



United States
Department of
Agriculture

**Council for Native American Farming
and Ranching, Meeting: August 14-15, 2012
CD1 8-14 Track01 to Track09**

[Start of CD1 Track01]

Joanna Stancil: Good morning, everyone. I'm sorry to interrupt your conversations, but we're already a few minutes behind our schedule but we've got extra time built in to the day somewhere, we'll find it.

Again, my name is Joanna Mounce Stancil. I am the director of the Office of Tribal Relations for the U.S. Department of Agriculture, and this is the, I guess, we would call the first official day of the meeting for the Council for Native American Farming and Ranching. We're waiting for a couple more of our council members to show up, but they'll have to catch up when they go ahead and get here.

First thing I'm going to do before we have our blessing is to do the roll call. And let me explain why we do not have a chair opening up this meeting. We have elected to hold our elections for chair and vice chair to tomorrow giving the council members an opportunity to get to know each other, to learn more about each other, and then be more comfortable with making nominations for who they would like to lead the council. So, that will take place sometime tomorrow, either at the end of the public comment period in the 10-to-12 timeframe or before the end of the business day.

First, let me go ahead and get roll call. I'll just call down the list and you can let me know that you're here. I can see you, but this is for the public record. Minutes will be taken, and the meeting is being recorded. Hopefully, at the end of the two-day session, we will also look at having the recording of the meeting transcribed and that will also be posted to our website, the council website. Gilbert Harrison. Porter Holder.

Porter Holder: Here.

Joanna Stancil: Michael Jandreau. Chairman Jandreau. Gerald Lunak.

Gerald Lunak: Here.

Joanna Stancil: Good morning.

Gerald Lunak: Good morning.

Joanna Stancil: Jerry McPeak. Jerry is here. Mr. Morgan had to give a testimony so he will join us in future meetings. Angela. She is here. Edward Soza.

Edward Soza: Here.

Joanna Stancil: Good morning. Mary Thompson.

Mary Thompson: Here.

Joanna Stancil: Thank you. Sarah Vogel.

Sarah Vogel: Here.

Joanna Stancil: Good morning. Mark Wadsworth.

Mark Wadsworth: Here.

Joanna Stancil: All right. Janie Hipp.

Janie Hipp: Here.

Joanna Stancil: Chris Beyerhelm.

Chris Beyerhelm: Here.

Joanna Stancil: Dr. Joe Leonard. Will be --

Lisa Pino: Here.

Joanna Stancil: And substituting is?

Lisa Pino: Lisa Pino.

Joanna Stancil: Lisa Pino is delegate for Joe Leonard.

And Juan Garcia.

Juan Garcia: Here.

Joanna Stancil: There he is. Good morning, everyone. All right. To get back on the agenda, we are very fortunate that Gerald has offered to lead us in our opening blessing. If you're not familiar with working with Indian country, we begin and many times end our meetings and our gatherings with a blessing. Gerald, if you wish now.

Gerald Lunak: Good morning, everyone. I want to offer a prayer this morning. I want to thank the Creator for this glorious day, and I'd like to send out prayers to all the people that need prayers today, especially our elders, our spiritual leaders, and our young people. We ask the Creator to look over this meeting today and make it prosperous. We ask that all the people traveling in here travel in safe, travel home in

a good way, and our families are there safely when we get there. We just thank the Creator for bringing this group together. It's a long journey, as many people here know, and it's with His blessing that we've come here to make something good happen for the Indian country, so I just offer this prayer today. Thank you.

[Track 2]

Joanna Stancil: Yesterday we were honored to have Krysta Harden come in and meet with us to give regrets from Secretary Vilsack because he is traveling with President Obama. And at this part is the agenda we hope to share the opening, a video.

Female Voice: Suzanna is on her way up.

Joanna Stancil: She's on her way up. So, we'll hold on to that. Then I'm going to move down the agenda and give Suzanne Palmieri, the Chief of Staff to the Deputy Secretary, a chance to join us.

One of the things, as the designated federal official for the council that I have as part of my responsibility is before each of our major meetings is to check with each of the council members to make sure there are no conflicts of interest, and having done that, none were noted, and a couple of people did respond in writing that they did not have any conflicts of interest. So, at this point I am proud to announce that there are no conflicts of interest, and each of the council members is

free to continue their roles and responsibilities as members of this council.

Briefing on rules for conducting the meeting, they're fairly simple. The focus of the meeting is on the Council for Native American Farming and Ranching. Those council members that are seated in the center here, myself as the DFO and the staff of USDA. So, the function here is to bring the council members together for the first inaugural meeting and more of a tutorial or learning process to hear presenters, to gain information, and to become more comfortable with all the different programs that are offered by USDA.

During the meeting, the only speaking roles in the room are the council members, the DFO, or our presenters. We welcome the public to join us, to listen and learn. There -- please note in the minutes that Gilbert Harrison has joined us.

So, we ask that the public hold their comments until tomorrow, which is Wednesday, August 15th, that they hold them until the hour between 10 and 12, and we will be more than honored to accept their comments. So, the meeting is informal in the sense that council members feel free to talk amongst themselves, to dialogue as you need, to ask questions for clarification, and to do whatever you need to meet the needs of learning and your decision-making process.

Meeting materials and council records. There is a table in the front of the room as you come into the building here, into our room which does have some additional handouts. If you choose to add more paper to your binder, do so. But again, if at the end of tomorrow, you decide that you would not like the pleasure of carrying that on the plane, let us know and we will ship it back to the address. Okay. Just let us know, and we'll take care of that for you.

The most important thing is that the minutes of this meeting, that we do have note-takers, we have two volunteers in the room with us today taking minutes, so they'll take a -- not a verbatim. We have a recording for that, and hopefully that is set up. We have an audio-visual; John is helping us in the back of the room to keep that. But we are required by Federal Advisory Committee Act rules and guidelines to take minutes of everything that transpires in this room today amongst the council. And so, that will be part of a public record, and we have a website that it will be posted to as well.

So, we're moving right along. Let's see. We actually have caught up and we're ahead of schedule. So, do we have -- is Jodi here yet or she's coming over, she'll be here later?

Female Voice: Still [indiscernible].

Joanna Stancil: Still [indiscernible]. Okay. So, I'm going to slow down just a little bit. Also, when we are talking

for the -- and I should slow down even more. Because we do have volunteers taking notes, if we would pace our speech patterns and be clear with what we say, that will help them in taking clear notes, but it'll also help the recording and that poor transcriber that has to transcribe it when we finally get done with our two meetings.

So, let's look at the agenda, the review of the agenda for today.

Summary of written comments. Somewhere in my file, I have a stack of papers -- and I will get that to you in a couple of minutes -- we only had one comment received based off of the announcement in the Federal Register. So, I will hand that out to you in a little bit as soon as I find that. So, we have no other written comments submitted. And somewhere in my stack here is where those comments -- okay, I found it. Okay. And we'll go ahead and pass these around. We do not have any more information on the person that sent us the comment other than his name is Alvin R. James [phonetic]. His comment is, "A large part of longstanding FSA loans involves mostly interest. I think for those low-income American Indians, not Native Americans that is practically every U.S. citizen, that a threshold to forgive loan should be mandatory for those individuals over 70 years of age, those loans having been paid on for more than 10 years, those loans having a balance of less

than \$30,000. This would clear up administration of old loans and make more resources available for younger farmers who still are physically able to work their ranches. Respectfully, Alvin R. James." So, that will also go in the record, and that is, as I stated, the only written comment that we have received so far. And, of course, we will continue to receive written comments, there is media going along with this meeting, and I'm sure that's going to generate more interest.

All right. In review of the agenda, we've covered the summary from -- we're way ahead of the game as we wait for our two guests. We will have a much awaited break at 9:30 to 9:45. To do a little housekeeping, the bathrooms, as you go out of the meeting room, there is a glass display in the center along the wall. The men's restroom is closest to this room; on the further side of that glass partition is the ladies' restroom. At the break, we will have liquid refreshments, of coffee and water and such, but I'm also working with catering to see if we can get something a little sturdier to help you last until lunchtime.

We will have presentations from 9:45 to 4:10 p.m. That is the thrust of this day, is to hear from USDA representatives on various topics. And so, we have all of USDA's seven mission areas represented throughout the day today. We will have

another break at 2:55 to 3:10. Whoops, forgot lunch altogether. We are having -- we'll break at 12:10 to 1:25 for lunch here in the museum. That is on the first level. And if you haven't had a chance to visit the museum, the café is a wonderful experience. It offers you cuisine from all of the Americas. So, it's pretty good stuff. And we will have an area sectioned off for the council so that we can meet and stay together as a group.

Then we will come back and we will continue to -- we will finish our presentations and then we should wrap up and adjourn by five o'clock. And at this point, I'd like to -- Rob?

Male Voice: Yes, Ma'am.

Joanna Stancil: Would you like to talk about this evening?

Male Voice: Sure.

Joanna Stancil: Okay.

Female Voice: Suzanna's [indiscernible].

Male Voice: We're going to have a social at the Holiday Inn Capitol. It will be at 5:30 this evening. It will be in the bar area. There will be a special place sectioned off for us, so hope to see you there.

Joanna Stancil: We will provide the munchies and --

Male Voice: Munchies and soft drinks.

Joanna Stancil: Soft drinks. Any other libation is on you. And we want you to show up tomorrow, so. Okay. I'll take

this opportunity to introduce Suzanna Palmieri, Chief of Staff to the Deputy Secretary.

Suzanna Palmieri: Hi. Good morning, everybody. Sorry, I'm just a little bit behind schedule.

Joanna Stancil: We're way ahead of schedule.

Suzanna Palmieri: Oh, good. All right. Well, that's great. That's great. Great. The morning started that way. I just did want to welcome everybody on behalf of Deputy Secretary Merrigan. She has a video that she taped last week for you all when she heard that you were here, as she had a longstanding commitment to her family which I hope you understand, that she needs to take that every once in a while, so we can keep her moving forward which this year has been particularly busy, and so I'm hoping that she gets a little bit of a rest while she's away. She's going to talk a little bit about a very important program to us, and I hope to you all. Obviously, she wants the work here at the council to be productive, and she wishes you all well in your work, and thanks you for your dedication and support to this effort and USDA's work.

She'll talk to you a little bit about the Know Your Farmer, Know Your Food initiative that she and Secretary Vilsack started in 2009, and we have sort of culminated our efforts in, what we call the Compass which is supposed to help direct and inform folks that are working around local and regional food systems,

which I think are important to a lot of different communities. We're seeing a lot of interest across the country, and we hope it's useful to you all as well.

So, if we can just show her video, that would be wonderful.

[Track 3 - Video]

Kathleen Merrigan: And so, I don't want to abandon the kids, we're off traveling. But I will meet with you --

Male Voice: Sorry.

Female Voice: We know where she's at now.

Female Voice: There she is.

Kathleen Merrigan: Hi. I'm Deputy Secretary Kathleen Merrigan, and I wanted to welcome all of you to headquarters here in Washington, D.C. and to thank you for your commitment and your time and the work the council's going to do; we're really excited about it. I'm sorry I'm not there in person. I have two young children and this is our family's vacation week, and I don't do as much as I should in the home front, and so I don't want to abandon the kids, we're off traveling. But I will meet with you in the future, as well as the secretary who is also on the road, and we're glad that our chief of staff, Krysta Harden, is there with you.

What I encourage you and to help us in this administration to fulfill President Obama's desire that we do more with Indian country and help you in the ways that are most

meaningful.

Speaking of meaningful, when I have visited with representatives from Indian country and traveled around the countryside myself, I hear a lot of interest in local and regional food systems, building up food systems in Indian country. And I hope all of you have heard about the Know Your Farmer, Know Your Food Compass, a marvelous tool. If not, give me a moment for a small advertisement.

This is a geospatial mapping tool that's on USDA's website that you go to and you can look all across the country, and it shows you the investments that USDA has made in the course of this administration to support local and regional agriculture. You can search it by an area code and say, I want to see everything in a radius of 400 miles or 50 miles. You can look at a state, you can look at a county, you can look at it by themes. It's very navigable. It's a wonderful tool. I hope you take advantage of it. It's the 2.0 version. We released it earlier in the year and then we just re-released it in July with a lot more data points, 15,000 data points on this map. It should give you all kinds of ideas about how USDA programs can be used to support local and regional food systems. So, go forth and navigate the Compass. It may help you with ideas for your communities and help us all figure out ways that we can do better across the country in supporting people on our working

lands.

Have a great time and have a productive council meeting.

[End of video]

Suzanne Palmieri: Thank you. Thanks. I'll just reiterate, have a great and productive council meeting.

Female Voice: Suzanna, [indiscernible].

Suzanne Palmieri: The Compass website? It's on the front page of the USDA website. There will be a Know Your Farmer, Know Your Food icon. It's a very bright red tomato. If you get to that website, the Compass, it's a map, pretty much first thing you see.

Female Voice: [Indiscernible].

Suzanne Palmieri: Yes. There are also a lot of nice case studies that are on the narrative piece of the Compass. We love to have additions any time we can find them. So, if you're working with USDA partners across the country and you have a success story or best practice you'd like to share, let us know. There are ways to -- there's an e-mail that you can send us your case studies.

So, we are finding that people are listening and that it is something that once we can see what's going on in the next county or what's going on in a community down the road, you have an idea, you want to see if it works, you can usually find something on the map that is close to what you're trying to do

and link right on to the people that have put it together and talk right to them. So, I think we're seeing that this is very, very powerful and how it's letting people communicate in this area.

I don't know how to get it up on the website, but here it is. It's the Know Your Farmer --

Male Voice: The big red tomato.

Suzanne Palmieri: The big red tomato. We had to debate whether it was a tomato or a pepper.

Joanna Stancil: Are there -- this is Joanna. Are you aware if there are any native communities on there?

Suzanne Palmieri: There are. There are.

Female Voice: Well, in effect, [indiscernible] yesterday, and when we were up in the Office of Tribal Relations and they specifically work with the deputy secretary's office to populate that website. So, you can already put a face with a name as council members and know that if we could start this up with additional stories, then Eleanor [indiscernible].

Suzanne Palmieri: But a lot of this effort has -- we've been trying not to be pushing it out from headquarters but wanting it to be community grown. So, the more people know about it and understand what we're trying to do and they bring us their ideas, then we can help figure out which is the best place for them to work with in USDA, and that's kind of

the point of how this is working. But it is working, which is the good news.

Joanna Stancil: Any other questions?

Mary Thompson: Good morning. I'm Mary Thompson from Cherokee, North Carolina.

[Indiscernible] one thing, what other partners you've had within the programs to help you get that message out and to get that program out to the community, to the farmers?

Suzanne Palmieri: Likely not enough, but we are trying to use a network of folk. We did a -- and this is all new terminology, and it's called Hangout, through the White House, which is they've been really, really enthusiastic about our efforts here and they understand sort of the power of the community-building capacity that this program has. We had a Hangout with some White House officials about a month ago when we re-launched, 9000 people could view. We had, I think, eight different locations connected. And the Hangout is just sort of a video conference on the web, so you get a lot more participation. But we are trying, kind of, in every way possible through the task force that put together this program initially has a membership of about 60 USDA, dedicated USDA, there are more people that sort have come in and out when we did different kind of projects, but we've asked all of them to put together their distribution list, so at anytime anything comes

out, we have to send it out by e-mail. But if you have suggestions about how better we can do outreach on this, we are always looking for better ways to do it.

Mary Thompson: I guess the suggestion would be to find those organizations within the community that the people know of, the farmers, the ranchers, and all the communities. Because not all of them have access to a lot of the USDA programs. There may be in the county but they're way out, or they may be in the state but they're many counties away. So, to me, that's one of the more important components of your project being successful, is getting it back to those farmers and those community members in rural areas.

Suzanne Palmieri: Well, I know we have found as a challenge. Just making sure that our own employees understand what it is that we're trying to do. I mean, headquarters could have great ideas, but if the field team doesn't --

Mary Thompson: If they don't get out there.

Suzanne Palmieri: Get it. So, I look at Juan as well, the FSA folks, we spend a lot of time. We actually had some folks in FSA come up with some strategies to sort of train, trainers to go out and to FSA offices so that people -- we don't want folks to come in and say, "Oh, I want to deal with your Know Your Farmer, Know Your Food initiative," and maybe a sort of a blank face that they don't know what the folk's talking about.

So, it has been -- this Compass is supposed to be not only just for external stakeholders but also for our internal employees to get a better sense of what different programs are. Because we do find that FSA folks aren't always as sure of how a rural development program might help an FSA farmer. And so, we're trying to get a kind of cross-communication amongst ourselves as well. And that's a big challenge. We have 110,000 employees that do all different kinds of things. I mean, we have -- the Forest Service as well is really trying to get very active in this space, and this is not something they think about, local and regional food systems, but they're trying now.

Mary Thompson: And I'm glad you recognize that it is an issue to get it out like that, because it seems to be even more of an issue to get it out to the Indian communities in rural areas. Thank you.

Suzanne Palmieri: Okay. Let us know how we can help.

Joanna Stancil: Any other questions before she goes back to headquarters? Thank you so much.

Suzanne Palmieri: All right. Thank you. Thank you all.

Joanna Stancil: All right. We're going to go ahead as we wait for Jodi Gillette from the White House to join us this morning, we'll go ahead and start with our presentations. We were going to do that after the break, but we have an hour or more until the break. Do we have our -- Daniel Whitley?

Male Voice: He`s not here yet.

Joanna Stancil: He`s not here yet? Is anyone here from Farm and Foreign Agriculture Services?

James Radintz: Jim Radintz, I am. My cohort, Mr. [indiscernible] hasn`t arrived yet.

Joanna Stancil: Okay. Did you want to wait until--

James Radintz: We have a joint presentation so it probably would be best if --

Joanna Stancil: We are flying through the agendas.

[Track 4]

Joanna Stancil: And we thought we weren`t going to have enough time to get everything done. Well, we`re just going to zoom through this. All right. I do want it noted for the record that we do have a change. We`re moving up the Tribal Technical Assistance Network, and we have Zach Ducheneaux with us to present on --

Zach Ducheneaux: Yes, ma`am. Good morning, everybody, and thank you very much for having us. It`s an honor to be here and to have our staff here to visit with you folks, and, in our mind, help pave the way for the next 30 or 40 years of Indian Act policy.

It`s kind of loud, isn`t it? Is it too loud for anybody? I can just stand in here --

My name is Zach Ducheneaux. I'm from the Cheyenne River Sioux Tribe in South Dakota. I am an ag producer and recent graduate from the Farm Loan Programs. How about that Chris? I've been involved with the Intertribal Agriculture Council since about 1994 when we started the farm advocate program funded by Northwest Area Foundation. And Sarah was even working with [inaudible].

Joanna Stancil: Zach, can you speak closer to the mic?

Zach Ducheneaux: I can. It's loud over here though, and I didn't want to be too loud for anybody else.

So, the IAC has been working since 1987 on Indian ag issues. We were formed after a disaster in the mid-1980s necessitated federal assistance on Indian reservations. The congressional oversight committee asked the tribal leaders at the hearing, "Why, with all of these resources at your disposal, do the Indian tribes need this extra help?" And they said, "We would like someone to put together a study so we can get to the root of the need for this extra assistance." So, the IAC was formed from the group that did that study. It's the Indian ag workgroup, and they put together a report that identified a lot of the same issues that you're going to hear about over the course of your tenure here on the council: lack of access to credit, lack of ownership of assets to improve the value of the resources, lack of recordkeeping, just a whole gamut of issues

were identified in that report. The workgroup brought it back to Congress, and they recommended the creation of an intertribal organization to advocate for Indian ag on a national scale, and that's when the IAC was formed, in 1987. We've been at this for just 25 years now.

It's always been a vision of the IAC to have a network of technical assistance specialists out there in the field to help coordinate the access to these programs. Indian producers, as you're all aware, are in a unique set of circumstances where they need to not only be able to speak their tribal language but the language of the BIA and the language of the USDA. So, we kind of see ourselves as three-way translators out there to help bring everybody to the same table.

The network was formed in 2010 through a five-year agreement with the Office of Tribal Relations. The IAC is to provide 10 to 15 technical assistant centers. We currently have one in Alaska, one in Washington State, Oregon State, we've got one and a half in Montana, we've got a full-time position in Montana; Kole Fitzpatrick is here from Montana, our part-time person isn't here. Barbara Blake is here from Alaska. We've got one in Oregon, one in the Phoenix area, one on Navajo, one in Albuquerque. We've got two in Oklahoma, we've got myself and an assistant in South Dakota to serve the Great Plains region, we've got Dan Cornelius here from the Wisconsin region.

Steven Bond [phonetic] is the Phoenix area representative incidentally and he's from Oklahoma. And we've partnered with the United South and Eastern Tribes to cover the eastern half of the nation. There's just too much to learn there for us to bring someone fresh on. USET has a pretty broad and deep knowledge of the ag issues and the USDA issues in that part of the country, so we partnered with them to provide that service over there.

Since we've started -- and I think you all got a copy of the report that we provided -- since we've started we have found that there are several different issues nationwide. In my part of the country, it's ag credit. Where Dan is working over there in Wisconsin, the emphasis is food cooperatives, food systems, local food systems. Where Kole is over in Montana, it's a lot of ag credit and a lot of conservation issues. Barbara deals with a lot of subsistence issues. Steven is dealing with local gardeners, and just actually introducing the USDA to some people that have never heard of the things that the USDA is doing over in Southwestern part of the country. So, it's been a challenge, and our people have done a great job of rising to that challenge.

When we interviewed for the positions, we asked the people if this was their passion. Because we felt that if they were passionate about this, like the folks in the IAC are, they would

be able to educate themselves on whatever issue needed to be so that they can have that informed discussion that the agency official or the BIA official, on behalf of the producer. We want our folks to know that program as well as the person sitting across the table so that they can be the best advocate for that producer and the best translator for that producer.

And I've had the opportunity to go around the country to a few places and talk about what the network is doing. And every time I look at that agenda, I think, good Lord, 45 minutes, I could say everything that I've got to say four times. And every time, I ran out of time because I'm so passionate about this and we're doing so much. Rather than use up all of the time, I would rather ask at this point in time if there is any questions that the council has of me, of the IAC, of the network, and field those questions at this time. Yes, ma'am?

Female Voice: Could you actually have the technical assistance professionals stand so that we could put a face with the name?

Zach Ducheneaux: Yes, I would. Would you guys all stand up? Dan Cornelius is on the left, Kole Fitzpatrick, Steven Bond, Barbara Blake from Alaska, and we've got a couple more that will be in here in a little bit. Thank you.

Male Voice: How is the IAC funded?

Zach Ducheneaux: The IAC, at its inception, was funded

through an appropriation through the Department of Interior through the BIA. It got to a point with the budget crunch of the „90s that the IAC decided it was counter-productive to our constituents to be competing with them for the diminishing BIA funds. So, the IAC decided they were, at that point in time, going to go and seek other government grants and agreements and contracts to provide services out there that would fulfill our purpose. So, since that time, the IAC has sought funding from a lot of USDA funding, a lot of state agreements through the state USDA offices. We've got a couple of different applications turned in to Kellogg and Northwest area that we never did get any traction on. Mostly through government contract work.

Yes, sir?

Gilbert Harrison: Good morning. My name is Gilbert Harrison. I'm from the Navajo Reservation.

Zach Ducheneaux: It's good to meet you, sir.

Gilbert Harrison: It says in your report you have a representative in Navajo?

Zach Ducheneaux: Yes, sir.

Gilbert Harrison: It seems to me like it's a secret from the reservation because I've been in twelve important tribal groups [indiscernible] level and we have not heard of this organization.

Zach Ducheneaux: Okay.

Gilbert Harrison: Maybe we need to get together and start working those more and [indiscernible] the word.

Zach Ducheneaux: Absolutely.

Female Voice: [Indiscernible].

Zach Ducheneaux: We've got Daniel Motow [phonetic] who works in Tachi.

Gilbert Harrison: As far as getting the word out there in the tribal level [inaudible].

Zach Ducheneaux: Yes. And it's a challenge on Navajo, we're finding specifically Navajo, because of the lack of communication infrastructure. About the only way to get the word out is in person, face to face. And there's just -- it's such a broad nation that it's really hard to have that one person get out there to everybody. So, we've got Desbah Padilla in Albuquerque who also gets up to the Southeastern portion of Navajo and we've got Steven Bond who has also been to nearly every chapter house on the western side. So, we're trying, Mr. Harrison, and we will get to you. It's just a matter of time and effort. But we appreciate the comment, and we'll make sure that we get in touch with you.

Gilbert Harrison: I think next week there's an agricultural conference in Window Rock [cross-talking].

Zach Ducheneaux: Yes, and they will be there. Thank you.

[Track 5]

Zach Ducheneaux: Yes, sir, Mr. Wadsworth.

Mark Wadsworth: Yes, Zach. I was wondering if you could--

Joanna Stancil: You've got to speak into the mic, Mark.

Thank you.

Mark Wadsworth: Zach, I'd like you to kind of address the 1993 Agricultural Indian Resource Management Act, kind of the intent and maybe for both us, as the council and also to the USDA representatives here, and possibly how they could assist us with that fulfilling of that act.

Zach Ducheneaux: One of the first and foremost things that the AIC worked on was to wrest the control of ag policy on a local level from the BIA and the Department of Interior and put it back into the tribal government's hands. Through the American Indian Ag Resource Management Act in 1993, they were able to do just that. It is incumbent now upon our reservations and our nations and our tribes to exercise the authority that has been given to them through that act. And local control is critical in having successful policy.

And I think what Mr. Wadsworth is alluding to is the fact that with the help of the folks in the USDA, we're able to put some of that local control back out there where the USDA comes in as through the education of our folks, what having that control can do for you, what setting better policies for your range management or your timber management can do, how that can

get you in the door to the USDA programs, the proper keeping of production records. Without that, a lot of doors aren't open to you. The production records are part and parcel of knowing what you've got out there, and the Ag Resource Management Act takes the step of getting that from the BIA's hands into the Tribal Nations' hands.

Yes, ma'am?

Female Voice: For folks who may not be as familiar with that act, how does -- does the tribal government trigger the use of that act by -- by what means?

Zach Ducheneaux: The tribal government would put together an ag resource management plan that would then be passed by that government and that would become the marching orders for the Bureau of Indian Affairs. Currently, if there is a lack of local reservation policy, the BIA falls back on BIA regulations, some of which were written in the 1940s. Mr. Harrison's chuckling because he's been a victim of that.

So, what this does is it lets the Tribal Nations basically re-write the CFR to suit their interest based on their knowledge of what's going on out there. And there're very few tribes that have exercised that authority.

Mark Wadsworth: I guess, you know, the reason why I brought that up is we're going through that process of the ten-year plan, and the Bureau of Indian Affairs receives funding to

help tribes to develop those plans, but I see the need as you expand upon that is that it's supposed to be agriculture, how it works with the other natural resource programs within the reservation and how BIA can assist with that, and under the CFR, it basically says that the bureau will follow any rules, ordinances, or resolutions that the tribe, as long as they're not in direct conflict with the CFR.

One of the situations that we're running into is that as we went into the Integrated Resource Management Plan which that has evolved into, and I think that a lot of Native Americans out there refer to as the IRMP now, instead of the Agriculture Resource Management plan, that what we're finding out is as we're addressing this issue, we're getting into the NEPA portion. And as those NEPA documents -- because if tribes truly wanted to take control of their reservation and their resources, we would like what we had called as a TEPA, Tribal Environmental Protection Act, in which we would like the federal government to recognize our 10 steps to having projects out there.

And we're running into that when I order our program as working with EQIP programs and conservation programs, and I think that if we as a council would kind of get the word out to the NRCS people and the other natural resource and maybe the farm service people, that, you know, maybe we need to go into some MOUs or MOAs that our TEPA process would supersede the NEPA

process, and that's just a comment I would like to bring out there, that we're working on currently.

Joanna Stancil: This is Joanna. In the future, if you're going to make a comment, please state your name. You don't have to do both names. But if you'd state your name, that'll make it easier for the transcribers to take the minutes of our meeting.

I'd like to welcome Chairman Jandreau. Thank you. So, note that the chairman has arrived.

Zach Ducheneaux: Mr. Beyerhelm.

Chris Beyerhelm: Zach, this is Chris Beyerhelm with the USDA. First of all, I just want to thank you and IAC for the work that you've done to help. And I liked what you said about translating USDA and particularly farm loan programs in Indian country. I think we've got some real good success stories, and I look forward to continue to work with IAC on that.

My question for you is, when you saw this council is being formed, what kinds of things do you hope that we will do that will help you in the work that you do?

Zach Ducheneaux: The biggest thing -- and Mr. Beyerhelm has been very helpful to the network through his progressive approach to what the FSA can do. And a lot of times, what you need to do is legal and allowable and can be done if the people at the local level will just say, "Huh, well, I've never

thought of doing it that way, but let me check and see if I can," instead of saying, it's never been done that way, therefore, it can't. And sometimes that latitude to be progressive, to be open-minded to the circumstance is there; other times, it's not.

One thing I'd like to see come from this council and what I had hoped to seek on from this council was more awareness of the actual circumstance on these Indian reservations. The IAC has taken to using the phrase "a credit desert." In Indian country, interest rates are typically double, triple or quadruple what they are in non-Indian country just across that reservation boundary because of the misconceptions that we've allowed to be propagated by lenders. They're fearful of tribal court jurisdiction. They're under the impression that Indian's don't pay, and that's not true.

So, not only help us and by all means, use the folks in the network as your field staff. If you have a question that you need answered, get a hold of one of these folks. We'll make sure you all have their contact information, have them go out there and do that work, gather that information for you, identify those barriers, narrow it down to a regulation or statutory changes needed, or a change of mind, a change of heart even. Sometimes that's all that's needed to be able to be more effective. And FSA has been a great example with progressive

leadership, what can be done at the local level. It just sometimes takes some effort to get that to percolate down through the bureaucracy to that level. And I'm not using bureaucracy in a negative way. It just is a bureaucracy and it takes time.

Chris Beyerhelm: Is there a positive way to use bureaucracy?

Zach Ducheneaux: It just is.

[Track 6]

Joanna Stancil: Are there any other questions?

Zach Ducheneaux: Yes, sir, Mr. Lunak.

Gerald Lunak: I'm going to need to talk to that mic?

Joanna Stancil: Yes, please, if you would. We are recording the meeting as part of our taking minutes of this. Okay. Well, they were supposed to be wireless but they didn't work out that way. Sorry. And just restate your name. Thank you.

Gerald Lunak: Gerald Lunak. I guess, I have a question regarding FSA and the duplication of the tracks versus allotment, and beyond that, just the communications between the local USDA office and the local BIA leasing office. And I've actually talked to the FSA of our county, but we would like to have considered or pursued is if there's a way that we can somehow marry these two processes. Because basically what we're

doing is we're issuing a lease through the BIA by an allotment, and then that producer has to walk that information to FSA, and then get that tied into their system as a farm track. And we feel like the one thing, the chance of that communication proceeding, sometimes it doesn't happen, sometimes it's misconstrued.

But the other thing beyond that is for tribes who actually are on the ground developing farm plans through BIA bidding processes is we have that immediate, direct, current information, and that information should actually be transposed to FSA directly so that we don't have acreages that are either lost or misconstrued through that process, or just because the length of time it takes for FSA to receive and process is an issue. I think that's a detriment to producers, because they may not be able to get the acreages that they have in the system. And secondly, it's a good communication process. And I know there's probably legal processes but that's something that we'd sure like to have, IAC [indiscernible].

Juan Garcia: This is Juan Garcia. Gerald, you bring up a very good point. In fact here during the last couple of months, we are working with OTR and BIA, and we've already started a process. In fact, we're working with a pilot county right now to try to do exactly what you're saying so we can merge your acreage, your track data with our track data. So, it's work in progress right now.

Gerald Lunak: The same with regard to [indiscernible], we have updated databases on all our leases, we [indiscernible] through this process [indiscernible].

Juan Garcia: We're working on that right now.

Zach Ducheneaux: Thanks, [indiscernible]. And Mr. Lunak and Mr. Garcia, what we can do to help is, is out there in the country, there are little pockets of this stuff going on on a local office level. At home on Cheyenne River, the BIA works pretty closely with the FSA on these track numbers. We even got our farm loan officer to visit the tribal headquarters a couple of times this year. We're doing good. What we can do is as you identify these things that you feel need to be changed based on your expertise and your fields and your knowledge of your region, make us aware of what it is you're looking for, we might know where there's a pocket of it happening, and we can bring those folks to you and say, this is how we do it, this is why we do it, and help share that information of those good practices.

