

OVERSIGHT HEARING ON SEVERE FOOD
DISTRIBUTION SHORTAGES IN TRIBAL AND
ELDERLY COMMUNITIES

JOINT HEARING
BEFORE A
SUBCOMMITTEE OF THE
COMMITTEE ON APPROPRIATIONS
AND A
SUBCOMMITTEE OF THE
COMMITTEE ON AGRICULTURE
HOUSE OF REPRESENTATIVES
ONE HUNDRED EIGHTEENTH CONGRESS
SECOND SESSION

APPROPRIATIONS SUBCOMMITTEE ON AGRICULTURE, RURAL
DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED
AGENCIES

Part 2

ANDY HARRIS, Maryland, Chairman

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AGRICULTURE SUBCOMMITTEE ON NUTRITION, FOREIGN
AGRICULTURE, AND HORTICULTURE

Serial No. 118-25

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**AGRICULTURE, RURAL DEVELOPMENT, FOOD
AND DRUG ADMINISTRATION, AND RE-
LATED AGENCIES, JOINT WITH AGRI-
CULTURE SUBCOMMITTEE ON NUTRITION,
FOREIGN AGRICULTURE, AND HORTI-
CULTURE**

WEDNESDAY, SEPTEMBER 11, 2024.

**OVERSIGHT HEARING ON SEVERE FOOD DISTRIBUTION
SHORTAGES IN TRIBAL AND ELDERLY COMMUNITIES**

WITNESSES

**MARY GREENE-TROTTIER, PRESIDENT, NATIONAL ASSOCIATION OF
FOOD DISTRIBUTION PROGRAMS ON INDIAN RESERVATIONS, SPIR-
IT LAKE TRIBE, FORT TROTTE, ND**

**HON. DARRELL G. SEKI, SR., CHAIRMAN, RED LAKE BAND OF CHIP-
PEWA INDIANS, RED LAKE, MN**

**MARTY WAFFORD, UNDER SECRETARY OF SUPPORT AND PROGRAMS,
CHICKASAW NATION DEPARTMENT OF HEALTH, ADA, OK**

**HON. THOMAS VILSACK, SECRETARY, U.S. DEPARTMENT OF AGRI-
CULTURE, ACCOMPANIED BY: CINDY LONG, DEPUTY UNDER SEC-
RETARY, FOOD, NUTRITION, AND CONSUMER SERVICE; BRUCE SUM-
MERS, ADMINISTRATOR, AGRICULTURAL MARKETING SERVICE**

**OPENING STATEMENT OF HON. ANDY HARRIS, A REPRESENT-
ATIVE IN CONGRESS FROM THE STATE OF MARYLAND**

Mr. HARRIS. We will come to order.

Good morning. I want to thank you all for being here today to discuss the severe food distribution shortages that are occurring in our tribal and elderly communities.

This is a unique hearing as members from the House Appropriations Committee and House Agriculture Committee are coming together on this urgent and important topic.

On the first panel, we will hear directly from tribal leaders who operate the Food Distribution Program on Indian Reservations, FDIPIR, and the Commodity Supplemental Food Program, CSFP, and have been negatively impacted by the USDA's poor decisions.

On our second panel, we will hear from USDA Secretary Vilsack and USDA officials. This is a tragic situation that has been inflicted upon our Nation's tribes and elderly communities by the Biden-Harris USDA.

As is typical for this administration, when they create a catastrophe that could have been avoided, no one is held accountable,

no one is fired, and no one takes ownership for the egregious mistakes.

To learn more about the impact, we are pleased to be joined by our first panel of witnesses, the Honorable Darrell G. Seki, who is a senior, and is the chairman of the Red Lake Band of Chippewa Indians from Red Lake, MN; Mrs. Marty Wafford, the Under Secretary of Support and Programs with the Chickasaw Nation Department of Health from Atta, OK; and Mrs. Mary Green-Trottier, president of the National Association of Food Distribution Programs on Indian Reservations with the Spirit Lake tribe from Fort Totten, ND.

We thank you all for being here today to share with us how your tribal communities have been affected by USDA's unilateral decision to have only one vendor serve both the DPIP and the CSFP programs nationwide instead of the two, as has been the previous practice that has worked well.

We are frustrated that you have all been needlessly subjected to food shortages, expired food, delivery delays, and cancellations. We commend all of you for your leadership and determination to help FDPIP and CSFP participants going above and beyond to provide food to vulnerable members of your tribal communities.

We know our committee members are interested in this hearing, so I ask unanimous consent to allow members not on the subcommittees to participate in today's hearing and be allowed to ask questions after all subcommittee members have been recognized.

Without objection, so ordered.

Then I will brief and keep to the 3-minute opening statements, without objection, that chairs and ranking members of both committees have agreed to so that we can hear from our witnesses.

Again, we appreciate all of you for taking the time to be with us today.

Ranking Member Bishop, I will now yield to you for any opening remarks you would like to make.

OPENING STATEMENT OF HON. SANFORD D. BISHOP, JR., A REPRESENTATIVE IN CONGRESS FROM THE STATE OF GEORGIA

Mr. BISHOP. Thank you very much, Mr. Chairman.

To the tribal witnesses on the first panel, thank you so much for coming to talk with us today. And thank you to Secretary Vilsack and the witnesses from USDA for being here to talk about the background and the responses to this very, very serious crisis.

I want to call our attention to Chairman Seki's statement in his testimony. And I quote, "Red Lake knows we are not truly sovereign until we are food sovereign", end of quote.

This is a powerful, eloquent, and unforgettable observation, and it should guide us in our deliberations today. Food Distribution Program on Indian Reservations, FDPIP, has long been one of those Federal programs that seem to operate seamlessly, as has the Commodity Supplemental Food Program.

And so it is a shock to find ourselves with the problems that we are now confronting. It is so deeply personal for your members and those who participate in the Commodity Supplemental Food Program, and therefore, it is really painful for all of us today.

Your documentation of specific problems and your testimony here today is very helpful as it makes what you are going through more concrete and tangible.

For Georgia, I am hearing that it is possible that there will be no CSFP boxes distributed in September and October. Unfortunately, service has been zero percent at worst and only 50 percent at best since May.

The major food bank in Atlanta works with 80 nonprofit partners to distribute over 5,200 boxes a month throughout the metro area in north Georgia, while the largest rural food bank in Georgia, Second Harvest of South Georgia, works with 17 partner agencies to distribute close to 1,500 boxes a month.

These deserving Americans, these deserving seniors must not be without meals. We look forward to Secretary Vilsack's testimony. It appears that the Secretary was not made aware of this until August 3. But once again, once he was aware, I must say that he has done an amazing job in trying to remediate the problems and I thank him for that.

While the USDA has found \$47 million in commodity credit corporation funds to cover the tribe's expenses and CSFP to help buy their own groceries, brought on FEMA and advisory capacity to address inefficiencies and allowed the use of declaration of distress, we must get regular programs back on that feed as soon as possible.

I know it is difficult to get accurate information about the situation on the ground, so we look forward to hearing from you today.

I would be remiss if I didn't point out that the final FY 2024 appropriation for AG Marketing Service, the agency responsible for USDA contracting, was more than 12 percent lower than the request. Also, the final 2024 bill did not fund the 5.2 percent pay raise and didn't fund two requests for a total of \$4 million that were intended to improve ordering, procurement, and distribution processes for USDA food programs.

I said this before, and I will remind my colleagues once again, Congress cannot meet 21st century needs and challenges with 20th century budgets. I hope you remember this as the 2025 process continues to unfold.

And I yield back, Mr. Chairman, and thank you for the extra 12 seconds.

Mr. HARRIS. Thank you. Thank you very much, Mr. Bishop.

I will now recognize the House AG Subcommittee Chairman, Mr. Finstad.

OPENING STATEMENT OF HON. BRAD FINSTAD, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MINNESOTA

Mr. FINSTAD. Good morning. Thank you, Chairman Cole. Thank you, Chairman Harris, for including the Committee on Agriculture and this important oversight hearing committee today.

Special thank you to my fellow Minnesotan Chairman Seki of Red Lake for joining us in providing your testimony. We are here today because more than 770,000 individuals who rely on both USDA's Food Distribution Program on Indian Reservations and Commodity Supplemental Food Program were put in an avoidable

but devastating situation by unelected DC bureaucrats who decided they knew better than the communities they serve.

What is worse is that this avoidable, devastating situation happened under Secretary Vilsack's first go around at the helm. While 2014 was not as egregious, one would certainly think the same mistake would not be made twice.

Earlier this year, USDA met with tribal leaders to discuss the Department's desire to pivot to a single warehouse. As testimony reveals, tribal leaders advocated against such a change, warning the Department of potential calamity.

The Department ignored tribal leaders' experience and advocacy efforts, and in April 2024, consolidated storage and distribution services to one contractor and one warehouse.

Testimony reveals significant food shortages caused by delayed or canceled food deliveries or even deliveries of expired products dating back to April 2024.

Yet, Secretary Vilsack has openly shared that he was not made aware until August 3, 2024. Coincidentally, this and a few other issues came to light directly after the departure of former department under deputy under secretary for Food and Nutrition Service Stacy Dean.

While I would hope the former deputy was not complacent in this issue, I cannot help but wonder if this was a perverse means to demonstrate the utility of regional sourcing models and our food sovereignty.

My immediate goal is to ensure that the department is held to crafting a long-term strategy that can be quickly executed so tribal communities and the elderly regain access to the foods that they have come to rely on.

But today's hearing is also an opportunity for the public to hear of yet another example of where the Biden-Harris administration ignored the pleas of many in exchange for the desires of a few.

Finally, as a Member of Congress representing over 700,000 taxpayers across southern Minnesota and as a former USDA official, I am appalled at the level of ongoing incompetence by the Department under its current leadership.

Since 2022, Congress has been engaged in oversight of the Feeding Our Future Fraud role that USDA and its partnering state agency, under the supervision of Governor Tim Walz, was looking over a \$250 million in taxpayer funded program meant to feed hungry children during COVID-19 pandemic with inadequate oversight and cooperation from USDA.

The many letters sent by my colleagues across House and Senate show how many questions have been gone unanswered since the Department's first engagement with Congress on this issue.

I can only hope that the Department has come prepared to answer our questions and talk openly about how they plan to regain public confidence in their implementation oversight of these programs.

With that, my deep appreciation to members of the Chickasaw, Red Lake, and Spirit Lake for taking a stand and sharing your stories with us today.

With that, I yield back.

Mr. HARRIS. Thank you very much.

House Agriculture Subcommittee Ranking Member Mrs. Hayes, you are now recognized.

OPENING STATEMENT OF HON. JAHANA HAYES, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CONNECTICUT

Mrs. HAYES. Thank you. And thank you to our witnesses for testifying today.

The Delivery and Food Aid by the program contractor, Paris Brothers Incorporated is deeply concerning and the inability of this contractor to live up to its commitment to provide food for vulnerable communities is unacceptable and we must ensure that this never happens again.

As I listen to the opening statement of my ranking member on the Subcommittee of Nutrition, I remind him and you all that we have oversight over the Department of Agriculture and the fact that we had no hearings on this issue is a problem that we own as well.

Preventable delays in the Commodity Supplemental Food program, CSFP, and the Food Distribution Program on tribal lands, FDPIR, have negatively impacted food access for tribal communities across the country for months.

In my State of Connecticut, more than 2,600 seniors depend on CSFP to put food on their tables each month. Last week, our delivery did not arrive as scheduled. If this does not arrive in the next few weeks, Connecticut food banks will be very low or fully depleted of major food categories, including vegetables and proteins.

Tribal communities across the country have felt the brunt of these disruptions. For the past six months, the Paris Brothers have not been able to resolve the issue.

According to Move for Hunger, about one in four native people experience food insecurity compared to one in nine Americans overall.

Through this hearing, I hope we can identify potential common sense, bipartisan solutions to ensure communities, especially our most vulnerable communities, do not go hungry.

I look forward to hearing directly from the panelists about the impacts of this supply chain disruption on community members in affected areas and engaging in bipartisan efforts to address this shortfall.

I am hopeful the perspectives and expertise of the panel today will contribute to a more productive and proactive conversation on how we solve this problem, not just point fingers.

Thank you, and I yield back.

Mr. HARRIS. Thank you very much.

I will now recognize the chairman of the House Appropriations Committee.

OPENING STATEMENT OF HON. TOM COLE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OKLAHOMA

The CHAIRMAN. Thank you very much.

Good morning, and I appreciate your recognition.

Chairman Harris, Chairman Thompson, Chairman Finstad, Ranking Member Bishop, Ranking Member Scott, Ranking Member

Hayes, Ranking Member McGovern, Ranking Member DeLauro. Quite an assembly that we have this morning.

This is a dire issue that has evoked a genuine bipartisan and bicameral concern in Congress. And I appreciate, Mr. Harris, your work in calling this hearing.

I sit at this dais and my role as chairman of the Appropriations Committee, but my voice echoes with those at the table before us.

As a proud member of the Chickasaw Nation of Oklahoma, I'm resolute in my commitment to ensuring tribes across the Nation are heard. And we are here today making certain that happens.

The USDA is charged with providing critical food assistance for tribal members and vulnerable senior citizens, and it has failed in that duty.

For months, people have been left without food and resources they rely on. Missed and delayed deliveries, empty shelves and bare warehouses have become commonplace.

These are all dire consequences as a result of decisions made by the USDA, which have left communities hungry. Further, the Department has neglected to implement a permanent fix or establish a timeline for effective operations to resume.

The short-term solutions proposed by the USDA are not sufficient and put additional burdens on tribes. I am extremely disturbed by these failures, which, as we have learned, were clearly preventable.

The USDA knew there were concerns in opposition when they announced their decision to utilize a single contractor. Nevertheless, they did it anyway, causing the situation at hand.

It is more than a mistake. It is gross negligence. Tribal consultation is not only a requirement, but a duty of the agency and should be taken seriously.

It is critical that this contract or this crisis is resolved quickly and the changes are made in the contracting process to ensure nothing like this ever happens again.

I have no doubt today's testimony will emphasize needed action to rectify food shortages and the importance of upholding our Nation's trust and treaty responsibilities.

I think we will also hear that in the wake of this crisis, tribal leaders and community members have stepped in to help and to try and fill gaps where possible. That sense of unity and care is to be commended during this incredibly difficult time.

And I am pleased that there is bipartisan and bicameral concern to address the situation.

To our tribes and seniors, Congress hears you, sees you, and is acting on both sides of the aisle in both chambers to ensure accountability.

To the USDA, there is no acceptable excuse, and these disruptions need to be fixed immediately.

I am grateful to our witnesses for their time today and especially welcome our tribal leaders and representatives, including my fellow Oklahoman, Ms. Marty Wafford. Your assessments and testimony will be critical as we work to resolve this crisis and ensure nutrition is reaching those in need.

With that, Mr. Chairman, I yield back.

Mr. HARRIS. Thank you very much.

Ranking member of the House Appropriations Committee, Ms. DeLauro, is now recognized.

OPENING STATEMENT OF HON. ROSA L. DELAURO, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CONNECTICUT

Ms. DELAURO. Thank you very much, Mr. Chairman. I recognize you and Ranking Member Bishop, full committee Chair Cole, Chairman Thompson, Ranking Member Scott, Subcommittee Chairman Finstad, and my colleague from Connecticut, Ranking Member Hayes.

Also wanted to say a very big thank you to our tribal witnesses, our distinguished tribal witnesses, for joining us today. We thank you for your testimony. You are our first-hand witnesses, so I welcome you today, those witnesses, both for the Food Distribution on Indian Reservations Program and for the Commodity Supplemental Program.

I also want to take a moment to say thank you to the witnesses who will be with us from the administration, Secretary Vilsack, Food and Nutrition Service Deputy Under Secretary Long, and Administrator Summers for appearing today to help us to understand how USDA is working to fix the issues with food deliveries to tribal communities and to low-income seniors, and how the Department is going to ensure this kind of disruption does not happen again.

Combined with FDPIR and CSFP, they serve over 770,000 Americans. Disruptions to food deliveries facilitated by these programs began earlier this year, causing food insecurity for low-income Americans.

In some cases, food distribution centers receive none of their allotted food support. It is incomprehensible how deliveries were interrupted for so long because of the use of a single contractor.

And we need to understand what went wrong, how we can alleviate the struggle that is occurring while we speak. It must be among our government's highest priorities that the most vulnerable communities among us do not suffer from hunger, but this disruption to food deliveries has risked exactly that.

It is unacceptable that seniors and tribal communities would go without assistance for any length of time. I am pleased and impressed, however, by the actions taken by Secretary Vilsack since he was made aware of the issue in early August.

He and his team deserve credit for finding and utilizing creative solutions. The Department has engaged FEMA and the Defense Logistics Agency, reflecting the urgency of mitigating this interruption, employing the Federal Government's best experts at sourcing and moving goods to ensure that these communities receive the deliveries they need expediently.

The Department has taken many steps, including bringing in an emergency contractor, providing direct aid for tribal communities and CSFP agencies to source food assistance directly to help bridge that gap.

I underscore, however, that disruption is badly to badly needed food assistance is unacceptable, and we must learn and the Department must explain how exactly this occurred.

Those who have oversight in this area, this committee, ought to take a look at what they may have missed in regard to this effort as well. Let me just talk about what we need to do is to address this issue in a bipartisan way.

Partisan games over government funding certainly cannot stand in the way of properly funding all of our nutrition programs.

I yield back.

Mr. HARRIS. Thank you very much.

The House Agriculture Committee ranking member, Mr. Scott, is now recognized.

OPENING STATEMENT OF HON. DAVID SCOTT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF GEORGIA

Mr. DAVID SCOTT OF GEORGIA. Thank you very much, Chairman.

