2008 Farm Bill authorizes the Secretary of Agriculture to provide up to 90 percent of the costs associated with planning and implementing conservation practices for tribes. In addition, up to 30 percent of such payments may be provided in a short-term advance for purchasing materials or contracting. Tribes are also included in the five percent set-aside of Environmental Quality Incentives Program (EQIP) funds and the five percent set-aside of Conservation Stewardship Program acres for socially disadvantaged farmers or ranchers. Since the Wildlife Habitat Incentives Program was rolled into EQIP in the 2014 Farm Bill, NCAI requests that the funding levels continue to steadily increase for EQIP, which provides financial and technical support to tribes and others to install or implement structural and management conservation practices on eligible agricultural land.

The Conservation Stewardship Program (CSP) is another vital program in the NRCS. The CSP provides crucial help in reducing soil erosion, enhancing water supplies, improving water quality, increasing wildlife habitat, and reducing the damage caused by floods and other natural disasters. Funding this program at \$1.466 billion is necessary to cover technical and financial assistance needed for a full enrollment of the acres authorized by Congress. The CSP program is an important resource for tribes as tribal participation has been increasing over the years with a 172 percent increase from FY 2010 through FY 2011, with 246 contracts to tribes totaling \$10.4 million.

DEPARTMENT OF AGRICULTURE

Agriculture Appropriations Bill

National Institute of Food and Agriculture, Federally Recognized Tribal Extension Program

- *Increase the Federally-Recognized Tribal Extension Program (FRTEP) to \$5 million.*

Congress mandates research and extension services in every county in the nation. These services support farmers, natural resources managers, youth (via 4-H youth programs), and communities by providing an FRTEP agent to liaise with other USDA programs, provide training in farm and ranch business management, supervise 4-H and youth development activities, and coordinate special training programs, including application of new agriculture technologies. While there are more than 3,100 extension offices available to farmers nationwide, fewer than 30 extension agents serve Indian reservations, with current funding of only \$3 million available to 1862 and 1890 Land-Grant Institutions and the University of the District of Columbia. An increase to \$5 million would begin to address this persistent inequity.

DEPARTMENT OF AGRICULTURE

Agriculture Appropriations Bill

Food Distribution Program on Indian Reservations

- *Increase funding for the Food Distribution Program on Indian Reservations (FDPIR) to \$115 million.*
- *Appropriate \$5 million to develop a traditional foods market for FDPIR.*

The Food Distribution Program on Indian Reservations is currently serving approximately 276 tribes that do not have easy access to Supplemental Nutrition Assistance Program (SNAP) offices or authorized food stores. Through 100 Indian Tribal Organizations (ITOs) and five state agencies FDPIR provides USDA foods to low-income households and the elderly living on Indian reservations and to American Indian and Alaska Native households residing in eligible areas near reservations or in Oklahoma. The ITOs also provide employment to local and tribal personnel who administer the program. As the temporary funding increases for SNAP under the American Recovery and Reinvestment expired in October 2013, the demand on FDPIR is increasing leaving some programs with food shortages. Additional funding is needed to address the new demands on the programs, rising food cost—especially the increasing price of protein, and to improve program operations. Further, Congress authorized the USDA to purchase traditional and locally-grown foods, but it has been difficult for tribes to create a sustainable supply of traditional foods due to the lack of infrastructure and local capacity.