Ms. Stancil, if you would like me to sit back down so the folks that are scheduled to be here at this time could go, I'll be here all day.

Joanna Stancil: Thank you, Zach, for volunteering to do that because we do have Jodi Gillette just joined us, the senior adviser to the president.

Zach Ducheneaux: My boss is very important to me, but her's is more important.

Joanna Stancil: Thank you.

Zach Ducheneaux: Thank you. And I'll be around all day. Catch me at lunch, catch me at supper, and I'll be back up during my scheduled time if you have more questions. Thank you, folks.

Joanna Stancil: All right.

[Track 7]

Joanna Stancil: All right. Welcome, Jodi.

Jodi Gillette: Thank you.

Female Voice: Yey, Jodi.

Jodi Gillette: So, I just want to thank everybody for traveling all the way to D.C. for those of you that are coming from out of town. Thank you, Janie, and folks for hosting this wonderful, wonderful first council meeting. I know that many of you have been working on these issues for quite a number of decades, years, some of your families, centuries. And so, I think that it's very important that we spend a little time to acknowledge all of the people that have come before us and the people that are going to come after us, because we know that they're also a wonderful, wonderful resource that we need to pay attention to. And I always thank Janie for reminding us about the youth and their role in our work today.

I do want to say that this administration -- start out by saying that this administration has always paid a close attention to the past. And so, part of what the president and his cabinet members have always focused on is trying to get out of the shadow of the longstanding disputes, the legal disputes that occur between Indian country and the United States government. And we know it's a very long past that has a lot of history, a lot of pain, it does cast a shadow, and there are some dark chapters that we're trying to move past. And from the very top, people have always talked about being able to work with people in a good way, and part of doing that is healing, and the Keepseagle settlement was a big chapter and part of that narrative. And so, I want to thank USDA, the secretary, the staff that he brought on board, the people that were in the civil division and all the folks that were involved with that, and then especially also the folks that worked on the case as well. So, I know Sarah was intimately involved, as you all know, and those of you that were part of the class.

You know, coming together does take two sides. It doesn't just take the government and deciding that we're going to move on and resolve some of these things, it takes two. And I always thought of this case as something that was very close to me, obviously, because I'm from North Dakota, I'm from Standing Rock, so the name of the plaintiff is Keepseagle, know the

family, have been just always aware of them. And I also understand the terrain that many of you had dealt with from an individual perspective.

As a tribal member on the reservation, I grew up in Pine Ridge but I have relatives and folks in my community that have had a long history with accessing credit and having challenges and barriers in their way to make sure that those things were addressed in a real way, and this administration is something that I feel very strongly and personally about. And I would say that Keepseagle for me is probably the thing that exemplifies why I came to D.C.

I think that for too long people have -- and this is a typical thing to say, but people have talked about things, but actually doing things is another level of commitment, and I think that all of you coming here today have taken that step forward to make sure that we're all walking together towards a brighter future. And that brighter future absolutely has to be tied to the land, absolutely has to be tied to the individual people that have the expertise and the knowledge to make not only the programs work but make sure that the people that are using, the end-user of the programs are getting the best deal.

So, we just heard a couple of examples where systems don't work together. The Department of Interior, USDA, they're two different agencies, and so there's sort of a siloing or a non-

communication or a sporadic communication, inconsistent communication. It might be really good in one area, it might not be very good in the other area. And I think that my time, both at the White House and at the Department of Interior -- because as you might know, I went to the Department of Interior for about 16 months and spent time as a deputy assistant secretary for Larry Echohawk, and at that time, I worked with USDA and the programs on ways that we can, I guess, communicate is the number one thing.

You see time and time again where USDA has the programs, they have the wherewithal, the knowledge, the data on farm and ranching, but you have BIA who has the legal authority over decision-making on lands. And so, having the best interaction and interface between those two agencies is critical. And I'm glad that it was one of the things that is brought up in the first hour of this discussion, because I do think that that's a charge that this council can provide and advise that we make some real progress on the things that are happening. And I don't want to say that nothing is happening, because for a long time, there have been MOUs in place and we have tried to drill down and find some of those specific things that folks have brought to our attention. The field is really where it's at, and we can -- as politicals, we're here for a short time, we're not here permanently, but really making sure that those best

practices are institutionalized and made consistent across is really important.

The seating of this council is also something that's part of what the president is committed to in terms of consultation. So, even though this isn't a consultation group per se, it is part of the way that we're trying to improve what kind of information we're getting from the outside. And this is -- you're seated with Department of Agriculture people and you are working together on these types of things, but the communication is key and having that openness and that sort of responsibility to -- I know that the people that work on the government side really are here and committed in a way that everybody from the top, from the president, Secretary Vilsack, Secretary Salazar, everybody takes consultation very seriously, and it's good to see this group of people coming together to do that. But also, the work that you're doing at the roundtables that you've already had in the field and that you continue to do is also something very key. Because as you know, part of consultation is not just going out and listening, but also making sure that those ideas are translated in a meaningful fashion into policy, into changes that happen to make everything work in a more efficient and streamlined fashion.

The Rural Development, FSA, there're all these different agencies, and you're going to -- I think you already -- today is

when you're going through a lot of them. And I just always think of USDA as sort of the place that I know there's a lot there, but I'm not exactly clear on all of it. And this is probably the area where a lot of natives are unfamiliar with the ground, and I'm glad to see that there's going to be special attention paid to what is available at USDA. It's one of our largest agencies, and it does a lot across the country. Last year, the -- or, I guess from 2009 to 2011, Rural Development alone has placed \$1.3 billion in rural native communities. And that's a big chunk, that's a great number.

[Track 8]

Jodi Gillette: But we also know that the need is very great. And when you talk about infrastructure projects, when you talk about the cost of some of the broadband, the needs that are out there -- broadband, water, the electrification needs -- there's a lot that Rural Development can do and they've gone a long way but we know that there's more work to be done. And

part of that is trying to find smarter ways to work together locally. The budget realities are telling us that it's not feasible to have -- to think that it's going to get better.

The budgets are probably going to decrease, and I

think that we are going to have to find new and creative ways to come up with solutions locally, especially for the infrastructure projects. And that's something that I'm really interested in hearing about, if the council has any thoughts or has any discussion on it, and I'm sure that I'll be keeping close contact with USDA about the progress.

I also think that all of you are very heroic, I guess in my mind, because of the commitment that you put forward to address not just what happened in the past but try to make it better, in that we have a special kind of commitment, I think in Indian country. And I can only speak for my own community in terms of how we think about food and how we think about how we take care of ourselves. And in this realm, the food and agriculture, those have always been a part of our people and the way that we live, the way that we take care of ourselves as we have to eat. And so, you have a varying degree -- or, you have diversity, I should say -- you have diversity in Indian country about how different native communities think about food and agriculture.

And at this point, there are some people that have been thinking about industrialized food development for a long time, and it's been hard to get into that realm. But it's not a stretch from our values. I mean, this isn't something that we're just coming up with. There's a long history that pre-

dates the beginnings of this country, and some of the most interesting things that I've heard -- and this is why I think your convening here is so important -- some of the most interesting things that I've heard is at our first annual Let's

Move! anniversary, there was a woman, and I think Dustin [phonetic] brought her from the Muckleshoot Tribe, and she was incredibly -- I can't remember her name, but she was -- Valerie, yes, Valerie, and what she talked about was Let's Move! in Indian country, how we're having to look back at our food sovereignty and really look at the ways that we think about food as Indian nations. And some of the things that she's doing or trying to start going back -- and I always say, I don't know if this appropriate or not -- I always think, back to the future.

So, they're starting to look at the traditional ways that they used to eat, and they're using that as a solution to some of the modern-day problems that some of our current eating and diet, that it's not the healthiest. And so, we know that's a big initiative for the First Lady.

She wants to combat childhood obesity in Indian country. But, where the keys are -- and this is where the council's work is so important -- is the keys are really in how -- the understanding of the land,

the understanding of food, the understanding of what we know as Indian people are important to us and how that can play a part in the solution. And those are the things that are really interesting to me to try to figure out and couple what's important to Indian people to creating and helping to boost or accelerate the economy, and then also making that into jobs and a healthier way to eating.

And I just have to say that the items that I'm aware of are

-- I don't know of everything that's going on out there, but certainly the popcorn that's being grown in South Dakota and I think some of the wild rice, the harvesting, but it doesn't just have to be the traditional food sources. It could be a lot of things, whatever you think that makes the most sense for your community. And I guess that's what I'm trying to say, is that the decision and the authority and power really lies with the Tribal Nations and built upon the growing knowledge and expertise of the farmers and ranchers.

And just not -- I am certainly not a -- I don't come from a family of ranchers and farmers, I come from a family of teachers, so both my parents are teachers, but I think that growing up in the plains and having to ride horse -- I mean, everybody has to ride horse, and having close relatives that do engage in farming and ranching gives me a special appreciation for the hard, hard work that people do every single day to make

their ranches and farms successful. And it is every single day. And I just have a lot of admiration and respect, and I'm so glad that some of the folks that are on this council have been a part of that culture and will not be afraid to roll up their sleeves and get things done for all of Indian country, through the council and USDA.

So, with that, I just want to thank everyone and appreciate the time that you've afforded me, Janie, and the council and Joanna, you guys have always been wonderful in including the White House in keeping us abreast of the items that are confronting you. So, thank you for that. And I'm happy to take a few questions if you'd like.

Joanna Stancil: Are there any questions? Please state your name if you have a question for Jodi.

Mark Wadsworth: I do. I was wondering, Jodi, as I remember back into the Clinton administration with Al Gore, when they used to have the enterprise zones and enterprise communities, and I think it was through Rural Development maybe that came through. And I remember that Pine Ridge Reservation was an enterprise zone at that time, if there is -- and I hope, you know, re-election, is there any effort looking in that direction again?

Jodi Gillette: Well, I mean, this is -- if you're

recommending it, I think that would be a good recommendation to look at ways to target resources and I think there's a lot of lessons to be learned over time and how we could improve the effectiveness of something like that. But if that's something that this council is interested in, we're certainly open to it.

Joanna Stancil: For the record, let's just state that the last comment, the male voice, was Mark Wadsworth.

Mark Wadsworth: Sorry about that.

Joanna Stancil: That's okay. It's kind of hard to get used to that.

Mark Wadsworth: I'm not used to this,

[indiscernible]. Joanna Stancil: I know, I know.

Mary Thompson: Hi, I'm Mary Thompson from North Carolina. And I was just previously listening to Zach with IAC, and I was so glad to note in there that as one of the issues they had noted youth in agriculture. And we've always -- I've always considered youth in agriculture and women in agriculture and being an Indian a triple minority. And then I'm a veteran, so I'm four times minority, right? But what I was wondering about -- and you mentioned in the RD program, \$1.3 billion in rural, tribal areas, and you would like to know about the infrastructure needs out there. Do I understand that

correctly?

Jodi Gillette: Uh-huh.

Mary Thompson: And for these youth and these women in agriculture, sometimes -- you mentioned some of the -- going back to the traditional crops, back to the future, and I kind of do that with our Cherokee wild edible crops. But with that though, with that component, there's this other -- and the terminology, I think, is value-added product. And because a lot of times, some of the traditional crops and soy, the crops that are not making it in these drought situations, that maybe as they look at other value-added crops -- and they are, whether they're wineries or whatever grows in that particular area, that there could be additional funding designated for youth and women in agriculture, and maybe they need that value-added component in order to keep them there. Just a thought. Thank you.

Jodi Gillette: That's a good idea. That's great.

Thank you.

[Track 9]

Joanna Stancil: Please speak into the mic. Thank you. Gilbert Harrison: Good morning.

Joanna Stancil: Are you on? Just state your name.

Gilbert Harrison: My name again is Gilbert Harrison. I'm from the Navajo. One of the biggest impediments for economic development and even farming and ranching is the lack of investment because of the trust status of the reservation. You can't invest in the land and expect to get that investment back at the end of whatever period because according to the BIA, it's all trust property and the owner goes back to the nation. So, if I put a lot of money into farming or even at just developing a market of some type, infrastructure, I get no chance of getting that investment back because of the trust status.

I would like to see some effort so that the individuals that invest in land or in businesses have an opportunity to get their investment back at the end of the term. And that really is a big impediment to anything we do. Because right now we put up -- my family and I, we put a lot of effort into getting our farm up. But at the end of that term, the land goes back to the BIA, as you say, and I get no investment back, I can't expect any kind of -- anyway, I think that's something that needs to really be discussed, because not only does it apply to Native Americans, but we try to invite outside people to invest. There's no way that we can do that. And I think that's

something that really needs to be addressed is how can we get some sort of investment, incentive-type of ideas into the BIA. I know there's a lot more to be said about BIA but I'll leave it at that. Thank you very much.

Jodi Gillette: Thank you. I think it's going to be really a good time for us to have these kinds of discussions especially in light of the reg reform that's occurring over there. They just recently went through the process of reforming the business, home site, and wind and solar leasing regulations, and they split off the ag regs, and so the ag regs are not in the final rule state, they're in the beginning. So, I think those discussions are happening with diff workgroups, and I'm happy to give the name to the folks, Joanna, so that they have -- you guys are fully aware of when those agriculture leasing regs are going to be up for proposed comment. They haven't even been published yet, so there's no proposed rule out yet. That's a really good place to address it.

The other place that I would definitely look at is going to the Indian Trust Administration and Reform Commission.

There's also a similar -- it's not similar to this. The only reason that it's similar is that it is also a way that they're trying to improve the trust administration in light of the Cobell Settlement. So,

they had started up a commission, it's a FACA committee over at the Department of Interior, and I think they're having quarterly meetings, so that might be some good information to share with the council. They're really looking at reforming how they look at trust property, and how their relationship with the individual land owners as well as the tribes when it comes to trust administration. Thanks.

Female Voice: This isn't really a question, but I wanted to thank, on behalf of the Keepseagle team, the support and the settlement of the Keepseagle case, having endured eight years of the Bush administration, having the Obama administration, Secretary Vilsack come in was, like, pretty much night and day. So, I think -- you know, this is one of outcomes of it, and this council is going to go on for five years, and hopefully we can accomplish a lot of the objectives that the White House shares.

Jodi Gillette: Thank you. Thank you for your work. And I want to also thank the folks in USDA for expediting the Track A claimants. That's really great.

Joanna Stancil: Any other questions of Jodi? All right. Thank you so much for being with us today. I think we'll take this opportunity to go ahead and take our morning break. If you will please be back in your seats at 9:45, we'll be back with our agenda, and with farm and foreign agriculture service.

There are refreshments on the right side of the room including the terrible cookies.

[End 8-14 CD1 Track 9]

[End of transcript]

**Council for Native American Farming
and Ranching, Meeting: August 14-15, 2012
CD2 8-14 Track01 to Track05**

[Start of CD2 8-14 Track01]

Female Voice: Welcome back, everyone. I know you're having wonderful conversations. Please feel free to refresh your coffees, get a bottle of water or your juice and cookie, and we'll start back with our presentations.

Joanna Stancil: All right. The next on the agenda is a presentation by USDA's Farm and Foreign Agriculture Service Mission Area. First up is Daniel Whitley, director of the Office of Civil Rights for Foreign and Agricultural Service. Welcome.

Daniel Whitley: Thank you. Good morning, everyone.

Participants: Good morning.

Daniel Whitley: Wow. We can do better than that. Good morning, everyone.

Participants: Good morning.

Daniel Whitley: That's better. That's better.

Male Voice: [Indiscernible]

Daniel Whitley: What was that?

Male Voice: [Indiscernible]

Daniel Whitley: Again, my name is Daniel Whitley, and I'm the director for the Office of Civil Rights in the Foreign Ag service. Now, our agency does not do a whole bunch of

programming. We have two major programs which we will get into and I'll talk about a little bit. But what I wanted to do is start out with an overview of FAS and what we do and our importance to American agriculture, then get into some of the details of the actual programs where I think we can partner and build better relationships and have opportunities with the Native American community.

Now here is a description as you would read it on the FAS Web page of who FAS is and what we do, but I will explain it a little differently than it reads. Our mission at the Foreign Ag Services is quite simple. It's to create, protect, and enhance U.S. Ag exports. As you know, American agriculture is the only sector in the entire U.S. economy that has a positive trade surplus every single year.

Male Voice: Preach on, brother.

Daniel Whitley: Not manufacturing, not services, not pharmaceuticals, none of these other industries return a positive trade surplus every year, but agriculture does, and it is vital to the American economy. For every \$1 billion in exports, it creates roughly 8,000 jobs. Let me repeat that because that's important. In a time where we're talking about unemployment, we're talking about a lot of policy issues that affect the overall global and domestic economy, it's important to remember that U.S. agriculture creates jobs. When we create

export opportunities, we create jobs, and that's roughly 8,000 jobs for every \$1 billion in exports.

Now, to carry out our duties, even though our mission is simple, which is to create and improve exports, we have a number of more complex activities that we take underway. We have an extensive data analysis unit that's regarded as the best and most unbiased in the world. The reason we're able to have the best and the most unbiased in the world is because we have a Foreign Attaché Corps that covers roughly 100 offices in over 150 countries. And we have roughly 100 members in our Attaché Corps working in these offices, and they're our eyes, our ears, and our first voice in these countries. They are the first to let us know when a problem is arising. They are the first to try and resolve these problems. And they negotiate on behalf of U.S. agriculture and the administration. And as you can see, we're well covered throughout the world. Right now, no one will be surprised that we have our largest quantity of offices in China. We have roughly six offices in China, and there are proposals to open two more new trade offices in China as we speak, provided Congress gives us the proper funding, but that's a different question.

But with these offices and with the Intel that we get from these offices, we're able to provide American agriculture with the information they need to make the decisions for proper

business management. We get weekly; monthly, daily reports on cropping conditions, on prices, on weather, on all the aspects that farmers, ranchers, and processors need to be successful in their businesses. We package it up and we share much of that information with the rural community.

And this is important because over 25 percent of all cash receipts come in the form of exports. So if you take 1/4 of a row crop acreage, all of that will go overseas, not even consumed domestically. It's going overseas. So ag exports are vital not only to the American economy but to the global economy because our presence helps feed many starving and under-, malnourished individuals around the world. When you hear about food security, we cover a lot of that as well.

Now, programs. We have two core units that have programming opportunities that I think make a good fit for tribal colleges and particularly the Native American communities. One of our areas is the Office of Capacity Building and Development, and they are charged with helping a market become a vital market for U.S. ag trade. And the story that I like to tell is, 30 years ago, Korea was our top food aid recipient in the entire world. And through our trade capacity building and technical assistance programs, last year, they were our number five market, over \$10 billion in exports. So that's what this unit does for FAS. They help develop markets in various countries.

Now, this is a particular organization, the Intertribal Ag Council, that has partnered with us to help share information with businesses and tribal communities and Native American communities on how to export. Many people come and they hear how great exporting is, but they don't have the intel. So we partner with the IAC through what we call market access program funding to help educate and inform businesses all over the country but specifically in various areas on how to export.

Many people who come to us have no information or knowledge about brokerage firms, freight forwarders, how to coordinate where they only pay for a share of container space, all the different intricacies that are involved with exporting products. But we use third party organizations to partner with to help share that information and educate and inform various businesses to bring in to our program. This is an area that I think we can increase. I've actually talked to our deputy administrator who runs these programs, and he is committed to help in increasing these opportunities for the Native American communities, so that's something we're very proud of.

Trade capacity building. In this particular unit at FAS, we have a number of different programming opportunities. Now, it's primarily focused on universities, but we have a very good track record in working with what we call MSIs, minority-serving institutions, which tribal colleges certainly fall under. And

what we do here is carry out various activities in markets that we want to try and grow. So for example, we may identify a country in Africa whose port facilities don't have proper refrigeration at the port. So we may bring in a tribal college to partner with us and carry out the activities and the technical assistance they need so that we can get our shipping vessels, so we can get our products into that market safely, in a timely fashion, so they can be exported and consumed in that country. And we partner with universities all the time to do these sorts of initiatives.

Also, we often bring in various experts from other countries. We bring in scientists. We bring in educators and professors into the United States and have them travel all around the country, educating them on new technologies and farming practices, sharing research, even cooperating with them on different research initiatives where the partnership lasts beyond their visit. Again, this is an opportunity where we have where we think we can work better with our tribal colleges and universities. So those are just a few examples of what we're doing at FAS specifically with the tribal college and minority-serving institution community (MSIS).

Now, here is a list of some of the colleges that we've worked with in the past. Some of these may be familiar to you. I was able to read many of your bios last night, and I can tell

you it's quite an impressive group. But Bay Mills, Chief Dull Knife, College of Menominee Nation, Diné, Navajo, Southwestern Indian, these are all institutions that we've already worked with. But we've also pledged to increase our work with more communities. We have planned to do an outreach activity this year to find new tribal college, universities, including Fort Berthold, Turtle Mountain, Cankdeska Cikana, United Tribes Technical, as well as Sitting Bull. And our efforts here are to not only strengthen our relationship with tribal colleges but also increase the funding opportunities that we do provide to tribal colleges.

MSIs last year made up about three to five percent of our funding. But as the director of the Office of Civil Rights, I've worked with our administrator and many of our deputy administrators, and we want to increase that by 100 percent over the next three years. So we are hoping to get that five percent of the 10 percent of our total funding for these opportunities. Not only that, we also want to increase the number of participants in our programs. We've been at around 17 MSIs, and this is not only tribal colleges but Hispanic-serving institutions as well as historically black colleges and universities, but we also want to double that number over the next five years from 17 to 34.

So we are working to improve many facets of our outreach and our involvement and participation in our programs at FAS. And I would pledge to you, as I stand before you today, that as long as I'm the director of Civil Rights, I will assure you that we will increase the diversity of the audiences that we provide outreach to. We will increase the diversity of the applicants who apply for our programs. And ultimately, we will increase the diversity of the successful applicants who end up partnering with USDA Foreign Agricultural Services.

[Track 2]

Daniel Whitley: So with that, I'll take any questions you might have.

Female Voice: State your name please. I'm sorry. Anybody have any questions?

Sarah Vogel: Sarah Vogel. What do you see the major opportunities being for native food producers for foreign sales? Or what's the interest? What's the lay of the land?

Daniel Whitley: That's a really good question, and we get that question oftentimes. Right now, we have an aggressive effort underway through what we call our SRTGs, state regional trading groups, and they assist small and niche producers which they would most likely fall under and trying to bring them into our export arm. And opportunities are vast. Three out of the last five years, we've had record exports. This year, we're set

for \$137.5 billion. And the way that NAFTA, the success of NAFTA, with Canada and Mexico having a proximity to the United States, many of our small producers have an opportunity to begin exporting at least to those nearby countries, Canada and Mexico, but also to expand it to some of the hot markets which we've identified as China, as everybody knows, as well as Southeast Asia. We've seen a lot of growth in that market. Their economies are going up. Their middle classes are growing. And many of you probably know the first thing people improve upon when they move from low income to middle class is their diet. And we're the best in the world producing high value products, and that's where the markets are.

Sarah Vogel: One sort of a follow-up question. I used to be a state commissioner of agriculture, and I was active in MIATCO, which I guess has a different name now. But in those days, I don't know that the State Departments of Agriculture had much outreach to Native Americans or our Native American tribes or Native American producers. So that's something you may want to, when they get together or something, you may want to subtly or not so subtly encourage some of those State Departments of Agriculture to do more outreach to the folks that are likely to be prospective partners with FAS in the long run.

Daniel Whitley: Right. No, you're absolutely correct. As

a matter of fact, I know the NASDA Conference is coming up, and I think I read yesterday where the secretary will actually be participating, and my administrator would be there, so this is something that they definitely intend on raising.

Another thing I do want to share is that the department has launched an outreach initiative where every agency has to develop an outreach strategy plan for the next five years. And I co-chair that committee in my particular agency, and a component that we're required to have and we're highly encouraged to have is inclusion of these diverse audiences: Native Americans, Hispanics, African-American, the whole gamut, women beginning and new farmers and ranchers. So every agency is in the process of developing an outreach plan to target all of these various communities that may have been missed in recent years. Yes, ma'am?

Janie Hipp: Janie Hipp. Aside from that avenue, I know the MAP program has been very effective in its ongoing relationship with Intertribal Ag Council. There are quite a few tribes that have export product constantly in the stream -- and Zach just walked back in; we're talking about MAP.

Male Voice: Yes, ma'am.

Janie Hipp: And they do export readiness training. And my understanding is that the tribes who do participate in that program have a trademark that is used for those products that is

free to use from IAC and that the tribes that do participate in that have a really -- they have the interesting challenge of having a high market demand. And so it just really has been a boon I think to a lot of tribes. And Zach is here with us today and tomorrow and can speak to IAC's experience with that. But export markets, to me, are sometimes overlooked by tribal governments. And the ones who have put that toe in the water have been very successful with it. There's a high desire for Indian products in Asia and in Europe. So I just think it's an area that we can continue to help on, I think.

Daniel Whitley: Oh, absolutely. And this is the economist in me coming out, but when you think about it, 95 percent of the world's consumers live outside the United States. We're only five percent of the world's population. So when you're thinking about selling a product, do you want to sell to just five percent of the world or 100 percent of the world? And if you want to sell to 100 percent of the world, you have to think outside the context of the United States. And when you talk about growth, developed countries are mature. The Europes, the Japans, the Australias, many of the rich countries are already mature. The growth opportunities are in -- obviously, everybody knows about China and India, and both of those countries are expected to have -- to average eight percent growth over the next decade. And following behind those countries, we have the

Southeast Asian countries -- Thailand, the Philippines, Malaysia, Vietnam, they're going to average about five percent growth. That doubles what we want to see in the developed world.

So you have to think in the context of trying to sell to where the growth opportunities are. So I think you're exactly right.

Mark Wadsworth: I got a question now, statement too. Mark Wadsworth, Shoshone-Bannock Tribes. Anyway, I got that down.

[Cross-talking] --

Daniel Whitley: Now Mark, it sounds like you're setting me up for a hard question.

Mark Wadsworth: The agriculture economics economist comes in me too, but I see the opportunity not only do we as Native Americans have the opportunity for cattle and ranching, but I think that our youth, when you were talking about working with the tribal colleges, is what I would like to see or maybe it's being done more. I had the opportunity to go to a trade show in Paris as a part of that and seen the outlook of it. But I guess what I'm getting at is do you offer internships for young Native Americans maybe within these colleges? And maybe in the forefront, thinking down the road, is there any way you could partner with a college to develop some sort of agricultural marketing degree with a tribal college? Because I think that in that, agriculture is not just only production but it's also

sales and everything else.

Daniel Whitley: Mark, I'm way ahead of you. This summer, we brought in two WINS Students, which is the Washington Internship Program for Native Students. It was our Office of Civil Rights that brought these students in. They had a 10-week internship, as a matter of fact; they're still with us, 10-week internships with our office. And the only reason we stopped at two because we ran out of money. But to the extent that we have funding, we try to bring in a number of students each and every summer and give them those internship opportunities. And I can tell you I was quite impressed with their backgrounds, their passion for agriculture. We get some interns occasionally who are going to have that core passion for agriculture, but their passion for agriculture was really strong. They were sharp on the technical aspects of farming economies and the business utilization of agriculture, and it was just a really good experience and we had some really good students. So we hope to grow that over future summers.

With respect to the curriculums in the actual colleges, we don't really get into that too much. That would be more or less vocational-type agriculture. But we're open to working with administrations at universities and talking about the students and the curriculums that we've seen be successful in our agency. But we pull a lot from AgEcon, international policy,

international development curriculums, and they seem to do quite well. And don't discount our Foreign Attaché Corps. Many, many people come in our agency because they want to work in our overseas offices, and that's a strong, strong draw that we use to pull in the top talented students. So if you guys can be advocates for our agency about the different career paths that we have, we'd be gracious for that as well.

Female Voice: Mary?

Mary Thompson: Good morning. Mary Thompson from North Carolina. I am somewhat familiar with MAP program, and I spoke with Zach about it through the IAC organization. Is there one on the East Coast? Is there a major partner?

Daniel Whitley: Yes. We have over -- we call cooperators -- we have over 75 cooperators that we work with, and that's just a fancy word for commodity group or a group of producers who produce the same product to join forces. And they are over 75 and they are located all around the country. And the MAP program is a co-chair program authorized through Congress to the tune of \$200 million annually. And the private sector, the cooperators, they chip in another \$300 million. And that half a billion dollars goes to promote and advertise U.S. agriculture products all over the world. And that is our primary program at the agency. We work with U.S. Grains Council, American Soybean Association, and National Cotton Council. This is really the

biggie of the groups we work with at the Foreign Ag Service. But we have cooperators all across the country.

Mary Thompson: So I'll just check out your website and I'll find all that?

Daniel Whitley: Yes. And the SRTGs, the MIATCO which she mentioned, they have a new name now, Food Export Assistance or something.

Sarah Vogel: Yes.

Daniel Whitley: But we do one that services the East Coast. And if you reach out to them, they will let you know which cooperators that they work with in that region and who is available.

Mary Thompson: Thank you.

Sarah Vogel: The one way of getting into those groups is by contacting your State Department of Agriculture. And the State Department of Agriculture is going to have the commissioner. It's going to be a member of the regional group, and then the regional groups get together on a national level but they promote regional foods. And they get a lot of money from USDA.

Daniel Whitley: Oh, absolutely.

Sarah Vogel: And it's a network I think that -- well, this is real old information, but I never once saw a Native American company in that network, but this was quite some number of years

ago. But it could be and it would be perfect because I think that's, as Janie said, there is a lot of demand and a lot of romance and why not turn all the romance into money?

Female Voice: I think this is a prime example of the lack of knowledge out there. Maybe you can't read about some of these programs.

Daniel Whitley: Right, right.

Female Voice: I know just a little bit. I've got so much more to learn.

Daniel Whitley: Right.

Female Voice: Prime example.

Daniel Whitley: Oh no doubt. I mean we definitely have to step up our outreach efforts, absolutely.

Female Voice: Thank you.

Female Voice: Well, if there are no more questions, we'll move on to our next presenter. Thank you, Daniel.

Daniel Whitley: Oh no, thanks everybody.

Female Voice: Yes.

Female Voice: Thank you.

[Track 3]

Female Voice: All right. Next, we have Michael Alston, deputy administrator for Insurance Services with the Risk Management Agency. And you should have new material to take home with you or we'll ship them for you on your stack.

Michael Alston: Good morning, everyone.

Participants: Good morning.

Michael Alston: Wait a second. Maybe you guys didn't hear me. Good morning, everyone.

Participants: Good morning.

Michael Alston: All right. I'm Michael Alston. I'm the deputy administrator with the Risk Management Agency, and I oversee the Insurance Services mission area. And I'm going to give you an overview of Risk Management Agency and the Federal Crop Insurance Corporation, talk to you a little bit about what we do within RMA, and then I finish up giving you some examples of some of our partnership opportunities over the last year.

It is nice to see some familiar faces like Janie. In fact, Janie, at one point in her career, she worked for RMA, and in fact, she was in charge of our Risk Management Education Division. So what I'm going to present is very familiar to Janie. And I'm sure Juan Garcia, the administrator for FSA, he just left and I just wanted to give him a big kudos for his efforts within FSA. And as we move forward with this new Farm Bill, as Juan would like to say, RMA is now the cornerstone of a safety net program. So Juan, I just want to be consistent with my message.

Juan Garcia: I know. [Cross-talking] --

Michael Alston: All right. By way of background, folks, this is our 75th year within the Risk Management Agency Federal Crop Insurance Corporation. As you can see, from 1937, that's at the time of the Dust Bowl in the Midwest so you can understand the reason why we need to have some type of economic stability because of the Dust Bowl. And as of today, we're experiencing severe drought. Over about 65 percent of the country is in a drought status. About 80 percent of our corn and about 65, 70 percent of soybeans are in some type of drought status. So it is important to have some viable options for producers out there and this is one of the options, is Federal Crop Insurance. Last year, in 2011, we insured about \$114 billion. That's "B" with a billion dollars of crops. That's 265 million acres we insure in over 130 crop coverage levels that we offered.