First of all, I am very concerned about how the supply chain disruptions caused by the program director, Paris Brothers, Inc., have impacted the Food Distribution Program on Indian Reservations, the FDPIR, and Commodities Supplemental Fund Program, CSFP, and access to food for tribes and our senior citizens across our Nation.

And I am asking that we also bring in the Paris Brothers, by subpoena if necessary, to get to the root of these issues affecting food for our tribes and our seniors in our Nation.

Unfortunately, it is clear that the Paris Brothers submitted a bid for a contract that they were not prepared to fulfill. Unfortunately, it is clear that I have heard from my Atlanta community Food bank in Georgia that many of the Paris Brothers delivery dates have been missed or rescheduled since April of this year.

The Paris Brothers are operating week-to-week, which puts a strain on the operations and creates uncertainty for our senior citizens and the tribes they serve. Nationally, I have heard that things have even been worse, missing and delaying deliveries began as early as April, and this past week, nine tribes are still missing entire categories of foods like vegetables and protein, and 18 SFP agencies are experiencing inventory concerns right now.

This is a serious situation that they are still seeing these issues in September. It is not acceptable. So I was glad to hear that Secretary Vilsack and the USDA have entered into an emergency contract with Americo to provide additional receiving, storage, and distribution of badly needed food.

However, still more must be done to eliminate these issues and prevent them from ever reoccurring again. I look forward to hearing more from our tribal leaders, our senior citizens for their recommendations for solutions.

And I look forward to hearing from the USDA about how they addressed this issue so far to date and will do so moving forward. This is a critical national issue and all of us on this committee are prepared to tackle it and provide the proper leadership that our seniors and our tribes deserve. Thank you very much.

Mr. HARRIS. Thank you very much.

At this time, we will now turn to our witnesses, Chairman Seki, Ms. Wafford, and Ms. Green-Trottier.

Without objection, all of our written testimony will be included in the record.

Chairman Seki, I now recognize you for your statement.

**STATEMENT OF DARRELL G. SEKI, SR., CHAIRMAN, RED LAKE
BAND OF CHIPPEWA INDIANS, RED LAKE, MN**

Mr. SEKI. [Speaking native language.] Now, I will speak in my second language. My name is Darrell Seki, Sr. I am the chairman of Red Lake Nation.

Red Lake serves 284 participants through FDPIR and 88 elders to CSFP. Red Lake has experienced problems every month since USDA decided to consolidate to one national warehouse.

Whether it was delivery delays, missing items, or receiving additional items that we did not order, Red Lake's ability to feed our people through these programs was jeopardized.

I want to commend our Red Lake FDPIR and CSFP staff, specifically Cora Rosebear, Corey May, Sr., and their team, who fed our people during the troubling time.

On USDA short-term solutions three of the four options do not work for Red Lake.

First, Red Lake refuses to rob our LFPA funds to pay for USDA's failure to address the rising cost of food. Our LFPA funds will provide access to buffalo, fish, maple products, wild rice and fresh produce to approximately 1,550 school-aged children and 300 elders.

To ask us to spend this money to resolve USDA's failure is unacceptable, especially since USDA told us they will not reimburse us.

Second, Minnesota has not requested a situation of distress and therefore this option is not available to us. Third, only 10 tribes have been able to use emergency USDA/DoD Fresh Program, Red Lake is not one of them.

The only short-term solution that provided Red Lake relief was the CCC funds. However, this funding only became available to us after Shakopee Mdewakanton Sioux Community provided us with an emergency grant so we could purchase food needed to feed our people.

On needed long-term solutions, Red Lake sees four options. First, USDA must implement a regional sourcing model. Second, USDA and Congress should invest in automatic tracking systems that allows tribes to know exactly where their orders are.

Third, this is one that this committee already supports, tribes are not truly sovereign until we are food sovereign. We must make the 638 FDPIR Pilot Program permanent.

Red Lake was not a 638 pilot, but we are ready. In 1917, we established a Red Lake Fishery to provide walleye to Americans suffering from the food shortages caused by World War I.

Today, our fishery continues to support Americans who rely on Federal feeding programs. In FY 2023, USDA bought 1.3 million walleye. In FY 2024, USDA bought an additional 1.4 million of walleye.

Red Lake has also cultivated wild rice for over 20 years, utilizing USDA's Foreign Agricultural Service programs. Red Lake sells wild rice domestically, but also exports to United Kingdom, Israel, Canada, Germany, Sweden, Thailand, and China.

We also operate Gitigaan, an 8-acre farm where we grow all sorts of berries and vegetables. And finally, we will begin to sell products from our buffalo ranch this fall.

USDA cannot say we don't have the capacity to procure food and feed ourselves. USDA relies on us for food. We feed people around the world. We need 638 now.

Fourth, we also support the House Agriculture Committee's efforts to expand 638 to CSFP. But given USDA's failure, we wonder if a pilot's necessary. We clearly know how to feed our people better than USDA. We urge you to support full 638 authority for CSFP as part of the next farm bill.

In closing, Congress must enact fiscal years 2023 appropriations or pass CR. A government shutdown would make the current crisis worse. Here I am holding the United States Constitution of America, article VI, where the treaties are adopted, the supreme law of the land. The United States Government has been failure for decades.

[Speaking native language.]

[The prepared statement of Mr. Seki follows:]

PREPARED STATEMENT OF HON. DARRELL G. SEKI, SR., CHAIRMAN,
RED LAKE BAND OF CHIPPEWA INDIANS

Chairman Thompson, Ranking Member Scott, Chairman Harris, Ranking Member Bishop, and other distinguished members of your committees, *Chi miigwetch* (many thanks) for the opportunity to testify on behalf of the Red Lake Band of Chippewa Indians (Red Lake) on the food shortage crisis caused by the U.S. Department of Agriculture's (USDA) consolidation of warehouses supporting the Food Distribution Program on Indian Reservations (FDPIR) and the Commodity Supplemental Food Program (CSFP). Red Lake is a federally recognized Tribe responsible for promoting the health and well-being of our 17,023 Band members who call our 840,000-acre Reservation in Northern Minnesota home.

I. The Impact of the FDPIR and CSFP Consolidation on Red Lake. Due to our remote location and expansive geography, Red Lake Band member unemployment rates are high and access to healthy foods can be particularly difficult, especially in instances where Tribal members do not have access to reliable modes of transportation. While Red Lake is undertaking several efforts to promote our own food sovereignty and increase access to healthy, traditional foods through our fishery, buffalo ranch, farms, and wild rice production, Red Lake has long relied on FDPIR and CSFP to feed our members. Red Lake first began using FDPIR in October of 1996. With 28 years of FDPIR operation, we now serve 284 participants residing in 220 households on our Reservation. Red Lake additionally became one of the few Tribes to operate CSFP in November of 2005 to support Red Lake elders. Red Lake now serves 88 elders through this program.

Red Lake has experienced problems every month since USDA's decision to consolidate. Whether it is delivery delays, missing items, or additional items that we did not order, Red Lake's ability to feed our people through these programs is jeopardized. I want to recognize our Red Lake FDPIR and CSFP staff, including, but not limited to, Cora Rosebear and Corey May Sr. and their staff who work hard to feed our people. During this crisis, they have diligently tracked USDA's failures. They have also had to make decisions they never should have to and I commend them for their work. With their help, we have pulled together a summary of the negative impacts USDA's decision to consolidate the warehouse vendor has had in our community.

- March 2024: Red Lake was informed that Paris Brothers was transitioning to be the sole vendor for FDPIR and CSFP. To prepare, Red Lake ordered more than our usual monthly amount.

- April 2024: With delays in the delivery of food beginning, Red Lake was forced to make the food ordered in March last until May's delivery arrived.

- May 2024: Red Lake's FDPIR program did not receive 50 units of five-pound bags of flour. Additionally, we did not receive four cases of macaroni. While macaroni may not seem like a staple item, Red Lake Band members use macaroni in many of their regular meals, including a local favorite called "Mac Soup", consisting

primarily of macaroni, tomatoes, and ground beef or buffalo. Not having access to macaroni was a crisis in its own for our Band members.

- June 2024: For the Tribe's CSFP program, we were shorted two cases of Corn Flakes cereal. For FDPIR we were shorted one case of diced tomatoes and two cases of Rice Crispy cereal. Additionally, the Tribe received one case of cream style corn, and one case of unsalted crackers that we did not ask for. Concerning to Red Lake, the driver who delivered the food cut the seal without consent. The FDPIR and CSFP staff knew not to accept the order if the seal was not cut in front of them. However, because of the shortages that all of the Tribes were having, Red Lake staff accepted the food and made the driver wait until the entire order was counted and verified.

- July 2024: Red Lake did not receive any food for either FDPIR or CSFP.

- August 2024: Our food order was late, but it did arrive on August 9. However, our CSFP order was short 10 cases of 1 percent milk and two cases of macaroni. Additionally, our FDPIR order was short two cases of apricots and we received 41 cases of peaches that we did not order.

- September 2024: Our September order, which was originally expected to arrive on August 27, was rescheduled to September 5. When we had not received our order by 5 p.m. CT, we reached out to our USDA contact. He asked us if we had talked to the Mille Lacs Band of Ojibwe (MLBO) FDPIR site to see if they received their order, as our order was likely next. MLBO confirmed they received their order. After 6 p.m. CT, the truck did eventually arrive, and Red Lake's staff were on the ground sorting the food around 8:30 p.m. CT. Unfortunately, we were shorted 20 cases of pears.

II. USDA's Short-Term Solutions Have Been Inadequate. After failing to uphold its trust obligations to Tribes across the country, USDA put forth four short-term solutions—(A) using Local Food Purchase Assistance (LFPA) dollars to purchase emergency foods, (B) encouraging states that operate The Emergency Food Assistance Program (TEFAP) to request situations of distress, (C) temporarily expanding the USDA Department of Defense (DoD) Fresh Fruit and Vegetable Program, and more recently, (D) providing at least \$11 million in Commodity Credit Corporation (CCC) funds to purchase emergency foods. As described in more detail below, Red Lake has been unable to make use of three of these four options.

A. Red Lake Cannot Steal Our Own LFPA Funds to Fix USDA's Problem. Red Lake received \$2.2 million as part of our LFPA agreement with USDA to distribute locally sourced traditional foods to approximately 1,550 school aged children and 300 elders as a way to provide relief from rising food costs. Distribution boxes will be provided to school aged children at Red Lake School District locations each month and will contain traditional sources of protein such as buffalo and fish and will also include other locally harvested and produced items such as maple products, wild rice, and fresh produce as seasonally available. With roughly half of the Red Lake population under the age of 18, this effort is incredibly helpful to ensure the well-being of our people and not only does it increase access to culturally relevant foods, it allows us to buy food directly from our own fishery, buffalo ranch, farms, and wild rice production efforts. To ask us to pull this money away from this important effort to resolve USDA's failure is not only insulting, its egregious. Red Lake refuses to rob our own programs to fix this failure, especially as USDA has told us that they will not reimburse us for the use of these funds.

B. As of September 9, 2024, the State of Minnesota Has Not Requested a Situation of Distress. While Red Lake has a good relationship with our state, the fact that Minnesota has not requested a situation of distress means that this option provides no relief to the Red Lake Band.

C. Red Lake is Not Benefiting from the USDA DoD Short-Term Solution. Outside of the FDPIR and CSFP crisis, Red Lake does utilize the DoD Fresh Fruits and Vegetable program to receive fresh produce every two weeks. However, only 10 Tribes have been able to use the short-term expansion of the program—Red Lake is not one of them.

D. The Only Short-Term Solution that Provided Red Lake Relief was the CCC Dollars. After realizing that the three initial solutions put forth by USDA did not actually provide any relief for the majority of Tribes administering FDPIR and/or CSFP, USDA provided at least \$11 million in CCC funds of which Red Lake received \$49,600. This should have been the first solution put forth by USDA, but it only provides temporary relief. We need a long-term solution.

III. Red Lake Has Had to Rely on a Shakopee Mdewakanton Sioux Community (SMSC) Emergency Food Grant to Offset the Impacts of USDA's Failure. As a result of three of the four USDA short-term solutions not applicable to Red Lake, we had to take advantage of the SMSC emergency food grant to purchase food for our FDPIR and CSFP programs. For those who may not know, upon hearing about the

FDPIR and CSFP crisis, SMSC, who also serves as one of the four co-founders of the Native Farm Bill Coalition, immediately provided up to \$3 million for emergency food grants to Tribes in the State of Minnesota and to their Lakota, Dakota, and Nakota sister Tribes in other states. Red Lake is grateful for SMSC's generosity and commitment to promoting the well-being of Indian Country by advocating for critical tools that promote food sovereignty. But SMSC should not be put in a position where they felt obligated to step in. SMSC does not have a trust obligation to Tribes, USDA does.

IV. Long-Term Solutions that Should Be Implemented. The Red Lake Band has identified three long-term solutions that should be implemented as immediately as possible. These include—(A) moving to a regional sourcing model, (B) establishing an automatic tracking system for deliveries, (C) making the 638 FDPIR pilot program authorized by the 2018 Farm Bill permanent, and (D) expanding 638 to CSFP.

A. Regional Sourcing Model. On February 16, 2024, the USDA held a Tribal consultation where it informed Indian Country of its plans to consolidate from two to one warehouse vendor. USDA's own meeting notes show that Tribal leaders who were able to attend the consultation expressed concerns about existing delivery delays and that they preferred adding additional vendors who work on a regional basis rather than consolidating to one national warehouse. Tribal leaders cited lessons learned throughout the COVID-19 pandemic on the need to build redundancy in the supply chain and enhance regional sourcing. In April of this year, USDA moved forward with the consolidation promising it would provide adequate oversight, which it has clearly failed to do. It is offensive that USDA thinks it knows what is best for Tribal governments and that they completely ignored our requests. It is time to right this wrong by directing USDA to move towards regional warehouse sourcing either through the Fiscal Year (FY) 2025 appropriations process or the upcoming Farm Bill. Because the contract is up for renewal in 2025, Congress must issue this directive before we end up in this situation again.

B. Establish an Automatic Tracking System that Alerts Tribes on Where Their Orders are in the Process. As noted in our timeline, for our recent September order, USDA could not confirm where our order was and whether other Tribes have been served. An automatic tracking system should be built to ensure transparency and reliability.

C. Enact a Farm Bill that Makes Permanent the 638 FDPIR Pilot Program Authorized by the 2018 Farm Bill. Red Lake knows that we are not truly sovereign until we are food sovereign, and this is why we strongly support the efforts of the House Agriculture Committee to make the 638 FDPIR pilot program authorized by the 2018 Farm Bill permanent. While we were not able to take advantage of the 638 pilot, Red Lake has long utilized the 638 to administer an array of critical services for our members, including, but not limited to health care, public safety, and much more. And we do so in the most cost efficient and effective manner. That is because 638 provides Tribal governments with the flexibility to make decisions based on Tribal priorities and community needs using the same dollars the Federal Government would have used to administer services. As evident by USDA's recent decisions and blatant waste of Federal taxpayer dollars, the need for this authority is only further underscored.

For the Committee's awareness, Red Lake has long been committed to building our own agricultural production so that we can purchase local, traditional foods from our own operations in anticipation of this authority being made permanent. In 1917, the State of Minnesota worked with the Tribe and Federal Government to establish the Red Lake commercial fishery within the boundaries of our Reservation. The initial purpose of the fishery was to provide a source of fresh fish to support Americans during food shortages caused by World War I. After the war ended, the Secretary of Interior promulgated regulations at 25 CFR Part 242 for continuance and operation of the fishery, making the Red Lake fishery the only Indian fishery codified in the Code of Federal Regulations. Today, it remains the oldest and largest walleye commercial fishery in the United States with an annual harvest quota of about 1.1 million pounds of walleye, including subsistence fishing of nearly 100,000 pounds. The direct economic impact has been estimated at over \$2 million in payments and wages to local Band members. Red Lake walleye has been procured by USDA to support Federal child nutrition and other domestic food distribution programs. For FY 2023, USDA bought 108,000 pounds of walleye fillets for \$1,335,600 from Red Lake. For FY 2024, USDA bought another 108,000 pounds of walleye fillets for \$1,427,400.

Additionally, wild rice continues to be a critical cultural resource that keeps our community members healthy, but also promotes economic development. For more than 20 years, Red Lake has cultivated wild rice over more than 1,000 acres on the Reservation. Utilizing USDA's Foreign Agricultural Service (FAS) programs, Red

Lake sells wild rice domestically but also exports to various countries, including, but not limited to, the United Kingdom, Israel, Canada, Germany, Sweden, Thailand, and China. In 2021, Red Lake acquired KC's Best, the Band's first business operated outside of the Reservation. KC's best sells wild rice both online and directly to grocery stores, restaurants, and gift shops.

The Tribe also operates Gitigaan Acres, an eight-acre farm, where we grow strawberries, blueberries, rhubarb, apples, plums, apricots, cherries, potatoes, onions, celery, carrots, tomatoes, cucumbers, peppers, squash, beans, corn, herbs - and other items that all Band members regularly consume. And finally, we are proud to operate the Red Lake Buffalo Ranch, which started with seven buffalo and has grown tremendously since. Today, the Band has 50 buffalo enclosed in 280 acres with an additional 300 acres to be fenced in the fall of 2024. Buffalo has been given out to elders and for Tribal ceremonies and feasts. We will begin to sell buffalo products in the fall of 2024.

Throughout these efforts, Red Lake is seeing first-hand the benefits of building local food economies. Not only are our people able to access traditional foods, but they are becoming healthier and we are able to create more jobs for those living on our Reservation. Making the 638 FDPIR pilot program authority permanent will allow us to continue to build this local infrastructure, build our own regional food economy, and make our community stronger.