Last year, we also experienced some tremendous challenges. We started off with the flooding in the Missouri and Mississippi River. And if you recall, at Birds Point-New Madrid, the levees were breached. Then we experienced the drought in Texas, in Oklahoma. Then we had the excessive rainfall in North and South Dakota in the Upper Midwest. And then we finished the year off with Hurricane Irene on the East Coast. Tremendous challenges in agriculture. And last year, we paid out close to \$11 billion in losses. And out of that \$11 billion, not one customer, not

one producer had a problem in not receiving their payment timely. So that tells us a couple of things. It tells us that this public/private partnership that we have with 16 private insurance companies, they absolutely work. This is a map from July 17, and if you look at the current U.S. drought monitor, it's more red than anything else that's out there.

So this public/private partnership that I just mentioned, we partner with 16 private insurance companies, and they sell and service the Federal Crop Insurance program. From RMA's standpoint, we oversee the product. We make sure that they follow all the rules and regulations and the policies. It doesn't matter which one of the 16 companies you may go to because the price, the rates are all the same. It is a federally insured program so they're all the same. As our FAS speaker talked about, he mentioned that one out of 12 jobs comes from agriculture. That's from the grocery store all the way to the farm and folks doing everything in between. So this is an important part of our economy and our economic stability.

So I talked to you about the insurance companies. We refer to them as approved insurance providers. They sell and service to products. They hire 16,000 insurance agents and about 5,000 loss adjusters. So when you have a problem with your crop, you will call that insurance agent, that company, not RMA because we contract with those folks to actually service our products.

Another function of RMA, I talked about Janie Hipp, is our risk management education and outreach in which we take great pride in our efforts to reach out to producers across a spectrum and to educate them regarding mitigating their risk. That's just not just crop insurance, but that is legal risk, human resource risk. We look at the whole gamut of managing one's risk. Of course, we would like if they can purchase insurance, but also, we understand that there are other opportunities for them to mitigate that risk. And so we take great pride in that.

Each year, we have a substantial amount of money that we partner with, with different groups, and at the end of my presentation, you will see a couple of slides that specifically go into some of the partnerships that we have with our Native American producers that are out there because we also, we recognize that that is a market and a group that needs to understand more and more of how to mitigate their risk and how to understand the leveraging of their power more effectively.

One of the big issues that crop insurance and anyone who is out in agriculture understands that you have to work with your lending institution, your bankers. I think all bankers require that you have some type of insurance before you go out and can plant your crop. Crop insurance is one of those avenues where you can do that. Working with your banker, you can decide not

only what crop, what coverage level you want to elect, and how much you want to purchase.

Now, you must choose an agent. Then where do you find an agent? You can find an agent in a number of different places. One, you can go into the county FSA office, and the FSA office will have a list of crop insurance agents there. You also can go to the RMA website and look on the agent locator, and the agent locator will guide you and direct you to where you can find an agent that services your area. A couple of things you need to know about the agent, they also can help you understand the different products that we offer because we offer a number of different insurance lines. If it's revenue protection, if it's yield protection, if it's a group policy, there is a number of different things, and you have to make that educated decision as far as what kind of coverage level that you will like to have on your farming operation.

I talked about earlier that we cover about 130 different crops. And here, it says too much rain, too little rain, and then of course, the drought. But also insect and disease, fire, wildlife, failure of irrigation, and really, if there is a loss out on your field, if it's not due to poor farming practice, you can think of it probably as insurable. You probably could think of it as insurable if it's not because of poor farming practice. **[Track 4]**

Michael Alston: I talked about some of the revenue coverages and talking about the buy-up, and this is where you can buy coverage up to 85 percent. You can start off at 65 percent and work your way up to 85 percent coverage levels.

The one thing about crop insurance, and sometimes, I like to mention this, and it's different from other programs within USDA, is that a couple of things take place on the producer end. The producer has to make several decisions. There are several decision points in this whole process. First, the producer has to decide to elect to have crop insurance. Second, he or she has to decide what coverage level they want and what kind of crop insurance. And then the third issue is that producer pays a premium, pays into this. Oftentimes, you hear crop insurance paid out \$11 billion. Let's not lose sight at the beginning of this whole year, people paid into the program. It's just like homeowner's insurance. It's like auto insurance. And oftentimes, you have homeowner's insurance that you have every year, and you just kind of hope I never have to call the agent because I hope nothing happens. And it's the same thing with crop insurance. Yes, I have it just in case. If something happens, then I know I have that peace of mind, that I could be made whole again. And that's what really the buy-up really that option does for producers.

Then we have the catastrophic coverage. That pays the farmer 55 percent of their established commodity price in excess of 50 percent of their yield. And that's at the real, at the low end, that's at the bottom end of our insurance coverage loss. It starts off with that and goes all the way up to the 85 percent coverage. And there is a \$300 administrative fee for each crop in the pack.

I talked a little bit early about the APHIS's yield protection, the revenue history, and that's based off your revenues and historical yields. And starting in 2011 for corn, cotton, rice, canola, sunflower, wheat, grain sorghum, soybeans, barley, and malting barley that we offer not only the yield protection revenue but we also offer with the harvest price option and the harvest price exclusion. So these are some of the programs that we do offer. And so you can really tailor your insurance to whatever your needs are.

Here, I talked early about the group insurance and that uses the county average production. That's the NAS data, and we pay indemnities based on that county yield. Then we have the Pasture, Range, Forage. We have the Vegetative Index and the Rainfall Index, and it pays indemnities based on the index, not on your production. And then we have the Adjusted Gross Revenue, AGR and AGR-Lite. It's a little bit more complicated formula, but it's based off your Schedule Fs and of a five-year

average of your Schedule Fs. Save your question. It's really popular really out West with particularly some of our fruit and vegetable growers, and also in Michigan with some of the cherry producers and blueberry producers, it's real popular in those areas. And then of course we have some livestock coverage, the LRP, which protects on expected price, if the expected price goes down, and the livestock gross margin, LGM, and that protects against feed cost increases.

So this kind of gives you the makeup of the Risk Management Agency. We're at the headquarters in which the administrator and his staff are here. I'm in Insurance Services, and then we have a Compliance here in D.C. as well. In Kansas City, we have the product management and then we have the field offices. We have 10 regional offices within Insurance Services, and then we have six Compliance offices within Compliance. We have the private insurance companies and the AIPs we refer to them as, and they share a portion of the risk. Those AIPs usually have some type of reinsure. Some are international and some are not. And those international reinsures, they also assume some of the risk and they spread that out into different lines of insurance. And then we have the agents, and then at the bottom we have the Risk Management Education and Outreach, and I talked about some of the projects that they're doing.

I guess that's it for me. There are a couple more slides I guess maybe in the back with some of our projects that we have. Maybe it's in your handouts. There are some handouts there that talk about some of our partnerships that we have. In the back of the room, we have a SWOT analysis worksheet and also a risk management checklist for everyone here. And I think you guys probably have that in your packages as well.

Female Voice: Yes.

Michael Alston: Any questions for me? Janie?

Janie Hipp: No. Good presentation.

Female Voice: Excellent.

Michael Alston: Tell Bill that. Yes, sir?

Jerry McPeak: Jerry McPeak from Oklahoma Creek Nation. I am really involved in cattle production and have been for a long time. And I would be willing to bet that outside of the people who sit on the county committee that there is not one person in 100 in Oklahoma that knows about the pasture insurance. Gerry said a thing about it yesterday, and I hope I didn't look too surprised when he said something because I'm, like, "What the hell are you talking about?" We run, have run 300 cows and 1,000 yearlings, and there is not one -- not just Native American, but anyone in our area has no idea that that exists. Do all you folks know it exists?

Male Voice: No.

Female Voice: No.

Jerry McPeak: I mean maybe those folks sitting on the committees know. Did you know?

Male Voice: No.

Jerry McPeak: We don't know, I'm here to tell you. Freaking we don't know. Whoa. And when you're getting burned up right now, I mean I know that you guys hear about it, but I'm telling you, I flew to the northern part of the United States last week and the southern part, and our area where we are looks like a desert. The grass is not like it was last year. I mean Oklahoma with a drought. That picture you've got up there is outdated.

Michael Alston: Well, and that's why I mentioned that, and like I said, that was as of July 17. Today is much different, and like I'd mentioned early, I said 65 percent of the country is in some type of drought status. I understand fully because we have an office in Oklahoma, in Oklahoma City, and we fully understand that there are drought conditions in [cross-talking]
--

Jerry McPeak: We don't know about it. I mean how the hell do we not know about it? Well, I'm not chiding you at all. That's a rhetorical question for all of us. I mean I don't have any excuses. I got a college education and a master's degree, I

taught school, and I don't know. So how does anyone else know?
I'm in legislature for God's sake.

Michael Alston: Well, only thing I can say is if you don't know about some of these programs that we offer, I would encourage you to go to our website, encourage you to go to the USDA website to find this information out. And if you look on the back where we have partnered with folks to help get that information out, we also have -- I mean if you have insurance, and I don't know if you participate in crop insurance or not, but if you do, that's one of the questions that you can propose to the agent. So I just don't, I mean it's hard for me to say--

Jerry McPeak: I'm going to become the agent and I'm going to sell this to us. I'm going to follow up on that [cross-talking] --

Female Voice: We'll follow up on [indiscernible].

Michael Alston: Janie?

Jerry McPeak: I'll follow up.

Michael Alston: Yes, yes, yes, yes.

Jerry McPeak: PRF and AGR and AGR-Lite, is that a selection of one or the other?

Michael Alston: No, those are separate. Now, AGR and AGR-Lite, those are pilot programs, and so they may not be in Oklahoma.

Female Voice: Yes.

Jerry McPeak: Maybe not because we don't know any of them.

Michael Alston: Yes. But those are pilot programs, uh-hmm. And I mean again, if you don't [cross-talking] --

Jerry McPeak: And by the way, an AGR-Lite we'd be trying to drink in Oklahoma, just so you know.

Michael Alston: I don't know if I want to know that.

Jerry McPeak: I'm just telling you [cross-talking]--

Michael Alston: There may be an ATM age and there is some -- I don't think we want to know about all that.

[Track 5]

Joanna Stancil: I think we're starting to stack up some questions here. I think Janie and then it was Gilbert and then Sarah.

Janie Hipp: Janie Hipp. Mike, one of the things we could do as a suggestion is to have our regional office leads, the directors of those regional offices actually, at least annually, sit down with all tribal headquarters and really just have that relationship meeting and enlist. I know my tribe regularly prints information from RMA in our newspaper but I think it's very different, and I think maybe if we could get some kind of consistency going with the directors' offices and have them reaching out --

Michael Alston: And I know, and thank you, Janie, for the

comment, and I know several of the directors have been out meeting with the different tribes, and I know the director in Springfield, Illinois is traveling up to Michigan to meet with a group of Native Americans in upstate Michigan for that same purpose, Janie, of trying to get the information out. So I know they are trying to do that. Next question? Yes, sir?

Gilbert Harrison: Good morning.

Michael Alston: Good morning.

Gilbert Harrison: My name is Gilbert Harrison. I'm from the Southwest acclimation. And in the valley where I'm at, most of our farms are five to 15 acres, and it's really hard to kind of think how do we buy this insurance. We're on trust land, and I'm trying to figure out how do we apply some of these [indiscernible] public land, very small family farms, and it's tough to pay premiums, [indiscernible] making do every day.

Michael Alston: Yes.

Gilbert Harrison: Price of fuel, everything is going up [indiscernible]. My question is how do we address the small family acres? Not only that, [indiscernible] raise a lot of sheep [indiscernible], right now there is no grass, we don't have any. Those are all the kinds of questions [indiscernible], I think, in my mind I can see all these programs that you have. How can we sift all those individual producers [indiscernible]? Thank you.

Michael Alston: Gilbert, that's a very good question. How do you address some of the small limited resource producers, particularly when you want to address premiums of the insurance? Particularly for small limited resource producers, there is a waiver of some of the insurance premiums particularly at the cat level [phonetic]. So again, I would encourage you to sit down with an agent to talk about the types of insurance that you like, to talk about some of the waivers particularly at the cat level for small and limited resource producers. Understand and just know that even at the buy-up coverage levels, there, it is also subsidized. It is subsidized from 33 percent to about 80 percent subsidy of the premiums. So there is a subsidy that's incorporated within the premiums particularly of the buy-up coverage. But Gilbert, I encourage you to talk to your agent and find out what's available there in your area and also to find out the waiver as well at the cat level, okay? Thank you.

Female Voice: All right. In order to stay on track, we have two more questions, Sarah and then Mark, and then we need to move on to our next presenter. Thank you, Mike.

Sarah Vogel: This is in partial reaction to Jerry's question about why don't we know. I have a hypothesis, and I think the cure to the hypothesis is something that the Risk Management Agency might want to analyze a little bit. But my hypothesis is that crop insurance is a for-profit business out

in the world of the insurance companies and insurance agents and so forth. And oftentimes, those insurance agents are in the building or affiliated with a bank, and there are no banks really on Indian reservations. And I don't know Oklahoma that well, but that's what I would assume. And a good crop insurance agent, holy smokes what a person to have on your team. But if that crop insurance agent isn't going to drive 50 miles down to a reservation and the Native American is just isn't going to be told about those opportunities. The farmers I have dealt with over the years, and I've done a lot of work on crop insurance, forgive me --

Michael Alston: No, please.

Sarah Vogel: And I'm a lawyer so a lot of work on crop insurance means they've sued RMA a lot of times. But that's what, I would imagine, is the issue, is that the private companies are basically looking for the big, big producers, the big money, the big areas where there is a lot of farming, and they just don't have the outreach. And how you fashion a cure for that, I don't know really know, but that's my hypothesis.

Female Voice: I think Juan Garcia has a response.

Juan Garcia: Yes. Mike and other members of the council, and I really appreciate Jerry's comment here, I think what we can do, Mike, is work with you all. We're under the same mission area. We have, of course, a database of a lot of

producers out there, farmers, ranchers, and so forth that we send out newsletters. We're also coming up with an initiative on gov delivery where we send out the information via e-mail, obtaining e-mail addresses and so forth. I think one way that we can accomplish this, and I understand the structure of the private agents actually selling this insurance and it's a good structure that they have, but I think what we need to do, Mike, is get with you all and through our Office of Communications, send out information.

As we send out information on FSA programs, it's to send additional information on RMA programs. For example, rainfall index policy options or vegetative policies that Oklahoma has and many of the other states. I pulled out a map here. It's available in many, many states. So I think that's what we need to do, is join forces here, Mike, and get some information out. That way, they can contact the agent in their local office. We're not going to be stating what agents there are available but at least that the product is available, and then you contact your agent in your Local County or area.

Michael Alston: That's fine, Juan and you know, last year, we worked on that particularly in Texas. We got information out through --

Male Voice: [Indiscernible]

Michael Alston: I'm sorry?

Male Voice: It started in Texas? [Indiscernible].

Michael Alston: That's okay.

Female Voice: Being from Texas. All right, moving right--

Michael Alston: But I just want to make one comment.

Sarah, you talked about, and your analysis is probably spot on--

Sarah Vogel: Hypothesis.

Michael Alston: Is spot on. Remember, they're private insurance companies and they are for profit. You're absolutely right in your analysis with the insurance companies. And insurance companies work hand in hand with the bankers as well.

Sarah Vogel: Yes.

Michael Alston: So what you said is -- and I mentioned that as well, that most insurance and bankers, they work hand in hand with each other to ensure that that crop has some type of coverage level.

Sarah Vogel: And we're going to hear later from IAC. They are going to be talking about the credit deserts, the absence of private lenders in many, in a lot of Indian countries, so it's a hurdle. I mean, anyway, big topic [cross-talking] --

Michael Alston: Thank you.

Joanna Stancil:

I'm sorry, we have -- Mark is waiting and we'll have to move on.

Mark Wadsworth: Mark Wadsworth, Shoshone-Bannock Tribes.

I was asked by a roundtable discussion from the Nez Perce tribe and also from the Coeur d'Alene tribe that there are certain situations on reservations in which you do permitting or leasing of land. And one of those stipulations that is available or options that is available through reservations is the ability to profit share. And one of the situations after running into Nez Perce is that they'll have a 1/3, 2/3 profit share off of the production. And what has been happening with that insurance agent and within your organization as a part of a distinction is you're saying that you will only pay to the producer. Now, these individuals that are sharing in that 1/3 are not sharing in the actual claim that is being processed through the agent, and they are very concerned about that, that there needs to be that door open if they are profit sharing that they also receive portion of the claim if it goes through. And I think that that needs to be handled on the upper portion of this through some policy or whatever we need to do for your recognition of those individuals because they are taking a risk also when they do that. And that was a major concern that they wanted to bring forth, and I think we should look at that more deeply.

I guess this last situation I'd like to ask is that on the same lines, we as a tribe, in some cases, choose to manage our own land, and it's called a 638 Determination. Within our

reservation, we manage the whole range unit itself. We manage all the fencing. We manage all their water developments. We structure that they bring the cows out at certain time periods. They have to salt and water and move the cows around.

Us, as a tribe, we would maybe be considered in looking at maybe this pasture or range for each product, but again, are we going to run into that same definition, "Are you guys a producer?" And I just want to get those out that maybe that's something that we really kind of need to look in a little bit more. Thank you.

Michael Alston: Okay. Thank you.

Joanna Stancil: All right. Thank you so much. I know we have Porter and Gerald also had questions. If they could hold those, maybe they could meet with Michael offline and talk about it. And then if we have time today, we'll present them back to the group and the responses. Thank you very much.

Michael Alston: All right.

[End of transcript]

**Council for Native American Farming
and Ranching, Meeting: August 14-15, 2012
CD3 8-14 Track01 to Track06**

[Start of CD3 Track01]

Joanna Stancil: Our next presenter is Craig Trimm, acting deputy administrator, Farm Programs, FSA.

Male Voice: Perhaps we let Jim go first.

Joanna Stancil: Oh, right. So we have James Radintz, the assistant deputy administrator for Farm Loan Programs.

James Radintz: Good morning, everyone. Good morning.

Participants: Good morning.

James Radintz: Once again. Thank you. I'm Jim Radintz, the assistant deputy administrator for Farm Loans, and to clear up any mystery, yes, I am Chris' assistant. We changed the order just a little bit because just the way the presentation is put together, it turned out that the farm loans part is first, so we'll go ahead and move through this.

One thing, as you notice, if you are flying out here to Washington, you could look down and kind of just get the general lay of the land when you're at the 30,000 foot-level, and that's kind of the way we put things together here for this presentation this morning. We could probably spend a couple of days talking about some of these things, so we've tried to hit the very high points, and then of course, we will have an opportunity to talk about some questions and issues. The

mission of Farm Service Agency is to equitably serve all farmers and ranchers and agriculture partners, and we have quite a few, through the delivery of effective and efficient agricultural programs for all Americans and that is very important for all Americans.

What I wanted to first do, and we've talked a little bit about the department and the mission area and how things, kind of the lay of the land. And you heard from Mr. Whitley and Mr. Alston who are also in our mission area and you heard Juan mentioned that a few minutes ago, we're all under the Office of the Under Secretary for Farm and Foreign Agriculture Services, so you could see their efforts, say Risk Management, Foreign Agriculture Service, so we all hopefully work together and coordinate various things where it's appropriate. So that's kind of where we fall.

There are a lot of different agencies. If you've looked on the agenda set for this morning and this afternoon, you see there are a whole lot of different things that USDA does. So to kind of give you a little bit of an idea of where FSA and Farm and Foreign Agriculture Services fits in the whole big picture of USDA, you can see that we're down there in no particular order for these blocks where you can see all the under secretaries down there, and this is the whole department and kind of how it's organized with of course Secretary Vilsack and

the Deputy Secretary Merrigan there are the top and the various other officials there and then all the other under secretaries and various mission areas underneath them. So that's where FSA fits in the bigger scheme of things.

As far as our national staff here at headquarters, we have several different components: Farm Programs and Administrator Trimm is here to talk right after me and he'll share with you some things about the Farm Programs. Farm Loan Programs, that's where Craig and I work. We handle the Direct and Guaranteed Loan Programs, both making and managing the portfolio for producers who can't get credit. We're the lender of first opportunity. Our field office delivery, we're pretty unique in that area. We have 51 state offices. And if you're wondering why it's 51, it's because we have an office in Puerto Rico, a state office. And county offices, we have 2,119 county offices now. In terms of Farm Loan Programs, we have a presence in about 800 of those. We do cover all 3,000-plus counties in the United States, as do the Farm Programs, but we don't have an actual Farm Loan officer in every one of those 2,119 county offices.

There is one portion of Farm Service Agency that most folks really don't know about, and that's the commodity operations. This is the part of FSA that, over the years, has traditionally handled the surplus commodities and what they call surplus

removals. When there was too much of a commodity out in the marketplace like butter, cheese, milk, flour, things like that, the commodity operations side would buy and hopefully remove some of the surplus to help keep the prices up. They don't do so much of that anymore, but because of their unique capabilities in going out and buying and moving commodities, they still do a lot of the actual purchasing for other USDA food activities.

For example, they do a good bit of purchasing for activities like Food for Peace, some of the school lunch program purchases, so that's kind of a unique part of Farm Service Agency that basically happens some here at headquarters. The majority of it is actually in an office out in Kansas City, Missouri. So that's sort of a unique part of FSA that a lot of folks don't really know about and don't see because it happens really sort of behind the scenes.

Our farmer-type programs and rancher-type programs, program delivery of course happens at the local level. Producers apply for all the benefits and services at the actual local service center. They can now also apply for many of the things through the agency website. We do use and have used for many years county committees to resolve local program issues. Those committees are accountable to the secretary.

There are more than 8,000 elected farmer committee members. Those elections are held on an annual basis for a certain number of committee members. I would stress this has come up periodically through the various civil rights assessments and programmatic reviews. The county committees, the FSA county committees are not involved in loan program administration and actually have not been since 1997. So the farmer committees in FSA work on the farm programs and are responsible for those and management of the farm programs side of the county offices but do not have an oversight or administrative role in the farm loan programs.

[CD3 Track 2]

James Radintz: Turning to Farm Loan Programs for a minute, and that's the area that I'm responsible for, we refer to ourselves as the lender of first opportunity because we'll go in and make a loan or help a lender make a loan with a guarantee when otherwise a loan wouldn't be made. And our mission is to serve as a temporary source of credit and we are charged by law with being a temporary source of credit. We actually are required to get people to move to commercial credit when they're able. We provide technical support to rural Americans and nowadays not so rural Americans because we can also finance urban agriculture and suburban agriculture for improving their farming enterprises until they are able to qualify for

commercial credit. So really, one of the ways we define success is when someone is able to move from our financing into the commercial realm. So we do make both direct loans that are actually financed and the funding is actually provided by the government. We also make guaranteed loans where the loan is funded by a lender and we provide a guarantee.

Just to give you a little bit of sense of the scope of our program, we have about 70,000 direct borrowers, with a total of about \$8.2 billion in our portfolio right now. We also have about 34,000 guaranteed borrowers. Those are loans that are made by a private or commercial lender, and we have a guarantee on those. Those total about \$11.1 billion. Last year, we made about \$4.8 billion of credit to about 32,000 applicants. So we basically helped 32,000 producers to buy a farm or operate their farm and conduct their farming activities. So far this year, we've provided about \$3.8 billion to over 27,600 applicants. We're pretty confident that we'll do well over \$4 billion again this year, so that's where we are.

Direct and guaranteed loans, direct loans again are available to farmers who, for whatever reason, can't get credit from other sources. We actually make and service the direct loan. We're the bank as it were, we're the lender. What makes us different and unique is we also provide technical assistance. So we not only -- we don't hand someone a loan check anymore

because pretty much, everything is done electronically in the 21st century but I used to say we don't just hand you a loan check, we give you a hand up with some assistance as well. We try to help folks particularly with the financial side of management, and that's where our relationship with IEC comes in especially in helping folks get a better handle on the financial side of management. But sometimes, we also will need to help them or steer them to where they can get some help with the production side of things too. So one of the things that make us really unique is what we call supervised credit, the special technical assistance that we provide.

On the guaranteed side, we actually guarantee loans through commercial lenders for up to 95 percent of the loan amount. A typical guarantee is for 90 percent, but in some cases, it does go to 95. The commercial lender, be it a farm credit system lender or a bank or a credit union, is actually the lender of record, but FSA does guarantee up to 95 percent of the principal and interest.

We can also combine those two programs. We have one specific program where that happens a lot. We have a program called the Beginning Farmer Down Payment Program that's available to both beginning farmers and the socially disadvantaged farmers which are basically minority and female farmers. That down payment program is a really appealing

program right now. If someone has a five percent down payment, we'll loan 45 percent of the purchase price at 1.5 percent interest is what the rate is right now for 20 years. They have to get commercial financing for the other 50 percent, and that's where can come in with that guarantee on that other 50 percent. So that's one example of where that combined financing really is appealing and really works well in a situation like that.

So, for us to make a farm loan, for FSA to make a farm loan, the applicant has to meet eligibility criteria. Now, our loan programs are actually authorized by Congress through statute, so they've laid out some fairly specific eligibility criteria that we have to follow. So the applicant has to meet those and its things like they have to be the operator or owner/operator of a family farm. So we don't finance someone who is going to be an absentee owner. If we finance someone to buy a farm, they have to be the operator of it.

You have to have training or experience necessary to be successful on the farm. As I mentioned at the beginning, you have to be unable to get the credit you need from other sources. We don't compete with private sector lenders. You do have to be credit-worthy. One of the more recent things is you can't be delinquent on a federal debt, and you can't be convicted of a violation involving a controlled substance.

Once someone meets the eligibility criteria, we have to see that a realistic business plan shows they can repay the loan because it is after all a loan. There has to be adequate collateral, of course, and the loan funds have to be used for an authorized purpose. Again, the law is pretty specific as far as what kinds of things we can loan for. Sometimes it's a little bit less flexible than what we'd like for it to be. But normally, we can usually work things out. And that's one of the areas where we've tried to provide for a little more flexibility to the extent that we can.

Now, one of the things that I'd like to mention that I think is important in terms of our funding and as we're making loans is that Farm Loan Programs is a little different than most of the other FSA programs in that most of the farm programs are actually funded through the Farm Bill. In other words, every four or five years when Congress sits down and charts out how they're going to set up, establish farm programs for the next period, whether it's going to be like last time we had things like ACRE and SURE and some of the disaster programs, they actually provide for funding for those programs for their entire duration right in the Farm Bill. So the funding will already be provided.

Farm loan programs are not funded that way. We have to have an annual appropriation through the regular appropriations

process. So if Congress doesn't do what they need to do and appropriate funds on a timely basis, we don't have loan funds. So when you hear sometimes that Congress hasn't done the appropriations and the government may shut down, that also means that we don't have loan funds available.

So what we do is we approve loans subject to availability of funding, and it's really important for folks to go ahead and apply for a loan even though we may not have money because that puts them in line for funding. But it's also important to understand that on the program, what we call the program side of things, they have a different funding mechanism so they can have funding even when the loan programs don't, and that sometimes causes some confusion out there and it does get a little bit technical. But it is always important whether we actually have funding or not, if someone needs a loan, they need to apply.

We do really stress and have stressed for the last several years participation by what the law refers to as socially disadvantaged farmers and ranchers. We are required by law to target or reserve a specific portion of funding based on the minority or the socially disadvantaged farmer population. So we do that each year and we work very hard to use all of those funds and actually more if we can.

In the direct program, we've been pretty successful at using all the funding. We still have some challenges on the

guaranteed side, and we've been working to try and improve that. Just to give you some example of the growth we've seen in that area, if you look back to 2002, we made about \$323 million in socially disadvantaged loans. In 2011, that had increased, not quite doubled, but was up to \$565 million. As of a couple of weeks ago, we had already loaned \$400 million in Fiscal 2012.

Just one other number I'd like to share with you, I looked back almost 10 years, and since 2003, our overall direct loan portfolio has actually declined by 18 percent for a variety of reasons. But our loans to Indian farmers and ranchers, our portfolio, the number of loans we actually have on the books has increased by 44 percent. So we've made a pretty good increase there, and of course, we are continuing to work, and we're optimistic that as we continue to do more outreach, work with IAC, and continue to emphasize to our field staff the importance of being more flexible and looking for ways to say yes and being that lender of first opportunity that we'll be able to continue to grow that loan portfolio.

[CD3 Track 3]

James Radintz: I think real quickly, Joan that concludes my part of the presentation. And I don't know if you want to do questions now or let Mr. Trimm go and [cross-talking] --

Joanna Stancil: I think we might need to do that. And I do want, in respect to Mr. O'Brien, if you have something to

say? Are you okay?

Doug O'Brien: I'm okay.

Joanna Stancil: To be a little bit longer waiting?

Doug O'Brien: Sure, yes, yes.

Joanna Stancil: Is that all right with everybody that we wait until Mr. Trimm gives his, and then you can ask questions then? I'm trying to get us back on track. Thank you. Craig? Yes, please, thank you.

Craig Trimm: All right. Well, good morning, everyone.

Participants: Good morning.

Craig Trimm: It's a pretty humbling experience for me to be able to address the council. I've been up here about six years. In the best of Mr. Holder earlier, he knows where Avery, Texas is, which is in Red River County, Texas, population 525. And I've had the same question asked, "Is the population now 524?" Well, I haven't really checked because I'm, you know, the same and it stayed about the same. I don't think the sign has changed. But it's just an honor to be here.

I grew up on a farm. I know what it means to be involved in agriculture. And I guess if Mike is still here, as far as the cornerstone of ag, our cornerstone of ag is our farmers and ranchers at this country. And we, as USDA, are just a part of that cornerstone to ensure that that longevity is there for the future generations of our children. And it's just an honor I

guess to serve USDA. I've been doing it a little over 29 years, and my Dad was a vocational agriculture teacher, and so that's where I got, in my opinion, my grassroots. And another thing is Mr. Holder and I were sharing, he actually knew a gentleman that helped me rehabilitate my horse when I was a kid. When you talk about a small world, that's a small world. So it was great to have that I guess opportunity to be here today because you never know who you're going to meet.

So anyway, we're going to talk a little bit about the farm program side of the Farm Service Agency. We basically are involved in commodities support programs, which that includes [indiscernible]. We provide marketing loan benefits as far as from crop prices or the decline that producers can actually have opportunities to wait until the market goes back up to actually put their crops in what we call crop support loans with us to take advantage of that increased price. We also have the Farm Storage Facility Loan Program which not only is that for just growth crops; it's also for hay crops now, cold storage for vegetables. That's actually something that came in with the 2008 Farm Bill.

One of our largest I guess private-owned conservation program we have in the country is the Conservation Reserve Program. It's been around for over 25 years. We actually have right at 29.6 million acres enrolled nationally right now. It's

a good I guess silver lining of USDA. There was actually a DVD out that actually talks about the 25th anniversary and the silver lining of USDA. And one thing that I guess about the presentation, if you have an opportunity to ever see the video, is that when they do interview farmers and ranchers at the backs [indiscernible] their land, you can tell they're talking from their heart and actually how they have a concern about conserving their natural resources and protecting the land for the future.

We also have disaster programs, whether it be crop or livestock. On an annual basis, we distribute anywhere from \$10-\$20 billion in payments to over 1.7 million producers nationwide. When you look at government payments for type of program, you can actually see, like in 2005, when our prices were low, you can see the dramatic increase as far as outlays. And then when our process actually went up, you could see that our outlays actually went down. And it kind of gives you a break out between our Commodity Crop Support programs, direct payments, and also disaster assistance.

One of the programs that we don't have to wait on the Farm Bill to implement is our Non-Insured Crop Disaster Assistance Program, in which Mike, early, with RMA, made a presentation about basic cat coverage. Really, NAP is very similar to basic cat coverage, 50 percent guarantee, 55 percent of the price.

And what it does is cover crops that actually aren't insured by crop insurance. Producers actually go to the county office to obtain coverage. They have to pay what we call a service fee, \$250 per crop, not to exceed \$750 per producer in the county and \$1,875 when you look at the producers that have multicounty interest. As far as the limited resource producer, they can request to waiver that service fee.

Farm Bill, we've been providing technical guidance ever since the Senate started deliberating their version of the Farm Bill which they actually passed. We've been providing technical guidance to the House as well. The Senate actually passed their version. We're actually waiting on the House now to go ahead and decide on their version. But I can tell you this, as far as the Farm Service Agency, when you look at the Livestock Forage Disaster Program, it was based on the U.S. Drought Monitor. The Livestock Indemnity Payment Program, the Emergency Assistance for Honeybees and Farm-Raised Fish Program, and the Tree Assistance Program that's actually in both versions now, we're doing all we can to be ready when something is passed where we can provide benefits to our farmers and ranchers across the country.

One other thing is actually, USDA implemented and announced in July a new secretarial designation process. We're actually utilizing the Drought Monitor to have an automatic trigger for

accounting once they hit D2 for eight weeks. At the same time, we announced that the emergency loan rate was actually decreased from 3.75 to 3.25 percent. And then we've actually, to help mitigate the drought this year, the secretary announced where we normally have a 25 percent payment reduction, it's now reduced to 10 percent.

We've asked or actually authorized additional authorities in regard to CRP. I actually passed out a map which you have there in front of you. Any county in the nation that's actually D0, abnormally dry or greater, is automatically approved for emergency haying and grazing of CRP as long as that particular acreage in the county is not during the primary nesting season.

So we've talked about the Fast Track based on the U.S. Drought Monitor. We got a 30 percent production loss for crop in the county as well that can also be a trigger as far as getting the secretarial designation. So basically, when you look at the drought right now, we have an automatic process when it's D2 or greater for eight weeks, and anything greater than that it automatically triggers a secretarial designation due to drought.

Actually, when the secretary announced the new initiative as far as our Fast Track, we actually made CNN news and probably got the general public's attention on CNN. There was 1,016 counties actually declared a secretarial designation that day.

Currently, we have 1,670 counties across the nation that have been designated due to drought. There are 1,792 counties in addition that actually have had other perils happen this year to where they qualified as a secretarial designation to date.

As far as getting in touch with FSA, of course, we have our state offices, we have our county offices, and of course, we have the national office, and then we also have the website as well. But FSA is here to implement programs, whether it be farm loan programs or farm programs. And I know our folks out in the field which are county office staff are there. It's an open door policy as far as coming in to the office to apply. And currently right now, a lot of our offices are waiting on the new Farm Bill when it is actually passed. And then something is going to happen later on this fall. We're going to implement or announce the sign-up for 2011 Supplemental Revenue Assistance Payments Program, better known as SURE. So that concludes my presentation.

Joanna Stancil: Thank you. Thank you very much. I'm going to have to keep it to one brief question because we can also submit your questions in writing. They become part of the record, and then we can get those responses back to your question and then back to you in writing as well.

Male Voice: Can I ask my question?

Joanna Stancil: Real short.

Male Voice: Your Maps program, you waive the fee for the limited income farmer. Is that fee waived for your socially disadvantaged farmer as well?

Craig Trimm: Just limited resource.

Male Voice: Just limited resource?

Craig Trimm: Yes, sir, and that's the statute. Now under the -- like the previous disaster programs we actually had for the 2008 Farm Bill as far as the risk management purchase requirement that was there as far as obtaining crop insurance in that, those provisions were actually waived for the socially disadvantaged and limited resource producers and also beginning farmers and ranchers.

Male Voice: And that was the last, that's last year's drought?

Craig Trimm: The 2008 Farm Bill, yes, sir. Basically, the 2008 Farm Bill as far as our livestock programs and any livestock indemnity-type programs, the losses had to occur on or before September 30th, 2011, and that is based upon statute.

Male Voice: Thank you.

Craig Trimm: Yes, sir.

Joanna Stancil: Thank you. Can you submit your question?

Sarah Vogel: No. Now is okay.

Joanna Stancil: All right.

Sarah Vogel: I just wanted to say that I appreciate so much the presentation by both of you. And I do wish there were a little bit more time in the agenda, and maybe Chris can address this, but one of the purposes of the settlement agreement and the explicit purpose of the committee is to discuss the removal of barriers to Native American participation. So unless that's going to be addressed later on in this meeting, I think we should shorten lunch, skip a break, but we need to address this issue and not limit it to one short question.

Chris Beyerhelm: This is Chris Beyerhelm, and what I might say is that I don't know that we made it clear Juan Garcia, who is our administrator, was the former deputy administrator of Farm Programs, so he is very familiar with the programs. So between Juan and I, we could certainly provide that resource. Now, I'm not opposed to taking up what you've asked, but I think if the council wants questions about these two programs, between Juan and I, we could certainly cover those also.

Sarah Vogel: You mean at a later point? That's fine. I just want to make sure that we do get to it, and we're going to lose these gentlemen and so [cross-talking] --

Male Voice: I think it's really important.

Sarah Vogel: It's pretty important, very important [cross-talking] --

Male Voice: Because we have some very serious issues about your CRP.

Joanna Stancil: I have no problem with that as the DFO in doing that. I just want to be respectful to people that are waiting their turn, that's all, yes. And the questions need to be asked, so --

Sarah Vogel: Maybe we could huddle about -- I mean I guess certainly, we don't want to be rude to people in the list either.

[CD3 Track 4]

Joanna Stancil: All right. Okay. If Mr. O'Brien said he is fine and so if you wanted to spend a couple more minutes, just a couple more questions.

Male Voice: Could I ask one?

Joanna Stancil: Yes. Are you done, Sarah?

Sarah Vogel: Yes. I just want to make sure everybody --

Male Voice: This is one of the main reasons that I became involved with this, is that our tribe has a little over a half a million acres, about 544,000, as according to this 2007 NAS book, our tribe has about 117,000 acres in irrigable farmland. And then we also have dry land pasture in addition to that.

One of the situations that we came into back in the early '90s was we were unaware of the Conservation Reserve Program, so we didn't get that knowledge until about 1993, '92. At that

time that we went to the local USDA offices to apply for CRP on the reservation, we were denied the opportunity to apply because they were telling us that the county boundaries had exceeded the 25 percent limitation. So we fought it. And one of the situations is that I think that we need to address this issue is that throughout your regulations or even the law itself, USDA is recognizing county boundaries above tribal boundaries, and that is a major issue because I think that when we looked at the amount of acres in our reservation that was in CRP, we were, like, a four or five percent into the Conservation Reserve Program, whereby the counties were up to the 35 to 37 percent because they got the waiver extensions.

So basically, what it was, was that these counties were utilizing Indian land base for the benefit of non-Indian farmers and producers is the way we viewed it. So we dealt with this in the past, but now we're running into the same situation now because we're trying to re-up our acreage back into CRP after the 10-year fight, and we're running into the same situation of you guys telling us, "Well, your county is still above the limitation boundaries, so therefore, you as a tribe, we can't enroll your acres even though we're still below the 25 percent limitation." And I just think that that needs to be addressed.

Craig Trimm: And I guess to help address and tell you about the statute, it says we had to look at the counties as far

as 25 percent limited, and you can't have a [indiscernible] recommended as long as you have local buy-in from local vendors and whatever to justify the waiver. But you brought up a good point. Definitely, we need to look into it more and to see what the inadequacies are and see how we as USDA can address it.

Joanna Stancil: All right. Mary?

Craig Trimm: Could you give me a particular county name please?

Male Voice: Bannock, Power, Caribou. We have four counties that intersect the boundaries of the reservation.

Mary Thompson: Hi, Mary Thompson from North Carolina. And the land status seems to be a little bit of a policy issue throughout many of the programs under USDA. And some of the things that we do in Cherokee is that we do the counties and the tribal land because our land, two counties, we're in two counties. So instead of just saying one county or the other county, it's those two counties and the Qualla Boundary. That may be something that we could look at in the future as far as getting your policies changed on the upper level here so that it takes into consideration the land status in different tribal lands because they're all different. We're all different there too. That's something that I would suggest that you take a look at in your policy and help the tribes with that problem.

Also, I was looking or at least you were talking about, let me see, \$8.2 billion in direct loans and \$11.1 billion in guaranteed loans through the Farm Loan Program. And then as you were talking about the SDA lending activity, those numbers sound pretty grand and with the increase that's there. But I'm wondering, I just don't know, so for my clarification, is tribal loans, as a part of the SDA lending activity, is it a certain set aside or percentage or that 44 percent you were talking about, is that through all of your SDA lending or just tribal farm loans?

James Radintz: The 44 percent was just loans to Indian farmers and ranchers. That would be a subset of the overall SDA lending.

Mary Thompson: Of the overall SDA?

James Radintz: Yes. The SDA lending includes lending to all minorities and women. But the 44 percent that I mentioned was strictly the increase in lending to Indian farmers and ranchers. So that's [cross-talking] --

Mary Thompson: So if it was a 44 percent increase but what percentage overall is it of your SDA lending? Approximate?

James Radintz: I want to say it's over half, but I want to look at the number to be sure. It's about a third.

Mary Thompson: It's about a third?

James Radintz: Numerically speaking, yes, ma'am.

Mary Thompson: Okay. And is your SDA funding, is it a set aside or a percentage of your overall direct and guaranteed loan moneys?

James Radintz: Yes, ma'am, it is. It's a percentage based on the -- well, it's generally based on the percentage of farmers, but there are some -- it's specified in the statute. And the statute sets up a little bit different set asides. It's based on population in one program for minorities, and it's based on the number of women farmers in that program. And then for the other program, it's just based on the number of SDA farmers. They made it a little more complicated than we wish they would have. But basically, it's a percentage based on minority population or minority farmer population, depending on the program. But it's an explicit set aside. We preserve that set aside usually until the last week of the fiscal year or until the funding is gone, whichever comes first.

Mary Thompson: Thank you.

Joanna Stancil: Okay. We have Gilbert, and I guess in respect to Porter and Gerald, they've been waiting. Gilbert, you have a question?

Gilbert Harrison: Good morning again. My name is Gilbert Harrison from the Navajo Nation. I hear this term "socially disadvantaged farmer." I guess that fits because if you're a farmer, you don't have much of a social life.

Joanna Stancil: For nine months anyway.

Gilbert Harrison: The question I have is, as seen on the presentation, the issue about collateral, and on the Navajo reservation, the trust land, so we can't really use the land as collateral. So what other types of collateral are we talking about that's acceptable to USDA in terms of approving loans? Thank you.

James Radintz: As far as collateral goes, we can actually, in some circumstances, actually take a pledge of trust land as collateral. We have to work with the BIA, and there are certain circumstances and certain requirements. As you can imagine, it's not an easy process, but we can do that. In terms of other forms of collateral, anything associated with a farm -- equipment, livestock. If we finance a crop, we can actually let the crop itself stand as collateral. So we have a very wide latitude. Pretty much anything associated with the farm, we can let stand as collateral for the loan. So we have a lot of flexibility there.

Chris Beyerhelm: If I could just add, this is Chris Beyerhelm, if I could just add to that, to the answer to that, it's not specifically to your question, Gilbert, but one of the issues we have from a lending standpoint, it's not just us but commercial lenders, is how do we perfect liens on tribal lands also? And I know one of the things we talked about

with the White House Roundtables is there are over 500 tribes and I think 70 of them have adopted the UCC, Universal -

James Radintz: Uniform Commercial Code.

Chris Beyerhelm: Thank you. Uniform Commercial Code, with the letters used to perfect liens on tribal property. And I certainly encourage this body to encourage your tribes to do the same thing if it fits because it is one of the barriers to lenders saying [indiscernible] money.

Joanna Stancil: All right. Porter? Oh, Gerald?

Gerald Lunak: I'm Gerald Lunak. My question is more of a comment. I think in my part of the world, Indian country is suffering a bit of a hangover. We had a program, for many years, was the Indian Acute Disaster Program. Juan, are you familiar with that?

Juan Garcia: Yes.

Gerald Lunak: There was a grain set aside, I remember it was --

Juan Garcia: It's been a while back.

Gerald Lunak: Yes, it's been a while.

Juan Garcia: Yes.

Gerald Lunak: But it was a program that actually, where the Indian producers received grain instead of cash or -- and it was a very simplified program and actually very effective program.

Juan Garcia: That was the Indian Livestock Feed Program, I think is what it was called [cross-talking] --

Gerald Lunak: Yes. And I think a lot of our producers haven't made that jump to cat and NAP. And I don't know if there is a chance of going back. I've had many of our producers say that they would like that be revisited, we don't even know why it was discontinued to begin with. So maybe we need some education regarding why that program was discontinued and then pretty much then try to move people more towards the MAP and CAT coverage, which gets them back in the FSA road, which many people are very hesitant to do so. So I think there is a bit of a gap in knowledge and understanding and maybe even some hard feelings as to why that program has not continued because it was a very effective program. We were given basically feed instead of cash and it was put out on the ground to fight disasters. And a lot of people are still very -- but that's -- so I just want to make that comment.

Craig Trimm: I guess to help Juan out here a little bit, we've actually had previous inquiries even two years ago in regard to the same question due to blizzards even before we got in the drought situation we're in, and we've looked into it. The legislative authority is what ran out. We need the legislative authority to actually implement it.

Gerald Lunak: It's like the IAC and some of you in this body at least somehow look at a reconsideration or something like that or --

Craig Trimm: If Congress would reauthorize it, I guess --

Gerald Lunak: Because we do have a template [indiscernible].

Craig Trimm: Yes, sir. I agree.

Joanna Stancil: Thank you all so much.

[End of CD3 Track04; Start of CD3 Track05]

Joanna Stancil: All right. Thank you very much. And now, Doug O'Brien, Deputy Undersecretary for Rural Development.

Doug O'Brien: I'll go ahead and get started with my presentation. And I will, in the interest of time, I'm interested in the question session, so I'm going to go through these slides. I have probably a few too many. And trust that you'll have the access to the PowerPoint should you want them. But I'll just give you a flavor of what Rural Development does, kind of the scope of our work.

First of all, I want to thank the council for the opportunity for Rural Development to have some time with you. It's particularly gratifying that I had an opportunity to be on the negotiation team for Keepseagle, which of course is where the council emanated and heard the wisdom of having the council to improve the delivery of USDA programs in tribal lands, and so

being here at this first meeting is truly gratifying. And I do just want to say up top thank you to all the council members for the time that you're taking away from your farm, from your business to do this important work to make sure that USDA can continue to improve its delivery of programs.

I'm going to start with a couple of general programs then I'm going to go through the PowerPoint very quickly. So Rural Development is the arm of USDA that does community and economic development. We do some work directly with farmers, and in particular, our Value-Added Producer Grant program, as well as our Renewable Energy for America program, which I'll talk about in a little bit. But really, the lion's share of what we do supports rural communities and small businesses, non-farm businesses. And we have really a full suite of programs.

In terms of delivery, we have about 450-500 offices throughout the country. We're co-located without exception actually, if we have an office out there, we're with FSA and/or NRCS. We have a state office in every one of the states, and the states that have a significant Native American presence, we have a Native American coordinator in either the state office or somewhere in the state, maybe closer to the concentration of the population of the community.

So just please know that we have a special sort of delivery mechanism that looks like FSA and NRCS, and if there is one

takeaway from this whole presentation, is that if you're not familiar with your state director, Rural Development director, or your Native American coordinator, please let me know. There is a contact for our national Native American coordinator named Tedd Buelow that's at the end of this presentation. Let him know, let me know, and we want to make sure those conversations happen.

So, okay, here we go, very quickly. That's a longer version of what I just said. Basically, we have presence on the ground. We want to make sure to have a relationship with you. And we have presidential-appointed state directors in every one of the states and then area directors and program directors, technicians, engineers, et cetera.

Our programs can be put into sort of three different areas. There is Rural Utilities Service, where we have the Legacy Rural Electrification Agency. So we do electric generation and distribution. We do water and environmental programs. Really, I think perhaps the most significant partnership that we have with tribal communities is on our water and waste water systems.

And we do telecommunication and broadband. Since 2002, we've had specific programs in broadband. We've done telecommunications, phone lines, et cetera for a long time, which of course, now, that really means broadband. Such an important piece of work in more remote areas of the United

States. President Obama has certainly made it clear that it's one of his priorities in terms of rural America. In fact, in the last three years, we've been able to invest and partner with about \$7 billion in rural America that has been improved or new rural broadband.

The next circle there, and you'll see it's the biggest circle and there is a reason, it's really the lion's share of the work that we do, is rural housing and community facilities. We have direct loans. Like my colleagues from FSA talked about, we are essentially the bank, so we deal directly with the borrower, the purchaser of the home. Typically, the direct loans are for poor or very poor applicants. We also do guaranteed loans. We do more and more guaranteed loans now. That's where we work with the bank. The bank actually lends the money. We guarantee that loan. And we have multifamily housing loans, so kind of those typical four-unit or eight-unit houses out in rural places. And housing preservation grants, which kind of speaks for itself, and then community facilities.

Community facilities, I'll take one minute to talk about, it's a great program. We are able to finance any essential community facility in a rural place, rural place being under 20,000 people. Essential, it's pretty broad. We do libraries. We do schools. We do hospitals. We do computers for the school. We do fire trucks. We do police stations. Anything

that that municipality or nonprofit needs that's essential to the community.

The direct loan program in that has grown significantly in the last few years because of -- and we'll get into first of kind of budget issues -- it essentially doesn't cost the taxpayers any money, but it's very good financing, about 3.375 percent up to 30 or 40 years, so it's a good piece of the puzzle when you're trying to do a significant -- there is some grant dollars there. I'll be candid and say that our grant dollars have been shrinking the last few years, as have most budgets throughout the federal and many state and local governments.

Then that last bucket is the Rural Business Cooperative Service. That is kind of a mixture of really small business support, both grants, but most significantly again, guaranteed loans, as well as cooperative service where we work with educational institutions and nonprofits to support cooperatives, particularly farm cooperatives but other cooperatives also.

Summary of investments, about \$1.5 billion in American Indian and Alaskan Native communities. You see the business ones there. I'm not going to go through these. I'll give you just a quick second. You get a scale, a scope of what we do.

So those rural business and cooperative programs. RBEG is a great -- that's a grant program that's administered primarily

in the state. RBEG is an example that a number of programs have either within the appropriation or more common within the Farm Bill legislation that there are set asides or targets for tribal communities. And you'll see those there. They really vary in how big. You see the RBOG program which really wasn't that big a program, but almost half of it went to Native American, whereas RBEG, a much smaller percentage went to it.

IRP, I'll just raise up, is a great program. So that's Intermediary Relending Program. We deal with nonprofits. Basically, we give them a chunk of dollars, and what they need to do is re-lend it to the community, and then eventually, they actually will pay us back, but we get that revolving loan fund moving.

A moment on Rural Energy for America Program, this is really a growing program, and we worked very hard to make sure that it can work in tribal communities. The purpose of REAP is to provide grants to producers in rural small businesses to purchase and install renewable energy systems and make energy efficiency improvements. We have grants. We have guaranteed loans. Grants can be up to 25 percent. These are for relatively smaller projects, so a half million dollar limit for the system. If it's a renewable energy system, we can pay for energy audits, feasibility studies. And that NOFA was published for the grant early this year.

Just to talk about that, some specific work that we did to make sure that it works on tribal is that Section 17. Corporations or other tribal businesses that have similar structures and relationships to tribal governments are expressly eligible. So we're trying to get ahead of those issues that I know we all wrestle with in a number of programs in this kind of new program.

Community facilities I guess I already talked about. I'll give you just 10 seconds there, see some of the data points. We do have grants, direct loans, and guaranteed loans. Again, the Direct Loan Program is the program that is really, we know really for the next two years that we're going to have significant program level to do some great projects out there. Grant dollars we continue to fight for. And the guaranteed loans actually have shrunk because they do have budget implications.

[CD3 Track 6]

Doug O'Brien: Single family housing, direct loans again, 504, the second set there, they're repair loans and repair grants so we have specific dollars to help people stay in their home, make sure it's a safe and healthy environment for the family. And then Mutual Self-Help Assistance Grants, it's a great program that's basically it's think Habitat for Humanity kind of work that we provide resources to really a little

neighborhood is the typical. There will be a number of families either in the same block or on the same street that want to improve or build a house. They work together to build those houses and provide a lot of the sweat equity into those homes.

Multifamily housing preservation grants, a lot of times, it's more affordable for the borrower, more affordable for the federal government to improve that property to make sure that those units are out there to serve typically very poor.

Typically people that we provide rental assistance to, it's USDA's version of Section 8 Housing essentially. And then we have direct loans to help build multifamily housing and guaranteed loans.

Water and waste disposal, I mentioned before, in my opinion, I think it might, over the years, maybe it has made some of the greatest impact. It is that basic infrastructure on some of the most remote and poor places. And direct loans in FY '12, almost \$850 million and then significant grant dollars in the water programs. Unlike most of our programs, there's really not significant grant dollars. There is in water. It's so important to communities to try and keep those water rates down and to keep that community viable. Particularly at [indiscernible] there, you'll see we provide technical assistance and training grants generally to intermediaries, make

sure that communities can actually maintain and service their water system.

Telecommunications programs, again, this has really evolved into the broadband program. And during the Recovery Act, we had significant grant dollars, over \$3 billion that we worked with communities to invest in new broadband. Since that time, we're back to just loan. So it's still a program. With need, it can really help. But candidly, in some of the poorer areas, it can be tough because we work with either a telecom utility or a private business to get that wire out there.

A couple smaller programs but crucial I think to your communities is distance learning and tele-medicine grants. So these are grants that help a community college, a school, a community center put in the equipment so that there can be either education or health care that happens remotely. We found that that can be such a great strategy for some areas, and we do have some dollars there, and I think that's a program that will continue.

And the electric programs, again, we do generation and distribution. And we're working to do more and more renewable energy, and we do more and more wind there too, typically working with an electric coop in the field.

SUTA is certainly worth spending at least one minute on. So the 2008 Farm Bill provided USDA Rural Development some

special authority that has -- that is designed to make our utility programs, and it's utility programs only, more accessible to tribal communities. So again, that's electric, water, and the telecom, our utility programs. There was certainly extensive tribal consultation process which we very much appreciated, and we think we ended up with a very good rule. And what does it do? Well, it's a potential for lower interest rates, longer repayment terms, grant priority, matched waivers. Essentially, we can waive that requirement that there be a 50 percent or 75 percent match, which can make the difference of course in a poor community whether you can move forward.

Current initiatives, very quickly, and I'm guessing maybe this would be mentioned some place else, but Strike Force is an effort that Secretary Vilsack has put in place at the department to make sure that we serve some of the harder to serve areas. And the way that we're doing that is building capacity in that rural place so that there is the knowledge base, so that there is a technical capacity in that place for people to access USDA programs and really all federal programs.

We started out in the Mississippi Delta, in four different states, in, I don't know, about 100 counties. Last year, or I guess it was earlier this year, we moved to four states in the Southwest, which I suspect would have -- and I know we're

working closely with native communities in the Southwest on Strike Force.

And then Know Your Farmer, Know Your Food, you may have heard of this. It's something that USDA is doing to make sure that the external community, our stakeholders, our constituents understand how USDA programs can support local and regional food initiatives. And it's also actually, and I think my USDA colleagues will tell you, a very important piece of that initiative is making sure that USDA employees understand how we can support local and regional food systems. Obviously such an important component in many of the tribal communities.

Healthy Food Financing Initiative focuses on areas where populations have very low or no access to healthy food, fresh fruits and vegetables typically. And we're working with a number of different components within the federal government, Treasury, HUD to make sure our programs, to the degree that we have the authority and the appropriation, to focus efforts to improve access.

There is contact information for Tedd Buelow. I'm also going to give you mine. But Tedd, I'll just mention, so he used to be in D.C. He is now in the state office outside of Denver and is a fantastic champion for native communities within the RD. So do not hesitate to reach out to Tedd, particularly this group of leaders here. He might be a good first contact.

Frankly, if you've never talked to Tedd, I'd invite a call because he always adds value to a conversation not only to you but he will to us. And actually, I know he wanted to be here and was unable to for other reasons. I'm sure he'll be engaged with the council, has been involved with the council thus far. I'll just give you my contact information, is doug.o'brien, that's with an apostrophe, which is an indication that I truly do want you to contact me because I told you there is an apostrophe, @osec.usda.gov.

So that's doug.o'brien@osec.usda.gov. Thank you again for providing RD a little bit of time. Happy to take as many questions as the chair allows us.

Sarah Vogel: Can you talk about your work with tribal colleges?

Doug O'Brien:Mm-hmm. Yes. So we actually, we work with REE quite a bit. REE is the Research Education Extension component of USDA.And just this last year, under Secretary Tonsager, my direct boss, who his direct boss is Vilsack, signed a Memorandum of Understanding with community colleges, many of them tribal colleges. And we are deepening our engagement to make sure that the tribal colleges understand the programs that we have at Rural Development.

One of the key ones is community facilities that we talked about. So we've built dorms. We've built different types of

educational facilities on community colleges, including tribal colleges. And we're really trying to push to make sure that people understand what we can do.

On the food system side of things, we can work with them on making sure that -- many times actually, the college itself may not be an eligible recipient, but the community that they serve, they know about the small businesses. They know about the nonprofits. And we work with them to make sure that we partner with them to deliver those programs. Thank you. Good to see you, Sarah.

Sarah Vogel: Good to see you too.

Joanna Stancil: Janie?

Janie Hipp: This is Janie. I'm going to embarrass Doug just for a minute, but I'm going to thank him publicly. He was an integral part of the settlement, the Keepseagle settlement team within USDA and was our go-between between USDA and the secretary and Department of Justice. And we could not be sitting at this table if it were not for Doug's role in that process, so I have to thank him publicly. And I know that we all share in that thanks.

Male Voice: Thank you.

Female Voice: Thank you.

Doug O'Brien: You're welcome. And the words are too kind because of -- and I think Janie knows this is true -- no matter

who sat in that particular seat around the table, Secretary Vilsack was going to make sure that we got to the place that we got to. But thank you for that. I will mention it's the most - - Keepseagle along with the other two cases, it is the most gratifying work that I had done.

Male Voice: Thanks.

Female Voice: Thank you.

Joanna Stancil: Thank you very much.

[End of transcript]

**Council for Native American Farming
and Ranching, Meeting: August 14-15, 2012**

CD4 8-14 Track01 to Track09

[Start of CD4 Track01]

Joanna Mounce Stancil: All right. Moving right along, next on our list is USDA's marketing and regulatory programs, Joani Walsh, the deputy undersecretary. And we did bring it to Butch Blazer's attention that we're about 30 minutes behind, and he's okay with that, so he's joining us in the back, which means we might be dipping just a few minutes into your lunch hour.

Joani Walsh: Hi. Thanks so much. It's really a privilege to be here with all of you today at the Council for Native

American Farming and Ranching, and for our team at marketing and regulatory programs to have an opportunity to provide an overview of our programs and also to hear from you about your questions. I know we're running short of time. I'm going to personally just hand around my personal business card, and I encourage any of you who have follow-up questions to contact me directly, and you're also welcome to contact the folks who will be representing each of the various agencies.

So, the marketing and regulatory mission area is made up of three agencies that together facilitate the domestic and international marketing of U.S. agricultural products, and that also ensure the health and care of animals and plants. These agencies are also active participants in setting national and

international standards. So, the Ag Marketing Service, we're going to hear from administrator Dave Shipman today, administers programs that facilitate the efficient and fair marketing of U.S. agricultural products including food, fiber, and specialty crops. AMS also houses programs that support local and regional food systems and markets for farmers and ranchers through programs such as the Farmers Market Promotion Program, the Federal State Marketing Improvement Program, and the Specialty Crops Block Grant Program, all of which you'll hear more about from Dave Shipman in a moment.

I also, just tagging on to what Deputy Undersecretary Doug O'Brien just mentioned about our efforts to coordinate with other departments such as Treasury and Health and Human Services to increase access to healthy food in communities that may have low access or low income, I certainly invite follow-up inquiries on that, and we'd be happy to speak more with any of you who are interested in pursuing some work in that area. And through our Farmers Market Promotion Program, we've certainly targeted in part projects that are aimed at increasing access to healthy food in underserved communities.

Our Animal and Plant Health Inspection Service provides leadership in protecting American agriculture by ensuring the health and care of animals and plants. APHIS is a broad mission

area that in addition to protecting animal and plant

agricultural health, also includes regulating genetically engineered organisms, administering the Animal Welfare Act and carrying out wildlife damage management activities. Terry Clark is our National Tribal Liaison with APHIS, and he'll be providing an overview of APHIS program shortly.

And with us, we also have Alan Christian who's the Deputy Administrator with the Grain Inspection, Packers and Stockyards Administration. That agency, GIPSA, facilitates the marketing of livestock, poultry, meats, meat grains, and related agricultural products as well as the fair and competitive trading practices.

So, we are all here today to provide both details on our programs, but really most importantly, to hear about your particular areas of interest and to identify ways that our programs can best support your efforts moving forward. So, I realize we're jamming a lot in but really would invite your input and your thoughts moving forward. And what we can't get to today in conversation, I invite you to e-mail me directly. So, thanks very much.

[CD4 Track 2]

Joani Walsh: And I think first we'll have Administrator Dave Shipman with the Ag Marketing Service.

Dave Shipman: Good morning. It's still morning, right?

By a few minutes. Okay. I'll try to make this really quick

because we have about 50 laws, statutes, that we're responsible for administering and adhering to. I'm going to quickly go through not all 50 but a lot of the programs that are tied to it. You should have brochures that were passed out to you; the one with the cotton and kind of the weather map on it, if you follow that, that kind of follows along with the presentation that I'll be running through real quick. And then there's another one that really focuses in on grants programs and some of the cost-share programs that we have that you might be interested in.

But as was stated earlier, our mission really is to facilitate marketing agricultural products post harvest, after they're produced and they're into the marketplace, how do you best market those products. And so, that's where our focus from producer to consumers. We have about in total about 5000 folks that work for us. We partner very closely with state agencies. We have cooperative agreements with every state, and we have, -- well, you can see, we have over 645 cooperative agreements.

We break all of our programs down, because they get into a lot of different areas, into the four basic categories, and one of them is quality verification programs. And that gets into rating the products, we set standards and we rate products -- and I'll just show you all the different products, whether it's

cotton, dairy products, pistachio nuts, walnuts, peanuts, all

kinds of livestock products, fruits and vegetables, you name it, we've established standards, quality standards for it, and we provide a third-party inspection service, a grading service that determines the value and is used in the marketplace to assess value on that product.

We also have a process verification program, and this is where we're going in. And it used be that if you just looked at the contents of a product, whether it be beef or fruits and vegetables, that was enough to determine its value and move it. But now, more and more, it's the process by which it was developed. And so, we'll get into process verification programs that are based on international standards, and you're looking at how a product is produced and how it moves into the marketing chain.

You'll see a bunch of these types of things on products we're involved with. For example, the Black Angus recert, where it's USDA certified. We're verifying that it truly is Black Angus and that it meets all of the standards that are in place. And we have these across the board on a number of areas.

We also have a second category of our programs that we call industry self-help. That's where there are statutes, there are laws that have been put together that enable industries to come together and work together, and we help facilitate that. One of them is marketing orders and agreements. We have a number of

fresh fruits and vegetables. There are 32 marketing orders in the fresh fruit and vegetable area, and there are 10 dairy marketing orders. This is where industry is coming together. They establish through rulemaking in certain procedures that they follow and guidelines to again facilitate the marketing of their products.

We also have research and promotion programs. There are a number of them listed here. We actually have a few more since this slide was put together. This is where industry comes together. You may know them as check off programs, where an assessment is made, those funds are pooled together, and they're used for research and promotion activities. A lot of research activities go on as well as promoting products.

Our responsibility there is to oversee, to ensure that those programs that again are industry driven, follow all of the statutes, the requirements that are in place, and that the money that is collected through the assessments is used according to the regulations that are established around that.

The next area that we kind of categorized some of our services in is called Public Good programs. This is like our market news. This is one of the first programs that the agency

ever did. It started over 100 years ago where we have market news folks across the country and actually work with others in other countries to identify prices in the marketplace and make

it a very transparent process, so that anybody can understand what the price of their commodity is on a daily basis. We put out reports every day, and in some cases, multiple times a day.

Again, I mentioned that we have commodity standards. We have over 475 different U.S. and international standards that identify the qualities of different commodities as you determine that value.

We have a Pesticide Data Program. We do sampling of agricultural products, determine the residues. So, we publish a report every year on that. It's used by EPA to assess the adequacy of current tolerances for pesticides, but it's also used by the marketplace to demonstrate to buyers of agricultural products, such as our trading partners around the world, of what residues you might see in the products that you're buying, and 99.9 percent of the time, they're far below the EPA tolerances and that helps open up barriers and move product in the international market. We have a transportation group that gets into being basically an advocate for agricultural transportation issues, a lot of rail issues as well as barge, waterway issues.