D. Enact a Farm Bill that Expands 638 to CSFP. Additionally, Red Lake supports efforts of the House Agriculture Committee to establish a 638 CSFP pilot program. The 638 CSFP pilot is particularly important because under the current authority, we cannot procure traditional foods or fruits and vegetables desired by our elders. Expanding 638 to CSFP will therefore increase access for our elders to the same traditional foods that FDPIR participants are able to access. We do want to flag two recommended edits to the language passed by this Committee earlier this year. Red Lake knows that when too much discretion is provided to USDA, they will fail us just as they have done with this FDPIR and CSFP crisis. Even the Government Accountability Office (GAO) (HRD-78-59 and GAO-19-87) has found the Federal Government to implement unnecessary barriers. For this reason, as Congress works on finalizing the 2024 Farm Bill, we ask you to support the important changes redlined below to ensure that we are not subject to the changing winds of elections, new administrations, and new agencies heads who may not work in the best interests of Tribes.

Sec. 4204(a)(1)(D)—SELF-DETERMINATION CONTRACT.—The term “self-determination contract” has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304).

Sec. 4204(a)(3)(B)—CRITERIA.—The Secretary shall select for participation in the demonstration project Tribal organizations that- (i) are successfully administering the food distribution program of the Tribal organization under section 4(b)(2)(B) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note); and (ii) have the capacity to purchase agricultural commodities in accordance with paragraph (4) for the food distribution program of the Tribal organization.

Chi miiguetch for taking the time to hear how this crisis has impacted Red Lake and Tribes throughout the country. We hope that this oversight hearing will result in an immediate, long-term solution and we appreciate the efforts your committees have taken to expand 638 in the Farm Bill for FDPIR and CSFP and provide meaningful funding to support the programs that my constituents rely on for their well-being.

Mr. HARRIS. Thank you very much, Chairman Seki.

Mrs. Wafford, you are now recognized for your statement.

STATEMENT OF MARTY WAFFORD, UNDER SECRETARY OF SUPPORT AND PROGRAMS, CHICKASAW NATION DEPARTMENT OF HEALTH, ADA, OK

Mrs. WAFFORD. [Speaking native language.] Hello. Chairman Cole and Chairman Thompson, Ranking Member DeLauro and Ranking Member Scott and members of the committees, thank you for holding this hearing.

My name is Marty Wafford, and I am the under secretary of support and programs for the Chickasaw Nation Department of Health.

The mission of the Chickasaw Nation is to enhance the overall quality of life of the Chickasaw people. The Chickasaw Nation has administered the food distribution program on Indian reservations since 1984, 40 years.

The Chickasaw Nation has five FTP stores in Oklahoma, including Ada, Ardmore, Tishomingo, Purcell, and Duncan, and one tail-gate location still in Colbert, Oklahoma.

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

In February 2024, during a tribal consultation, FNS officials announced the plan to consolidate national warehouse operations from two sites to one in Kansas City.

Tribes advocated for a regional model because there was insufficient time to make the transition on a national scale. FNS proceeded with warehouse consolidation in April 2024.

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

Typically, the Chickasaw Nation receives numerous food orders each month. Currently, orders are delayed or have not arrived at all, contain partial orders, damaged or expired products. Examples include the Ada FDP store received a portion of an order on July 12, nearly a month behind. The partial order contained products with the best by date of July 12.

The Tishomingo FTP store received more than 100 units of 1-pound block cheese instead of the allowable 5-pound block cheese. This order was received just last month, August 14.

The cheese had expired in December 2023. For these reasons, several items are low and out of stock. Inventory levels are monitored daily and due to insufficient deliveries, product is being transferred from one site to another when inventories reach critical levels.

Per F&S Handbook 501 Regulations, a one-to-three-month inventory supply should be maintained. This situation results in a direct violation.

Not only is this inventory crisis impacting clients, but it is also taking a toll on our staff, who spend countless hours trying to solidify the erratic delivery status of orders, apologizing to clients for the lack of available inventory, and answering phone calls.

Have we forgotten that this program assists some of our most vulnerable first Americans? Throughout this period, USDA has not offered viable long-term strategy to get us back on track.

Things such as requiring the national warehouse to meet scheduled deliveries immediately, utilize more than one national warehouse and vendor option, provide additional flexibilities in the short-term solutions that were put out in August. Many of those options don't apply to all tribes.

In 2018, Congress authorized USDA to establish the FDPIR Self Determination Demonstration Project, granting participating tribal nations more control over their program.

Although limited in scope and participation, the project has been highly successful. This inventory and warehousing crisis is an example of how the locally procured food system works.

We have not experienced ordering or delivery issues with foods procured with the Self-Determination Demonstration Project, in which we currently supply a variety of beef, pecans, and dried hominy, which we use to make our traditional food pashofa.

For years, tribal nations have worked to reestablish complex food systems and economies. Tribal nations are top producers of crops, cattle, and buffalo in some regions. They construct and operate meat processing facilities, run successful fish and shellfish hatcheries, and build regional food economies.

USDA's mismanagement of FDPIR inventory highlights the urgent need for Congress to expand tribal self-governance determination and self-governance authority to programs that serve tribal communities.

For more than 40 years, USDA has been our partner. We are thankful for this partnership, and we simply want this food shortage and crisis fixed. Thank you.

[The prepared statement of Ms. Wafford follows:]

PREPARED STATEMENT OF MARTY WAFFORD, UNDER SECRETARY OF
SUPPORT AND PROGRAMS CHICKASAW NATION DEPARTMENT OF
HEALTH

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

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

FOOD DISTRIBUTION PROGRAM ON INDIAN RESERVATIONS

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

INVENTORY ISSUE

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

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

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

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

EFFECTS ON CHICKASAW NATION

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

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

Currently, the Chickasaw Nation outstanding food orders include:

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

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

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

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

It is unacceptable for clients to find empty shelves and limited food options they are promised. There is nearly an hour drive between any of our locations. Clients should be able to shop for items their family needs and not be limited to whatever food is left on the shelves. Have we forgotten this program assists some of our most vulnerable First Americans?

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

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

EXPANSION OF SELF-GOVERNANCE AUTHORITY

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

This inventory and warehousing crisis is an example of how the locally or regionally procured food system works. The Chickasaw Nation has not experienced ordering or delivery issues with foods procured through the Self-Determination Demonstration Project in which we currently supply a variety of beef products, pecans, and dried hominy (used to make traditional food, pashofa). USDA recently increased the guide take rate for FDP clients, but even with this increase, the Self-Determination Demonstration has been able to successfully sustain product and continue to offer participants protein and traditional foods.

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

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

Mr. HARRIS. Thank you very much.

Ms. Green-Trottier, you are now recognized for your opening statement and then we will proceed with questions.

STATEMENT OF MARY GREENE-TROTTIER, PRESIDENT, NATIONAL ASSOCIATION OF FOOD DISTRIBUTION PROGRAMS ON INDIAN RESERVATIONS

Ms. GREENE-TROTTIER. Chairman Cole and Thompson and members of the committee my name is Mary Green-Trottier. I am a member of the Spirit Lake Sioux Tribe, and I serve as president of the National Association of Food Distribution Programs on Indian Reservations.

I serve as the director for my food distribution and CSFP program in Fort Totten, ND. This program is a critical part of our food security safety net in my community, and I would like to thank the committee for asking me to testify about this important program that is a vital source of food for our community members.

The Food Distribution Program on Indian reservations serves around 55,000 people across Indian country each month. The program employs local community tribal members in over 100 tribal organizations who administer the program locally for approximately 276 different tribes.

While over half of FDPIR participants are working men and women, many of them have young children at home. FDPIR also services a significant number of elders. Nearly half of our FDPIR households have members over the age of 60 who rely on our programs for delivery services.

The ITO managers who administer this program across Indian country have been working with their tribal leadership for decades. This program began in the 1970s.

The original purpose of this program has never changed, namely, to improve the quality and nutrition of the products offered in this critical feeding program within tribal communities.

The program began in 1970s because of the predecessor program, is what we call SNAP, was found to be inadequate to reach our communities, most of which are located in food deserts and SNAP vendors within any reasonable distance to our communities.

SNAP is an important tool in the feeding program toolbox but is not meaningful if you lack meaningful access to a full-service grocery store or even a convenience store with a full array of food options on its shelves.

Because that structural reality still exists in most tribal communities, having FDPIR is a critical stopgap and a lifeline to provide food to those with limited or no access to stores or transportation.

The other important tool that FDPIR incorporates into its delivery is nutrition education opportunities for participants. To the extent that we are able to be given very limited nutrition education funding, we offer year-round fresh fruits and vegetables in the food package and a growing variety of traditional and culturally appropriate foods including wild rice, bison, salmon, blue cornmeal, catfish, and more.

These foods are scientifically and nutritionally culturally sound and offer a deep connection to our tribal participants within their own cultures.

I wish I could report today that the problems we are experiencing are over. They are not. I also wish we could report that the problems we are experiencing were black swan events, events no one saw coming that no one could have prevented.

For me, both as a director of my tribe's program, but also as a national president, we saw this coming, and we have talked openly about this possibility for over ten years through three administrations.

NAFDPIR started meeting regularly with USDA in tribal consultations since the last 2 years of the Obama administration. Secretary Vilsack and his team were instrumental in putting those consultation meetings on the schedule and were committed to launching these meetings.

Prior to his administration, those meetings and officially recognized consultations were nonexistent. The only way we got changes into the FDPIR program were to continually bring up the problems and never give up discussion on the path forward to meaningful changes.

To their credit, multiple presidents have kept the conversations going. In fact, we have an emergency consultation meeting tomorrow on these same issues.

What brings us here today is a set of events that the NAFDPIR organization warned about all the way back to the Obama years and throughout the Trump years. And recently we requested a contingency plan over ten years ago.

Our request for a contingency plan was grounded in our own experience that periodically this program suffers from uneven delivery systems, transmittal of expired foods, lack of funding necessary to improve our tribal warehouses, lack of funding to bring our FDPIR sites into the program, and lack of appropriation levels of funding to keep addressing the amount and types of food our participants need.

I am not going to sit here and tell you that money will solve all these problems, or that money will fix the current problem we have before us, but I will tell you that money is the chronic problem that faces this program.

Until we are honest about that and work together to improve and properly resource FDPIR, we will keep running into these types of problems.

The FDPIR funding levels, adjusted for inflation, have been flat into the 1970s. Everyone in this room knows that the cost of food has changed substantially since the 1970s.

We should all think about that situation long and hard. A dozen eggs in 1970 cost 60 cents versus \$4 and up to \$18 during the pandemic. The average box of food and FDPIR recipient receives is around \$70.

That is the equivalent of 35 cans of soup. Nobody can feed their families for that much. It is impossible. Food inflation is real, yet FDPIR program managers and the participants they serve make it work month after month, year after year.

We have program sites that have been waiting to come on to become sites for years, and we can't bring them on because there is not enough resources to bring these places to fruition.

The NAFDPIR program managers from day one of our tribal consultation events with USDA have asked USDA or FNS for a contingency plan to have on the shelves that would kick in the minute we experience shortages or disasters or some other emergencies calling for modification and delivery, transportation, food purchases, or program participation levels.

We have never been granted a contingency plan. This current situation brings home to me that we need this immediately. God help us if we ever need to use it, but at least we would have it in place.

The current problem, we saw it coming. As early as February, NAFDPIR program managers were notified that the Paris Brothers was going to be the sole source of delivery service.

We were alarmed and we alerted FNS that the transition should roll out slowly. We were told not to order any food in April to accommodate this transition. It didn't matter. We still had problems in the delivery system.

Paris Brothers has been as transparent as we could hope for in alerting the program sites as the problems were deteriorating day by day. But we had no idea what hope we had at that point.

All we know is we pass that information on to our frontline FNS people. Somewhere along the line the problems deepened and now here we are. What I can tell you is that I do not believe Secretary Vilsack knew of this problem until late July or early July.

But by then we had at least four or five months of problems that were already happening. My question is, why was anyone down the chain at FNS? Why did they not alert the Secretary as to what was happening?

We believe, at NAFDPIR, that if the Secretary and his immediate team knew, he would have done something. Because the minute he found out he was aware of the problem we saw him immediately jump into the middle and start offering solutions.

At one point, we took pictures of totally empty shelves in our FDPIR program sites. The entire system fell apart. While I am sure there is enough blame to go around for everyone to take a piece of the blame, what I also want to know is that won't help the participants in my community that I must look in the eye and tell them we have to wait a bit more for food.

I also know that we still have problems. There are still gaps in deliveries, and we still have program sites that are without ade-

quate food on their shelves. After the Secretary became aware and options were identified for us to fill the gaps—

Mr. HARRIS. Ms. Green-Trottier, if I could ask you to summarize, and you will be able to make those points, I am sure, in response to questions, but you are a little bit over.

Ms. GREENE-TROTTIER. OK. I just wanted to finish that. We still have gaps and we need to get back to normal.

[The prepared statement of Ms. Greene-Trottier follows:]

PREPARED STATEMENT OF MARY GREENE-TROTTIER, PRESIDENT, NATIONAL ASSOCIATION OF FOOD DISTRIBUTION PROGRAMS ON INDIAN RESERVATIONS, SPIRIT LAKE TRIBE, FORT TOTTEN, ND

Chairman Cole and members of the Committee, my name is Mary Greene Trottier. I am a member of the Spirit Lake Sioux Nation and President of the National Association of Food Distribution Programs on Indian Reservations (NAFDPIR). I also serve as the Director for my Food Distribution & CSFP program in Fort Totten, North Dakota, where we regularly serve approximately 850 people through FDPIR each month. This program is a critical part of our food security safety net in my community, and I would like to thank the Committee for asking me to testify about this important program that is a vital source of food for our community members.

ABOUT FDPIR

The Food Distribution Program on Indian Reservations (FDPIR) provides both food assistance and nutrition education to nearly 100,000 people across Indian Country each month. The program employs Tribal and local community members in over 100 Indian Tribal Organizations (ITOs) who administer the program locally for citizens of 276 different Tribes. While over half of FDPIR participants are working men and women, many of whom have young children at home, FDPIR also serves a significant number of elders—nearly half of FDPIR households have members over the age sixty who rely on our program for delivery services.

The ITO program managers who administer this program across Indian Country have been working with their Tribal leadership for decades. This program began in the 1970s. The original purpose of the program has never changed—namely, to improve the quality and nutrition of the products offered in this critical feeding program within Tribal communities.

The program began in the 1970s because the predecessor program to what we now call SNAP was found to be inadequate to reach our communities, many of which still, to this day, suffer from not having SNAP vendors within any reasonable distance to our communities. SNAP is an important tool in the feeding program toolbox, but it is not meaningful if you lack meaningful access to a full-service grocery store or even a convenience store with the full array of food options on its shelves. Because that structural reality still exists in most Tribal communities, having FDPIR is a critical stopgap and lifeline to provide food to those with limited or no access to stores or transportation. The other important tool that FDPIR incorporates into its delivery is nutrition education opportunities for participants to the extent we are able given our very limited nutrition education funding.

We offer year-round fresh fruits and vegetables in the food package and a growing variety of traditional and culturally appropriate foods, including wild rice, bison, salmon, blue cornmeal, lamb and mutton, catfish and more. These foods are scientifically and nutritionally and culturally sound and offer a deep connection to our Tribal participants with their own cultures. In addition, to the extent we can access these culturally appropriate foods from Tribal food producers, we then can in turn support Tribal food economies and those food producers who also have challenges in accessing remote marketplaces.

CURRENT PROBLEMS

I wish I could report today that the problems we are experiencing are over. They are not. I also wish I could report today that the problems we are experiencing were “black swan” events—events no one saw coming that no one could have prevented. For me, both as the director of my Tribe’s program but also as the national president of the NAFDPIR organization, we saw this coming and have talked openly about this possibility for over 10 years, through three administrations.

NAFDPIR started meeting regularly with USDA in Tribal consultation since the last two years of the Obama administration. Secretary Vilsack and his team were instrumental in putting those consultation meetings on the schedule and were committed to launching those meetings. Prior to his administration, those meetings—in officially recognized consultation—were non-existent. The only way we got changes in the FDPIR program were to continually bring up problems and never give up in discussion of the path forward to meaningful changes.

To their credit multiple presidents have kept the conversations going. In fact, we have an emergency consultation meeting about the issues we are talking with you about today—it is scheduled for tomorrow. I will be there.

What brings us here today is a set of events that the NAFDPIR organization warned about all the way back in the Obama years—and throughout the Trump years—and recently. We requested a “contingency plan” over 10 years ago. Our request for a contingency plan was grounded in our own experience that periodically this program suffers from uneven delivery systems, transmittal of expired foods, lack of funding necessary to improve our Tribal warehouses, lack of funding to bring new FDPIR program sites into the program, and lack of appropriate levels of funding to keep addressing the amount and types of foods our program participants need.

I am not going to sit here and tell you that money will solve all these problems or that money will fix the current problem we have before us. But I will tell you that money is the chronic problem that faces this program and until we are honest about that and truly work together to improve and properly resource FDPIR, we will likely keep running into these types of problems.

This situation, in my humble opinion, was caused by a series of events that could have been avoided. Let me explain why I say that:

- The FDPIR program funding levels, adjusted for inflation, have been flat since the 1970s. Everyone in this room knows that the cost of food has changed substantially since the 1970s.

- We should all think about that situation long and hard—a dozen eggs in 1970 cost 60 cents vs. \$4+ in 2024.

- A can of soup cost 12 cents; in 2024 it can cost almost \$2

- And on and on...

- The average cost of a box of food for FDPIR program participants in 2024 hovers around \$70 which is the equivalent of 35 cans of soup...monthly.

- Nobody can feed their families for that much. It is impossible.

- Food inflation is real.

- Yet—FDPIR program managers and the participants they serve, make it work—month after month and year after year.

- We have program sites that have been waiting to become sites for years and years, but we can't bring them on as new sites—even though the people need access to the foods—because there isn't enough money to bring the sites on.

- The NAFDPIR program managers, from day one of our Tribal consultation events with USDA, have asked FNS for a contingency plan to have on the shelves that would “kick in” the minute we experienced shortages or disasters, or some other emergencies calling for modifications in delivery, transportation, food purchases, or program participation levels. We have never been granted a contingency plan. This current situation brings home to me that we need a contingency plan. God help us if we ever need to use it—but at least we (all of us) would have it in place as a starting point to make sure our people are fed.

- The current problem—we saw it coming

- As early as February or May of 2024, NAFDPIR program managers began seeing problems in delivery of food. We were alerted by Paris Brothers and we, in turn, alerted the FNS.

- We were told to not order food in April. We didn't. It didn't matter. We still had problems in the delivery system.

- Paris Brothers has been as transparent as we could hope for in alerting the program sites to the problems they were seeing—but we have no idea what FNS did with that information. All we know is that we passed that information on to our front-line FNS program people.

- Somewhere along the way, the problems deepened. And now here we are.

What I can tell you is that I do not believe that Secretary Vilsack knew of this problem until late June or even early July—but by then we had at least 4-5 months of problems that were already happening. My question is this: why anyone down the chain at FNS didn't alert the Secretary as to what was happening. We believe at NAFDPIR that if the Secretary and his immediate team knew, he would have

done something because the minute we found out that he was aware of the problem, we saw him immediately jump into the middle and start offering solutions.

- o At one point, we took pictures of totally empty shelves in several of our FDPIR program sites—no meat, no other protein, no grains, no fish, no bison, no rice, no canned goods.

- o The entire system fell apart.

- While I am sure there is enough blame to go around for everyone to take a piece of the blame, what I also know is that won't help the participants in my community that I must look in the eye and tell them they will just have to wait a bit more for food.

- What I also know is that we still have problems—there are still gaps in deliveries and we still have program sites that are without adequate food on their shelves. After the Secretary became aware and options were identified for us to “fill the gaps” we still have gaps, and I think it will likely take months to get us all fully back on track and back to “normal”.

QUESTIONS REMAIN

I'm not here today to rehash the problems that led us to where we are today—or to play a blame game with anyone. I think there is enough blame to go around for everyone. What I am here today to ask you to do is to look long and hard at this program and ask yourselves a few questions:

- Why is FDPIR at flat funding levels and has been for decades?
- Why are we having program sites we cannot bring on because there isn't enough money to bring them on? These are people—our elders and our families and children—who need to be fed in some of the most remote locations in the country.

- Why is there no contingency plan in place for food shortages not caused by FDPIR program sites or Tribes or the participants themselves? When can NAFDPIR expect to have the first meeting with FNS to start crafting a contingency plan, so we never have to be here again?

- o We didn't cause this problem we are here discussing today—but the contingency plan we asked for over 10 years ago would have allowed all of us here today to be more prepared to deal with this emergency.

- Why is there no plan to make sure that FDPIR has full visibility all the way into the Secretary's office so that never again do we get buried under other programs when we are unique among all feeding programs?

- Can I rely on everyone in this room to help NAFDPIR get the program changes in place we have been asking for, for over a decade—like being able to use FDPIR and SNAP simultaneously? Like being able to use our warehouses to house other donated foods or foods from our communities so that we can have dual purpose locations to stage food—we have asked for that for over 10 years and have yet to have it approved?

- Can someone help me understand why Tribal governments are not listed among the eligible TEFAP program sites? States are and food banks are, but Tribal governments are not. That is wrong. That needs to be fixed.

I'm not here today to talk about 638. What my personal opinions are about 638 are mine. I cannot speak to what other FDPIR program sites feel about 638. I do know one thing. That CBO—in a process that I don't truly understand—has determined that the number of participants in FDPIR will go down to 40,000 and the cost of food will go dramatically up if Congress moves to 638 of FDPIR. I can tell you that any move that diminishes the number of people served (when we already know that we don't even serve the full number of people who need our program) or that drives up the cost of food (when we already know that food costs too much), needs a lot more examination into the money. Or we will be right back here again.

MY 2021 TESTIMONY

Not too long ago—in 2021—I was here testifying about the pandemic impacts on FDPIR. I talked at length about supply chains and the overall US food system and how FDPIR felt those impacts as well. During the pandemic we saw rising numbers of participants and related strains on inventory. The food deliveries impacted canned goods, proteins, and fresh produce. Delivery companies could no longer fill trucks or justify expenses to go to our sites.

During the pandemic, USDA moved into a Farmers to Families Food Box program and FDPIR recognized that program right away—why? Because NAFDPIR had been asking for that type of program for years. I was able to remind everyone during that testimony that to move to a disbursed warehouse and delivery system—with multiple warehouses regionally located around the country in closer proximity to our

Tribal participants and our remote locations—was a win for the Federal Government (lowering the cost of delivery) while also being a win for our participants. Food would travel shorter distances, we could augment food deliveries with locally purchased food product, we could simultaneously open new markets for Native producers, and food would arrive in fresher condition and not expired. Why can't we talk about that now?

CONCLUSION

Let me again remind everyone here.

Our program sites are among the most remote sites in the United States. We feed some of the most vulnerable people in the United States who have, in most cases, extreme limitations on their ability to access food.

NAFDPIR predicted that at some point we would find ourselves here—experiencing food shortages. We never wanted it to happen—but we also knew that our supply chains and our communities we feed are impoverished and remote.

Let us all decide here today that we will work together to solve these problems—right the ship—and fix the long-standing concerns that NAFDPIR has warned FNS of for years and years.

Thank you, Mr. Chairman, for allowing me to testify today. I am happy to take any questions you might have.

Mr. HARRIS. Thank you very much. You made a lot of good points.

As we begin questions, I will remind Members that we will follow the 5-minute rule. I am going to ask all members to adhere to. Remember, we have two panels today. We have a lot of members on the committees. And you may hear a tap, a single tap from my gavel in the last 30 seconds that would remind you to wrap it up.

We will be rotating back and forth between majority and minority members of the Appropriation and Agriculture Subcommittees. I will forego my questions till the end, and I will recognize Mr. Finstad to begin.

Mr. FINSTAD. Thank you, Mr. Chair, and thank you to our testifiers for being here. Very compelling to hear your stories and to hear your firsthand experience of this devastating mismanagement.

I want to learn a little bit more about the tribal consultations. And so, on February 16, 2024, USDA held the tribal consultation, where USDA informed tribal leaders and FDPIR program directors of its plan to consolidate to one vendor.

USDA clearly did not listen to you, nor based on their decision, did not think tribes know what is best for their communities. So to any of our witnesses here today, would you say that the USDA's consultation practices are meaningful, and if any of you want to take a shot at it?

Ms. GREENE-TROTTIER. Yes, they are meaningful. And consultation works when both parties listen. We were informed the contract had already taken place, so it was past the point of listening at that time when we were informed, the contract was already signed and the transition was already in process, and we were not privy to any of the details of the contract.

Mr. SEKI. OK. Red Lake was not able to participate in the travel consultation on February 16. We were disappointed to hear USDA ignored the request of tribes to move towards a regional sourcing model.

Did we not learn anything from the pandemic? We need more redundancy, not less. I am concerned about our consultation today. Hopefully everything is to do the right thing for 638, FDPIR and CSFP. [Speaking native language.]

Mrs. WAFFORD. Thank you. And I will just add that what you've heard is that is not tribal consultation. Making a decision prior to a tribal consultation is not government to government and tribal consultation.

Once those comments were made and that it was brought up during that February consultation, even then, tribes urged and there is not enough time, there is not enough months, there is not enough infrastructure to make this change across the country.

Mr. FINSTAD. Thank you for sharing that. So it is crystal clear. February 16, 2024, was not a consultation—the goose was cooked. Your opportunity for advice and feedback was—the horse had left the barn already. The decision was made. So, thank you for making that clear.

So, with another consultation coming up, I think it's tomorrow, what—after your experience that you've been through the last several months, do you have faith that the USD will be responsive to your asks? What do you expect out of this next consultation?

Ms. GREENE-TROTTIER. I hope for solutions. I hope that we never have to experience this again. It put distrust in our community in the program.

Mr. SEKI. The question—you know, the Federal program is a failure. Consultation is supposed to be their face to face with tribes, but that's not happening. We need more consultation with tribes, because we are the first Americans here.

We should be the priority because of the treaties that was adopted under the United States Constitution. I'll keep bringing that up. It's time to do the right thing.

Mr. FINSTAD. All right. I have about 50 seconds here, so I want to get to one more question. Today's testimony reveals a suite of suggested long term solutions, so I thank you for providing those.

Some of which can be seen in the committee's past farm bill related to self-determination, and as you know, the bill makes permanent the FDPIR pilot programs, and introduced a CSFP pilot. To any of you beyond that, is there anything else that—anything else that the department should consider, that we should consider in the farm bill to avoid future disruptions like this?

Ms. GREENE-TROTTIER. I would like to see authorization for dual participation in SNAP and FDPIR.

Mr. SEKI. We need more authority to feed our people because of food—because USDA is failing. We know how to feed our people. We know how to do it, but USDA has got to listen to tribes, the problems we are facing when something goes wrong. It's time. Time and time again, I'll keep saying do the right thing. We are the first Americans of this United States.

Mr. FINSTAD. Thank you all. My time is over, Mr. Chair. I yield back.

Mr. HARRIS. Thank you very much. I now recognize the ranking member of the Agriculture Appropriations Subcommittee, Mr. Bishop.

Mr. BISHOP. Thank you very much, Mr. Chairman. I've got a couple of questions. Madame Under Secretary, I was very struck by your observation that only States can declare situations of distress, which leaves the tribes out in the cold. Chief Seki made a similar point regarding his State. I want you to know that I raised that

with Secretary Vilsack later today, and see if he can find any flexibility to allow tribes to make declarations.

You and Chief Seki both mentioned leveraging the local food purchase assistance program, but you note that funds spent towards the current crisis cannot be replaced. Again, I will ask the secretary about that.

And Chief Seki, you raised the issue of having an automatic tracking system so that we know the exact status of food deliveries. I think you are right on target there. It's a massive program that operates in often remote areas across the country, and it cries out for a more systematic tracking system.

So, I'll take the secretary's temperature on that, and see if he has any plans to include a proposal in the fiscal year 2026 budget for that. Can I ask you to briefly describe how you have used the USDA CCC funding to get all food types on your shelves for your tribal participants, and what challenges have you encountered, and what successes you've had in making that tool work.

And Ms. Wafford, you suggested expanding the FDPIR self-governance as a solution. Can you give some insight as to how your tribe operates the self-governance pilot program, and how much additional capacity you anticipate being able to take on? And that will probably cover my time.

Mrs. WAFFORD. Absolutely, thank you. So, being part of the demonstration project has proven that we can work locally with suppliers, and many of the ones that we have chosen to work with in the Chickasaw Nation are Chickasaw. So, there are multiple facets of this program that we are able to leverage locally, regionally, to procure food.

Now, even during this crisis, those inventory levels availability have not been—have not suffered. They've actually increased. The capacity is there, and as Chairman Seki said, we know how to feed our people. We know how to procure and how to get what our people need to keep them fed.

Mr. BISHOP. Chief? All right, Chairman Seki, in your testimony you state that Red Lake received nearly 50,000 in CC funds. Can you tell us about the experience signing the agreement with USDA and receiving the funds? Have you had an opportunity to spend those CC dollars year, and if so, what channels did your tribe go through to procure food?

Mr. SEKI. We just received the funds. We haven't spent it yet.

Mr. BISHOP. OK, and I understand that you—Red Lake operates both the FDPIR and the commodities supplemental food program. Can you tell us about the challenges that are unique to each of those programs, and similarly, can you tell me about the challenges and solutions that apply to both of them?

Mr. SEKI. OK. I would say this—direct the USDA to employ a regional sourcing model, direct USDA to reimburse tribes for LFPA funds spent to resolve the FDPIR crisis, farm bill, make the 638 FDPIR pilot program permanent, go beyond a 638 pilot for CSRP. Tribes know what is best for their tribal members. This example further proves we know what is best for our community, not USDA.

Mr. BISHOP. Thank you very much, Chairman Seki, and my time is about up, and I yield back, Mr. Chairman.

Mr. HARRIS. Thank you. Thank you very much, Mr. Bishop. I now recognize the chairman of the Appropriations Committee, Mr. Cole.

The CHAIRMAN. Thank you very much, Mr. Chairman. Ms. Greene-Trottier, let me start with you, if I may. Can you give us a timeline of when the idea of consolidation from one vendor to two was first proposed by the USDA, and then what kind of discussions ensued from that?

Ms. GREENE-TROTTIER. I can't speak to their timeline. I can speak to the timeline that we were informed of was in February. And so, we were informed that we were not able to order any food in April.

So, all of the warehouses had to, so to say, bulk up in March and February. And so, the timeline was really not adequate. And some warehouses can manage that inventory—additional inventory if they have adequate infrastructure. Some cannot. So, that timeline was not feasible for every warehouse across the country. And so we pushed back orders, and then we had to wait the entire month of April. We couldn't process any orders, and then in May we started receiving orders that were late.

The CHAIRMAN. OK, and so then just to be clear—I'll make sure I understand this—there really wasn't discussion. You were just informed this was going to happen?

Ms. GREENE-TROTTIER. We were told it was done.

The CHAIRMAN. So there wasn't any really any consultations at all?

Ms. GREENE-TROTTIER. Yes.

The CHAIRMAN. OK, that's a very important point. Ms. Wafford, once you knew you had problems, in other words, you know, stuff wasn't showing up on time, and was showing up expired, what measures did you take and the Chickasaw Nation take to try and obviously make sure that people that needed to get fed got fed?

Mrs. WAFFORD. Thank you, Mr. Chairman. You know, this began immediately. Since April, we have received 33 trucks, or 24 trucks. 33 percent of those trucks have had an issue.

Shortage, something showing up we did not anticipate was coming, spoilage, the examples that I gave earlier. So, the measures obviously that the Chickasaw Nation has taken, I mean, we have done everything that we can so that our people do not feel that this is even going on.

We do not want them to see bare shelves. So sometimes our teams are driving to all five of our sites, which are in any one direction an hour apart, just to take a dozen of something so that our citizens and our families won't walk in and have a bare shelf of milk.

The CHAIRMAN. Please, go ahead.

Mrs. WAFFORD. We had also prepared a plan so that tribal resources could be used, where to get those tribal resources—if needed. Now, this was a day by day, and then, you know, starting July and August, it began to be almost an hour by hour situation to where we're calling for trucks, trucks are not showing up, our team is calling it in the morning at 10 a.m., they're calling in the afternoon at 3 p.m.

So, tribal plans have been put in place, and they were ready to hit the—you know, hit the go button. The truck doesn't come at 6 p.m., hit the go button. We're ordering this, we're ordering this. Those were some of the things that we did.

The CHAIRMAN. So, I mean, there is—obviously, there is a treat and trust responsibility to provide this product, and it wasn't provided. Has USDA compensated you in any way for the extra effort you had to put forward, the extra supplies you had to purchase? Did they try to make you whole for their failures?

Mrs. WAFFORD. Absolutely not.

The CHAIRMAN. Has there been any discussion about that at all?

Mrs. WAFFORD. All of the solutions that we have asked about, and believe me, our teams have been asking, you know, we're one of the tribes—we have semi trucks. We can drive to Kansas City and pick up our shipments, but all of the things that we proposed somehow didn't work or was always received with a—with a no.

The CHAIRMAN. OK.

Mrs. WAFFORD. You know, these flexibilities as I mentioned earlier that were put out in August, everyone can't qualify for those things.

The CHAIRMAN. And I ask quickly, Mr. Seki, to you as well and to anybody else, has USDA, again, offered to replace, make up for, compensate you for the additional expenses or efforts that you've gone because of their failure? Mr. Seki, does it—that happen to you?

Mr. SEKI. No, it did not happen. We're—our staff did call us—the truck will arrive on a Friday. No truck arrived, and not once USDA offered any help for our program. You know, it's a good thing the Mdewakanton Sioux tribe offered us a grant to purchase food. This is how we did it. Yet USDA kept calling, telling us trucks are coming, and they never showed up.

The CHAIRMAN. Thank you very much. My time has expired. Thank you, Mr. Chairman.

Mr. HARRIS. Thank you, and now I recognize ranking member, Mrs. Hayes.

Mrs. HAYES. Thank you. I just have a few follow up questions to some of the things that you have all said before. I heard you say that in April you first started to become aware of the cracks. Is there any reporting structure for—because we're here today after this has all taken place.

I'm trying to figure out if there's any way, or any mechanism by which before—after the first shipment was missed—before we got 6 months out, what is the structure by which you can report that up, or let somebody know that this is a problem so that it can be evaluated in real time, and attempt to address it? Like you said you were making calls, Ms. Wafford. What does that look like?

Mrs. WAFFORD. Our team schedules time to make those calls. USDA is not reaching out directly to us.

Mrs. HAYES. They're not?

Mrs. WAFFORD. We are making the calls twice a day.

Mrs. HAYES. Then when you're making the calls, are you getting any response from them?

Mrs. WAFFORD. Sometimes the phone rings. Sometimes we're able to get confirmation of, you know, a truck will be here tomor-

row, or next week, or—but many of the dates that have been given have been incorrect.

Mrs. HAYES. And then there's no follow up or recourse. You just have to wait and hope the truck shows up.

Mrs. WAFFORD. We call the next day.

Mrs. HAYES. So, it seems like that's something that needs to be—there needs to be some way for the problem to—once you identify the problem, to be able to address it and get a response, not just wait for a congressional hearing seven months later to figure it out.