We have wholesale farmers in market development. This is where we actually work with folks to help establish farmers markets and wholesale markets. We actually have an architect on

board that will assist local communities in developing and

designing the farmers market. We do not get involved with brick and mortar in terms of financing, but we help in all that regards in terms of zoning and working with your local communities to help develop that market, and we provide assistance. Under this program, we have a Farmers Market Promotion Program where we have grants in the neighborhood of \$5 million annually, and that is covered in one of those brochures.

We buy a lot of food. We buy about \$1.5 billion worth of food every year. We work very closely with the Food and Nutrition Service to buy food for the school lunch program as well as many other federal feeding programs, and we get involved with surplus purchases as well. The president yesterday, while in Iowa, announced that a number of bonus buys to help the livestock industry as a result of the drought that's occurring. So, we're in the process right now of purchasing over \$170 million worth of pork, catfish, lamb, and poultry. We covered commodity purchases.

We have a Federal State Marketing Improvement Program. This is another grant program. We have about \$2.5 million in that program, where it's a competitive grant process working with states and other recipients to improve marketing activities.

And then, the fourth category where we lump all of our

programs is regulatory programs. We have a Federal Seed Act

that basically is a truth in labeling. So, if you're a farmer and you buy seed or even if you're a household and you have a garden and you buy seed and you look at that seed, we work very closely with states, the contents of that package are verified to be accurate. If they're not, it would be a violation of the Federal Seed Act. So, this is a regulatory program that we carry out primarily with state entities.

We have the National Organic Program. We are responsible for establishing the organic standards. We work with a National Organic Standards Board, which is made up of representatives from the organic community and science area and universities and consumers and so forth that are interested in the organic production, and we work with them to establish national standards.

And we have been more recently working in developing to actually international equivalence. We have one with Canada right now where our products that are organic are recognized as organic in Canada, and we also have one with the European Union and we're working on several others right now.

Finally, under the regulatory area is shell egg surveillance. This is where we actually go into every egg facility packaging house in the country and this is partnered with FSIS and FDA in checking for appropriate cleanliness and managing of shell eggs.

We also have the Perishable Agriculture Commodities Act. This is anybody that's selling fruits and vegetables has to be licensed under this act, and their license could be revoked if they don't basically adhere to fair-trade practices. In other words, if you sell a product to somebody, you're going to get paid, and if you buy it, you pay in a timely manner, and a variety of other things, but it's a way, it's a tool to ensure that those trading and perishable products that have a very short shelf-life, that the transactions that occur are fairly done, and we oversee that activity.

We have a Plant Variety Protection Act that we administer. This is basically a patent for plants. So, if you're a breeder, a public breeder or a private breeder, you can come to us, and if you can demonstrate that your variety is unique, stable, and distinct, that you can get a protection of up to 20 years for your products.

We have a Pesticide Recordkeeping Program that's working with states as well as those that use pesticides to ensure that the program's appropriate records are kept. And I think this is the final one, country-of-origin labeling. We're responsible for that statute, that this is where products have to be labeled appropriately that retailers can demonstrate their origin.

So, that is a very quick summary of all the activities.
You can see it's rather diverse. They are covered in these

brochures. There's also our website and so forth on here, and please feel free to contact us if you have any specific areas or questions. I'm trying to fit all this in. I think it's APHIS up next.

[CD4 Track03]

Dave Shipman: -- APHIS.

Joanna Stancil: Terry Clark? Terry Clark.

Terry Clark: Good morning, everyone. [Indiscernible] pretty bad [indiscernible] sitting between you [indiscernible]. So, I'll try to be brief. Again, my name is Terry Clark. I'm the National Tribal Liaison for APHIS. I'm also a member of the Lumbee Tribe of North Carolina.

Okay. APHIS or Animal and Plant Health Inspection Service is an agency with a broad mission area that include promoting U.S. agriculture health, regulating genetically modified organisms, administering the Animal Welfare Act, and carrying out wildlife damage management activities.

To protect agriculture health, APHIS is on the job 24 hours a day, seven days a week, working to defend America's animal and plant resources from agriculture pests and diseases. For example, if the Mediterranean fruit fly or an Asian long-horned

beetle, two major agriculture pests, were left unchecked, they would result in several billion dollars of production and market loss annually.

Similarly, if foot-mouth disease or avian influenza were to become established in the United States, foreign trade partners could evoke trade restrictions and producers would suffer devastating loss. In the event that there's a pest or a disease concern detected, APHIS implements emergency protocols with affected states and tribes to quickly manage or eradicate the outbreak. This aggressive approach has enabled APHIS to successfully prevent and respond to potential pest and disease threats to the U.S.

This is just a quick slide of our different programs within APHIS. I'll cover those briefly.

Animal Care. Animal Care protects and promotes the welfare of animals bred for commercial sale, used in research, transported commercially, or exhibited to the public. Animal Care develops standards of humane care and treatment. Also, Animal Care works to eliminate soring of horses. So, if anyone has seen Racking Horses or Tennessee Walkers, you'd know that there is a technique that you use to make them pick up their gait higher by burning them. So, Animal Care tries to prevent that.

Animal Care also monitors animal care practice and achieves

compliances through inspection, education, and cooperative efforts. Animal Care also provides leadership on the safety and well being of pets during disasters.

I want to try to give you some examples of what our agency does exactly with tribes. Since APHIS is an emergency response organization, Animal Care has assisted tribes in their efforts to include pets as part of their emergency response plan. Animal Care had most recently just started to assist tribes with providing funding to conduct spay and neuter clinics to reduce overpopulation of dogs and cats on the reservation.

Another one of our line programs is Biotechnology Regulatory Services or BRS. BRS protects against the risk of plant health by facilitating safe importation, interstate movement, environmental release of genetically engineered organisms. BRS established the requirements for that importation, that transportation, as well as the field testing of GE organisms. BRS evaluates potential plant health risks associated with GE and enforces regulatory enforcement through inspections. BRS removes from oversight GE varieties that does not pose a risk. BRS works in partnership with FDA and EPA to ensure their development, the testing, and the use of biotechnology products occurs in a manner that is safe for plants, animals, and human health as well as the environment.

One of our other programs is International Services.

International Services provide animal and plant expertise to protect animal agriculture and facilitate safe agriculture trade

around the world. International Services works with other

countries to address foreign disease and pest. International Services assists other countries in building their animal and plant infrastructures. We also monitor animal and plant disease and pests worldwide. International Services also inspects agriculture products prior to it coming to the U.S.

One of our other live programs is Plant Protection and Quarantine or some may know as PPQ. PPQ safeguards U.S. agriculture and natural resources from the risk associated with the entry, establishment, or the spread of pest including invasive and harmful weeds. Plant Protection and Quarantine prevents, detects, manages, and if possible, eradicates pests and diseases. Plant Protection and Quarantine collects and analyzes pest data both in the U.S. and overseas to identify potential pathways for introduction.

An example of PPQ working with tribes, I know PPQ has been working with the Nez Perce Tribes for several years now in the development of biological control agents to be released, assist other tribes with various issues with invasive plants they may have. PPQ also conducts surveys for pests on tribal lands and assist with the eradication of these certain pests. Plant Protection and Quarantine also assists tribes in the development of a plant emergency response plan.

Veterinary Services. This is another program within USDA

APHIS that deals with animal health issues. Veterinary

Services' mission is to protect and improve the quality, the health and the marketability of our nation's animals and animal products by preventing, controlling, and monitoring animal diseases. Veterinary Services coordinates the National Animal Health Emergency Response and Management. Veterinary Services ensures the safe importation of animals and animal products as well as biologics. Veterinary Services diagnose foreign and domestic animal diseases and also monitors the health status of livestock and poultry in the U.S. Veterinary Services also certifies the animal and products for export.

This next slide shows you some examples of Veterinary Services partnering with tribes probably for the last 10 years. I won't go in detail with all of these, but some of them are the Memorandum of Understanding, an agreement to work together if there's a foreign animal disease that comes into the U.S. We have several other programs where we've provided funding to tribes. Some of those are in their surveillance program. We partner with tribes for them to collect samples for certain diseases that could exist in the U.S. as well as on tribal lands. So, we provide funding to tribes to do this collection for us and to test for these diseases. The goal is to assist tribes in protecting their livestock, wildlife, and tribal members.

Another program is emergency management activities. We've provided funding for tribes over the last couple of years to develop an emergency response plan, to respond to a foreign animal disease. We also recommend that tribes develop an animal population census database that would tell the tribes exactly what is on the reservation, as well as we're looking at helping tribes write animal health codes to prevent sick animals from coming on the reservation. We're also providing disease awareness training to tribal members and various producers. The goal is to help tribes take steps to prevent, identify, and respond to diseases that could affect their livestock, pets, and wildlife.

I hate to show you this slide right before lunch, but [indiscernible], this slide came from your state when we --

Female Voice: That's one ugly bird.

Terry Clark: Yes. That's one sick bird, too.

Identification. I know most of you have probably heard a little bit about animal disease traceability. We've been partnering with tribes over the last couple of years trying to provide some information and guidance and outreach and training on what the new traceability requirements will be. We also provided funding to help tribes prepare for these new

requirements through assisting some tagging requirements,
equipment, and other funds.

Another program within APHIS is Wildlife Services. The mission of Wildlife Services is to provide leadership and expertise to resolve conflicts to allow people and wildlife to co-exist. Wildlife Services assists in resolving wildlife damage to a wide variety of resources and reduce threats to human and health safety. Did most of you fly in on an airplane? So, Wildlife Services tries to help reduce the bird strikes. Wildlife Services also cooperates with tribes to provide predator control management to reduce damage to the livestock.

Wildlife Services and tribes. Wildlife Services provides some expertise in beaver management in the Great Lakes Area to try to improve [indiscernible] recovery. Wildlife Services also assisted tribes in the past in the wolf management plans by capturing and radio-collaring gray wolves and collecting biological information.

There've been several issues where animals were relocated from areas, and we've actually transported animals from, I think, it was Washington State, it was river otters from Washington State to New Mexico. But everyone can tell this is not really a river otter. This, I think, is a beaver. So, once we relocate some animals, we try to see if the tribe is interested in receiving those, so we do work with them on that.

APHIS has a very big interest in Native American youth. I

know someone mentioned earlier about WINS program they have here

in D.C. APHIS sponsored six WINS students last year. They get exposure to what -- we hire them for the summer to get exposure to what APHIS is, what our programs are. Also, there are opportunities that exist -- hopefully more in the future, but there are opportunities that exist where we are looking at hiring summer interns to work in the various states that our different programs are in. And also, APHIS has partnered with Diné college this past year to host a two-week summer program for students age 14 to 17, bring them in, they get experience of what college life is like as well as what APHIS programs are, or look at possible careers within natural resources and agriculture.

So, I know that was very quick. If you have any questions, I think we may take them after the next presenter. But, in your presentation you have my e-mail and you have my cell number, so if you have any questions or concerns or issues, please feel free to contact me. Thank you.

Joanna Stancil: Thank you very much.

[CD4 Track 4]

Joanna Stancil: All right. Next we have Alan Christian from Grain Inspection, Packers and Stockyards Administration, GIPSA.

Alan Christian: Thank you. It's a pleasure to be here,
and thank you for the opportunity to share a little bit about

the Grain Inspection, Packers and Stockyards program. Unlike the two previous agencies and the marketing and regulatory programs, GIPSA is probably the smallest. We've got about 700 people and only two programs, the Federal Grain Inspection Program and the Packers and Stockyards Program.

I know Dave talked about AMS, their role is to facilitate marketing, and GIPSA or the Grain Inspection, Packers and Stockyards program, our role is to ensure fairness in the marketing of grains and livestock. So, we're a regulatory program and we try to provide protections for people that are trading or marketing agricultural products.

For instance, years ago, if you were selling a steer, you might sell that directly to another individual, and that individual could have looked at the animal, assessed what it's worth and then pay you for that animal. But nowadays, typically livestock are sold on a formula basis or a marketing arrangement, say, 14 days ahead of when the animals are actually delivered to be slaughtered. And so, as a seller, you don't actually know what you're going to get for that animal until the animal is slaughtered and the characteristics of that animal are determined, the weight, maybe the tenderness, and a number of different characteristics are taken into account before you get your check. And so, our role is to ensure that when you sell an

animal without knowing what you're going to get, that those

parameters that are used to assess the value are applied correctly.

And the same goes with grain, as a lot of grain is shipped overseas, the buyer overseas wants to know that they're getting exactly what they're paying for. And so, on the federal grain inspection side, there are really three things that they do. One, they set national standards for grain. Two, they inspect all the grain that's being exported. About 80 million metric tons of grain that leave this country are inspected by FGIS to ensure that it's the weight that they say it's supposed to be, and to ensure that the quality of that grain is what it's supposed to be before it leaves the country. And then the third thing that FGIS does is they oversee state and private agencies that inspect grain for interstate movement.

So, if you're buying grain from, say, one state to another and you want to ensure its quality, you can have one of these designated agencies inspect that grain and certify its quality and/or its weight before it's moved.

On the packers and stockyards side which is the livestock marketing protection program, there are really three things that we look at there. One is financial protection. So, if you sell an animal, you sell a cow or you sell a hog, you should get paid

fairly for that animal and you should get paid promptly.

We also ensure that the entities that are buying those animals, the packing plants and the livestock markets are solvent. In other words, they have enough money to be able to pay you, and they're bonded and they're covered by a trust, so that if they were to fail, you could get some of that money back, either through bond protection or by filing a claim against the trust. So, there are some financial protections if you sell an animal and that entity were to go bankrupt.

The other area that we look at on the packers and stockyards side is trade practices. We go into every packing plant, every livestock market and check their scales to make sure they're weighing your livestock correctly, if they're using that weight then to pay you. We also look at their practices in terms of advertising and deception. So, in other words, are you being told you're going to be paid on a certain basis and then actually when they run that animal through the packing plant, are they unfairly using other characteristics in that payment? A lot of payments now that come out of packing plants are based on very complex formulas that involve a whole host of characteristics. And so, we look at those formulas to see if they're paying people properly.

And then, the third thing we look at is competition in the industry. We all know that in the livestock industry, there are probably four large packers that control 80 percent of the beef

industry, there are maybe four or five that control about 60 or 70 percent of the poultry industry, and the same in hogs. And so, we look at those entities to see how they're buying and selling to ensure that they aren't using their market power to unfairly control the market, to manipulate prices, to control portion supply.

Those are basically the things we do on Federal Grain Inspection and Packers and Stockyards program, we're really involved in protecting producers or protecting sellers through the marketing process. So with that, I guess I'll turn it back over to Joanna if you have any questions for anyone in the marketing [indiscernible] programs. Yes, sir.

Gilbert Harrison: Gilbert Harrison here again from Navajo. How do you handle or do you have any authority over auction prices?

Alan Christian: We do. Livestock auctions are registered with GIPSA. They're required to have a bond. They're required to have a custodial account to preserve the proceeds from the sale of livestock for the sellers. And we go in on a random basis to inspect those livestock markets and ensure they're complying.

Gilbert Harrison: How about the health of the animals that they sell?

Alan Christian: We don't look at the health of animals. Our responsibility is really financial and trade practices. However, if we do see issues with regard to health, I mean, that's something that our folks that work with the local officials to alert them to that issue, but that's not our primary responsibility. And if it were in a packing plant, then we would alert the Food Safety Inspection Service [indiscernible]. Yes, Ms. [indiscernible]?

Female Voice: I actually have a question for one of the others. I know there's a lot of, like, rip-off Native American arts that are not made by Native Americans, and I'm wondering, is there a way of certifying Native American sourced food, food products?

Dave Shipman: So, it being similar to our country of origin but that it would be Native American origin?

Female Voice: Right. Like, Native American beef or Native American corn or Native American herbs or buffalo, stuff like that, where it would be -- because I think --

Dave Shipman: Yes. I think that we would have the legal authority to work with a group to establish a standard, you'd have to develop a standard and a program. And then, through a third-party verification and auditing-type program, I believe that we could work with you to do something like that. To get actually on the label, we have to be working with FSIS and some

of the others in the department on that. But there's a possibility that that could be worked on.

Joani Walsh: We'd certainly be happy to set up a meeting to discuss that further with you.

Joanna Stancil: Well, that certainly could be something that the council addresses more in depth. That could be one of your recommendations if you decide to do that officially with the council.

Dave Shipman: Typically those types of programs are really driven by the industry, okay, so it would be driven by you, and we would work to help facilitate that.

Joanna Stancil: All right. Any more questions?

Mark Wadsworth: Mark Wadsworth. On your organic cost-share program, what is the cost-share rate on that, and how would you go about -- one of the issues that we're looking at is certifying rangelands as being organic as a part of our production for our producers to be able to market that way. So, could you go through that?

Dave Shipman: What the cost share helps do is it helps defer the cost of actually getting certified. So, it runs through the states. The money comes from us, we give it to the state programs, and you'd have to work with your local state to identify what your certification requirements would be. And then, the cost sharing is actually that the state would help

reimburse you for the cost of having an auditor come out and verify that you've met your plan.

Mark Wadsworth: Could we open a rapport through the federal to tribe? Because in some cases, states and tribes don't work quite --

Dave Shipman: Okay. That's a real good point. Let me bring that back to our staff that manages that program, and we'll see how we can work on that.

Joanna Stancil: Anyone else? All right. Thank you so much for being with us.

[CD4 Track 5]

Joanna Stancil: And next, we'll bring up -- just before -- as Butch is making his way up, Butch Blazer who is the Deputy Undersecretary for Natural Resources and Environment, just let me tell you a little change to the agenda. We'll be going to lunch at 12:45 to 1:45, then we'll be picking back up with our agenda with the Tribal Technical Assistance Network at 2 p.m. The Bureau of Indian Affairs is unable to join us this afternoon, so we will have plenty of time to get back on track.

Let's turn it over to Butch. So, right after Butch is done with his presentation, we'll go to lunch.

Arthur Blazer: Good afternoon. It's always a little dangerous being the last speaker before lunch especially when

you're running a bit behind and people are hungry. But we'll get through this fine.

First of all, I want to let you know I'm very appreciative of this opportunity to come before you here today. For those of you who don't know me, I am Butch Blazer. I'm Deputy Undersecretary for Natural Resources and Environment here at USDA. Basically, the mission area I'm over is U.S. Forest Service, and we'll get into that here in a minute.

But before I start, I just want to thank all of you for being here. I mean, the fact of committee that you're serving on is so, so important. And being a former tribal councilman -- I'm from Mescalero, New Mexico, member of the Mescalero Apache Tribe. I know how important it is to have a seat at the table, and that's exactly the opportunity that you have been given here on this committee. And I know that you're going to take it very, very seriously because a lot of people are relying on you. And I want to be as helpful as I can in working with Janie and Joanna in providing the tools, the resources you need to be successful. And so, I truly view this welcome as a beginning, and any way that I can help you in helping you to achieve the work that you need to do, I await that and look forward to it.

I'm going to be going through the natural resource and environment organization, and basically we have two key areas

that I will cover. First, I'll be going through the Natural Resource Conservation Service, again, which is not my mission area, but I will be covering it as best I can for my counterpart, Ann Mills.

As I mentioned to you earlier, there are two primary areas here. First of all, of course, we work for our secretary, Secretary Vilsack, and my boss, the undersecretary is Harris Sherman. And again, deputy undersecretary with the Forest Service is myself, and then the chief of the Forest Service is Tom Tidwell. On the other side, again, Natural Resource Conservation Service person, my counterpart there, the deputy undersecretary is Ann Mills, and the chief of the Natural Resource Conservation Service is Dave White.

Again, we'll start with NRCS. And what I've always found fascinating about NRCS -- and I'll be speaking to this much from a user. When I was on the Tribal Council, when I was a natural resource manager for my tribe in Mescalero, and when I was a state forester there in New Mexico for former Governor Richardson, we did a lot of work with NRCS. And you can see it, all the various areas, very important areas that they work in -- water, communities, clean air. All of these areas are so, so important to the issues that we as Indian people are faced with out on the lands that we manage.

Natural Resource Conservation Service, just some historical

facts here. I had a laugh when I looked at this slide when I began preparing for this presentation. I hadn't seen that Soil Conservation Service in a long, long time, but when I started my career, that's exactly who they were and that's who I interfaced with. But, again, it needs to be understood that NRCS is not a regulatory agency, but they work with folks on a voluntary basis.

It's a large organization, not quite as large the Forest Service, we'll get to that in a minute, but it is a large agency. This sort of outlines the number of employees, at the national office, the state office -- there's a state office in every one of our states -- and then, of course, the most important are those field offices. There are 3000 county offices located throughout the country.

Again, I mentioned, voluntary, not regulatory. Provide technical assistance on private land, that's what they do. And from these points that are listed here, probably the one that I think is most important -- of course, I'm biased -- is that natural resource planning piece, because all the rest tie into that. But that planning that NRCS can help private land owners is so critical in working with them to figure out how to best gain the resources and information they need to manage their lands.

And again, that last piece, the financial assistance, I

think my next slide here, we'll get into that more. But, again, we're all so aware of the limited resources that we have to work with, and the funding that is provided through the NRCS programs is very important.

This sort of gives you an idea of that technical assistance and the resources that NRCS does provide. And, again, this is exactly the kind of combination that we need: Expertise and money. You take that with a good plan, and you can do good things.

And as mentioned here, they have these technical support centers that are located throughout the country that have this type of step that is shown here that basically meets about every need that a landowner would have in the implementation of their land management plans. It's nice to have that kind of expertise at your fingertip.

I had no idea this was set up this way. Okay. The kinds of concerns that we're all faced with are listed here. And again, that expertise that is made available to us through NRCS helps us to deal with the various issues that come to mind.

[CD4 Track06]

Arthur Blazer: Just recently there was a very important session meeting held here in Washington, D.C., and it was put together by several of the Pacific Northwest tribes, and the

discussion was national discussion, sort of focusing in on what those tribes were doing in the Pacific Northwest but it related to climate change. And of these emergency concerns, I picked climate, because, again, the kinds of issues that tribes are faced with and are dealing with out on their reservations are substantial.

As Indian people, you know, our traditional use of our resource on reservation, the very important plants that we utilize, all of these are being impacted by climate change. And the tribes have been aware of changing climate for many, many years. And, again, they have a lot to share; tradition knowledge is very powerful. So, I was quite pleased when USDA was able to join other federal agencies and partnering with the tribes, and bring them again, provide them a seat at the table to talk about climate change. And I thought that this first meeting was exceptional. They did a very, very good job in pooling a great group of people together to start this discussion, and they're planning on continuing that discussion, and I know that USDA will continue to be right there with them in addressing their concerns that they're wanting to address.

Here's a listing of the financial tools for conservation implementation. Again, there's a whole array here that is listed, but one that I'm most familiar with and that I utilized when I was a natural resource manager there at Mescalero was the

EQIP program. I utilized certainly the others, but that EQIP program, what comes to mind during the time I was at Mescalero, we put in about 70 miles of gravity-fed waterline -- and those of you who are familiar with Mescalero, it's about a half a million acres of land, and the ranching program and the wildlife program, trophy outcutting [sounds like] program that we have there, it's all dependent upon available water. And so, this network of water that we were able to put in as a result of working with NRCS and working with the funding through that program made that possible.

I wanted to show you several initiatives here that are ongoing across the country. That's one other thing that Secretary Vilsack is really pushing, and rightfully so. He's taking a look at initiatives that bring people together, and then have us work together in regards to large watershed initiatives. Of these, again, I'm most familiar with the Great Lakes Restoration Initiative. Prior to coming into this position as a deputy undersecretary, I was working on a climate change project representing tribal interest with the Great Lakes Indian Fish & Wildlife Commission, and in my visits up to the Great Lakes Area and meeting with the commission, I became very aware of this Great Lakes Restoration Initiative that has been put into place. There is funding opportunities through that initiative for the tribes, and they're getting some great work

done in working with our partners.

And so, those of you that here, take a look if some of these initiatives are ongoing in your particular area and if you're not involved, I would ask that you look into it and see if there's a way that potentially a particular initiative could help you out.

Again, I mentioned in the beginning, workforce for NRCS. Again, that's one area of this agency that I've always been impressed with, having the opportunity, again, there at Mescalero, and then when I was a state forester in New Mexico, having our state forestry program work with NRCS. It's that accessibility that makes this agency so successful. And having people, they just seem to be located in the right spots. And it just really helps. And again, knowing the kinds of capacity issues that our tribes are faced with, this is what we need; we need that accessibility to experts out in the field that can work with us.

The two organizations mentioned here are the Indian Nations Conservation Alliance and the Intertribal Ag Council. I was hoping that Ross Racine was going to be here this afternoon. I saw him on the agenda so I called him this morning, and I didn't know he was still out west, and so I probably woke him up. But I got a hold of Ross and, unfortunately, he's not here today. But, again, I've worked with Ross for many, many years

and I'm fully aware of the great work that the Intertribal Agriculture Council does. They just -- to me, I sort of liken them to an arm for NRCS that helps to reach out into Indian country and to accentuate the opportunities that NRCS provides to Indian people. And IAC does that very, very well. And so, I want to applaud them for that.

Talking about tribal conservation districts, unfortunately, I have not had the experience in working with the TCDs. But, again, over the years, I think we currently have three in New Mexico. I am well aware of the successes that they have and what they afford tribes in regard to getting that tribal voice out there and letting NRCS what the priorities are of a particular tribe in a particular area and then help them make those connections that are needed to be made. This sort of gives you an idea of what those conservation districts do. I know that -- again, we just had one more come online [sounds like], I think in 2011 in New Mexico, one of the pueblos.

And again, from everything that I've read, every person that I've talked with that has been involved in this tribal conservation, working within these tribal conservation districts, they do a great job, and the work they do is extremely important. Okay. That just gives you some additional information on the TCDs.

And then, again, this here shows the Regional Tribal Conservation Advisory Councils. Again, that's information for you. I can't speak to them because I haven't been involved with them, but just be aware that they are out there.

[CD4 Track 7]

Arthur Blazer: Okay. Now, Forest Service. This is the mission area that I currently work with Chief Tidwell in regard to exercising and executing the mission of the Forest Service. And, again, when I first came to work here, I came on board last October, and found out immediately -- I had worked with the Forest Service my whole career, but in regard to now having the responsibilities of meeting this mission, it really came to light how big and how complicated this organization is. And it's very exciting work. A very hard work but a very exciting work, and I really do look forward to coming to work every day and people that I work with.

This here just gives you some historical information. Again, it gives you an idea of what the forest systems lands, what the Forest Service is over in regard to the 191 million acres of forested land that is managed. What catches my eye here, again, is this where it states "largest forestry research organization in the world." And I've visited many of their research centers across the country, and particularly the one located in Madison, Wisconsin, they're doing some

phenomenal work up there in regards to figuring out how to utilize wood. There's some work now being done, it's called nanotechnology where they take wood, they completely break it down and put it back together, and they're making projects, it's like space-age projects where they're talking about being able to use wood to build cars. And you're going to have to look into it because it is like space age stuff for me. I really enjoyed the conversation.

This slide here gives you an idea of what the Forest Service does. And again, in reading through them, the first one there, "Conserve the environment for future generations." It immediately takes me back home in the reservation in trying to figure out how we're going to protect our homelands and protect our tribal lands for many, many more generations, and how difficult that is. And then, I liken that to the Forest Service and the mission of the Forest Service, and knowing that there are multiple news agency, and being a multiple news agency, what that brings to the table in regard to trying to manage a piece of land for the benefit of many, many different uses. And, again, it's extremely complicated.

Research aspects, again, mentioned here. One of the things that people need to be aware of -- and I talked toward the research aspect of the Forest Service earlier -- is that they

really push for the development of that baseline science for forest management in this country. We work with all the state forestry programs, we work with private landowners in regard to the acquiring of forest inventory data. That baseline data that we can make management decisions on, science based management decisions on, it's extremely important. And we have these plots located throughout the country on all jurisdictions of land, including tribal lands. And I know that we've been working with the states, with the tribes in regard to developing inventory teams that can go out and collect this data. And, again, it's the basis for much of the management work that we do.

Community assistance and cooperation. You know, that's one area that Forest Service, I've really been pushing. It's a great agency, they do a lot of great work, but they need some help in working with communities. And I say that because the chief has shared that with me. And again, I mean, much of the history of the Forest Service, they were concentrating on managing that particular forest and doing the best job that they can. But what we've found over the years and the importance of partnerships and the importance of one of Secretary Vilsack's priorities, and that's landscape level management. Don't just manage a particular forest if you want to look at managing that whole landscape which many times involves tribal land, private land, state land. And in order to do that, you really have to

work on developing those community relationships.

And then finally, international assistance. The U.S. Forest Service has a phenomenal international program. And so, again, they work with entities overseas in regard to illegal logging, trying to prevent pests from coming into this country. And then, finally, the last thing I want to mention, I had an opportunity to go down to the World Forestry Congress several years ago in Buenos Aires, and having that opportunity to meet with indigenous peoples in South America and some of the issues that they're dealing with, I think that's something that our Indian people here in this country need to take a look at and see if there's a way that we can help come together as indigenous peoples worldwide.

Okay. This just gives you an idea of the forest systems lands that are located throughout the country. It mentions here a lot of that land and forested land and state and private. And in regard to tribal forested lands, we've got about 18 million acres of forested lands in this country. Very, very important. And then, again, I just want to throw this up there in regard to the goals of the Native American outreach within the Forest Service, partnerships, program development.

Running out of time here so take note, and if there are questions or -- I've got some cards here that are going to be given out, and again, you'd be able to get in contact with

me and follow up on any of these slides.

Very quickly, I don't know, Janie, if you've touched on the sacred sites policy. That's something that is a very, very high priority of Secretary Vilsack. We're looking at getting that out the door here shortly. But basically, what it boils down to is that there's so much common boundary between forest systems lands and tribal lands that this is a huge issue, and the secretary has gone out, he's met with tribes, he's incorporated that feedback back into this report that's going to be coming out. And again, it's a very, very high priority of his.

And then, of course, this has been in the news lately, all the wildfires that have been occurring. Forest Service and NRCS, we've been partnering very much so in regard to helping folks deal with the aftermath of these fires, the flooding, the issues that result from the aftermath of these fires, and we've been coordinating that very, very well. Okay?

[CD4 Track 8]

Joanna Stancil: I think we do have one question, at least, here. Chairman?

Michael Jandreau: My name is Mike Jandreau. I'm the chairman of the Lower Brule Tribe. The question I have, maybe a little bit selfish, but the Lower Brule Reservation, one half of it is known as Fort Pierre Grasslands, was extracted from our tribe in 1905. In 1952 an effort was put forward to return

those lands and over the years, we've met with Forest Service people talking about co-management or return of those lands to us as a part of our ability to economically survive.

We've been curtailed -- as our population grows, we've been curtailed in the utilization of land by farming and ranching operations because of the loss of this land. The Forest Service, through the director there currently, a fellow by the name of Ruben Leal [phonetics] had been very generous in working with us with a lot of activities. But I guess the question I have is, is there ever really going to be an effort to allow us to have those lands returned to our rightful ownership and opportunity for co-management? I know that the Standing Rock Tribe is in the same situation, and the Oglala Tribe is in the same situation, with former lands of theirs currently being utilized in national grasslands program.

Arthur Blazer: Well, again, Mr. Chairman, these kinds of issues are policy issues that are discussed at the highest level, at your level, at the chairmanship in talking with officials of the administration. Again -- and every one of these issues is so unique.

Michael Jandreau: The only problem is the conversation happens at that level, but somehow flowing down through the process, it never goes anywhere.

Arthur Blazer: Okay.

Michael Jandreau: And there's agreement, we -- you know. Over the years, we've met with Reagan's people, we've met with Clinton's people, and everybody said, "Hey, that's rightfully yours. It should be returned to you." But the conversation then becomes lost in some big morass and I'm just wondering if the policy currently is, is that once that those conversations are held at that level, whether the real, practical solution will be handled more administratively than it has in the past.

Arthur Blazer: Well, I agree with you. That's the way it needs to happen. And again, in the position that I'm in now, being the person that I am, I would be very interested in having further discussion with you or any of the tribal leaders in regard to these kinds of situations. But, again, you realize that they're very complicated. Many times at the forest level, at the reservation level, so much of what happens in a positive way is personality driven, people wanting to make it happen. And so, you know, all of these very complicating factors. I'm not saying it can't be done, but I would like to have that continuing conversation with you. Thank you, Chairman.