Ms. Trottier, you also said something about—I want you to talk a little bit more about dual authorization with the SNAP program, which you think might be a helpful way to feed some of these tribal communities.

Ms. GREENE-TROTTIER. Well, during the food disruptions, we simply ran out of food, and so we asked FNS if there was any way we could get disaster SNAP benefits to compensate the lack of food that we had, and we were said—we were told no, that has to be declared by a president—a presidential declaration. So, that would have alleviated some of the balance between having no food and something that they could tangibly use to purchase food.

Mrs. HAYES. So, there is no program by which—I mean, I understand the disaster declaration didn't work, but there's no program by which you could have gotten immediate assistance because of the disruption?

Ms. GREENE-TROTTIER. Exactly. There is none. So, we didn't realize that the system was failing until the trucks did not show up. Prior to that, the trucks were on time. They never missed a delivery date, and so it was quite a surprise when they simply did not show up, and we kept asking for data.

Do you have data? So, this goes back to your question. FNS was pulling orders by priority, but what data were they using? We still have not received those data points as to how many trucks need to be going out, how many trucks should be going out of that warehouse to meet the supply and the demand of both programs.

Mrs. HAYES. Thank you. I'm just taking notes on both of those things, because I'm hopeful that coming out of this committee that we are able to address and close some of these gaps and these failures that we've seen in these programs so that they don't happen again, and people are not left hungry.

Because it's not really advantageous to say to my colleagues point, even if you were compensated, or the food deliveries were made up, you can't feed people seven months later. They're hungry in real time. Do you believe that an increase in the 638 authority could have helped ease these kind of sourcing and logistics problems in the future?

Ms. GREENE-TROTTIER. I operate the 638, and that was a benefit to our program, because that was one of the products that we did not run out of during this time frame.

Mrs. HAYES. OK.

Ms. GREENE-TROTTIER. We ran out of other products, but the 638 was very instrumental in making sure that we had enough of a protein product to supply our participants.

Mrs. HAYES. And for any of the panelists, do you think it would be beneficial if under the umbrella of the nutrition space on this

committee, there was a dedicated time at the beginning of the Congress to talk about the upcoming year, and what it looks like for tribal communities and food delivery on tribal lands?

Ms. GREENE-TROTTIER. Yes.

Mrs. HAYES. Ms. Wafford?

Mrs. WAFFORD. Yes, absolutely.

Mrs. HAYES. Chairman?

Mr. SEKI. Yes.

Mrs. HAYES. Thank you, this has been very helpful. I yield back.

Mr. HARRIS. Thank you very much. The gentleman from Washington, Mr. Newhouse, is recognized.

Mr. NEWHOUSE. Thank you, Mr. Chairman, and I want to thank the Agriculture Committee, as well as the Agriculture Appropriations Subcommittee for holding this hearing on a very important issue, and to thank the witnesses for expressing to us your concerns in how we see a way forward here. I do hope that there are people at the USDA that are paying attention to this hearing.

I think that'd be very helpful. I just had a couple of questions. I understand the last month the USDA offered a suite of optional actions that ITOs and State agencies could use to mitigate ongoing disruptions.

These included the use of a commodity credit, corporation funds, expansion of the fresh fruit and vegetable program, leveraging local food purchase agreements, and activating State emergency feeding networks with situations of distress, and emergency designation received by 19 States so far. So, I'd just like to ask all three of you if you have a response. Have any of these short term solutions—have you seen them provide any relief to the situation?

Ms. GREENE-TROTTIER. Yes. I received the CCC funds, and at that point in time we were having to order food, but there's also challenges and administrative burdens that were placed on myself as the director to find a vendor. We have procurement processes that we have to follow. We need tribal resolutions. I'm very grateful my tribe met immediately and passed resolutions, and they did set up the funding process for us to capitalize on those funds, but finding a vendor to deliver all those foods wasn't as easy as it looked.

I simply couldn't order 125 cases of green beans and carrots and get them delivered the next day. So, there are challenges with it, but it was—I was very grateful for that ability to go out and procure the foods.

Mr. SEKI. In Red Lake, we just received the CSFP funds, and we haven't spent it yet, but we want to say thank you for getting the funding, but we will be expediting whatever we need to do to get some food for our people.

Mr. NEWHOUSE. Good. Ms. Wafford?

Mrs. WAFFORD. Thank you. Yes. You know, we are also grateful for the CCC funds. We've given out over 400 boxes in the last few weeks. The way that we're using it in the Chickasaw Nation is as a supplemental package that—a box of foods, things that we're out of the most at the time, and we're giving it to those families as they come in, and then there were not things on the shelf to get. So, we are grateful. However, this does not one hundred percent replace what we are out of.

Mr. NEWHOUSE. I understand. Thank you. As Members of Congress, we've heard, and certainly this morning you've expressed in your testimony a breakdown of communication between tribal leaders and the folks in the USDA.

You've expressed concerns about their decision to award a sole source contract earlier this year, and this issue could and should have been avoided. So again, to all of you, what has the department done, and can the department do, to restore a level of communication that inspires your confidence in their administration of these programs?

Mrs. WAFFORD. I'll jump in really quick. Immediately take action. As was said earlier, people are hungry today. We need our groceries today, not 7 months later. Go back to that regional model.

We do not want to go backwards in feeding our people, which is exactly what's happening today. Fix the problem immediately.

Mr. NEWHOUSE. Thank you.

Mr. SEKI. Yes. Do the right thing. Get the food, get the funds to Red Lake and so we can take care of our children and our elders and our people. When they say they're going to deliver, we got to make sure they deliver, not because that's a government to government relationship to contact the tribes that this is coming, and it has to be done. Do the right thing.

Mr. NEWHOUSE. Thank you.

Ms. GREENE-TROTTIER. I guess I just want to reiterate the ability to listen to us when we express our concerns. All of our tribes are unique, all of our tribes are different, but listening to us, the regional model was a great plan. Think outside the box, and come up with different delivery mechanisms that work in Indian Country.

Mr. NEWHOUSE. Good. Thank you. Again, I appreciate your testimonies, and my time has expired. Mr. Chairman, I yield back.

Mr. HARRIS. Thank you very much. The ranking member of the Appropriations Committee, Ms. DeLauro, is recognized.

Ms. DELAURO. Thank you very much, Mr. Chairman. I want to say thank you to all of you for your compelling testimony this morning, and let me just make a comment before—I have a couple questions for you. You know, there is a very serious issue, and I appreciate what you're saying about people being hungry in the United States. The fact is, is that there is an overall hunger crisis in the United States.

I'll tell you in my district in Connecticut, and Connecticut is statistically one of the richest States in the Nation, in my district, one out of seven people do not know where their next meal is coming from. Now, I find that appalling. I find the situation that you're talking about appalling, because the United States has an abundance of food.

No one in this Nation, no one, should be hungry. That is appalling that happens, but please understand as well that this is happening all over the country, and we need to address it, and we particularly need to address what your issues, which are, as I say, compelling, and what we need to do, because no one should starve in the United States of America. Not adults, and particularly not children, because we have the food.

My question—or, one of my questions to you is, this program, or the FDPIR program was established in 1977. Has there been prob-

lems like this in the past? Is this the first time that this situation has occurred?

Ms. GREENE-TROTTIER. Ironically in 2014, we had the same situation with lean warehouses across the country.

Ms. DELAURO. OK.

Ms. GREENE-TROTTIER. And at that time, we asked for a contingency plan.

Ms. DELAURO. And was there a contingency plan developed? You asked USDA, is that correct?

Ms. GREENE-TROTTIER. Yes.

Ms. DELAURO. OK.

Ms. GREENE-TROTTIER. We do not have a contingency plan.

Ms. DELAURO. Just piggyback a little bit on my former colleague—my colleague here who just recently asked the question—there are, as I understand it, so this happened in 2014.

We're now 10 years later, and we have the same issue. In that period of time, my question is, has there been the conversations with USDA about a contingency plan? Was there? When is it coming? What has been the oversight of that, and I say that as well if that happened in 2014, I don't know if this was made—if it required a congressional hearing to address this issue. Was there a congressional hearing to address that issue at the time?

Ms. GREENE-TROTTIER. There has not been.

Ms. DELAURO. OK.

Ms. GREENE-TROTTIER. But we brought it up at consultations throughout this time.

Ms. DELAURO. Brought up? Tell me specifically what was brought up.

Ms. GREENE-TROTTIER. The contingency plan has been brought up since 2014 at consultations.

Ms. DELAURO. OK, and at that time, there were then the two contractors, is that right?

Ms. GREENE-TROTTIER. Yes, there was multiple contractors.

Ms. DELAURO. So, there's multiple contractors. So, that was a problem with multiple contractors.

Ms. GREENE-TROTTIER. Yes.

Ms. DELAURO. As well as now where the regulation requires that there be a single contractor?

Ms. GREENE-TROTTIER. Yes.

Ms. DELAURO. OK. Now, I'm just trying to get to where the root of this effort is, and will question the secretary about that. And I would love to get—and if you can, maybe it's in all of your testimony, but you know, there's several areas, and I know my colleague jotted down some notes, in which change can be made.

I don't know that the regulation which says that we have one contractor—you know, what the—how that can be dealt with, but let me just move to some of the short term things, which my colleague just a moment ago talked about. My understanding is that there are four short term options that have been laid out.

The Emergency Food Assistance Program, TEFAP, CCC funds, which had been mentioned, expanding deliveries through the Department of Defense fresh fruit and vegetable program, and also it's my understanding that the—that USDA has executed an emer-

gency contract with Amerigold. Should the answer to that be, let's go back to the two contractors? Would that alleviate the problem?

Ms. GREENE-TROTTIER. Historically, I don't think so.

Ms. DELAURO. OK. So, we need to come up and find out—and what—with all of you, make a determination on what could be a contingency plan to move forward in this area. OK. Thank you, Mr. Chairman.

Mr. HARRIS. Thank you very much. I now recognize the chairman of the Agriculture Committee, Mr. Thompson.

Chairman THOMPSON. Good morning. Thank you so much. Good morning, everybody. I apologize for missing opening statements, and before I get to a few questions, just some general comments.

First, thank you to all of our first panel witnesses for being here. You know, your testimony tells a story of hardship exacerbated by an administration that failed to listen during February's tribal consultations. Your testimony shows where Congress can improve legislation to promote sovereignty, and your testimony shows what happens when an administration fails to communicate openly and continuously with both your communities and with Congress.

Now like my colleagues, my immediate goal is to ensure that food is getting to your communities without delay. This is a mess that has hurt the literal, most vulnerable among us. The department lacked transparency and it eroded public confidence, and now we're faced with spending millions upon millions of dollars to correct the department's errors.

If only the secretary was held to a standard like that of Paris Brothers Incorporated, or any other vendor in the department's orbit. With that, I look forward to discussing this issue further with you, and to hear the department defend their decision, and most importantly discuss how do we—how do we immediately get this corrected, and what do we put in place so it never happens again?

So my first question is section 4102, and 4204 of the committee's farm bill make permanent the FDPIR self-determination programming, and introduce a CSFP self-determination demonstration project respectively. Can any of you walk me through how each of these benefit your communities?

Mrs. WAFFORD. You know, in 2022, when we applied for the FDPIR self-determination demonstration project, we were so excited. We were excited to be able to choose and procure locally.

We chose vendors that primarily were Chickasaw, and having the program—we call it the 638 program—has proven reliable. It has been successful, and during this crisis, I mean, that has been evident.

Chairman THOMPSON. And any thoughts from our other two witnesses on that area?

Ms. GREENE-TROTTIER. Yes. I manage the CSFP program, and the FDPIR program. And so we introduce bison into the self-determination project, and that afforded us the opportunity to provide different cuts of meats of the bison that we would never get through a food package through FDPIR.

So, it—the flexibility and the variety has been outstanding, and popular for our program, but at the same time our CSFP recipients

who don't receive FDPIR, they're bashing us because they're not getting that product in their food box.

So, CSFP definitely needs some 638, and I think the tribal CSFP programs would be a perfect fit for those, and I think that would also offer an incentive for more tribes to join the CSFP program, because there's only eight or nine to my knowledge that operate right now.

Chairman THOMPSON. Very good. Mr. Seki, any thoughts on that?

Mr. SEKI. Red Lake fully embracing 638 for FDPIR and the CSFP program and electronic tracking system, regional sourcing, and multiple vendors, this is—readily extends.

Chairman THOMPSON. You know, to each witness, thank you for sharing your examples of logistical failures and food inventories impacted at the FDPIR sites, and how your communities came together to lessen the impact to families. Do you mind sharing with what little bit of time is left a few of those family stories with us today of how families have been impacted within your communities?

Ms. GREENE-TROTTIER. Disappointment. They lost trust in the program itself. The tribal leaders were somewhat admonished. You go to these meetings, and here we are, sitting with empty shelves in our warehouse, and we're not getting our full food package. So, the impact at the local level has everyone across the country has taken the hit. The amount of stress that FDPIR staff have faced these last three months is unforgiving.

Chairman THOMPSON. Well, please accept my apologies for the failures of this—of the administration of not listening. I mean, we—in the agriculture community, we legislate from the outside in, and obviously it—the consultation, you've expressed yourself, you've shown past success, you were cautioned about past failures that have happened, and I look forward to the second panel and seeing how the secretary—what plans he may have to put us back on track. So, thank you so much, chairman.

Mr. HARRIS. Thank you, Mr. Chairman. I now recognize the ranking member, Mr. Scott.

Mr. DAVID SCOTT OF GEORGIA. Thank you very much. Chairman Seki, I understand that you have received already \$49,000 in CC funds from USDA. Is that correct?

Mr. SEKI. No, we received it from the Shakopee Mdewakanton Sioux community, \$43,000, a grant.

Mr. DAVID SCOTT OF GEORGIA. Oh.

Mr. SEKI. However, Shakopee does not have trust obligation to Red Lake. The big old government does.

Mr. DAVID SCOTT OF GEORGIA. All right, well tell me, what's the status of that money? What are you using it for?

Mr. SEKI. To buy food for our people. The shortfalls that were created by the Federal Government.

Mr. DAVID SCOTT OF GEORGIA. All right, so you have used that fund? Is it up? Are you going to require more funds from—

Mr. SEKI. \$43,000 doesn't go very far.

Mr. DAVID SCOTT OF GEORGIA. I understand that. What I'm trying to get is, how are you using what you've gotten already?

Mr. SEKI. Well, the trucks finally start coming in. So, to fill our warehouse, but it's still lacking. Still behind what they are supposed to be at at this point.

Mr. DAVID SCOTT OF GEORGIA. So, how long will that relief relieve you, and are you going to reapply for additional CC funds?

Mr. SEKI. We're going to continue—it will take about a month to catch up on what we lost. You know, it's the Federal Government trust responsibility, the questions we are being asked here, because that's what it—it's all about. The United States Government trust responsibility to create what's supposed to be done for the Native Americans.

Mr. DAVID SCOTT OF GEORGIA. I understand that, but you are a very good example of how USDA has responded. They have given you a certain amount of money. It would be very helpful for us to learn from what you're doing so that we can avoid any mistakes otherwise. So, do you plan to ask for more CC money, yes or no?

Ms. GREENE-TROTTIER. Yes.

Mr. SEKI. Yes, we will.

Mr. DAVID SCOTT OF GEORGIA. All right.

Mr. SEKI. We continue to do so.

Mr. DAVID SCOTT OF GEORGIA. All right, so you got it. It's helping you, and you're going to use more. Good. Now Ms. Wafford, your testimony, you mentioned that the CCC funding not being adequate for all food supply challenges. Elaborate on that, please?

Mrs. WAFFORD. Absolutely will do. You know, we just—this is September. This began happening in April. So, while we are thankful for the CCC funds, the supplemental box of food, which includes for us juice, milk, spaghetti noodles, canned beef stew, cereal, and our cornbread mix, which are things that are very low in inventory, that is not a hundred percent of all that we are out of or low on inventory. So, it is just that, just a supplement. It is not one hundred percent a replacement.

Mr. DAVID SCOTT OF GEORGIA. So, your tribe utilizing the CC funds, and let me just ask you, given that the other short term solutions were not and are not providing enough relief, is what you're saying, how long will the dollars that you have last?

Mrs. WAFFORD. A very short amount of time, less than 60 days.

Mr. DAVID SCOTT OF GEORGIA. OK, and you will be applying for additional CCC funds, correct?

Mrs. WAFFORD. Yes.

Mr. DAVID SCOTT OF GEORGIA. All right, now Ms. Trottier, has Spirit Lake's experience been similar?

Ms. GREENE-TROTTIER. Pardon?

Mr. DAVID SCOTT OF GEORGIA. You're connected with Spirit Lake?

Ms. GREENE-TROTTIER. Yes.

Mr. DAVID SCOTT OF GEORGIA. Are you not? Has that been similar to what we've heard? Are you in agreement? I mean, you've gotten money, you're using it, we need to get more? That's what I'm trying to get to.

Ms. GREENE-TROTTIER. Yes. I use the CC funds immediately. We had already placed an order for food, and we were going to figure out how to pay for it in whatever source of funds we had to use, whether it be LFPA funds, or tribal funds, but we were—we were

already in the process of ordering food to meet the needs of our participants. So yes, but the—when you start calculating the costs of the food, it was an eye opener, because the CC funds were not going to last very long, I would say 45 days at the most.

Mr. DAVID SCOTT OF GEORGIA. So now let me ask you this. Are you utilizing right now CC funds for either FDPIR, or CSPP?

Ms. GREENE-TROTTIER. Yes, for both.

Mr. DAVID SCOTT OF GEORGIA. OK. Good information. Good data, and we're going to move forward with this wholeheartedly. Than you.

Mr. HARRIS. I thank the ranking member. Ms. De La Cruz is recognized.

Ms. DE LA CRUZ. Thank you, Mr. Chairman, and thank you to the witnesses for being here today. The food distribution program on Indian reservations provides food to approximately 53,000 income eligible households on tribal reservations and Native American households in approved areas near reservations, and the commodity supplemental food program provides food to approximately 720,000 income eligible people, aged 60 and older.

Each program provides American grown and produced foods and nutrition education to the populations in need. Unfortunately, since April 2024, Indian tribal organizations, food banks, and emergency feeding organizations, State agencies, and program participants have experienced significant food shortages caused by delayed, canceled food deliveries, or even deliveries of expired products.

It was learned that these disruptions were caused by the consolidation of vendors tasked with storing and distributing foods for both food distribution programs on Indian reservations, and commodity supplemental food programs.

Agriculture Secretary Tom Vilsack has acknowledged his department's mistakes in awarding a contract to a single distributor to supply critical food aids to these programs. Unfortunately, Congress failed to hear about these issues from the department in a timely manner.

I have a question for you. A little bit ago, my colleague asked the question, if you had experienced these food delays with just a single distributor, or if you had also experienced these delays when there were multiple contractors, is that correct that this has been an ongoing issue?

Ms. GREENE-TROTTIER. Yes. I looked at prior notes from previous meetings, and in 2014, we had experienced the same disruption of food deliveries.

Ms. DE LA CRUZ. Multiple times, or just once?

Ms. GREENE-TROTTIER. Multiple times.

Mr. SEKI. Yes, it's been happening in Red Lake as well, and there's also another issue that happens. Some of these items that we normally get, they run out, and then we don't get, you know, like, flour, or certain vegetables. The USDA runs out, and then here we are, behind on the vegetables to feed our people, or flour. Those things happen.

Ms. DE LA CRUZ. So, in your opinion, each of you, if you were able to make a change, what change would that be? If we're experiencing the same problem, whether it's a single contractor or mul-

tiple contractors, what do you think the solution is to avoid these type of issues?

Mr. SEKI. Well, USDA—I'd mentioned it before, is regional source—sourcing with multiple vendors, electronic tracking system, fully embracing 638 for FDPIR, and CSFP. That was—that was what—that should happen for the—for the tribes.

Ms. DE LA CRUZ. OK, and would you like to add to that?

Mrs. WAFFORD. I just want to echo it, what Chairman Seki said, but you know, we know how to feed our people. Expand self-governance so that we can do that. It has been proven that we know how to run our own programs.

Ms. DE LA CRUZ. What would self-governance look like for you all? Give me some examples.

Ms. GREENE-TROTTIER. I explained earlier the bison that we were able to purchase and procure our own—utilizing our own bison herd and offering a variety of meats that were never afforded to the Food Distribution Program, and the participation increase for that product has grown exponentially, and it has been very popular, and it's also a healthier product. And so, I guess, incorporating 638, making that a permanent part of our programs so that a vendor that is supplying the product has some permanency for future growth, and a 3-year funding level isn't adequate. So we need the permanency of that option along with the regional vendor model.

Ms. DE LA CRUZ. Thank you, I yield back.

Mr. SEKI. In order to regulate 638, we would never be uneven if we have 638 Food Distribution Programs, CSFP, we would never have the same problem then. We'd be purchasing for own food for our people.

Mr. HARRIS. Thank you very much. The gentlelady from Maine, Ms. Pingree, is recognized.

Ms. PINGREE. Thank you, Mr. Chair, and thank you for holding this hearing, and thank you particularly to this panel of witnesses. I really appreciate you giving us a chance to dig in a little deeper and explaining some of the background, and I just want you to know you have our heartfelt sympathy. It's heartbreaking to hear you talk about empty shelves and people going hungry.

I'm also the ranking member of the Interior Appropriations Subcommittee, so we get a chance to hear from tribal witnesses during the year and some of these issues have been brought up to us, but I think it's one of the first times the Agriculture Committee has had the chance to really think about our trust and treaty responsibilities, and thank you, Chairman Seki, for bringing that up.

I think it's a good reminder to people that this isn't just a malfunction of a USDA program, this is our trust and treaty obligations to sovereign nations around this country, and so we have a little bit of a higher level of need to fix this and to go in and dig into these problems, because it's not something the Interior Appropriations Committee can fix, this happens through the USDA.

I certainly appreciate the work that the USDA is trying to do to put it all back together, but it looks like from so much of your testimony, these are structural problems within this program to hear you say, even when there were two warehouses in 2014, we had these issues. Obviously, this is a colossal failure with one ware-

house with all the things that we know post pandemic about the supply chains, the cost of food. This never should have happened, but I really appreciate your talking to us about the idea of a regional model, why we didn't have a regional model a long time ago, I don't understand.

I'd also like to see us take the opportunity in this committee to look at whether it's a farm bill issue or these things can be done at the USDA, but to change some of these things structurally, I'm a strong supporter of the 638 Self-Determination Pilot Program, and I'll be asking the secretary later, you know, what would it cost to move that beyond a pilot program, it shouldn't just benefit a few tribes. And to hear you talk about the ways you've utilized I think is really impressive as we talk about how to support regional agriculture, how to support agriculture programs in tribal communities, it's a great way to do all of that and allow you to do more of the purchasing particular with products that you want to buy that are more appropriate for the communities that you represent.

I heard from the HIS director this year during the tribal witness hearings about the importance of having FDPIR and SNAP benefits available, and I think I've heard that a couple of times today, and I understand that SNAP wouldn't always work if you don't have—if you're in a food desert or you don't have those opportunities, but I think we should move forward and allow that to happen so it's always an option. You shouldn't have to get an emergency declaration right now to do that, it should just always be an option, in my opinion, and it would be good to look at the cost of this.

There is a Senate bill to do this right now, and I'm looking for a bipartisan cosponsor to put it in the house, so any of my republican colleagues who would be interested in looking at that as a solution or a partial way to move forward I think would be very helpful. It's also a reminder to all of us why we need to keep flexibility in the CCC funds. Again, that seems like it has been helpful in an emergency basis, it shouldn't be the only way we're fixing this, but I'm glad we've had that opportunity today.

If you all have any more ideas or you're thinking about how would a regional system work, I'm just interested to hear about that. I do think we want to, you know, use this as an opportunity to say to the USDA, we need some real revamping of this program, because we can never let down our trust and treaty responsibilities. Again, we have to make sure this always functions, so are you thinking lots of regions? How do you picture it happening? It seems ludicrous to me that we're thinking one warehouse in this day in age, so any thoughts?

Ms. GREENE-TROTTIER. There was a study that was based on regional vendor sourcing program, so that is available. I can get a copy of that.

Ms. PINGREE. Thank you, I was trying to decide if we need to propose a study, but if there are some studies being done, that would be great.

Mr. SEKI. I want to make it, again, 638 Food Distribution Programs including the CSFP. Like I said, we purchase the food for our people, the needs of our people, for 638 because that is what's needed. The other thing I would like to say is self-governance permanent funding should be done for all tribes, permanent, because

we're the first Americans, and we're—and our treaties were adopted on the United States Constitution. Come on, do the right thing. [Crosstalk.]

Ms. PINGREE. And I greatly appreciate that. Do the right thing is a good motto for today. I'm going to run out of time here, but I will be talking more about the expansion of 638. Did you have anything you wanted to say? I'm sorry.

Mrs. WAFFORD. I just want to echo that again, but remind you, you know, we've been doing this program for 40 years. We've also been running our own healthcare. We compact to the Indian Health Services in 1994, we know how to run these programs to take care of our people.

Ms. PINGREE. Thank you. I think we need to think about that going forward.

Mr. HARRIS. Thank you very much. Mr. Rose is recognized.

Mr. ROSE. Thank you, Chairman Finstad and Chairman Harris and Ranking Member Hayes and Bishop for holding this hearing and thank you to our witnesses for taking time to be here. I extend my deepest and most sincere apologies to the tribes, the tribal nations, and many of our seniors who have fallen victim to the lack of responsibility and accountability by the United States Department of Agriculture.

After countless warnings, the USDA disregarded the growing concerns of the Food Distribution Program on Indian Reservations and the Commodity Supplemental Food Program participants. Now, these individuals and communities must clean up the mess created by USDA's lack of diligence and restore the strained food inventory with little to no help so far from the agency. I'm not only disappointed, but I'm also, frankly, outraged that Secretary Vilsack and his staff have allowed their mistakes to snowball into this dire situation.

Chairman Seki, I know you've already covered this to some degree, but if you would describe the relationship you have experienced with Paris Brothers over the last several months compared to how things were before when two contractors were coordinating FDPIR, and pardon me if I'm making you retrace steps, but I think it might be useful to hear that your firsthand assessment of the comparison between how things are with Paris Brothers and how they were before.

Mr. SEKI. Well, they were delayed before; it's worse now.

Mr. ROSE. But it was unacceptable in both circumstances is what I'm hearing, is that correct?

Mr. SEKI. Yes.

Mr. ROSE. So this is not some sort of new revelation that just came to light, you've been communicating these concerns through—

Mr. SEKI. No, it's nothing new, but this is worse this time.

Mr. ROSE. And when USDA was considering consolidating to a single contractor, tell me about the concerns you expressed to them at that point.

Mr. SEKI. Everything is a concern. How everything is operated—USDA should listen to tribes, our testimonies, what we say, what we need for our people. That's the answer, because we know how

to take care of our members of our nations because when it is not working, listen to the tribes.

Mr. ROSE. Absolutely.

Mr. SEKI. Listen to us, what we say to you when we do our testimonies, what needs to be done to correct, because we know how to take care of our members.

Mr. ROSE. And thank you, Chairman. And Ms. Wafford, the same question, tell us from your perspective, what were the concerns you were expressing to USDA and what was their response to those concerns at the time?

Mrs. WAFFORD. Well, we covered a little bit earlier, but I'm going to say it again. The tribal consultation that was held in February 2024 was not tribal consultation. The decision had already been made, so even at that time, tribes expressed, you know, concern about there's not enough time to make this change for April, it's too large across the country, there's not enough of time, it's inadequate, but the decision had already been made. That is not tribal consultation.

Mr. ROSE. And I know it's little consolation to you, but unfortunately, that's what we have seen over and over again with the USDA under the leadership of the secretary is that these decisions are being made for whatever other reasons they seem to be being made, but without appreciation for consultation with those who are affected by USDA decisions, so I know that's little consolation, but this is not an isolated situation. It is endemic to this current USDA management.

And I see I've got little time, but Ms. Trottier, can you highlight some of the long-term effects that these delivery delays and food shortages are having, or you fear they will have?

Ms. GREENE-TROTTIER. I guess the personal part of it is the lack of trust in the FDPIR program, that there isn't food available, so they might switch programs that might decrease participation, and you know, are they going to apply for our program because of all of this that has occurred in the last 3 months, that the ramifications long-term maybe be lasting for awhile in the Indian country.

Mr. ROSE. My time is expired, but every time the trust is lost, it takes a long time to restore it and the impact of that will linger on for years to come, I fear. So thank you for your testimony again. And my time has expired, I yield back. Thank you for your indulgence, Chairman.

Mr. HARRIS. Thank you very much. The gentlelady from Ohio, Ms. Kaptur, is recognized.

Ms. KAPTUR. Thank you, Mr. Chairman, Ranking Member Bishop, Chair Finstad, and Ranking Member Hayes, and I want to thank all of the witnesses. I'm very glad I'm attending this hearing, and I want to thank you for the marvelous work that you do facing shortages on many levels, and I obviously will be a voice along with other members on the committees here today to try to fix this, but I want to put your situation in a broader context if I could, because I don't know a lot about tribal production.

USDA has two main parts, one part is the food programs, which are distributive programs that consumes about 75 percent of the USDA budget. The other 25 percent of the money is food production. And often times, what we're finding across our country is that

the food distribution system and the overall food production system of this country is working in a way at cross purposes with people who actually need food.

Local is often deemphasized for growing systems that are owned and operated very far from home. So when you talk about two distributors, I really hear that, that's music in my ear, and not pleasant music at that. We ran into problems with distribution during the pandemic. We saw that, and I won't go into all of that. That's not the purpose today, but what I've seen happened to U.S. agriculture in this country, to me, is destructive.

That means that small producers, and one of my first questions to you will be, how much do your tribes, your nations produce, anything inside those properties, versus coming from the outside in some way? I'm very interested if the production arm of USDA is involved with your nations or not, or if you've become more dependent on shipments in of food. One of the real challenges we have in the country is the next generation of farmers, and they must come from places that USDA has ignored, and we must shape USDA programs to help produce closer to home. So my first question to you is as we try to attempt to deal with the distribution problem you have how can USDA work with you to produce more of what you need onsite inside your nations? I have no idea what that number is, so you can educate me today. I also know from the National Institutes of Health that the diabetes levels of our country are rising exponentially and that within the Native American population it is three times the average of our groups.

I want to know if—and looking at the numbers, fruits and vegetables for our country now we import 60 percent of our fruit, 60 percent in this country and 30 percent of our vegetables, and they are coming from fewer and fewer producers, and those producers that are left who are smaller and medium-size farmers close to home are being ignored.

So it isn't just this administration. This has been going on for a long time, and now we face the crisis in the new farm bill of where will Americas farmers come from. So my first question to you is yes, we have to deal with the two distributors that you mentioned, but that is a bad system to begin with. Do you have resources, do you work with the production side of the U.S. Department of Agriculture to help to produce on your lands food to feed your people? You mentioned bison. I heard that clearly. Could you talk a little bit about the broader agriculture world in which you operate not just to get shipments but to actually produce?

Ms. GREENE-TROTTIER. I guess one of the challenges that we faced when the first round of 638 funding came out was the herd size. They had to wait to build up the herd size. And so if you were a producer and you only have three years that you have a guaranteed contract, you are not going to jump into that contract wholeheartedly because it is short term. I don't think there is any producer out there that would make a huge investment in it.

So not having the permanency of the self-determination funds to proceed is a challenge, but that is the only product that we source locally within our community. Other communities have different options like the other people at the table today.

Ms. KAPTUR. Would anyone else like to comment on that? I go by the motto what America makes and grows makes and grows America, and too much of what we consume is offshore. We need to reinvest in our own lands be they tribal or otherwise, and what is happening is agriculture is moving out producers who aren't just gigantic mammoth producers. So do you have the ability to help solve some of what you face by production on your lands?

Mr. SEKI. Yes. We are becoming food solvent. [Audio drop]. We have a farm. We have a buffalo ranch [audio drop] buy food from us, and we sell food [audio drop].

Ms. KAPTUR. Any additional information on this regard that could be submitted for the record, Mr. Chairman, I would appreciate from the witnesses.

Mr. HARRIS. Thank you very much. I want to recognize the gentleman from New York, Mr. Langworthy.

Mr. LANGWORTHY. Thank you very much, Mr. Chairman. And I want to thank all the witnesses for being here to testify today. As many of my colleagues have already mentioned we need to determine what went wrong and most importantly work together to ensure that this never happens again.

Now, I understand that the contractor fell short in fulfilling its responsibilities, but this isn't just a failure of the contractor. It is also a failure of the Department. This administration prides itself on promoting equity yet it is leaving tribes and seniors hungry and without food, and that is just ridiculous and can't happen again.

Failing to ensure that these food deliveries arrive on time is nothing short of negligence. No community in this country should be left wondering when or if their next meal will come because of bureaucratic mismanagement. Simple as that. We are not just talking about delays. I mean, this is about food security for families in rural communities in the rural lifestyle, families that genuinely need this benefit, and we cannot allow the Department's failures to continue.

In my district, the Seneca Nation has been hit hard by USDA's decision to consolidate food distribution to Indian country. Since June of this year their deliveries have been delayed at least 14 days, and their July order never arrived leaving many in my district without access to fresh food. I am told that if they have another month of no delivery then they will likely end up not being able to fully supply food to those who need it the most.

And the worst part there is no clear and consistent communication from USDA or the contractor to constituents in my district on delivery timing, and that is simply unacceptable. Our commitment to the health and the well-being of our Nation's tribal and elderly communities must be unwavering, and that starts with fixing the breakdown in this system.

And with that, Ms. Wafford, back in August USDA offered some short-term solutions like temporary expansion of DoD fresh and leveraging the Local Food Purchase Assistance Cooperative Agreement Program, but have any of them been effective so far?

Mrs. WAFFORD. Thank you for the question. We have been able to take advantage of the CCC program. However, as I mentioned earlier, it is a supplement. It does not 100 replace all of the items and all of the groceries that we are short or are missing.

Mr. LANGWORTHY. Very good. Do you believe the Department is capable of effectively administering these two critical programs, the Food Distribution Program on Indian reservations and the Commodity Supplemental Food Program moving forward?

Mrs. WAFFORD. I think it is evident here today that there are challenges, and I don't believe I can say yes to that.

Mr. LANGWORTHY. OK. Thank you very much. At this point, I have no confidence or trust in the Department's ability to effectively administer these programs moving forward. I do believe our farm bill makes permanent the 638 pilot, and we have a CSFP self-determination pilot as well which helps with expanding tribal self-determining and self-governance authority. I thank the witnesses very much for being here today and for your testimony, and Mr. Chairman, I yield back.

Mr. HARRIS. Thank you very much. The gentlelady, Ms. Adams, is recognized.

Ms. ADAMS. Thank you, Mr. Chairman. Thank you to our chairs and our ranking members for bringing this hearing together and for shining a light on what has become a crisis. Thanks also to our panelists for your testimonies.

First I want to express my deepest sympathies as these breakdowns in program delivery have left citizens of your nations especially some of its most vulnerable members without food. I want to reiterate what you expressed that what is happening here is a failure to meet trust obligations to support tribal self-government, and that is unacceptable.