Joanna Stancil: All right. We have a couple more.

Mark Wadsworth: Mark Wadsworth, Shoshone-Bannock Tribes. I went through USDA Forest Service BAER training back in 2009 in Denver, and part of that, wildfire, forest fires, rangeland

entered our mix. One of the situations that I had ran into when you look at the Bureau of Indian Affairs, BIA, Bureau monies, we're really down and low on the totem pole for funding for rehabilitation efforts. And I see that through Forest Service they had, like that year for instance, was a \$40 million allocation, Department of Interior through BLM had their own BAER-Bar funding too, and then you had the Native American tribal BAER-BAR funding. And one of my questions to that regional forester was, "Is there any way for the tribes to apply for that forest service BAER-BAR money?" And the answer was, "No, you're dealing with the BIA. You have to access that." And, I guess, I just want to let you be aware of that, that was the communication that I had back in 2009.

But also, I would like to see some sort of possible MOU or MOA, or maybe this had been done in the past with other tribes that I'm not aware of, that we could form some sort of BAER team with the Forest Service and with the BLM. Because I just came off a 16,000-acre fire within our rangelands which encompassed some of our forest lands and, you know, we kind of struggle in some of those aspects of getting that money effectively to us. In some cases, the expertise of what's been done out in your area that we could rely upon and utilize on our area.

Arthur Blazer: Well, again, I appreciate this question.

And what I'd like to say is, first of all, I had mentioned earlier the Intertribal Ag Council being one of our very, very important partners. Another very, very important partner to the Forest Service is the Intertribal Timber Council. And it's these kinds of issues that we'd like to bring up with them because, again, there's strength in numbers. And if you have a lot of the tribal forestry programs that are having this type of issue, we can bring that to the forefront and have that discussion starting within USDA, but then having that and taking it over and discussing it with the Department of Interior, also.

Currently, in the position that I'm in, I co-chair a National Wildland Fire Leadership Council, and in that position, our primary goal right now is the implementation of what we call the National Cohesive Wildfire Strategy. And that's basically taking a look at issues like you're dealing with collectively within all federal agencies that deal with wildfire and coming up with solutions, where it's not just the BIA program or a Forest Service problem or a Bureau of Land Management. It's collectively looking at these things and figuring out how to address them. So, I want to make you aware of that. And again, I'd like to just continue this discussion with you if you'd so choose. All right. Thank you.

[CD4 Track 9]

Joanna Stancil: We have two more questions, and I'm going to have to ask you to keep them quick because we don't know how long the café is going to be open to serve you.

Gilbert Harrison: Good afternoon. My name is Gilbert Harrison. I'm from New Mexico, Navajo Nation. We have a problem there that I'm not sure this is the right area, but it's a Russian olive [indiscernible] -- it's a new species that's outgrown and just basically taken over, not only along the river areas but also in the mountain areas, and it seems like there's a -- you know, how do we control these kind of invasive plants and weeds that overwhelms individuals?

Arthur Blazer: Well, the Russian olive, the salt cedar, the tamarisk -- again, I'm from New Mexico, so I'm well aware of what you're talking about. And, again, what I'd like to ask you to do -- and I've told many of the tribes to do this, is that, again, when I was a state forester and working with NRCS, working with the Forest Service, working with individual tribal entities that have these riparian zones that have been invaded by these plants, we've been able, on many cases, to combine funding sources and come up with some pretty substantial projects where we've gone out and been able to eradicate some of these invasives, and then follow through with the restoration and putting in native plants into these sites. But it's very

labor intensive, very expensive. But, again, by combining resources, you can get some good work done.

Joanna Stancil: All right. And our last question will be from Mary Thompson.

Mary Thompson: As quickly as possible, Mary Thompson from North Carolina. A lot of the NRCS programs that we have are great programs and we appreciate that. And as we all know, funding is always an issue, but sometimes I wonder whenever the tribal appropriations are not there or are very limited and we want to go into the states allocation of funding, sometimes it seems that it's the communication breakdown between your state coms [phonetic] and your tribal liaison as to whether or not you're even eligible to participate in those programs. And so, I guess, just my point to you or comment to you is, are aware of the communication breakdowns or are there, between the state coms and the tribal liaisons, and encourage us to work on some - - from that end so that tribes may be eligible to participate?

Arthur Blazer: Well, I guess, what I can say to that, I'm well aware of these kinds of breakdowns that can occur. What I would tell you though, again, just be aware of all of the support mechanisms that you can draw upon. You have your local tribal liaisons within your particular state. If that doesn't do that trick, ratchet it up. Get a hold of folks like Joanna and Janie. Again, I mean, if you know something is not working

the way it should, you just keep going up the line until you get somebody to have good, meaningful discussion with you. And don't -- if you're turned away at that local level, just keep raising the bar.

Mary Thompson: Yes. And you have a lot --

Arthur Blazer: And then --

Mary Thompson: I'm sorry. But there's a lot of good state coms out there that [indiscernible].

Arthur Blazer: Oh, no. I totally understand that. And they're faced with a lot of different issues. But, again, that's why I'm so excited about working in the position that I'm in for the secretary that I'm working for, because one of his highest priorities is diversity. And that's why all of you are sitting here today because, again, people that deal with the kinds of issues you're dealing with are the people that live them. And the kinds of issues you're talking about, the kind of support that you're wanting to get, we're wanting to listen to you and help you. And so, again, the folks that I mentioned to you, call on us and we'll do everything we can to have that meaningful conversation come together for you.

Mary Thompson: Thank you.

Joanna Stancil: All right. We're going to -- thank you, Butch, very much.

Arthur Blazer: Okay. Thank you.

Joanna Stancil: And you're welcome to join us for lunch if you're able to stay. We'd love that. We're going to go down to the first level, to the cafeteria.

Female Voice: Enter on the café side.

Joanna Stancil: Enter on the café side. And we'll have an area cordoned off for us so we'll just come together, get what you're going to get, and then join us in our -

Female Voice: Do we leave everything here?

Joanna Stancil: Yes. Other than your purse and your bags. I would not leave your purses.

Male Voice: We will return at two o'clock, everyone. Two o'clock.

[End of transcript]

**Council for Native American Farming
and Ranching, Meeting: August 14-15, 2012
CD5 8-14 Track01 to Track04**

[Start of CD5 Track 1]

Joanna Stancil: Welcome back, everyone. If we can take our places. We have a fighting chance to finish out this day on time if we all come back together and get back on topic, our agenda. So, I welcome all of you back. [Break: 00:33 - 03:47]
Well, while we wait for the rest of our council members to come back, we're going to go ahead and have Zach join us again and talk more -- I guess, entertain some questions about the Tribal

Technical Assistance Network.

Zach Ducheneaux: Good afternoon, everybody. Welcome back.

Female Voice: Good afternoon.

Zach Ducheneaux: And I believe that this is actually the toughest slot because everybody's belly is full and they're satisfied, so now I've got to try to keep people awake.

Joanna Stancil: If we could have everyone's attention, please. Thank you.

Zach Ducheneaux: I volunteered to cut myself short earlier this morning in order to allow us to get closer back on schedule because there were people here that had a schedule at that time period to be here. I am here all day, both days. If you need me for anything or if you need any of the staff of the IAC for anything, please don't hesitate to grab them and use them.

A couple of things before -- I'll field questions from the council here if they've got any more for us. But a couple of things, I've had a chance to visit with a few of the folks in the audience and on the council in sidebar discussions, and I think one of the things -- and Chris asked the question today: What would I like to see come out of this? First and foremost, I think I would like to see a recommendation to the secretary to emphasize the economic development potential of the agriculture sector in Native America, because that's one that is critically overlooked.

I talk a lot about cows because that's my area of expertise. For instance, the cows that we sold on Cheyenne River Sioux Reservation last year for \$800 are now hitting the retail shelf for \$2600. None of that value was added on the reservation anywhere. Our cattle left Cheyenne River, they went to Nebraska to a feed lot and went to Kansas for a slaughter, and then they'd come back on a truck to Cheyenne River. Our meat travels 1800 miles, and we raise the best beef in the world there on the Cheyenne River. And you'll find that's the case on every one of these Indian reservations. They're in your folks' constituent areas.

The Economic Research Service has a food desert map, and you'll find that that food desert map overlays perfectly on a poverty map, and I don't think they're unrelated. So, I had a

little time to think about Mr. Beyerhelm's question, and I think the economic potential of developing an ag industry is the most critical thing that this council can come forward with, and then identify the tools that are at the disposal of the secretary to really enhance that ability. Does anybody have any questions? Yes, sir, Mr. McPeak?

Joanna Stancil: Sorry. [Indiscernible] keep it recorded.

Jerry McPeak: Jerry McPeak with the Creek Tribe in Oklahoma. This is a little bit of a devil's advocate thing. I've worked in a packing house, run one, and a feed yard as well, and very much that same thing, but couldn't we, as Indians, couldn't we have some of the value added if we're willing to take on the risk of the feedlot? And we've even talked about -- we have a Native American deal where -- we have the Native American preferred on some of the buying things that we do. We have actually a plant in Oklahoma where they do the slaughtering of our animals -- and I know that's not a good word for you politically correct people, but whatever you call it, we kill them -- and we're able to have that value added, but if we were willing to take that risk or able to take that risk, wouldn't we be able to utilize some of [indiscernible]?

Zach Ducheneaux: Absolutely. And that's what we're talking about. On our reservation, we've got the means to do a grass-fed beef product, we've got the facility to do that,

but there's always going to be a market for that commercial beef, the fed beef. We've got Indian and non-Indian community on our reservation; the non-Indians are more into the farming because of the nature of the allotment acts that have happened, so there's really not a lot of coordination or cooperation between those two entities.

What we need to have tribal leadership understand is that an economy doesn't realize a racial or a political or a socioeconomic distinction. We live with these folks; if our economy is better, theirs is going to be better. So, we need to get a feedlot going on Cheyenne River. It probably takes more access to credit than any of our tribal members have right now, and that's one of the issues that we've got identified in our report -- access to credit continues to be a barrier, credit to acquire the value-adding assets. We've got the first one, we've got the cow, but we don't have that feedlot that we can take the grain and the cow and make a value-added product. The next step would be the slaughter facility. In Cheyenne River, we're working with the tribe on a plan that would approach it from that end -- get a slaughter facility, use that economy that it generates and the jobs that it creates to build backwards to the feedlot to the grass-fed product to the Native American beef label.

[End of CD5 Track01]

[CD5 Track 2]

Lisa Pino: Good afternoon, everyone. My name is Lisa Pino, and I work with the Civil Rights Office at USDA, and until just a couple of months ago, I worked for the Food and Nutrition Service at USDA, which is the agency that houses all the 15 nutrition assistance programs for the country, so, everything from snack or food stamps to WIC to school meals on to the TEFAP program which is administered by food banks.

I just wanted to point on this issue because it's such an important one in discussing not only in communities of color, particularly for the native community, that there is such a strong correlation between a high rate of poverty and at the same time, a high rate of hunger and also a high rate of obesity. And then in consequence, all the chronic diseases that accompany that are an issue that is so important for us to discuss, because USDA, although it can't solve the entire dilemma, we definitely can contribute a significant part.

And so, I just wanted to point out that later on this afternoon, my former colleague, Duke Storen from the Food and Nutrition Service, will do a presentation on all those programs. But as someone who worked and was so dedicated to the Food and Nutrition Service for three years, I just want to emphasize that as part of this whole food ecosystem, that in addition to establishing grass-fed beef in your own slaughterhouses, but

also looking at the totality of the potential which is also maximizing participation in our Food and Nutrition Service programs because they're fantastic programs.

And also, we had the presentation from AMS earlier today, there're wonderful programs like the Farmers Market Nutrition Program that you can exercise, and then there are other funding mechanisms, specifically the healthy food financing initiative which is housed at the Department of Treasury, which is specifically geared to eradicate food deserts. And so many of the communities, particularly on the reservation, are in the food desert.

And I had the privilege of helping to launch Let's Move!, the First Lady's program to end childhood obesity in Indian country, and we were on the -- we visited with the Menominee Tribe in Wisconsin. And in addition to talking to children about the importance of eating well in so that they can preserve their health because that's how they're going to learn and succeed in school, it was also really exciting because the tribe for the first time in 20 years was about to open their first supermarket on the reservation. And the first supermarket that not only was -- it's already been functioning almost a year, I can't believe it, it's really exciting -- but, not only were they going to provide local fruits and vegetables grown by native farmers, but also include traditional foods like wild

rice, which are really popular and hot sellers. So, I just wanted to share the presentation from AMS and NFS, but it's so important, part of a whole food ecosystem. I just wanted to say that because it's important.

Zach Ducheneaux: Absolutely.

Male Voice: [Cross-talking].

Zach Ducheneaux: Where was I?

Female Voice: Food and Nutrition Service?

Zach Ducheneaux: No, no, no. The store.

Female Voice: Oh, the Menominee [indiscernible].

Gilbert Harrison: Good afternoon. Gilbert Harrison from Navajo. Talking about native food, on Navajo Reservation, a traditional corn is coming into fruition. So, one of the basic foods that we have this time of the year is called "kneel down bread," and it's made out of native corn, and really, there's no additive, just natural sweet corn, and it's like a size of a small burrito. So, I took one. And I know my flight from Atlanta to here, guess what I snacked on? I had some people sitting next to me and they were sort of eyeballing my little natural food. But it is natural food. There's a lot of natural food that Native Americans used to munch on, and it was very good. Nowadays, everywhere you turn, you have junk food here, junk food, but that's beside the point.

You talked about economic development. What I learned is that the whole of Navajo Nation, the reservation is trust land, and way back it was set aside as grazing land. So, every time we need to do something, we are now required to withdraw that land out of the grazing status into some commercial enterprise or a commercial product. And that's one of the toughest things to do, is to take that land, because the BIA -- I wish they were here. People used to tell me, BIA stands for "Bossing the Indians Around." So, every time I hear BIA, that reminds me. But it still is true, because their regulations are about that thick. So, if you want to deviate from the grazing issues, you have to go through this whole lengthy process of withdrawal that land from grazing into some commercial. And so, one of the things that I wish they were here is somehow I would like to see the reservation instead of being a big grazing area, more into a commercial type of a situation like out here where you don't have to withdraw that land from grazing and put it into some of the status, putting more of an economic base activity. And so, you talked about -- I don't know about your reservation, but if you talked about a slaughter plant, you've got to withdraw that land from grazing, put it into a status, have a commercial outlet.

The other thing, too, is because it is now considered grazing, you have to have consent of the local people, people

that use that land traditionally. And even though these people may not have any grazing animals or anything, you still need to have their consent. And it is the toughest thing in the world to do because, you know, people don't want to give up their land because there's no incentive. There's no incentive. And so, I think that's one of the things that I would like to see as we move more into the modern world.

We talked about economic development. Somehow that paradigm needs to shift from our traditional grazing into more of an economically based land. Because let's face it, most of the Native Americans here don't farm. They're basically -- they want to get jobs, they want to get ahead, they want to -- what was that I said about socially disadvantaged farmers? Well, they want to get out of that status. They want to be able to make decent living in places like Washington or other, that's where they'd go, and that basically goes back to the same thing we're talking about here.

You talk about integrated system, value added, but as long as we are -- our land status is "grazing land," we're not going to get anywhere. So, I don't know how many of you are familiar with trust lands, but back when they were being developed, the only thing that the government had to go on was they had trust type of activity. And to this day, we're stuck with that. And if you go to the BIA, that's what they'd take out, is the big,

old regulation on grazing. So, it is a big hindrance, and that's why I wish they were here, because somehow we need to start addressing this issue, how do we change our economic land base. Thank you very much.

Zach Ducheneaux: Thank you. Mr. Harrison, the BIA -- it's on. The BIA tells you that you can or can't take your land out grazing into crop production?

Gilbert Harrison: The BIA will not allow us to arbitrarily take that piece of land. You have to have somebody -- the whole Navajo reservation's considered grazing area. So, these older folks, they have a permit, a grazing permit to use that piece of land. And so, they have to say, "Okay, I can go ahead and surrender this piece of land which was in my name for grazing, and then put it into some other commercial outlet." And as long as those people don't -- will not surrender that, the Bureau of Indian Affairs will not allow any activities to take place. And right now, our reservations call it open grazing. So, you may have one permit here, one permit here, another one here, and they use the open range. As long as those three people do not consent to take that land out of trust status or out of grazing status, nothing can happen. That's sort of what's a big hindrance to us. So, thank you very much. And I don't know if the other tribes have that similar situation, but I think that's one of the biggest problems we have. Thank you.

Joanna Stancil: Sarah?

Sarah Vogel: I just wanted to point out that according to the agenda, the very next speaker on the program is from BIA.

Male Voice: They're not coming.

Joanna Stancil: They're not going to be able to make it.

Sarah Vogel: Oh, serious? Oh, well.

Zach Ducheneaux: They cancelled.

Gilbert Harrison: I knew it.

Sarah Vogel: Well, anyway --

[CD5 Track 3]

Sarah Vogel: I was wondering -- actually, Zach, I was wondering, well, we've got you here, if you could just hit some of the points that are covered on your report, I thought your report was really good, and tomorrow we've going to distribute some of the recommendations to USDA that the council for the Keepseagle class made. But, like the discussion of the credit history and, you know, what you're aware of in terms of -- as you identify these different issues, what changes are you seeing, what changes do you think -- I mean, you've focused on the economic development component, but in terms of -- you've got 14 or 15 -- like, treat tribes as cooperative. That's an interesting concept.

Zach Ducheneaux: Yes.

Sarah Vogel: Could you flash a little bit of that out, please?

Zach Ducheneaux: Absolutely. Perfect. Thank you.

All right. So, on the screen we've got the report submitted to the council, and we've got -- within a few months, we started to notice some things that needed to be addressed, and we've kind of kept a running list. And when we've worked very closely with the USDA on the things that could be changed without acts of Congress or regulatory changes or what have you, we've identified some of the things that we think need changing before we can -- but we're unable to without a regulatory or statutory change or what have you.

The first thing that we identified was that if we improved the technology for our producers -- you know, we've got a -- if we're going to emphasize younger producers getting into this, we've got to put it in terms they understand. We could allow them access to their files on a read-only basis, on a planning basis for conservation and FSA. We've got producers out there in the country that are savvy enough to do that, but they can get access to that. They've got it printed, and then the FSA or NRCS employee is going to key it in, and that takes time on the agency's part as well as the producer's part. So, improving technology access was one of the first things that we identified that would let the department's resources go further.

Proposed solution number two is change the philosophy of the FSA. And we noticed that there is a perception out there in the FSA at some of the local levels that it's -- they've got this fiduciary obligation to protect that money that they're loaning out. And as such, they may interpret their regulations different than what I may or what Mr. Beyerhelm or Mr. Radintz may, and we help those individuals to read that regulation in a less constrictive light.

One of the things that Sarah talked about specifically was the credit issues that we have on reservations. Because of federal policy and lending, we've got a situation where the FSA essentially acts as the enforcement arm for credit collectors, debt collectors out in the field. We've had cases where a producer was told he needed to settle up on an account that he was even disputing before he could be considered for a farm operating loan for that year, and the producer ended up not getting the farm operating loan, and I don't know that he ever settled up the account either.

But in the case of supervised credit where it's the FSA -- their name is on the check. I don't think that it's proper to place such an emphasis on the credit history as you would in a typical lending relationship. This guy couldn't go to a bank and get a loan anyway, that's why he's here. When the income from the production has the FSA as a joint payee, there's not

as big an issue with repayment history as there would be in a typical situation.

What we could do is use this as an opportunity to help provide that supervised credit and help those producers to learn, sit down with that loan officer and say, "This is what we should pay first because this is the most important, this is going to generate income." Exercise that supervised credit a little more than what we do. Given the circumstance on Indian reservations, we think that the FSA should become a preferred lender for Indian country, not a lender of last resort like it had been in the past, and even beyond the lender of first opportunity as it is now.

I had one producer who, if he had been allowed, if he had been approved for his FSA loan, he would've gotten out from under an 18 percent pickup loan and a 16 percent operating loan. The interest savings alone would've let him clear up everything else on his credit history in the first year. But because he had these things on his credit history, we never even got to the meat of his business plan which did that. So, I'd like to see less reliance placed on that credit history. Yes, ma'am?

Sarah Vogel: And I'd like to say, too, that, I think, there are many studies that indicate that reservations are sort of the prey for a lot of very unscrupulous lenders: money lenders, payday lenders, crooked car dealers, you name it, and

most banks don't participate in reservation economies. And so, one of the things that we learned in the Keepseagle litigation is that there are certain signals in Native American's credit history that should be reviewed. And we think that FSA -- and you're probably going to talk about this tomorrow -- we think FSA does have the discretion to look at it, provided that appropriate training were given.

And one thing that is touched on by Zach and Ross and so on is these IHS debts, that is a real killer for credit with Native Americans, and it's not their fault. And you've heard us all talk about that at length, Chris, but --

[CD5 Track 4]

Chris Beyerhelm: This is Chris Beyerhelm. If I could just respond a little bit.

Joanna Stancil: Yes, I think that would be great.

Chris Beyerhelm: Yes. I mean, because Sarah's right, Zach's right. You know, obviously there are always two sides to every story. And part of -- and I won't call it a dilemma -- it's just one of the things I have to deal with with my loan officers is that a lot of them went through the '80s, and the '80s was a very tough time. A lot of farmers went out of business, a lot of banks went out of business; it was a tough time for everybody. As a consequence, I compare them very much to like when my parents went through the Depression, about how

they approach debt and how they approach finances. And some of them are very conservative, and they're concerned that they don't make loans to people who can't pay them back. So, some of what you see, Zach, is not out of anti-Native American or anti-whatever. It's out of concern. So, that's just one thing I want to say.

The second thing I will say is that, we are struggling to get our loan officers to try to get to say yes if they can. That should be the objectives. Let's start out by saying, "Yes, we can make the loan," and only when we found out additional information such as credit reports or whatever would we go to, "No." And I think we've made some progress on that and we will continue to do that.

Zach Ducheneaux: Oh, absolutely. Yes.

Chris Beyerhelm: But I think the bigger issue here -- and I know the council is not making recommendations today, but just for future references, when we talk about credit deserts and things like that, is there is a perception by the lending community that it is difficult to get liens on property in Indian country, and I think it's a fact. And that's why we talked about the UCC earlier and, if we could get tribes to adopt a more collaborative effort with the lending community about making lease perfected or working with lenders to try to make it a little more, I won't say attractive, but less

barriers to collecting loans back, I think that would be -- I think a lot would be accomplished by that. Because that's a lot of the reason lenders kind of shy away from Indian Country.

Zach Ducheneaux: And I would concede that it is a fact that there is a myth, but I will not concede that that is a fact. You can perfect a lien on trust ground. We have let the lending community become lazy about it.

Chris Beyerhelm: I agree.

Zach Ducheneaux: And they don't want to come out to the reservation and, "Well, I've got to do six or eight more pieces of paper, and I've got to have a lawyer look at it, so I don't want to make that loan." Sorry, you're supposed to serve this community. You're getting the money from the government, the same as these people would like to if they could. You should be serving the community, regardless of what it takes. I think that's a critical part of what the council can do, is help bust that myth, help bring lending -- commercial lenders to the table and say, "This is why we're out there. We're not competing with you, because you won't go out there." That's the problem.

Chris Beyerhelm: Yes, I agree. I think that's a key to it. And I know we're not doing subcommittees, maybe it should be one of those subcommittees, is how we can create that collaboration with lending community.

Zach Ducheneaux: Yes. Absolutely. Yes, sir?

Michael Jandreau: Mr. Mike Jandreau. You know, through Wakpa Sica, in cooperation with the Federal Reserve, we went around and did a lot of activity in regard to having uniformed codes that were adopted and specifically identified for tribes to try to meet these kinds of criteria. But we always get hung up when we're dealing with federal lending, where the acceptance of anything other than what is in the state UCC is acceptable. And I think a real look has to be taken at that. I mean, the efforts that were put forth to really come part way on the part of the tribes, to really deal with the credit crunch that we all face isn't being met halfway on the other side. And it can be. Federal law does not restrict it. So, you know, I guess that when I began hearing excuses about it, it's kind of frustrating.

Zach Ducheneaux: I'm not trying to make excuses, Mr. Chairman.

Michael Jandreau: I know you're not. [Indiscernible].

Zach Ducheneaux: Anything else?

Mark Wadsworth: Joanna? I sat on the housing board with the Shoshone-Bannock Tribes, and we ran across this issue. And I think it is kind of a governmental agency concern that you -- I, as an individual, could apply for a VA as being a veteran, I could apply for the FHA loan, I think it was the 184 program at that one time. And now that you had the rural development --

[Announcement of a fire emergency]

Zach Ducheneaux: I'll stay up here and keep talking until I see smoke.

Joanna Stancil: If everyone could meet by the staff entrance on the south side of the building, the Independence side, to go down, and down the steps. Take your purses with you.

Male Voice: See what you've caused, Zach?

Joanna Stancil: Bye, everyone.

[End of transcript]

**Council for Native American Farming
and Ranching, Meeting: August 14-15, 2012
CD6 8-14 Track01 to Track05**

[Start of CD6 Track01]

Joanna Stancil: I think, unless you have any more specific questions of Zach, then we'll move on with -- are there any questions that you want to address? I was just talking to--

Zach Ducheneaux: I can -- I'm at your disposal from now until whenever you're done. So, if you have any questions of me, just catch me whenever, call me whenever. I just want to thank you all for the opportunity to visit with you and be part of this process. I really think you guys are set up to do some good.

Edward Soza: Will you be here tomorrow also?

Zach Ducheneaux: Yes, sir. You guys are going to be tired of me by the time you're done, Mr. Soza.

Male Voice: Are we back in session?

Joanna Stancil: Yes, we are.

Zach Ducheneaux: Thank you.

Joanna Stancil: Welcome back, everybody. We'll get started. If there are no specific questions that you would like to ask Zach at this moment --

Edward Soza: Can I ask one?

Joanna Stancil: Okay. Zach.

Edward Soza: I'm Edward Soza, California. Maybe tomorrow or this evening, when you're talking to people, you can cite the program of women and children. They are our future.

Zach Ducheneaux: Yes.

Edward Soza: The program that we have, that IAC has, for maybe the youth.

Zach Ducheneaux: You bet.

Edward Soza: The youth are our future. They're going to receive a lot of this than we will.

Zach Ducheneaux: Yes. Just quickly to touch on what Mr. Soza is talking about, we partner with Native Women and Youth in Agriculture. We have a staff member that shares time between two organizations. We really feel it's important to get our kids back into agriculture, so much so that we went out and scrambled up enough money to put 100 kids in our symposium last year. Our symposium centered around Youth in Agriculture, and we're looking to do something similar again this year. So, that's really critical. And if we don't get our kids into it, we're not going to get there. Because Indian country farmers and ranchers are older by four years than non-Indians, with a shorter life expectancy, so the math doesn't add up.

But, yes, I'm at your disposal, the staff is at your disposal. Please use them.

Joanna Stancil: And you are going to be at the reception this evening as well?

Zach Ducheneaux: Yes.

Joanna Stancil: Okay, excellent. So, there might be some one on one. Thank you very much.

All right. Next on the agenda, we have -- thank you all for coming back from that little bit of a respite and excitement. Is Research, Education, and Economics, Elvis Cordova -- yes, and Jim.

Elvis Cordova: Thank you very much, Joanna. Good afternoon, everyone. I'm glad we're all back here, safe and sound.

It's a pleasure to be addressing you. My name is Elvis Cordova. I'm the chief of staff for the mission area that handles research, education, and economics. I bring greetings from Dr. Woteki, our undersecretary. She apologizes for not being here; she had a prior commitment. But I would like to give you an overview of what our mission area does, what our programs and outreach activities are with Indian country, and give you a little bit of an overview of the extension program, which I'm joined by Tim Grosser, the national program leader for --

Tim Grosser: Tribal programs.

Elvis Cordova: Tribal programs. Thank you very much.

A little bit about myself. I've been with the USDA for about six months, one day, seven hours, and 14 minutes. It's been a pleasure to work with the Office of Tribal Relations. I'm originally from El Salvador, I grew up there. So, the indigenous tribes to my country were the Lempa, Pipil, and Maya. I grew up in Boston. And prior to joining USDA, I was at the Farm Credit Administration. I've also worked at the U.S. Department of Energy, and prior to that, at the United Nations.

And so, to dive in, to tell you a little bit more about what we do at REE, I wanted to just give you a little bit of the organizational structure. You've heard from some of the other mission areas, and our specific one has four agencies and one office within it. You have the Agricultural Research Service, Economic Research Service, National Ag Statistics Service, the National Institute of Food and Agriculture, and the Office of the Chief Scientist.

To give you an overview, the Agricultural Research Service is essentially the intramural agency for USDA. It has -- it's one of the largest. It has approximately 1200 research programs in four major program areas focusing on nutrition, food safety and quality; and all production and protection; natural resources and sustainable agricultural systems; and corn production and protection. We have about 1000 -- I want to say

like -- I'm sorry, 100 locations across the countries and five overseas laboratories.

Next on the list is the Economic Research Service, and it essentially focuses on providing economic information and research that will help policymakers make better decisions as related to food agriculture, the environment, and rural development. Essentially, the Economic Research Service produces reports that can come from many different origins. They could be requested by Congress, they could come from internal discussions and needs identified, or they can come from stakeholders who are identified that a specific issue is of importance to them.

The next agency is the National Agricultural Statistical Agency, and it is essentially responsible for reporting statistics of U.S. agriculture throughout the country, including farm finances, chemical usage, production, and most importantly, the U.S. ag census which occurs every five years. We have Michelle Radice from the National Statistics Service with us today. So, I just wanted to highlight that she's here with us. And there is some information that she has brought. I will provide you with some, but she also has put some on the table that'll provide you with more of a flavor for what they do.

Next is the National Institute of Food and Agriculture, and this is essentially the mission area's extra bureau agency where

it provides grants to mostly land-grant universities, working with them to advance research on education, extension programs, focusing on environment, agriculture, and health. Mr. Tim Grosser, as we had pointed out, is here from the National Institute of Food and Agriculture.

And last, we have the Office of the Chief Scientist, and that office specifically is tasked with providing sound research and ensuring that that research is held to the highest standards. It identifies and highlights specific department-wide agricultural research, education, and extension as well as through with other government agencies to advance scientific knowledge throughout the country as well as abroad. The role of the chief scientist is currently held by the undersecretary of REE, which is Dr. Woteki. There she is smiling at you, happy to be here.

And so, one thing I did want to highlight to you is the REE action plan, and this essentially was developed last year which guides the activities of the REE mission area agencies for the next five years. There are seven general areas that they're focusing on which are local and global food supply and security, responding to climate change energy needs, sustainable use of natural resources, nutrition and childhood obesity, food safety, education and science literacy, and rural prosperity and the rural-urban interdependence.

Within each of these are specific goals that are guiding the agencies as they develop their programs, as they develop their budgets, and as they really reach out to the different stakeholders in their agricultural research community.

Most recently we had a listening session at the National Congress of the American Indian in Lincoln, Nebraska where we sought to really engage Indian country and get some feedback on where we could be strengthening our ties with Native American communities.

We are currently in the works of developing a draft statement that'll essentially guide our activities with Indian countries as they pertain to these particular research areas that we're focusing in on. We hope to have that within the next couple of weeks, working with the Office of Tribal Relations, and hoping to be able to engage a lot of you as we move forward with those activities.

So, what are we doing in Indian country? And essentially, I wanted to provide you with a quick snapshot of some of the past programs and initiatives that have gone on by agency. So, essentially, starting with the Agricultural Research Service, we've been working to foster indigenous crops that can be a potential source of income for Native Americans such as quayule. I hope I'm saying it right.

[End of CD6 Track 1]

[CD6 Track 2]

Elvis Cordova: Okay. And that crop can be used for latex. We're also focusing on programs that develop the control of evasive weeds in both land and water to help with agricultural productivity. Area scientists are also working to fund the Colville Reservation to teach science and mathematics to high school students, and at the same time, promoting biofuel education and development within that reservation.

We're also collaborating with North Dakota State University and the Native American Sitting Bull College to restore native rangelands in that area. We're providing gleaned foods, education, and other resources to minority and small-scale farmers to help them really enhance their agricultural development and their productivity. We're working with the Colville Confederated Tribes with canola plantings to help them with their processing initiatives that they have as they relate to canola.