Despite these foreseen circumstances was excellent to hear about what your nations are doing in pursuit of food sovereignty especially with pilot programs and LFPA cooperative agreements. And so I look forward to engaging with that work more in context of the ever going farm bill process.

And so my questions for the panel, first of all, in many of your testimonies it is clear that there were objections or at least doubts among tribal representatives about the USDA moving from two to one supplier for the food distribution program on Indian reservations. To your knowledge, were these ever adequately responded to before USD made that decision, and were there any genuine follow-ups on requests for a more regional procurement system? This is a question for anybody that would like to answer it.

Ms. GREENE-TROTTIER. I don't recall the year that the study for the regional vendor was completed, but it was given to Food Nutrition Services several years ago, and there was no follow-up.

Ms. ADAMS. All right. Yes, ma'am. Would you?

Mrs. WAFFORD. I would have to say that there has not been a genuine response, an action for this crisis.

Mr. SEKI. Same here. Same answer.

Ms. ADAMS. All right. Thanks very much. So I had a question about how CCC funding has been used in the wake of this emergency, but I understand that my colleagues have spoken about it in depth. Is there anything else that you would like to share about challenges you have encountered with getting or spending CCC funding or highlights that we can learn from?

Ms. GREENE-TROTTIER. One of the other solutions aside from CCC funding was the State agencies offering TEFAP food, and out

of the States that—there was five States that offered TEFAP assistance. Only three of those States had tribal nations represented. And so the ability for TEFAP to be distributed at a tribal level I think is critical and important.

Ms. ADAMS. Thank you. Yes, ma'am.

Mrs. WAFFORD. Well, I am embarrassed to say that we learned that Oklahoma was participating on a USDA call. So that option in our opinion should not be at the State level. This is a government to government relationship, and the State should not have say so in that.

Ms. ADAMS. OK. Yes?

Mr. SEKI. The Federal Government has a trust responsibility.

Ms. ADAMS. OK.

Mr. SEKI. Because of article VI. That is on the United States Constitution that not the States, the Government has the trust responsibility to take care of our people, and we need more funding. The funding we get is inadequate. Food is high, expensive. So I hope that helps.

Ms. ADAMS. Thank you. So Chairman Seki, in your testimony, you mentioned that Red Lake normally utilizes the DoD fresh fruits and vegetable program but does not currently take part in the short-term expansion of the program. Why is that?

Mr. SEKI. We are not involved in what?

Ms. ADAMS. In the fresh fruits and vegetables program, but it does not currently take part in the short-term expansion of the program. Why is that?

Mr. SEKI. Well, we weren't part of that. It was only available for ten tribes.

Ms. ADAMS. OK. Were there obstacles that your tribe faces in accessing this emergency measure? I've got about nine seconds.

Mr. SEKI. Accessing more food? Is that what you are asking?

Ms. ADAMS. Yeah. Were there obstacles that your tribe faced in assessing the emergency measure?

Mr. SEKI. We are unable to do that.

Ms. ADAMS. OK. I think I am out of time. Mr. Chairman, I yield back.

Mr. HARRIS. I want to thank the gentlelady for respecting the clock. I want to recognize Mr. McGovern.

Mr. MCGOVERN. Well, thank you very much. I want to thank Chairman Harris, who is on the Appropriations Committee, for joining with us here on the Agriculture Committee for this joint hearing. I think it is really important. I want to say to all of you I am sorry that this is happening. I agree with all of your recommendations, and I think we need to follow up on them. We will have Secretary Vilsack here shortly and again reenforce some of things that you have made.

I just want to make a point that the blame and the fault—obviously, USDA has to have some accountability here, but so do we in Congress. I am on the Nutrition Subcommittee as part of the Agriculture Committee. You want to know something? In this session this is the first meeting we have had on any topic related to nutrition. We had a full committee hearing before the farm bill. I think it was in June. But the subcommittee this is the first time.

I remember a few years ago when we were in charge of this committee we actually had multiple hearings, and, in fact, we did a hearing on the challenges that tribal communities face. And I think if we were doing a better job of oversight on a regular basis maybe we would have been alerted to what you saw coming much, much earlier, and maybe we could have done something.

But I will tell you the issue of food insecurity and hunger and food shortages is a real problem not just in tribal communities but everywhere in this country. We have 44 million people in this country who don't know where their next meal is going to come from. We have people not only in tribal communities but throughout the country who don't have access to nutritious foods, to fresh fruits and vegetables, and we have got to figure out how to—we have to figure out a way to be able to deal with this.

I look at food as a fundamental human right for every single person in this country. A few years ago I actually did a tour of some tribal communities with one of my colleagues here, Chairman Grijalva, out in Arizona and saw firsthand some of the challenges and how some of these Federal programs don't necessarily provide the help that we all want them to.

But I am going to ask this of Secretary Vilsack, but I will ask all of you here. I mean, do you think that lifting the statutory prohibition against dual enrollment in SNAP and FDPIR which tribes have been asking for, I mean, that would help, right, significantly improve food security over the long term, provide more flexibility?

And by the way, let me just say for the record, too, SNAP is not adequately funded—is not an adequate benefit in and of itself. I mean, it is a little over \$2 per person per meal on average. If we were to lift the statutory prohibition on dual enrollment, would that be something that could be useful?

Ms. GREENE-TROTIER. Yes. And I appreciate that consideration. Oftentimes people will switch between both programs so they can get the food that they can't receive in FDPIR, and then they'll switch to SNAP. So that becomes an administrative problem for that participant going back and forth filling out paperwork for both programs. So yes, I think that would be a wonderful lift.

Mr. MCGOVERN. That is something I favor very strongly. I am going to ask the Secretary about that as well. It provides more flexibility and some more resources to make better choices. But again I appreciate your testimony. I apologize that you have to be here. I think that in addition to urging the USDA to pay more attention to what is happening in tribal communities Congress needs to as well, not just when there is a crisis and when something is not going well. We want to avert crises in the future, and maybe one of the things that can happen in the Agriculture Committee is that the Subcommittee on Nutrition can hold hearings on a regular basis on the topic that they are tasked to oversee. But with that I thank you, and I yield back my time.

Mr. HARRIS. Thank you very much. Now I want to recognize myself for 5 minutes of questions. First I want to identify with the gentleman from Massachusetts. Look, I am sorry. This is a failure. This is a failure of the U.S. Government in a tribal obligation. That is the bottom line. We are supposed to deliver on this. We didn't.

My subcommittee appropriates hard-earned taxpayer dollars that went to a company that simply didn't perform. That is the bottom line. It is inexcusable. I do want to ask questions of the three of you because my understanding—I looked at the geographical distribution of what Paris Brothers did before they were a single vendor. I think all three of you have dealt with them when they were part of the two vendor system. Is that right? They delivered most if not all of your product then.

Mr. SEKI. Yes.

Mr. HARRIS. And just briefly was there an issue with them before, or it just appeared when they went to the single vendor, and all of a sudden they have been taking care of you for years, and now all of a sudden they kind of forgot about you because now they had these other obligations?

Ms. GREENE-TROTTIER. They were absolutely a five-star provider for our food. I never had any issues. They never showed up late through blizzards, through ice storms. They were always on time.

Mr. HARRIS. Ms. Wafford?

Ms. GREENE-TROTTIER. We didn't have to worry until they didn't show up.

Mr. HARRIS. Thank you.

Mrs. WAFFORD. I would just add, sir, that we would receive things that were near expiration but not expired, so the problems were not nearly as bad.

Mr. HARRIS. Thank you very much. Chairman Seki?

Mr. SEKI. Yes, on occasion.

Mr. HARRIS. Just on occasion, but abrupt change in the spring of this year. Thank you very much. That is important information as we talk to the Secretary and the USDA about exactly why in the world would they take a system that seemed like it was working, not perfectly but working, and go to a different system.

I just want to end on an observation because, look, I think this program is kind of one of the ideal nutrition programs. If this program works well the way it is designed, this is a kind of ideal program especially if we expand the ability to have the self-determination of some of this. And one of the reasons is because I looked at the available list of food distribution products, and these are kind of all nutritious foods. I looked at this list. I don't find soda. I don't find salty snack foods.

So someone has made a decision that the U.S. Government when it provides nutrition to a population that actually is characterized by health disparities where some of the problems, obesity, hypertension, diabetes are disproportionately affecting that nutritional food might be the answer. And, in fact, when you look for the waivers, the 638s, my understanding it is also for nutritional food. It is for food that you grow that you provide locally. This is ideal.

So I am going to ask a question because this is very different from the SNAP program. Ladies and gentlemen, it is very different. SNAP program \$10 billion a year on soda. Can you imagine, by the way, what \$10 million would do for your constituencies? If you went to a program where you could choose that we have dual enrollment, would you like the opportunity to limit the SNAP benefits for non-nutritious products? Because this is an issue before Congress whether or not we should allow States to have that ability.

Do you think that would be beneficial for your constituencies to have the ability to say, “Yeah. We want SNAP, but, you know, we might limit access to non-nutritious food items”? Ms. Greene-Trottier, what do you think? Would you like to have the ability? You don’t have to. Would you like to have the ability?

Ms. GREENE-TROTTIER. I think it speaks volumes to the food package that we have that we have the highest healthy eating index of all the food programs, and with the traditional foods we have a higher healthy eating index that is already in place. So most of the recipients they need enhancements to be able to use the products, seasonings and spices, and things like that. So any resource would be wonderful.

Mr. HARRIS. Thank you very much. Ms. Wafford, what do you think? Should you have the ability to choose if you want to in dual enrollment for the SNAP program to be limited to nutritious foods?

Mrs. WAFFORD. I am very glad that you bring this point up, and yes, absolutely we do.

Mr. HARRIS. Chairman Seki, would you like that ability?

Mr. SEKI. Anything that would help us purchase traditional foods we support.

Mr. HARRIS. Thank you very much. Honestly, I think this is kind of a no-brainer for the U.S. Government. We should be following the example that this program has set about providing nutritious foods to Americans when the USDA provides money for nutrition support. And with that I want to thank all of you for being with us today. Thank you for taking time away from obviously busy schedules and coming here to Washington. You are dismissed, and if a few moments we will move to our second panel. Thank you.

Mr. SEKI. I want to say thank you to the House Agriculture Committee plus the House Appropriations Committee for having this meeting to listen to us. Thank you very much.

Mr. HARRIS. Thank you, Chairman Seki.

At this time, I would like to introduce our second panel of witnesses, Mr. Tom Vilsack, Secretary of the U.S. Department of Agriculture, who is accompanied by Ms. Cindy Long, Deputy Under Secretary of the Food, Nutrition, and Consumer Services at USDA; and Mr. Bruce Summers, Administrator of the Agricultural Marketing Services at USDA.

Without objection, your entire written testimony will be included in the record.

Secretary Vilsack, you are now recognized for your statement.

**STATEMENT OF HON. THOMAS VILSACK, SECRETARY, U.S.
DEPARTMENT OF AGRICULTURE**

Secretary VILSACK. Mr. Chairman, thank you. As you acknowledged, I am accompanied by Cindy Long, who is the Deputy Under Secretary of Food and Nutrition Service, as well as Bruce Summers, who is the administrator at the Agricultural Marketing Service.

Mr. Chairman, let me begin by acknowledging that since April 2024 the food distribution program on Indian reservations and the Community Supplemental Food Program have failed to perform in a manner befitting the tribes, tribal members, CFP agencies, and seniors. And these are the people that the programs are intended

to serve. And for that, we at USDA are deeply sorry for the stress, disruption, and difficulty this failure has caused.

Your questions and oversight will no doubt delve into the structure of the program, the awarding of the contract, the implementation and performance of the contract since April, as well as the response of USDA and the contractor when issues concerning deliveries were first surfaced.

We at USDA, and I believe the contractor, in good faith remain committed to mitigating as quickly as we can the consequences of the non-deliveries, missed deliveries, and incomplete deliveries with the series of short-term actions that were outlined in my written testimony. We are equally committed to giving Paris Brothers the assistance and help as we work ultimately to get the programs back to a level of performance befitting the people we are to serve.

We are also committed to listening better than we have, starting with the first of at least two tribal consultations that are scheduled for tomorrow, and to examine ways in which the programs can be improved to better improve the service in the future.

And finally, we are committed to keeping you in Congress better informed of the efforts under way to restore trust in these programs and their performance. And that hopefully can now begin with the questions that you wish to pose.

[The prepared statement of Secretary Vilsack follows:]

PREPARED STATEMENT OF HON. TOM VILSACK, SECRETARY, U.S.
DEPARTMENT OF AGRICULTURE

Chair Harris, Chair Finstad, and members of the two subcommittees, thank you for the opportunity to speak before you today about the Food Distribution Program on Indian Reservations (FDPIR) and the Commodity Supplemental Food Program (CSFP), two of many important food assistance programs that USDA carries out. These programs, collectively, ensure that about 800,000 people receive dietary staples every month and have been dependable, accessible and accountable to the people who rely on them. I recognize that has not been the case for the past few months, and I accept responsibility for these delays and I apologize for the impact they have had on vulnerable communities. I am here today to commit to you that the U.S. Department of Agriculture is working diligently, creatively, and collaboratively to not just get them back on track expeditiously, but to improve them so they are even better suited than before to serve the needs of Tribes and seniors.

Many of you have asked for information on how we got where we are today. For well over a decade, FDPIR and CSFP were serviced nationwide by two food delivery contractors. These companies were contractually obligated to uphold a rate of 98 percent or better on-time delivery, which they met consistently, and which earned them strong reputations among many of the agencies and participants they helped us serve. Under Federal Acquisition Regulations, we could not extend their contracts past 2024, and we were required to open a competitive bidding process. We began this process in September 2022, and the deadline for submitting bids was September 11, 2023. Of the bids received, only one company, Paris Brothers, Inc., was judged as acceptable by the technical evaluation board, which consisted of cross-agency experts at USDA. All other offerors were determined to be unacceptable by the board. In addition, Paris Brothers has a solid track record dating back to 2007. Furthermore, in the submitted offer to USDA, Paris Brothers did not take exception to the requirements in the solicitation, which indicated its ability meet all requirements in the performance work statement. As a result, in January 2024, Paris Brothers was awarded a contract to deliver nationwide to both programs, work it had previously shared with another vendor.

Paris Brothers began deliveries under the new contract in April. USDA first heard reports of delayed deliveries from Tribes and CSFP agencies in May. In response, in June AMS staff began working with Paris Brothers on a corrective action plan to get deliveries back on track-including consolidating commodities, segmenting warehouses, and updating bin locations. Considering our long, trusted relationship

with Paris Brothers, staff expected the company would be able to course correct and resume on-time deliveries.

Unfortunately, the reports of delays and other disruptions continued to increase. In June, USDA began to meet with the National Association of Food Distribution Programs on Indian Reservation (NAFDPIR) and conducted an on-site audit of the Paris Brothers' Kansas City warehouse. In July, it became clear that the situation would not be remedied without immediate interventions and additional support from USDA.

Since this was brought to the attention of the Office of the Secretary in late July, USDA has taken an all-hands approach to resolve the contractor delays and resume regular, on-time deliveries to all communities that depend on the FDPIR and the CSFP. We have already implemented multiple actions to address immediate needs as we work to restore a fully functional and dependable food distribution system.

USDA's first order of business has been to use every tool we have available to get food to where it is needed as soon as possible. USDA is utilizing resources available to us to fill inventory gaps and provide immediate relief, while also working with the contractor to help resolve the delays and return to accurate and on-time deliveries to FDPIR and CSFP sites.

Over the past month, USDA has made available four short-term options to help FDPIR program sites obtain food as quickly as possible. These options include making use of The Emergency Food Assistance Program (TEFAP), accessing Commodity Credit Corporation (CCC) Funds to purchase domestic food, expanding deliveries through the USDA Department of Defense Fresh Fruit & Vegetable Program (USDA DoD Fresh) to include items beyond produce, and purchasing local foods through Local Food Purchase Assistance Cooperative Agreements (LFPA). These options have been communicated to Tribal leaders and FDPIR administering agencies in formal written communications and on regular calls. The CCC Funds, TEFAP, and LFPA options are also available to get domestically produced food to CSFP operators. Where possible, USDA is also shipping USDA commodities directly to CSFP agencies, rather than going through Paris Brothers.

More recently, USDA has stood up a team of 20-plus dedicated case workers who have initiated twice weekly phone calls to all FDPIR and CSFP administering agencies. That team is helping to augment the contractor's customer service abilities, provide updated information on the status of orders and deliveries to CSFP and FDPIR programs, and gather critical data on food inventory levels, delivery and receipt schedules, and other site-specific program information. These communications provide USDA with a better understanding of the impact of the short-term measures we have put in place to temporarily fill gaps, and will assist us in prioritizing orders and targeting contractor deliveries to those operators most in need.

Since making those four options available, as of September 9, 2024, 20 states have been approved for the situation of distress option under TEFAP. In the weeks since the \$11 million in CCC funds were made available to FDPIR administrators, 60 Indian Tribal Organizations (ITOs) out of the 110 administering agencies have opted to sign agreements. USDA has processed funds for 59 of those 60 ITOs. USDA has also made available up to \$36 million in CCC funds to CSFP administering agencies; as of September 9, 2024, 44 of 60 CSFP agencies have elected to receive these funds. Lastly, deliveries to ITOs in multiple states have begun through a temporary expansion of DoD Fresh.

USDA continues to meet with Paris Brothers' ownership to discuss corrective actions and with Paris Brothers' staff to discuss logistics improvements, deliveries, and prioritization for those administering agencies with the lowest inventories. USDA has also conducted onsite warehouse examinations and has modified the contract to gain viewing access to the Paris Brothers' schedule of deliveries. We have also looked beyond our expertise at USDA and have had access to senior logisticians from the Federal Emergency Management Agency to help with assessments for how to best remedy food logistics management challenges in Paris Brothers' warehouses.