We're also working with the University of Nevada in Reno to host an annual workshop for high school students from the -- Paiute Tribe?

Joanna Stancil: Paiute.

Elvis Cordova: Paiute Tribe and introducing them to jobs and natural resources and watershed health strategies and new technologies that can really benefit the Great Basin rangelands.

We are also working with the Paiute Tribes to assist in biological control of salt cedar and identify opportunities and restoration efforts for their lands. And we currently store seeds for five Native American tribes in our germplasm collection.

When we look at the Economic Research Service, there is an internship program, the WINS program, the Washington Internship for Native American Students, which provides American Indian, Alaska Native, Native Hawaiian nations the opportunity for young students to intern in Washington, D.C. so that they may learn more about economic and social science in those research projects.

We're also working to build stronger partnerships with minority-serving institutions by awarding them with research grants. ERS hopes to use the Research Innovation and Development Grants in Economics, the RIDGE program, to research food access and availability issues in Indian country.

We are also working on studying the effectiveness of food distribution programs in Indian reservations, programs such as the Supplemental Nutrition Assistance Program, SNAP, and the Food Distribution Program on Indian Reservations. These studies have found that essentially while SNAP is more prevalent and can be more beneficial than the FDPIR program, in certain cases, the FDPIR program is in greater use. These are ongoing studies that

really are looking to understand more of how these factors affect Indian country.

We're also looking at the depth and severity of food insecurity among American Indian households. Some of our reports have showed that given the worst economics condition facing American Indians, food insecurity levels are generally higher than non-American Indians. And so, this helps to shape our policy leaders so they'll really be able to funnel resources to provide support in those specific programs.

We're looking at analysis on farms on reservations that are less likely to participate on the Environmental Quality Incentive Program and compared with farmers that are not on reservations and looking to see what the correlations are between those two programs, or those two factors.

And we're also investigating how different types of wealth can affect the development of casino and other gambling establishments in Native American tribal areas.

When we look at NASS, the National Agricultural Statistical Services, a lot of the activities are focusing in on the outreach efforts for the 2012 Census of Agriculture. The NASS is working in close relationship with the Tribal Assistance Network and outreach specialists to really be able to reach out to Native American communities and just highlight the importance of being counted in this census that is coming up this year,

it'll start after December. NASS also tested the Census of Agriculture questionnaire on reservations to ensure that the content addresses the many unique and land tenure arrangements that are sensitive, and as well as the demographics of tribal communities to make sure that these questions really capture that information, and that that information is also helpful to tribal leaders as well as policymakers at the federal level.

NASS works closely with the Intertribal Agriculture Council, the United South and Eastern Tribes, affiliated tribes with the Northwest Indians, and several other local groups and organizations to really provide opportunities to strengthen communication, provide briefings and have consultations and information sharing that can help both NASS and the Native American community to move forward, reaching out to prospective claimants, as well to help them navigate to the Keepseagle claims process by providing them that data that can help them. The NASS Advisory Committee on Agriculture Statistics has a tribal member who represents the American Indian community and provides the point of view and advises the Secretary of Agriculture of the needs of Indian country.

And then there is also the county estimate system which provides census data to American Indian agriculture on farm counts, land tenure, agricultural production statistics, financial information, and other demographic data so that both

the communities and the federal government can really know what the clear snapshot of the concerns, needs, and how to really move the resources that can help out in those communities.

The National Food and Agriculture Research efforts are essentially centered around two goals, and they are to better enable tribal colleges to recruit and graduate students in the food and agriculture sciences, so that we can really strengthen the amount of qualified candidates that are moving into this area and that can provide specific geared and focused research that will affect Indian country, too. We're also looking to empower individuals and communities to increase their economic opportunities and the quality of life by improving their nutrition and health, protecting and enhancing their natural resource, the environment, as well as identifying areas for rural prosperity that can really make a difference in those communities.

A quick snapshot of investments. In the 1994 institutions, NIFA has invested approximately 764 to each student in 32 migrant universities in that system. NIFA has also awarded \$14.2 billion to the 1994's for research and other grant projects, and granted approximately 165 awards for formula funds that totaled approximately \$19.6 billion. It has funded 36 FRTEP projects, totaling approximately \$3 million.

[End of CD6 Track02

[CD6 Track 3]

Elvis Cordova: And now I'll hand it over Tim Grosser who will talk to you a little bit about cooperative extension in U.S. I'll be available for questions later. Thank you for your time.

Tim Grosser: Thank you, Elvis. Good afternoon. Tim Grosser. I'm originally from Northwest Pennsylvania, did my educate at Penn State University, and spent most of my career in international economic development, and the past seven years working with the tribal land grant colleges and universities on their grant program, USDA grant programs to those schools. It's a pleasure to be here.

How many know what the term "land grant" means? How many have heard of it and how many know what it means, and who can name a few of them? Land-grant university. Not you, Janie.

Male Voice: Oklahoma State University.

Tim Grosser: Oklahoma State University is a land grant.

Sarah Vogel: North Dakota State University.

Tim Grosser: North Dakota State, Texas A&M, UC Davis, Penn State, Michigan State -- there is one in every state -- University of Arizona.

Chris Beyerhelm: Do they still consider Texas A&M a university?

Tim Grosser: System. I think it's a system.

Female Voice: I could've told you that was coming.

Male Voice: [Indiscernible].

Tim Grosser: [Indiscernible] a neighboring institution.

Chris Beyerhelm: I've got it in my notes.

Tim Grosser: Just a little bit of history, one hundred fifty years ago this year, Lincoln and Congress established the USDA, U.S. Department of Agriculture, and the U.S. land grant system. Land was granted to the states at that time to set up colleges and universities in agriculture and the mechanic arts. And the notion, in addition to the people's department, was to allow students, farm families, rural people access to higher education, especially in food and agriculture.

But it was a way of getting away from the Ivy league schools, which were only for the wealthy and well to do, and really taking the university out to the rural areas with the intention of modernizing the rural areas, bringing technology, science, and actually economic development. One hundred fifty years ago today.

In 1890, that same legislation was extended to historically black colleges and universities in the Southeast. So, we have 19, 18 black land grants in the Southeast with that same notion, to provide African Americans who could not get into the state land grants, access to higher education especially in vocational and agriculture.

It took a long time, but in 1994, that same legislation was extended to tribal colleges and universities, making them part of the land grant system with the same purpose, to provide students, mostly on reservations who could not get to or did not want to or didn't have the means to, to go to the state universities, a way of getting higher education, taking universities out to the reservations and then being part of all of the federal programs that supported that particular system. It's unfortunate that they called it land grant, originally, but since the federal government felt that it couldn't grant land to set up these institutions, they provided a series of formula and grant programs to establish these institutions. And those institutions are concerned with research, extension, and education in the food and mechanic arts. So, that's what I'd like to talk about just a little bit.

Who has benefited in any particular way from an extension agent or an extension system? Anybody here gained any kind of information or knowledge or -- all right. But not many. It is a system that the U.S. Congress set up in the early 20th century to take then that university knowledge and science that was being developed in the university systems further out into places where the university wasn't readily acceptable, to take scientific knowledge to bear on problems that local communities needed solving, taking the university further out to the people.

The characteristics of the U.S. Extension Service are it is a cooperative system, federal, state and county; federal providing funds and leadership; states providing the university system the science, the research knowledge; a structure for hiring extension agents; and then the counties providing office space, funding, in many cases, and local advisory boards to determine what are the needs of those communities that science and extension will help solve. It's needs based. It has an advisory board. It works on the demonstration process, not telling people what to do but allowing them to demonstrate new technologies, new science activities to solve problems, new varieties, thoroughly trained agents. And Extension Service and my agency does not really have farm programs as such. The Extension Service deals with knowledge, although we do manage some grant programs. But it is about bringing information so that people can solve their own problems.

The U.S. extension model then as federal, county, and state, there's about a little over 10,000, 11,000 people, federal, state, and county, in the extension system in the United States, and theoretically, all of the 3000-plus counties in the United States with historically the exception of Indian effort.

In order to address -- this is a very quick, kind of, timeline, there's a lot of history behind all of this -- but the

extension model in Indian country, because the states could not, would not, were not adept at doing extension programs on reservations in Indian country, the federal government decided to address the issue by creating formula funds and grant funds specifically to conduct extension activities in Indian country outside of the major extension system. Working with the Indian governments, working with tribal colleges, working with the 1862's, funds were legislatively authorized for this purpose fairly recently -- 1990 and 1998. So, it's very recent that extension was receiving dedicated funds for extension in Indian country.

Every other county, every other state receives consistent funding through their 1862 institutions for the extension system; Indian country does not. And so, hence the reason for these programs. Part of that is the relationship is very strong between Indian country and the federal government through treaties and legislation, and less so within the states.

So, we've got two grant programs basically. One is the FRTEP that was mentioned -- Federally Recognized Tribes Extension Program. How many have heard of FRTEP? Okay. It is funding that goes to the 1862 universities -- University of Arizona, Montana State, Nevada and so on -- to conduct extension with federally recognized tribes. The other grant program goes through the tribal land grants, the 1994. They have an

extension system where they receive grant funds to conduct extension activities on their particular tribe, on their reservation through their institution.

And you can see the funds are not large. We get \$3 million a year to conduct the FRTEP, \$4.3 million a year to conduct extension through the 1994. And hence, Indian country and even the U.S. extension system concedes that Indian country is not adequately or thoroughly served by extension services.

So, it basically -- depending on how you figure out -- reaches about 10 percent of Indian country. Some of the numbers that we've been able to collect from our programs: 37,000 youth, 16,000 farmers and ranchers, 88,000 community members are touched in some way by extension programs. Indicator there of the kind of quality of programming or the change that's actually taking place.

[CD6 Track 4]

Tim Grosser: Some of the pictures about what extension activities mean in Indian country. I believe, is it Edward?

Edward Soza: Yes.

Tim Grosser: You said it earlier, the youth are the future.

Edward Soza: Yes.

Tim Grosser: Not only of Indian country but this country in general. And so, a lot of extension is focused towards

reaching youth in the schools, on the afterschool programs, in reservation communities, summer camps, but primarily with getting them interested in a sense of inquiry, getting interested in science, in food agriculture, in nutrition, in exercise to make them healthier, and hopefully better able to enter into institutions of higher education. If not, to be healthier, stronger citizens.

There're also a number of programs. In New Mexico, there's a very good Navajo Technical College, a veterinary program. So, there's a lot of technical information that students are receiving. It is a lot about gardening, about engaging the generations from the older elders to the younger people sharing that knowledge, getting them interested in growing food and taking control of their own food situation. This is actually Little Big Horn College. Passing on traditions that are important to people and the knowledge that the older generation has.

And this is one of my favorites. It's an extension program, FRTEP program in Washington State where they're getting kids out on a starry night, looking up at the stars. Humans have done that for tens of thousands of years, and they're still doing it, and the next generation is looking out there to see what is out there and what that means for us here.

A very quick snapshot of extension in Indian country which has a long history but if there are any questions specifically about our programs that we have for extension or any kind of things you'd like to say, we would be happy to hear it. Sir?

Joanna Stancil: Mark?

Mark Wadsworth: Yes. I guess, one of the situations that is always talked about in our extension program on the Fort Hall Reservation through our representatives is that, I guess, what I want to know is, every year our extension agent goes through a grant process.

Tim Grosser: Danielle Gunn?

Mark Wadsworth: Yes.

Tim Grosser: Yes, she does.

Mark Wadsworth: So does everybody else across the board, right? Across the board within Indian country, right? Well, that -- how does that differ from the way states do it? Do states have the same process of having to apply annually for extension agent or -- how can we rectify that? I think there should be some sort of --

Tim Grosser: Two different questions there.

Mark Wadsworth: Yes.

Tim Grosser: The regular extension system does not have the same process of having to competitively apply and wait for its funding. States are provided with what they call formula

funding. Congress authorizes and appropriates a fairly large amount of money that gets divvied up to all of the state extension systems through their land grant 1862s on some formula basis based on the number of farmers, the number of rural population. And then, those state universities then can distribute that to their county extension offices, hire staff for programming, and it's pretty much year after year. They do have to apply but it's a very [indiscernible]. It's not really a [indiscernible]. And it is pretty much guaranteed year after year.

Another case with Indian country and FRTEP with the 1994 extensions. So, there is that -- basically, in my opinion, it came down to the major universities were afraid that if you grant Indian country the same kind of formula privileges, it's going to take away from getting the shrinking extension funds. And so, there's never been equitably embraced by [indiscernible] to actually include Indian country in the formula distribution. So, there's a big difference. It's not fair. That's been historically the system, and I can't justify it.

What is happening though in a certain way, in a very small way, is that it's happening in Wisconsin, it's happening in North Carolina, to a certain degree it's happening in Montana, is the state cooperative -- the big extension systems are really starting to realize that they need to serve all the people in

their state through extension services. Part of that is coming from a push in Washington, some of it is coming from -- there's a bit of a sea-change in certain states reviewing extension and their citizens. And so, we're starting to see extension reaching out to Indian country on its own. Wisconsin is a great example of that happening. It's not happening in all states. There are still some historical things going on, but there is a change. At the rate of change, it's going to take a long time for it to really be a fairly, completely whole system. But there is change happening there, for whatever it's worth.

And there's the political pressure; I think the [indiscernible] offices, I think they're trying to apply to really look at this poignant situation and address it equitably. Especially in light of NASS's census is really starting to be able to provide the data on the number of farmers and what is Indian agriculture in this country and how big it is and how that should be part of a larger formula that could serve [indiscernible]. It's a good question though, and it's one that the people are really wrestling with today's [indiscernible].

Janie Hipp: I want to add just a little bit. And Tim and Elvis, thank you very much. Office of Tribal Relations has a really strong working relationship with both of them, and we're trying to address these issues. What happened in the early days of the FRTEP program when it was EIRP, there was actually a

consultative panel that was written into the law when that program was created. And for many years, it served as basically an advisory body to what was the predecessor of NIFA to actually guide how FRTEP agents were placed, and just kind of tried to get some protocol across the board and that sort of thing. What happened to -- two farm bills back, one farm bill back?

Tim Grosser: The 2008 Farm Bill.

Janie Hipp: The 2008 Farm Bill, Congress made some changes to that portion of the law and placed an air of confusion and for the lawyers, an air of certainty but it kind of put everybody in a tailspin because it basically took away the voice of that consultative panel and it thrusts the FRTEP program into a full bore, competitive program. In the interim between the creation of FRTEP in the first place and the 2008 Farm Bill, all of federal government had very pervasive Federal Acquisition Regulations, the FAR, which were kicked into place, which very tightly controlled competition for federal funds.

And so, by this kind of culmination of events, we found ourselves in a really horrible place, which is a rising demand - - this is not horrible. I mean, this is good. It's good in one way and tragic in another. We have a very strong and rising demand for extension services. And then we have this legal situation that really ties NIFA's hands. Their lawyers really have basically had the interpretation that they have to be

competed every year, right? And so, there's just -- and it's because of the way the laws were written and the sequence in which the laws were put in place. We don't make this stuff up. It comes over from Congress.

And so, this is an area that's near and dear to my heart because I was an extension agent for 17 years, and Tim knows it, Elvis knows it, Joanna knows it. We're trying our best to figure out a solution, but we're hitting the wall here. Because Congress is not increasing the amount of funds that go into this program no matter what we do, and we have a rising desire and need for the services, but then we also have this weird legal quagmire that we're in that just applies to those programs. It drives me absolutely up the wall.

[CD6 Track 5]

Note: Some speakers are speaking far from the mic so there remarks are indiscernible.

Jerry McPeak: Did you say you were Janie Hipp?

Janie Hipp: Yes. I'm sorry, I'm Janie.

Jerry McPeak: Jerry McPeak, [indiscernible]. I too was in extension service in Oklahoma, Mark. The counties were paying out part of the funding for that extension service program had to come through our county governments. State doesn't put anything but the county governments will put something in. Like with the Creeks where I'm from, we kick part of the money in, we

put part of the money in to get the extension service personally.

Tim Grosser: Which we do too. We pay for their office, lights, bills.

Jerry McPeak: Yes. And so, it can become a co-op deal.

Tim Grosser: Oklahoma [cross-talking]

Zach Ducheneaux: -- providing tribal funds for their extension [indiscernible].

Jerry McPeak: Where we're headed here, of course, the personnel makes so much difference. Where we're headed here, we've talked some about getting the youth involved in the - what's were going to decide, I thought maybe, it's going to be those people here. That's a good way of getting it there; that is the mobilization factor, if we have the right kind of people there to get that done. And in our case, I'm not sure that we do [indiscernible].

Zach Ducheneaux: Any other questions? Extension, [indiscernible]?

Sarah Vogel: I have a question for Elvis. When you were talking, you mentioned very quickly this one sentence, about the Keepseagle case. I didn't quite catch it.

Elvis Cordova: Sure. [Indiscernible] the data collected by the National Agricultural Statistical Service demographic data allows [indiscernible] it's public knowledge -- can allow

Native American communities to be able to get access if they're eligible for Zoos' Keepseagle settlements. So, to provide you with the information [indiscernible]. [Indiscernible] interpret if you would be eligible for [indiscernible].

Sarah Vogel: Maybe Cobell. But the Keepseagle case, people had to file an actual claim, turn it in, but we did use the ag statistics data to build our economic injury report.

Elvis Cordova: Sure.

Sarah Vogel: And, I mean, there's a difference.

Elvis Cordova:[Indiscernible].

Female Voice: What NASS data was used for. Because Keepseagle is '90 to 2000, it's older data, but it helped target areas where outreach could be performed. Where all the agencies could go and say, you know, to help people sign up for Keepseagle and then eventually help them through the process. But it just targeted -- folks didn't know where to go to publish the Keepseagle information. This was available. Here is how you sign up. Here is where you go. It was NASS data that said, "In this county, there's a high population of American Indian producers. You probably want to make sure that you are targeting outreach for Keepseagle here."

Sarah Vogel: Yes. Yes, [cross-talking].

Female Voice: And I want to clarify, Sarah. I mean, I really didn't get in the weeds with Keepseagle, but what we did

in the shadow without you knowing it is we actually sliced and diced data for all of our field offices so that they could put the Keepseagle fliers out. And so, we really tried to penetrate and figure out exactly what the NASS data showed us about where people were. So, that's --

Sarah Vogel: Yes. And we used material like that to sort of project what the demand would be. So, I guess, both ways, yes. Okay. That's what I was double checking. Thank you.

Elvis Cordova: Thank you, [indiscernible].

Joanna Stancil: All right. Mary has a -- I'm sorry. Did you [indiscernible]?

Zach Decheneaux: Elvis, too. Somebody was mentioning yesterday, was there a possibility that some of these ARS service centers are possibly going to be closed?

Elvis Cordova: Yes. Essentially there had been [indiscernible] closed, but there is talk about how [indiscernible] as long as they are having [indiscernible] farmer, rancher [indiscernible] that can benefit the community. Janie knows a lot [indiscernible].

Janie Hipp: Yes. It's not every ARS facility. It's just some. And so, what I'd -- the secretary is trying to make these transfers of these facilities, carry some sort of re-purposing for the purpose of beginning farmers and ranchers and really reaching out to the new farmers and the next generation, et

cetera. Congress allowed us to place ARS facilities in surplus and to not have to go the regular GSA route -- government services administration, declaring surplus property, it takes about four years [indiscernible]. A long time. But Congress passed a law that allows us to re-purpose those and transfer those properties to either tribal colleges, Hispanic-serving institutions, 1862, the big land grants, or 1890 institutions. So, any of the land grants can actually take over those physical properties, okay.

And so, what we did, what I did -- and I'm working with ARS staff, which are part of this mission area -- is to take a look at -- and with OTR, of course -- take a look at where tribes are in relation to those particular properties. And I've been on the phone basically reaching out to tribal headquarters, intertribal organizations, and as we've been having White House Rural Council roundtables, we've tried to mention that if there are any in that area and to try to make partnerships happen, kind of do some matchmaking between tribes, tribal governments, tribal non-profits, and the larger institutions so that they could kind of work together to re-purpose the institution. Does that help?

Female Voice: Thank you for that. I appreciate that you're looking at ways to re-use these types of -- well, just that you're bringing a depth in this rural council. But also on

the formula funding for states in the competitive grants for FRTEP extension programs, I guess, for us though, this is a chance to take a look at reviewing and rewriting some of the policies. Thank you. Thank you.

Elvis Cordova: And so, just in closing, really, thank you very much for listening to us, [indiscernible]. At the central core of REE's mission is education, and so this is important to us. We just want to make sure that we have the right information as well as learning [indiscernible] tribal leaders around the country at the leadership level. [Indiscernible], very committed to strengthening ties with Indian country. And myself as well, we have a standing meeting every week with the wonderful Mr. John Laurie [phonetic] to figure out other ways that we could really engage Indian country.

We are really looking at the October timeline; there is the Society for the Advancement of Chicanos and Native Americans in Science. There is a conference going on in Seattle, we've partnered that up with the consultation with the Muckleshoot Tribe to really be able to allow that section of the country to learn about our programs, internship programs, [indiscernible] opportunities that exist with [indiscernible]. So, do not hesitate to reach out to us, please. We're more than happy to learn, work, and grow together. Thank you very much.

Joanna Stancil: Thank you.

[End of transcript]

**Council for Native American
Farming and Ranching, Meeting: August 14-15, 2012
CD7 8-14 Track01 to Track05**

[Start of CD7 Track 1. Note: Due to distance of some speakers from the audio recorder, some words and phrases are indiscernible.]

Joanna Stancil: As we transition to our next presentation, I think -- hopefully the individuals are here. Our break refreshments did arrive. Please help yourself. Bring your refreshment back and we'll just continue on with the meeting. There looks like water, soda, coffee, juices. I'm going to have to figure out if we don't use them up how we're going to not have to pay for them or get them back on our deal for tomorrow.

Next, from USDA Food, Nutrition, and Consumer Services is Pam Phillips, Outreach Chief, Office of Strategic Initiatives, Partnerships, Outreach, Food and Nutrition Services where she's from.

Pam Phillips: Hi everybody. As I was sitting out there with one of your colleagues, I was wondering if I'd get an opportunity to speak to you about our nutrition and assistance programs. And I'm pleased to be here representing our agency and the work that we do to improve nutritional health for all Americans within this nation. We do have a lot of involvement in the Indian community. And I'm going to, for the sake of time, I'm going to give you an overview of some of our programs and resources that help you maneuver our programs.

First of all, the mission. Food Nutrition Service was formally known as the Food and Consumer Service. It administers the Nutrition Assistance Programs for the Department of Agriculture. The mission is to provide children and needy families better access to food and a more healthful diet. And when we think in terms of the term "outreach," one of the things -- the key aspects of outreach is enhancing awareness. And for us, it's enhancing awareness of eligibility criteria and eliminating barriers to participation. No one should go hungry in America, and so there are 15 nutrition assistance programs as well as dietary guidelines that help get us to the point of combating hunger and improving nutritional health. I'm going to go through many of them that you see listed there.

The Dietary Guidelines for Americans forms the basis of our nutrition assistance programs. And what we're doing with the Dietary Guidelines is that we're targeting ages two and older in consuming fewer calories, making informed food choices, and being physically active to attain and maintain a healthy weight, reduce the risk of chronic disease, and promote overall health. And we do this through MyPlate, which I'm going to speak about further later on in the presentation.

Our programs are federally funded, and they are administered through the states. And tribes can also directly administer with CSFP and FDPR. Tribes and tribal organizations

can be reimbursed for providing meals in a variety of settings. While states are by legislation responsible for administering the other programs, nonprofit organizations can provide services to tribal communities and enter into agreements with state agencies to deliver those services. Examples include the Bureau of Indian Education for School Meals and the Boys & Girls Clubs for the Child and Adult Care Food Program or the Summer Food Service Program, which feeds hungry children when school is out.

SNAP is the national program name formerly known as the Food Stamp Program. And each state may call it something else. And the program provides a monthly benefit for food purchases and service one in seven Americans, assisting more people in Indian country than any other federal nutrition program. In 2009, approximately 1.4 million American Indians or Alaskan Natives participated in SNAP each month, which was an increase over the prior year.

One thing I do need to emphasize is that anyone can apply for SNAP; however, individuals and families in Indian country cannot participate in SNAP and the Food Distribution Program on Indian Reservations or FDPIR, which we'll discuss shortly. Under SNAP, the benefit amount depends on income, resources such as cars, bank accounts, and family size. Upon qualification, applicants receive benefits within 30 days. There is a prescreening tool on the website which helps individuals

determine their eligibility to receive benefits. The prescreening tool is not an application for SNAP, but it helps you understand the sorts of criteria that are relevant in determining eligibility.

SNAP Nutrition Education is a vital component, which again incorporates the Dietary Guidelines to make sure that when one is functioning within the limited budget that there are very valid food choices that are made in the process. And states have an option of providing nutrition education to SNAP recipients as part of their program operations.

The Food Distribution Program on Indian Reservations. Households may participate in FDPIR as an alternate to the Special Nutrition Assistance Program or SNAP. It provides commodity foods to low-income households, including elderly living on Indian reservations and to Native American families residing in designated areas near reservations and in the state of Oklahoma. The program provides monthly food packages with products that include frozen beef and poultry, canned beef, fish, canned fruits and vegetable soups, spaghetti sauce, and so on. The majority of the programs also receive fresh fruits and vegetables through a partnership between FNS and the Department of Defense. Approximately 77,000 individuals participate in FDPIR each month.

[End of CD7 Track 1]

[CD7 Track 2]

Pam Phillips: Just to reiterate, you cannot participate in both programs. And households are certified based on income and resource standards set by the federal government.

And how does it work? Well, there is a process, as there always is. USDA purchases and ships USDA foods to the ITOs and state agencies. USDA foods are selected from a list of available foods. Those administering agencies store, distribute the foods, and then determine applicant eligibility. USDA provides the administering agencies with funds for program administrative costs. And like all of our nutrition assistance programs, there is a strong nutrition education component to the way the program operates.

Low-income American Indian and non-Indian households that reside on a reservation and households living in approved areas living near reservations in Oklahoma need to contain at least one individual who is a member of a federally recognized tribe and are eligible to participate. Households certified based on income and resource standards set by USDA must be recertified at least every 12 months. And also, households with elderly or disabled members may be certified up to 24 months.

Since Fiscal Year 2008, FNS has provided about \$1 million in administrative funding annually to support nutrition education. The goal of the Food Distribution Program Nutrition

Education Funding is to enhance the nutrition knowledge of participants towards helpful lifestyle change. Grants are subject to appropriated funding in fiscal year 2012 as well as awarded for projects that include conducting classes on basic nutrition and basic cooking, recipe development, and so on.

FNS has also developed a FDPR Household Certification Training Course to help ITOs administer the program. The course is comprised of nine modules, and the knowledge attained in the training will help staff provide the best support possible for current and potential FDPR participants.

There is also a three-year national study that started this fiscal year which works to obtain an updated demographic profile of participants and measure FDPR's contribution to participants' food supply. The three-year study is seeking to be as representative as possible and will include Indian tribal organizations and state agencies with varying levels of program participation. You can get more information about FDPIR from the Web page, and also application process and agencies wishing to participate also.

Now, we're going to move on to our other programs. In addition to SNAP and FDPR, Special Nutrition Programs specifically target populations ranging from infant children to older Americans. A key program to achieve that objective is WIC, which serves low-income pregnant women, breastfeeding and

non-breastfeeding postpartum mothers, and infants and children up to five years of age. It provides supplemental foods, nutrition education, referral and access to health and human services. The program is focused on reducing the risk through early on emphasis on healthy eating.

Applicants must meet categorical residential, nutritional, and income requirements for WIC. Each month, those who qualify receive vouchers or electronic benefits on an EBT card to purchase specific foods that are based on individualized nutrition needs. The WIC program is well utilized. However, there is diminished participation from the older WIC child, presenting a slight nutritional gap prior to entrance into school and the availability of school meals.

There are two WIC farmers' market programs. One provides cash to state agencies and Indian tribal organizations and operates in 45 states. The participants are issued coupons in addition to their regular WIC benefits. The Seniors Farmers' Market provides low-income seniors with coupons they can use to purchase fresh fruit and vegetables. It also works to expand consumption of agricultural commodities by expanding development and aiding the expansion of domestic farmers' markets.

The school day just got healthier with an enhanced focus on nutritional health under the Healthy Hunger-Free Kids Act, which we'll speak about shortly. We have school breakfast programs

and school lunch programs. And the school lunch program provides nutritionally balanced and low-cost or free lunches to children each school day. The school breakfast program helps students stay alert and perform better in class by starting each day with a nutritious meal and continuing that throughout the course of the day. These programs are typically administered by state education agencies which operate the program through local school food service authorities. And this particular chart shows the poverty guidelines and the Free Reduced and Paid Lunch under those guidelines.

The Child and Adult Care Food Program provides meals and snacks to participants in daycare facilities, also, meals to children in emergency shelters, and snacks. Daycare homes may be reimbursed based on location, with homes in needy areas receiving higher rates of reimbursement than homes in non-needy areas.

CACFP At-Risk. The Child and Adult Care Food Program also serves at-risk children 18 and under who are residents of emergency shelters or participants in after-school programs. Programs must have enrichment activities on site to support the meal service. Once available on a limited basis, a recent change in the Healthy Hunger-Free Kids Act extended program availability to all 50 states.

The Summer Food Service Program is an underutilized program that is needed to fill the gap when school is out and children are no longer having that possible one meal a day that keeps them going. The Summer Food Service Program has sponsors which must be organizations that are capable of managing a food service program. To be a sponsor, you must follow regulations and be responsible financially and administratively for running your program. Sites are specific locations in a variety of settings, including schools, recreation centers, playgrounds, parks, churches, community centers, day camps, and so on, everywhere where children congregate. Some organizations do not have the financial ability or administrative ability to run the program but can supervise a school food service for children along with other partner organizations.

The Emergency Food Assistance Program or TEFAP. Under the program, USDA buys the food, including process and packaging, and ships it to states. State agencies determine the criteria and work out details of administering and distribution. They select local organizations that either directly distribute to households or serve meals, also distribute to local organizations that perform these functions. The distribution network includes food banks, which in turn distribute the food to soup kitchens and food pantries that directly serve the public. Who can apply? Each state has rules and it's not

available on all areas. You can call the National Hunger Hotline at 1-866-348-6479 to find out where soup kitchens and pantries are located.

The Healthy Hunger-Free Kids Act which I mentioned earlier offered real reforms to school lunch and to school breakfast by improving the critical nutrition and hunger safety net for millions of children. We are currently engaged in a back-to-school effort right now to promote the benefits under this particular Act. What changed under the Act? Well, first of all, there was a first real reimbursement rate increasing over 30 years and also has the authority to set the nutritional standards for all foods sold in schools, including vending machines ala carte and school stores, use of Medicaid data to directly certify children who meet income requirements, and use of census data to determine school-wide income eligibility. Also, it emphasized the expansion of the CACFP that I referenced earlier to all 50 states and also gave more school nutrition information to parents, improving the quality of the commodity program support.

[CD7 Track 3]

Pam Phillips: Another effort that is under way to promote the nutrition assistance programs and their importance in the nutrition health of the nation is the ending childhood hunger effort. USDA and FNS are committed to having everyone join them

in this effort. Actions include volunteering and helping to recruit volunteers at any anti-hunger site or with any anti-hunger organization, donating money to anti-hunger causes, using professional skills in a volunteer capacity, and promoting activities that benefit those in need within communities, such as organizing a food drive, also supporting summer food service programs by providing a place or maybe transportation to assist that effort. If you go to www.endhunger.usda.gov, there is a Stakeholder's Guide that assists you with ways you can assist this effort.

I wanted to highlight the fact that we have been working aggressively in the area of FNS tribal consultation, and they occur through in-person opportunities, webinars, and conference calls. So be on the lookout for our schedules which are shared throughout our various Indian tribe intersects, and do participate because we want to know how you feel about our programs. And the transcripts of sessions are available online. There is a quarterly consultation schedule, and so we are looking forward to hearing all your comments on how we might administer our programs in a better way or expand the scope of our programs.

Now, I'm going to focus for just a few minutes and then we're going to let you go, or maybe there is one more person following me. Okay, I'm not the last one.

MyPlate. First of all, we spoke about the Dietary Guidelines as a basis of nutrition assistance. And MyPlate, consider that the communication vehicle. There was a MyPyramid. Are you all familiar with MyPyramid? Okay. The MyPlate we think is more visually comparable to understanding the processes of how the various foods contribute to health and nutrition. And it kind of shows foods to increase and foods to reduce and the importance of water as well as abstinence from sugary drinks.

Let's Move! in Indian country is also a focus that looks at not only the nutritional health but also the importance of physical fitness. With childhood obesity a national health crisis, the threat to Indian country is not just the health but to the weakening of the fabric of the Indian communities, putting the next generation at increased risk and threatening tribal ways of life. Overweight children are overwhelmingly more likely to be obese as adults, and obesity in adulthood robs the community of active community elders. On average, obese adults live shorter lives and are less able to contribute to their leadership roles. Native communities depend on their younger generations to uphold tribal traditions and culture and pass on heritage. However, today's native youth may not grow to be as old or as active as their elders, evoking community concern and ways at looking at alleviating this path.

So, Let's Move! in Indian country has goals, very specific goals of having fit and energetic vibrant youth. Let's Move! in Indian country works with the Bureau of Indian Education Schools and high native population public schools to promote nutritional health as well as physical fitness.

FNS' role is to promote access to nutrition programs and to promote a healthier school environment through our Team Nutrition, Healthier U.S. School Challenge, and training on USDA programs. Now, some outreach resources that also assist the process of understanding our programs is the National Hunger Hotline. If you needed food help today, you could dial that number, and they will look within their database and indicate where you could go for immediate food help. The hotline staff can answer questions about our programs and how to apply, and it's a free call. On the other hand, if you have an organization that provides services, we want to know. We want to include your organization within our database.

Also, there is an FNS Consumer Guide. All of our publications are available for free, and they can be ordered from the website. And this particular guide is targeted to those in need, including those who are newly eligible who may not be aware of nutrition assistance.

There are also numerous helpful Web resources, including a page called Get Involved! that will also get you to all of the

programs, as well as indicate some of the initiatives we have under way from an outreach and partnering perspective. And if you'd like more information, there is a Web address that you might send your questions to, as well as ask me here today. So thank you so much. Are there any questions?

Joanna Stancil: All right. Gilbert?

Gilbert Harrison: Good afternoon. [Indiscernible]. One of the issues we have is that the foods that are being served by [indiscernible] there's a lot of waste because kids [indiscernible] we experience a lot of waste over that, and other ways that the school board [indiscernible].

Pam Phillips: Yes. That is a recurrent problem. It's age-old. I think it's going to involve your working together with your School Food Service people and see if you can get maybe more improved recipes there within the schools so that it can be both interesting and nutritional at the same time. You didn't indicate what the, I guess, attitude of your School Food Service folks are regarding that.

Gilbert Harrison: It seems like what we're hearing is that the type of menu is set [indiscernible]. But do they have to have a set menu? I don't think that's right.

Pam Phillips: I don't think they have to. Now, the Bureau of Indian Affairs or Bureau of Indian Education may have more of

a set criteria, but usually, the School Food Service Authority works to establish the menus within their districts.

Joanna Stancil: Mary has been waiting. Is that a response to this, Mary? Is yours a different question?

Mary Thompson: It's a response.

Lisa Pino: Actually, I just want to follow up. It's a great question. This is Lisa Pino with the Civil Rights Office, formerly of the Food Nutrition Service. It's an excellent question. It's also a complicated one. But one thing I wanted to add was that on December 13th, 2010, President Obama signed the Healthy Hunger-Free Kids Act, which is really the most radical improvement that we've had to school meals in the last 30 years. And actually, it's just this fall that all that great legislation will begin to be implemented, and it includes everything from having to serve fruits and vegetables everyday, having to serve water, having to actually serve fruits and vegetables on the plate because a lot of kids won't even think about tasting it unless it's on the plate, new regulations on vending machines, much stricter nutritional requirements based on our Dietary Guidelines, which we get from the Institute of Medicine, significantly lower salt sodium content and trans fat.

So it is a big cultural change, and so part of the issue is that the younger the kids are exposed to healthier foods, healthier eating, the more likely they are going to retain those

behavioral changes for life. It doesn't happen overnight. Families, getting the support of the families is also necessary, as well as the school. We're happy to get information and follow up specifically for schools in the Navajo Reservation in Arizona. But you know the expression, "It takes a village?" It really does sometimes. But this legislation really is a significant step in the right direction to that effect.

[CD7 Track 4]

Joanna Stancil: All right. I think Mary has a question, and then Edward.

Mary Thompson: A comment on the quarterly consultations that you had listed in there, and that may be something that we could be notified on so that we could pass it on so that people could make their comments. Also, on that same, that three-year study that you were talking about, that may be a place where you can look at any ways in the program that people can make suggestions there. Because I was thinking about -- you were talking about shipping it through the states and everything, and I'm wondering what kind of cost that was when it could have been right there.

Pam Phillips: Yes.

Mary Thompson: Just that we be notified when these consultations are for the --

Pam Phillips: We'll make sure that you're notified.

Mary Thompson: Along these and any other consultations that may come up that we're not aware of.

Joanna Stancil: Well, on behalf of OTR, we're updating the OTR website, and we're investigating things that we can add to it. And looking at the site that Rural Development has, this does list all their past and upcoming consultations. We'd like to integrate something like that into our site so that you could just go there. It'd be a link to some place else, but you could go there and see a calendar of what's coming up.

Pam Phillips: We also, on our website, on the Get Involved! page, we list all of the tribal consultations, as well as the webinars relating to our nutrition programs.

Joanna Stancil: Pam, can I ask that you make sure we have that? Because that could be a link on ours as well, and we go back because it's hard for us to keep track of all the wonderful things that are going on.

Mary Thompson: And with all the wonderful things that were going on and I'm hearing about some of these for maybe the first time, but it's like I know that there were 127, and now there are 1,227 now. Many more programs than I had imagined, so I hope you're able to get through there.

Joanna Stancil: And your head is going to hurt for the rest of the evening from all the stuff. I think Ed you had a question?

Edward Soza: I just wanted to -- I also sit on a school board for [indiscernible] on our reservation. And we had that problem, the same problem that you've mentioned. It was pretty simple. We fired the cook we hired [cross-talking] -- there are certain foods that should be served. Broccoli, who likes broccoli? We eat broccoli, though. Carrots, celery [cross-talking] --

Joanna Stancil: But you can mix broccoli and cookies and other things, and it gets in them through another source.

Edward Soza: This guy that we hired, he's a Latino gentleman. His [indiscernible] is good. I stop by for lunch every now and then [cross-talking] --

Joanna Stancil: He's food testing.

Male Voice: [Indiscernible] --

Edward Soza: The school board, we got together and it was pretty simple to fix, I thought.

Pam Phillips: I think we could also probably get you some guidance on how the menus are determined through the BIE and see what level of input you might be able to have. So if you have a card I can take with me, I'll give you my card. Okay. All right.

Joanna Stancil: Just for personal, as the DFO, there is a question I have. How often do we meet with the children though and ask them to help with the menu planning in a school system?

I used to teach school and had to do lunchroom duty. And I was horrified to see the amount of all the foods and vegetables that not only sail through the air, used as weapons against each other, but that were just taken and thrown, even if their parents were buying them the meals, and into the trash can. And at least we would try to intercept them and do something with an afternoon snack or something. But I've never heard the children being part of planning a menu of --

Pam Phillips: I think that would be a very proactive food service system that would incorporate those concerns. I think what we're trying to do under the Healthier Hunger-Free Kids Act as well as the current The School Day Just Got Healthier is engage parents as well as children as well as educators in the process so that it isn't unidimensional, that it is multidimensional and involves a lot of input as well as Edward's good cooking.

Joanna Stancil: Did you have something else? Gilbert, did you have a closing? And then Lisa.

Gilbert Harrison: I think you sort of hit the point right there because I was just talking about -- Lisa, the home has a lot to do with what the kids eat.

Pam Phillips: Yes.

Gilbert Harrison: Because I know on the reservation where as a school board, most of the people that we basically work

with or the kids that come to these schools are low-income. So right there, they basically scrap together what's available to survive. But when the kids get to school, they've already had [Indiscernible], but it's very good, [Indiscernible].

Pam Phillips: Yes.

Gilbert Harrison: [Indiscernible].

Pam Phillips: And that singular school meal or two school meals that are received through breakfast and lunch may be the only opportunity for healthy foods that child gets in the entire day. That's why it's so important, and that's why the Summer Food Service Program is important, as well as localized backpack programs that also give children an opportunity to take food home for the weekend. So we continue to work.

Joanna Stancil: Lisa, did you have a comment? And then if we're okay, we'll close out and move on.

Lisa Pino: Yes. I just wanted to end on a positive note and with some inspiration because it's a complicated topic. And just like we didn't get here overnight, we're not going to find the solution overnight. It's kind of like our Under Secretary Kevin Concannon always talks about it's similar to smoking decades back when it was ubiquitous everywhere and look at how far we've come. But I did want to add that there are some initiatives that we've really emphasized recently that can provide some inspiration and change how kids think.

One of my very favorites is the Farm to School Program where the farmers actually visit the classrooms, and then the kids actually visit the farms. And it's such a powerful transformation because today, a lot of kids think that food really comes from plastic and cardboard boxes. And when you see how they change their attitudes about food because they understand they have to put a seed in the ground and you have to nourish it with water and sunshine, they take a sense of accountability and ownership, and then they are excited to eat those fruits and vegetables, and then they go home and they become the ambassadors for healthy eating. And then they start telling their parents and families to shop, cook, and eat differently. So that's something else to think about.

And another one of my favorite examples is I visited a school in Vermont that did like a Master Iron Chef for kids, which was so much fun. But it costs a little bit of money but not a lot, but it's something to think about. And there are kids that either were kind of shy or going through some academic trouble, didn't really fit into like sports or certain clubs. And they got really excited and formed groups and teams and had to come up with recipes for their school breakfast and school lunch programs that met so many criteria, like it had to be affordable, it had to be healthy, it had to taste good. And then they were given prizes. And again, like when it becomes

fun and exciting and competitive in a positive way, it's amazing how kids react.

So you're absolutely right, Gilbert. It happens so fast that attitudes are shaped, but because they are young, there is still some hope, so we all got to work together to make it happen. And we're happy to follow up and provide more information on those ideas and initiatives. Thanks.

Joanna Stancil: Thank you. Thank you very much, Pam.

Pam Phillips: Thank you.

Joanna Stancil: Let's see.

[CD7 Track 5]

Joanna Stancil: Do we have Phillip in the room?

Phillip Derfler: Yes.

Joanna Stancil: Yes, we do. Yay for sticking in there. Thank you. And you can take coffee up there if you need it. Thank you. Phillip is with Food Safety and Inspection Service. He is the deputy administrator.

Phillip Derfler: I want to start out by recognizing [indiscernible] there. She helped me a whole lot with this presentation, and so refer to her if you have a question.

I'm from the Food Safety Inspection Service. We are the public health regulatory agency within the Department of Agriculture. Our job is to ensure that the meat, poultry, and egg products that you get and you eat are safe, wholesome, and

properly labeled. We receive our authority from the Federal Meat Inspection Act and Poultry Products Inspection Act and the Egg Products Inspection Act. The authority that those statutes grant is given to the secretary, who then delegates it to our under secretary, who then delegates it down to our administrator. We are one agency under secretary mission area, and so some of the people who have been before me have a long list of different agencies. We're just the one so we're fairly simple.

We have about 9,000 employees across the country; 8,000 of them are either in slaughter plants or in processing plants. And our field force is divided into 15 districts, which, at the end of September, will go down to 10 districts. We've made the reduction because we think it will help us be more consistent across the country, but also in the long term, it will be more efficient for us to do so.

I want to start out by saying what do we not do? That may be an odd way to start, but what we -- if you are a farming and ranching advisory committee. We are not allowed to have anything to do with farmers and ranchers. Our jurisdiction starts when the cows or the pig or the sheep or the goats or the chickens or the turkeys are brought to a slaughter plant. Once it's brought on to the premises, that's when our jurisdiction begins. First thing we do is make sure that the animals are

humanely handled as they're taken from the truck to be slaughtered. But on the way, we look at each animal to make sure that it doesn't have any conditions that would disqualify it from being safe for use in food. And if it is, we will condemn that animal before it is slaughtered.

So then the question is what do we do? In slaughter plants, we look at every carcass on a carcass by carcass basis, and we look for a few things on the carcass. First of all, traditionally, what we have done is we looked for signs of zoonotic disease that would make the carcass unsafe, the meat of the carcass unsafe for people to eat. We also look for fecal material, dirt, the sorts of things that have to be, that would create problems if it was used for food.

But as we've gotten through further, it's become more and more that our focus is on pathogens. And so we test animals to make sure to see whether or not they have E. coli O157:H7. The meat of the animal, we test it to see whether it has E. coli O157:H7 or Salmonella or other pathogens.

And so in addition to in the slaughter plants, we visit processing plants, plants that cut up the meat that they get from the slaughter plant, plants that grind the meat that they get from the slaughter plant, plants that make the sort of frozen dinners that you might eat in your home. And so we go to them and we make sure not only in slaughter plants but in

processing plants, we make sure that the conditions are sanitary. Because if the conditions aren't sanitary, then there is a possibility of the meat becoming contaminated with pathogens or with other things which would make it unsafe.

When we are satisfied that the meat is safe and wholesome, we apply our Mark of Inspection to the product. It's a round [indiscernible]. It's got the name of the establishment, and you'll see it in the store. If you look at a can of meat soup, you'll see our Mark of Inspection on it. If you buy a frozen meat dinner, you'll see our Mark of Inspection on it. So we inspect all meat and poultry products. We also inspect meat and poultry products that are imported into the United States. We have inspection personnel at every port of entry, and they will get every shipment. Some of them we just sort of look at the integrity of the boxes. Some we actually open the boxes, examine the product. Some we actually do microbiological testing.

The only countries that can ship to the United States are those that have inspection systems that are equivalent to ours. And so we do a review of the laws of the foreign country, and then we send over auditors to make sure that in action, the country is delivering the system the way it says it will.

And we also, once product enters commerce, we have people looking at it to make sure that it doesn't become contaminated

on its way to the consumer. So we'll look at the conditions under which it's held. We send people into grocery stores to sample ground beef to make sure it doesn't have E. coli O157:H7. So we actually, from the slaughter plant to the store, we provide full coverage. The other thing that we do is we make sure that the labels of the products comply with our regulations. We review every label before it's allowed to be put on the product. So we comprehensively regulate meat, poultry, and egg products.

In addition to those things, we also provide information. We provide information to consumers on how to safely cook the product. We also provide information on how to safely handle the product. So you may have seen some television commercials which talk about clean, separate, cook, and chill. That's how you have to handle meat so that it doesn't become contaminated. So we do try and provide consumer information.

We also provide information to industry. When we come out with a new regulation or new set of requirements, we provide information to industry to try and help them understand what they need to do in order to fully comply. And this is actually the area in which we would have the most contact with farms because in order to, for example, make sure that any E. coli O157 is minimized or Salmonella is minimized, what we do is we provide -- we have provided information to industry, the

slaughter plants to share with their suppliers on the best practices on how to minimize the possibility of Salmonella or E. coli on their products.

We also oversee state programs. And there are two ways that a state can have a meat or poultry program. The first is they can have an "equal to" program. That means it doesn't have to be exactly the same as ours, but it has to accomplish the same basic things. We audit the states to see whether they are. There are 27 states that have equal to programs.

In addition, last week, we started another new program as a result of the 2008 Farm Bill. That is, there is an opportunity for states now to participate and to help us and to do state inspection of plants which would allow the product to move in interstate commerce. If a state has a program that the meat or poultry can only stay within the state if the state inspects it. We're the only ones, up until last week, we're the only ones who could inspect meat or poultry that could move in interstate commerce. But as a result of the new program, a state can inspect and they can apply the federal market inspection. Ohio last week became the first state to participate in that program.

So there are three topics that I want to spend a little bit of time on that I think will be of particular interest to you, or at least based on what I know. First of all is mobile slaughter. We're aware that there sometimes are a lot of small

farmers who have cows or pigs that want to get their product slaughtered, want to get their animals slaughtered, but there is either not a slaughter plant near enough for them where they can regularly send their products to or for whatever reason, they might want to slaughter it themselves. There are trucks that you can either purchase or go in and form a consortium to get which are actually mobile slaughter plants. They can drive around from farm to farm and do slaughter on each farm. There are a number of them around the country. We've been working with the Know Your Farmer program on this. We actually, we'll assign an inspector to go with the truck so that there can be the slaughter of the animals.

One thing that I didn't say, you cannot operate a slaughter plant or a processing plant unless you're under inspection, unless it's a slaughter plant, unless we have an inspector on premises, if you're a processing plant, unless you're visited at least once a shift by our inspection personnel. So mobile slaughter is now a possibility, if you're interested or if you're aware of anybody who is interested in doing that, you can contact our district office, and the district office will work with you and ultimately give you a grant of inspection and get an inspector to go there.

Second is horse slaughter. We have periodically been contacted by some tribes about the possibility of slaughtering

horses. Up until the 2012 budget, from 2006 to 2012, it was not -- horse slaughter was banned by Congress. They prohibited us from spending any money to do inspection of horses for slaughter. In the 2012 Farm Bill, that provision was removed. Now, no one is yet slaughtering horses because of the six-year hiatus. A number of our methods became out of date, particularly for testing for drug residues.

[CD7 Track 6]

Phillip Derfler: So we are in the process of validating our methods and updating them. So we're in the process of putting together an inspection system so that people will be able to slaughter horses, if you're interested in doing that.

Now, tribes have come forward to us, and so let me explain. There are three alternatives for how slaughter would work. The first is the tribe can become, can establish a Meat Inspection Agency on the reservation. And as long as that tribal agency was equal to ours just like a state agency was equal to ours, that is, it provides the same kind of inspection, then we would find it equal to. The problem is that you could only, as I said, ship it within intrastate; that is, if they slaughter a horse, they could only sell the horse meat on the reservation, on the boundaries of the reservation. You couldn't ship it off [cross-talking] --

That brings up a second alternative, again, which I talked about, which is [cross-talking] -- an identical program to ours where essentially, the tribe could become an arm of the federal government and could provide inspection on the reservation if it was the same as, had identical provisions, then the horses that they inspected could ship in interstate commerce. The problem is that really becomes quite expensive. Expectations about the lab, the lab has to be the same as ours. Our labs meet the highest standard internationally, so that may be a problem. The third thing is if anyone is interested in slaughtering horses, you can just get federal inspection and then you would be able to ship the horse meat in commerce.

Male Voice: Internationally too?

Phillip Derfler: I'm sorry?

Male Voice: Internationally too?

Phillip Derfler: Internationally too, yes. I mean as a matter of fact, the real market for horse meat is Europe, so probably, it's not going to be economically viable unless you could ship it there, which is why you need to ship it interstate.

And then the last thing is bison slaughter. We've been approached various times about bison slaughter. What I should tell you is bison is not subject to the Meat Inspection Act. In other words, you can slaughter bison without having federal

inspection. We have a Voluntary Inspection Program in which we will give you a Mark of Inspection, which may enhance the marketability of the bison meat. But it's not required. You can ship it at interstate commerce without it. It's basically subject to the jurisdiction of the Food and Drug Administration, not ours, except if you're in the Voluntary Program. So, those are the sort of types of slaughter that we've been most frequently approached with by Indians.

So, just to sort of review slide, how does FSIS impact food safety? First, we try and reduce food-borne illness. Like I talked to you about, we're really interested in, we do everything we can to ensure that the meat is safe and healthy. Second, we reduce the risk to pregnant women. How does that happen? There is a pathogen called *Listeria monocytogenes*. It does not occur frequently, but when it occurs, it is very deadly, and it is particularly deadly to fetuses. A pregnant woman infected with *Listeria monocytogenes* has a very good chance of having a spontaneous abortion or miscarriage. So we work really hard to keep *Listeria monocytogenes*. It's found most frequently in ready to eat food. We work very, very hard to keep it out of our ready to eat meat and poultry products.

Third, we empower the consumer with knowledge. I talked about the materials that we put out in time to provide information to consumers about how to safely handle a product.

We provide the consumers about what to do when products are recalled. No matter how hard we try to make sure that the products that get our Mark of Inspection are safe and wholesome, we admit there are mistakes. There are about 60 to 70 recalls every year. I think I saw that we had a recall today. It's our 55th of the year, so it might get a little bit higher than that. But when there is a product that we're aware of in interstate commerce or in commerce in general, we move immediately to get that commerce out. We ask the company to recall it. If they won't, we take action against the product. We have our Mark of Inspection on it. That's our badge. That means more to us than anything, so we act as quickly as we can to try and get that product out of commerce.

And then finally, we work with other federal agencies. The president has a Safety Working Group. It's enhanced our cooperation with EPA, with FDA, and the other federal agencies, as well as the work we've done, we do with all the USDA agencies that you've heard from today. So we work really hard to cooperate.

So the last thing is how you get in touch with us. There are three portals really into FSIS if you need help. The one that probably you know exist is the Small and Very Small Plants portal. This is to provide information to our inspectors and to industry about what the rules are. And this is our consumer

hotline. We get all sorts of calls from people about questions about the products and whether what they are getting is safe and whether their product is subject to a recall or something like that. So that's hopefully a fairly quick view of the Food Safety Inspection Service. And if you have any questions, I'm happy and now I'm going to try and get out [indiscernible].

Joanna Stancil: Thank you. Does anyone have any questions? Janie?

Male Voice: Phil, are you the guys that grade the beef? Grade prime?

Phillip Derfler: Actually, no, we don't. AMS, Agriculture Marketing Service grades the beef. So we'll have an inspector sometimes in the same plant as the Ag Marketing Service, and actually, we have an agreement or sometimes we can cross-utilize each other if it's really a problem. We work really close with them. They do a lot of testing. And so today's recall, for example, testing was done by the Ag Marketing Service where they found E. coli O157 and we're doing the recall because we have the regulatory authority.

Janie Hipp: This is Janie. Thank you very much for being here. It's extremely helpful. And just for the council, when we have tribal leaders come to our offices and say, "We want to sell traditional foods into the School Lunch Program," the first

calls we make are to you. We call FSIS. We call AMS. We call FNS. And that gives you a sense that how many agencies really of the department can be involved in trying to not only explain how you do that but explain the different regulations that have to come into play and be considered when you are thinking about that as a business opportunity, which a lot of people are, or as a nutritional opportunity. And so I just express my appreciation to FSIS.

And Bea Herbert is in and out of Office of Tribal Relations all the time. She's very helpful to us, and she's also a contact person, and she's sitting around back there. But you all have lots of good folks out in the field that can help people walk to through how to even think about having a slaughter plant or how to even think about putting food into different avenues.

Phillip Derfler: [Indiscernible] agency, we like to think that we [indiscernible] do that.

[CD7 Track 7]

Joanna Stancil: I think we have one more question.

Jerry McPeak: Jerry McPeak from Oklahoma. I think I understood you to say that there are no horse slaughter plants even though we've opened this thing up for a year now.

Phillip Derfler: Well, two plants have applied.

Jerry McPeak: Ah, okay.

Phillip Derfler: One of them is New Mexico and [indiscernible] folks, but one in the state of Missouri and [indiscernible]. What we're doing though is they've got to earn mark of inspection. We can't put our mark of inspection on a product unless we can affirmatively find that that product is not adulterated. That means that that product is safe and wholesome. So in order for us to make that affirmative finding, we have to have the tools we need to make that finding which means when we test the meat, we have to know if it has any animal drug residue which could be harmful to the people that are going to consume it. Those methods are not available right now. We are developing them all from scratch. And so that's where we are right now.

Jerry McPeak: I used to work in a packing house. Why will the drug residue test that you're doing on cattle not work on the horses?

Phillip Derfler: Well, they are different species, but essentially, we've taken our cattle method and we're trying to validate them for horses for any differences or maybe even saying but we need to be able to assign and take any evidence because if we have to take action, we're going to have to be able to prove up our methods in court.

Jerry McPeak: Followup.

Phillip Derfler: Yes, sure.

Jerry McPeak: So we had horse slaughter plants before?

Phillip Derfler: The answer is yes, we had horse slaughter before, but the methods aren't as good, weren't as good --

Jerry McPeak: What method? Are we talking your methods or slaughter methods?

Joanna Stancil: Adulterations.

Phillip Derfler: No, our testing methods, our testing methods for drug residue.

Jerry McPeak: Followup. So is this driven by folks who don't understand that we're going to let them suffer, or is this driven by a true health issue? Is this politically driven, socially driven, or --

Phillip Derfler: [Indiscernible].

Jerry McPeak: Well, I'm still unpolitically correct, you wouldn't believe it. But I just want to know the real answer. Is it driven socially, politically, or for you, it's driven by the health thing, I guess, but --

Phillip Derfler: Yes. I mean --

Jerry McPeak: But I want to know how it's driven. What's really taking so long?

Phillip Derfler: It's really important, and really why we're doing this, the only reason why we're doing this is we need each method so that we know. There are drugs -- I mean [indiscernible] -- there are drugs that you don't want to eat.

The Food and Drug Administration, which is the agency that establishes tolerances for animal drugs in food, the meat in horse, they do not consider horses to be food animals. So therefore, where for a cow, in order to use a drug on a cow, because it's a food animal, you've got to be able to have a method that you can find the residue with that. Because horses are not food animals, they don't care. They just figure you [cross-talking] --

Jerry McPeak: They who don't care?

Phillip Derfler: Food and Drug Administration.

Joanna Stancil: FDA.

Phillip Derfler: So we have to develop the methodology, which is what we're doing now. And we're doing it as quickly as we can. It's taking us -- we've been doing it for a number of months and we'll have a couple more, two or three more months, but yes.

Jerry McPeak: I hate to belabor this point, but this is a big issue in our area because in California, they are turning horses loose on the highway kind of like dogs. They're blotting out the tattoos, and it's just going to happen, folks, so catch a clue here. But we were shipping horse meat overseas six years ago.

Phillip Derfler: Right, yes.

Jerry McPeak: And I'm pretty sure they weren't drying up and feeding it to dogs.

Phillip Derfler: Well, I mean part of it though is you should know that the EU has gotten much, much, much stricter on horse meat. They now have required that the horse meat comes with what they call a passport, which means it's got to have a history of everything that that horse eating, that that horse has been treated, any drugs that have been given to that horse from birth until the time it was slaughtered. We don't have that. We're not at this point contemplating anything like that. This is a really big issue there. There are people really, really, really passionate on one side of it. There are people really, really passionate on the other side. We're trying to draw the [cross-talking] --

Jerry McPeak: And now you're talking about social and politics rather than health.

Phillip Derfler: I'm just telling you the truth. That's the reality, okay?

Jerry McPeak: Okay.

Michael Jandreau: Mike Jandreau. If that's a reality, how come they're doing it in Mexico and Canada? Do they have an approved methodology? Is their methodology out of sync?

Phillip Derfler: They may not be looking for drug residues the way we do. Mexico, I mean for example, we know in Mexico, I

mean, the Humane Methods of Slaughter Act implies to slaughter in the United States, we have to make sure that the horses are humanely treated. We know that that doesn't exist in Mexico. It may or may not exist in Canada. It depends on who you want to listen to. I've got to put up a program that [indiscernible], so we're doing that as quickly as we can, but it's going to take some time. The science [indiscernible].

Michael Jandreau: So would it be possible for you to provide to us an idea of the methodology that's being used in those particular areas of the world where it's happening? Because in our part of the country, there are so many horses, and I don't believe in killing horses myself, but it's still a part of the process. And everybody that is willing to get into it, in fact, I think the Pine Ridge Reservation had contemplated putting a slaughtering plant there, and they were working through the state on that. But can you give us the information that they're utilizing or can that be given to us?

Phillip Derfler: [Indiscernible] because Canada does ship meat to the United States. I'm not sure if they ship horse meat. Mexico doesn't. I know [indiscernible] so I can't tell you what's going on. [Indiscernible] I might be able to find out [indiscernible].

Michael Jandreau: Sure.

[End of CD7 Track07]

[CD7 Track 8]

Michael Jandreau: What about [indiscernible]

Phillip Derfler: That's not inspected. There's horse meat that's sent there, it could be sent -- we don't -- we only do for human food.

Michael Jandreau: [Indiscernible]

Male Voice: Because I'm telling you horses had been killed in Texas.

Phillip Derfler: Because since horse is an amenable species, it's got to be [indiscernible] illegal, so there shouldn't be anybody -- I mean is there?

Male Voice: You referred to a statute. Could you expound upon that that you had to adhere to? [Cross-talking] --

Phillip Derfler: The Federal Meat Inspection Act, which sets out all the requirements for how you go about slaughtering cows, sheep, goats. There are lists of species that [cross-talking] --

Male Voice: Correct me if I'm wrong. What you're saying, that if the United States does not meet the EU standards for horse passports, they're not going to buy it?

Phillip Derfler: That's essentially what they're threatening. There is right now no horses being slaughtered in the United States. However, we have had other dealings with the EU because we try and ship our meat with them. They don't like

the fact that we use antimicrobials on our meat. They don't believe in that. So we've had trouble getting beef into the EU. We've been to the World Trade Organization. We've won. They've gone around and tried to find a new way. So [cross-talking] --

Male Voice: It's a threat right now.

Phillip Derfler: Yes.

Jerry McPeak: Politics, Phillip.

Joanna Stancil: All right. Gilbert?

Gilbert Harrison: [Indiscernible] that's only if a horse be consumed by humans, right?

Phillip Derfler: Yes. But because it's an amenable species, it can be slaughtered, except under -- because it has to be slaughtered but inspected by us. Even if they choose not to [indiscernible] human food, under [indiscernible].

Gilbert Harrison: We're just overrun by horses on the Navajo, and every so often, we [indiscernible] that's been killed by an automobile. That seems like even though it's not going to be consumed by humans, [indiscernible] has to be inspected. It just sort of seems like [indiscernible] too far. It seems to me like if the tribe wants to get rid of all these horses there decimating their land, they should be allowed to do whichever way they feel is appropriate because it's not going to be consumed by humans.

Phillip Derfler: I mean if they are going by statute, we would have no objection. I mean Congress wrote the law, right? But see, the problem is if it's not inspected, somebody slaughters it and says, "I'm going to take this [indiscernible] except for the fact they say, "Oops, I changed my mind." How are you going to know? So that's why basically you can't do it [indiscernible].

Jerry McPeak: Yes, thank you. You're probably already aware of this, but we are considering in Oklahoma a tax credit legislation to encourage the building of one of these because there is not going to be one on every street corner. You're going to have one in ever so many states. So from an economic development standpoint, that's a positive step. Now, people that think that you don't kill animals that have names [indiscernible]. But so your time frame of getting that done has a lot to do with some of us out in those states who may decide that we want or, and actually, the tribes are actually considering building one of these. So that time frame, do you have an approximation? Two years? Three years?

Phillip Derfler: The administrator has talked about by the end of the year, by the end of the calendar year. I mean we are -- when I say we're working on this method, we are working [cross-talking] --

Jerry McPeak: I believe you, sir.

Phillip Derfler: Yes.

Female Voice: Just hurry up.

[Cross-talking] --

Jerry McPeak: I'll believe you until you lie to me then I don't believe you anymore.

Phillip Derfler: The only caveat that I would tell you is there is a bill in Congress that's part of our appropriations. There are people who are trying to put in our appropriations a new ban using federal money [cross-talking] --

Jerry McPeak: Which is basically kind of what we have. No one has done anything in our area because we're afraid of [indiscernible].

Phillip Derfler: [Indiscernible]

Jerry McPeak: No, we're afraid. We're more afraid of [indiscernible].

Phillip Derfler: Okay.

Joanna Stancil: All right, thank you. Any other?

Female Voice: Thank you.

Joanna Stancil: Thank you so much for being with us. We're going to, as we prepare to adjourn, we still have our lovely social time together back at the hotel, and that's in the bar area.

Male Voice: We did work fast since we got a late start. Can you get one at each hand?

Joanna Stancil: We're providing you sodas and munchies.

Female Voice: Joanna, can we leave these here?

Joanna Stancil: I was told that this room should be secured tonight. We can leave our binders here.

Male Voice: I bet you people are going to try to [indiscernible].

Female Voice: Thank you, Joanna.

[End of transcript]