While all parties are working around the clock to resolve these issues as soon as possible, regretfully we expect it will take some additional time before a full return to normal operations and inventory levels. In the meantime, we will continue to support FDPIR and CSFP administering agencies in utilizing the alternative means of support.

We also understand that clear, consistent communication is critical during this time, and we continue to prioritize outreach. We are meeting with NAFDPIR and Tribal leaders on a weekly basis, with more communications with other program staff as necessary, to keep them updated on assistance that is available and progress that is being made. We are also communicating with CSFP program operators—including through regular calls—to assist them in accessing these options, to

understand the changing dynamics on the ground, and to keep them updated on progress in resolving these challenges.

The situation on the ground is very fluid and changes by the day as food orders are processed, picked, and delivered. Delays and disruptions may continue for some time. Still, since the Department stood up a whole-of-USA response in July to address this emergency situation, we have made strong progress toward stabilizing the situation. Paris Brothers has steadily increased from shipping 94 trucks the week of August 5, to 140 trucks the week of August 19, to 155 trucks the week of August 25 and to 125 trucks the week of September 1 (which includes the Labor Day holiday). During the month of August, Paris Brothers consistently met and is now exceeding the number of weekly outbound trucks required in the remediation plan to improve deliveries for USDA Food to FDPIR and CSFP customers.

Although there is still work to be done to bring every participating location to the levels of inventory that support the issuance of complete, quality food packages to all participants, we are seeing some improvement. There are two primary data points that we are tracking to evaluate these distribution challenges and how our interventions are closing the gap: food inventory levels and the number of truck shipments per week. As of August 22, data showed that approximately 50 percent of Indian Tribal Organizations had inventory below two weeks in one or more food package categories, which was consistent with the preceding two weeks. As of September 4, we're seeing modest, but meaningful improvement: 38 percent of ITOs have inventory below two weeks in one or more categories. This data does not reflect the direct food purchases and food deliveries that are the result of the four additional measures we have put into place which we know are having a positive impact on inventories. I want to be clear: we know that this number is still unacceptable, and we are committed to returning all ITOs and CSFP agencies to standard inventory levels of 1–3 months and regular, on-time deliveries. While this cannot happen quickly enough, we are encouraged by this positive trend, and we will continue to track it closely and provide updates.

The increased number of shipments per week, and the downward trend in the overall number of ITOs with less than two weeks of inventory in one or more categories, indicates the steps USDA has taken in the past few weeks are moving the needle. Paris Brothers' efforts to add staff and increase efficiencies with warehouse space are resulting in performance improvements.

Tomorrow, USDA is holding a Tribal consultation, with another scheduled in October. These are only some of the steps we are taking to rebuild a stable program that reflects Tribal and stakeholder feedback. USDA is undertaking a review of our procurement processes and procedures both within FNS and AMS and at the Department level to identify places where we can make changes that would prevent similar circumstances from occurring in the future.

As the short-term solutions we identified are taking root, USDA is also working to resolve the issue in the medium to long-term. In late August, USDA executed an emergency contract with Americold to provide receiving, storage, and distribution services to help resume on-time deliveries of multi-food orders for CSFP and FDPIR. USDA is in the process of filling the Americold warehouses with the appropriate quantities of food and setting up ordering catalogs for recipients.

This emergency contract is another step in a much broader effort to offer solutions for the immediate term while addressing underlying issues to restore a fully functional and dependable regular distribution system. We are also working toward a longer-term solution. This experience has underscored the importance of redundancy and distributed distribution capacity. To that end, USDA is considering ways to create additional distribution services that will allow for a more resilient distribution system. We will invite input from Tribes, CSFP agencies and other stakeholders so that ideas such as regionalizing distribution systems are properly considered. The end result of Tribal consultation and stakeholder dialogue is expected to be a more modern and responsive system that is better aligned with the needs of FDPIR and CSFP customers than the current one, and incorporates Tribal self-determination wherever possible.

As we take steps to build resiliency and improve the FDPIR and CSFP programs for the long-term there may be places where we run into statutory or financial barriers. We will continue to be thoughtful about making these visible to Congress.

This emergency is partially a result of poor communication and a lack of clear understanding of expectations, and for that we take responsibility. There are several places where we did not take steps that we should have taken—from the selection of a single contractor, to the initiation of the contract itself, to ensuring the contractor fully understood the requirements of the contract. USDA remains deeply committed to transforming America's food system to ensure access to safe and nutri-

tious foods in all communities we serve, and to better partnering with Tribal Nations in empowering Tribal food sovereignty.

We will continue to work hand-in-hand with Tribal Nations, CSFP agencies, and other partners on a path forward that ensures our systems are resilient, reliable, and able to meet our partners' needs. We look forward to discussing this important issue with you today.

Mr. HARRIS. Thank you very much. And again, I will reserve my time to the end. I want to recognize Mr. Finstad, the chair of the Ag Subcommittee.

Mr. FINSTAD. Thank you, Mr. Chair. Welcome, Secretary Vilsack. Thank you for being here today.

As tribal leaders made clear during our first panel, affected tribal and senior communities have experienced significant food shortages caused by delayed or canceled food deliveries, or even deliveries of expired products dating back to April 2024. You have openly shared that you were not made aware until August 3, 2024.

So my question, my first question is, did any employee at USDA have awareness of these service disruptions before August 3, 2024?

Secretary VILSACK. Congressman, I was informed late in July of the circumstances of the non-deliveries, missed deliveries, and so forth. And I am fairly confident that there were people in USDA at lower levels that were aware of this, probably beginning in April, and certainly by May 2024.

Mr. FINSTAD. So why did it take so long for you to be read into this?

Secretary VILSACK. Well, that is one of the mistakes that was made here. Frankly, as soon as we had issues with reference to deliveries, it should have been elevated to other senior staff members, which in turn would have elevated it to me. If it had, I think we would have at least been able to mitigate some of the consequences. That was a mistake and that is a lesson learned.

Mr. FINSTAD. Thank you for that. What level of communication was had between the department and tribal organizations and other CSFP providers then, once this was elevated?

Secretary VILSACK. Well, I would say early in the process, probably not sufficient. But after I became aware, and prior to that, there was a regular, ongoing, weekly conversation, and there were daily conversations with the contractor to determine what steps were being taken by the contractor to rectify the situation. The contractor did take a significant number of steps, but obviously by the time we began to focus on this, the supply chain had been significantly disrupted. And it takes a while, as you well know, for supply chains to get back in order.

Mr. FINSTAD. So if someone, anyone at the department had awareness of this impending crisis, the question becomes why was Congress not notified, and what has been rectified if you have discovered why we were not read into this?

Secretary VILSACK. Well, Congress was notified as soon as I became aware. And I think that gets back to my first point, which is I should have been made aware sooner.

I think what happened, again, I think folks were counting on the performance of Paris Brothers, who prior to that for the most part had been a pretty good performer of the contracts that they had for the last 17 years. And I think they just assumed that things could

get worked out. That was an assumption that turned out to be very, very wrong.

Mr. FINSTAD. So I want to talk a little bit here or maybe have a conversation about the contractor review process. We have heard too many times of the ongoing lack of communications. It was brought up earlier about the consultation process and it was not a two-way conversation, it was a one-way, here-is-what-we-have-decided kind of approach. The hesitation to openly communicate with all impacted parties is puzzling.

So, Mr. Secretary, you went out of your way twice in reporting from Politico and the Washington Post to lay blame on multiple parties, including your own staff. It becomes inexcusable and indicative of further problems at the department. And so for purposes of today's hearing, can you walk us through the contract review process, including how many individuals sit on the review panel, what expertise each have related to contract reviews, and why all but the Paris Brothers, Inc., were deemed technically unacceptable?

Secretary VILSACK. The contract process started in 2022, with the understanding that under the Federal Procurement Act, we were not in a position to continue to extend the previous contract. We had used up our extension capacity.

We put together and reached, requested information from those who might be interested in bidding on the contract to help us formulate the contract bid. The contract bid was prepared I think in the summer of 2023. There was a pre-contract conference with potential bidders. We submitted the final bid package in August 2023, with the understanding that the companies would provide their response by September 2023.

Once the responses were received, we received eight responses or eight bids. One bid was technically not even close to meeting the requirements under the solicitation, so seven of the eight were reviewed by a panel that consisted of individuals with a variety of expertise, individuals that were involved with IT, individuals that had some knowledge of warehousing, individuals that had some appreciation for the nutritional aspects of the program.

These folks met over a period of time from September to I believe December. And during the course of that time, they looked at all seven applications. What they found was that only one application, that which was submitted by Paris Brothers, met all of the qualifications. In some cases, bidders requested a change in the solicitation. They wanted to bid on a contract that was slightly different than what was proposed. Of course, if we had accepted that, we would have had to rebid the process all over, which we were not going to do.

So based on that, the decision was made by the review panel to accept the Paris Brothers contract and bid. And Paris Brothers was notified in early January of the acceptance of that bid. From that point, the process shifted to the transition efforts that took place between January 2024 and the ultimate performance date of April 2024.

If I might say, that one of the other lessons that we have learned in the process, in my view, is that when there is a significant change in the makeup, if you will, of how we are going to approach

this—we went from having two folks, two companies involved in this program for a considerable period of time, transitioning to a single company that essentially indicated to us they thought they had the capacity to do this—that we should have had that also reviewed at a senior level, and questions should have been asked. They were not. That is a change that can be made in future contracting.

In any event, the contract—we had meetings in March 2024 to discuss the implementation and transition. There were not significant issues raised by the contractor at that time, or any of the bidders who were disqualified, if you will. And performance in theory started in April 2024.

Mr. FINSTAD. Mr. Secretary, thank you for that answer. And, Mr. Chair, I thank you for the indulgence with the time. I yield back.

Mr. HARRIS. Thank you very much. I now recognize the ranking member of the subcommittee, Mr. Bishop.

Mr. BISHOP. Thank you very much, Mr. Chairman. Thank you, Secretary Vilsack, and your associates for coming today.

Not to excuse the problems that occurred before you were notified, but I do want to express my appreciation to you of the efforts that you have undertaken to remedy the supply chain disruption. Let me just reiterate that I think you were only informed of the problem on August 3 and in just 5 weeks, you and your staff put in place an astonishing list of actions to address the problem. You repurposed the CCC funds to provide tribes \$11 million so they could buy their own food, repurposed CCC funds to provide the commodities supplemental food program agencies up to \$36 million so they could buy food, you asked FEMA to review the commodity distributor's operation and warehouse and provide suggestions to streamline and speed up the processes, which was helpful. You allowed the States to declare situations of distress, allowed them to give TEFAP commodities to tribes and food banks. You expanded DoD Fresh Program, which otherwise was limited to fresh fruits and vegetables. You allowed the use by States and tribes of unobligated local food purchase assistance funds. And you signed an emergency contract with a second warehouse to deliver. So we appreciate all of these efforts that you have taken.

But, of course, this is a very, very serious situation. So let me just ask you, I promised the first panel that I would ask you some specific questions. I have three, I believe, to ask you.

The first one, the States, if a State does not declare a situation of distress and a tribe cannot access the TEFAP commodities, is there a workaround for that? Second, if a tribe uses any of its own funds, is there any way to reimburse the tribe for the use of the funds? Chief Seki suggested that there should be an automatic tracking system so that we know the exact status of food deliveries. As we have seen, the reporting on the status of deliveries is now done by phone calls. Do you have any plans to try to address this in the near future? And in your next budget request, do you intend to include funds for a tracking system?

You have suggested that going to a single contractor may have been a mistake. But only one company has been qualified, so what can be done and what are you going to do? And if you would respond to those questions, I would appreciate it.

Secretary VILSACK. Representative Bishop, I had a hard time hearing the first question. I have my hearing aid turned up as loud as it can be, but I just did not get the first question.

Mr. BISHOP. OK, the first one was, if a State does not declare a situation of distress, the tribe cannot access TEFAP commodities. Is there a workaround for that? Do they have kind of flexibility to deal with that?

Secretary VILSACK. I may ask Cindy Long or Bruce to comment on that. But let me comment on the reimbursement question that you asked, which was the second question.

We are limited by the CCC charter, we are limited by the statute in terms of what we can do. If there are expenses that were incurred prior to our ability to receive CCC resources, those expenses would have to be reimbursed at the direction of Congress. In other words, you would have to give us the permission and the resources to do that. I suppose you could do that in a continuing resolution, or you could do it in a budget bill or any bill.

And so we are more than happy to reimburse TEFAP for food that has been used and redirected in the situation of distress. We are more than happy to sort of replace that. The flexibility with reference to the local food purchasing agreement, if there are additional resources that are made available in that program, those obviously would be available. So we are looking for a multitude of ways to try to mitigate the consequence. But there are some mitigation steps that we cannot take without congressional direction.

Ms. LONG. Yes, and if I could add, I think it is what you referenced, Representative, that we had put multiple options on the table to address the situation and the reason we have multiple options is because we know that every single option is not going to work in every situation.

With respect to the specific question about the TEFAP situation of distress, again, we do have 20 States that have taken that option. Structurally, we are required to have the State take the option. And we have worked very hard and made it very clear to our State partners and our tribal partners that we are happy to be part of the conversation to help facilitate States making that decision to come on board, and we will continue to do that. It is also important to recognize that once the State has a situation of distress declared, they can expand their use going forward. So if they initially took it and were supporting one tribe or one CSFP program, they can continue to adapt and to add as circumstances require.

Secretary VILSACK. As far as the tracking system is concerned, representative, what I am hopeful we are able to do with the consultation program, consultations that have been established and other listening opportunities, is to gather much more information about how we might be able not only to get back to the standard required, but also what improvements need to be made within the program or changes to the program to be able to better serve folks. Then once we have a more comprehensive 360 look at all of this, I am sure that we will have a series of recommendations that will be sort of tied to budget and/or potential policy.

Mr. BISHOP. Thank you.

Mr. HARRIS. Thank you very much. I recognize Mr. Rose.

Mr. ROSE. Thank you, Chairman, for holding this hearing. And thank you, Secretary and your staff, for being here with us today.

Secretary Vilsack, I appreciate your acknowledgement of responsibility. So thank you for that. That is the stand-up thing to do, and I greatly appreciate that. However, I am deeply concerned, as I suspect you will find as the theme of today, about the lackluster oversight and efficiency of USDA, when the Agricultural Marketing Service began coordinating with Paris Brothers on a corrective action plan.

I am wondering what specific actions were taken by AMS when working with Paris Brothers to resolve the infrequencies in food deliveries beginning in June 2024.

Secretary VILSACK. Well, the first step in the process was to ask Paris Brothers to put together a corrective plan. That corrective plan ultimately led to Paris Brothers increasing work seven days a week, increasing the number of shifts in the day, increasing and hiring additional permanent and temporary staff, providing more significant training.

We did an audit of their facility and realized that there were some serious issues with reference to the utilization of warehousing space and the usage of certain bins. So we asked and worked with them to separate that. So there were a series of steps that were taken, in addition to the steps that we took to provide tribes and CFSP other alternatives in the meantime.

You know, the history with Paris Brothers, for the most part, was a very successful one. And so therefore, I think there was an assumption that they could get this right. I think, frankly, again, we probably did not move fast enough or quick enough or proactively enough. The steps that were taken should have been taken at the get-go when the first sign of problems occurred. And the steps that we took, that we instituted in August, should have been taken earlier. Had they been, things might have been better. I do not know that they would have been completely resolved, but they would have been better.

Mr. ROSE. Do you agree that AMS was, to some degree, ineffective in helping restore stability at Paris Brothers quickly enough?

Secretary VILSACK. I agree that we could have done a better job. We could have done a quicker job. And we could have done a job of making sure that senior staff at AMS and in the secretary's office were made aware of the challenge.

And the reason why this timing is important, it would be one thing if this was an extension of the ongoing contract for the last 17 years. It was not. It was a change. Paris Brothers was taking on the entire responsibility. That is a major undertaking. And when we began to see delivery issues, at that point in time it should have been elevated. At that point in time, it should have come to my desk. And I am pretty sure, had it, I am sure that we would have taken the actions that we ended up taking in August, but we would have taken them months earlier.

And we have to take—we own that. We have to take responsibility for that.

Mr. ROSE. Thank you. I appreciate your responses with regard to this issue.

I want to switch gears dramatically and bring up an entirely different issue, not to diminish the importance of this one. But, Mr. Secretary, August 31 was the final day of the Tennessee Walking Horse National Celebration. My staff and I stayed up until the early hours of the morning and watched as USDA's veterinary medical officers disqualified horse after horse for the most a subjective and frankly scientifically inaccurate reasons. I and several others from the Tennessee and Kentucky delegations sent you a letter on August 5 highlighting our concerns regarding a couple of the VMOs, veterinary medical officers, who have been present at recent walking horse exhibitions.

Why have we failed to receive a response from you? And when can we expect to receive a response from you on this issue that is very important to many across the country, and particularly in Tennessee?

Secretary VILSACK. I will get you a response quickly. I will tell you that this is obviously an issue upon which there are significant differences of opinion. The rule that we put in place was a controversial one, with people feeling very strongly about it for it and very strongly against it. So it is not surprising that there were people that were not happy. But at the end of the day, it is our job to make sure that the horses are safe. And I am confident that our people were doing the best job they could under the circumstances.

Mr. ROSE. I have no such confidence. And having watched the inspections on August 29 for several hours, what I can tell you is that it was a classic display of a regulator run amok. And I look forward to future opportunities to address this issue with you. But the harm has been done and cannot now be remedied. And unfortunately, that regulation was not supposed to take effect until next year, as you know. And so what we still instead saw was the subjective application of standards that have never been imposed before.

So I am very disappointed in the department and, frankly, disappointed in you, Mr. Secretary, for that failure.

My time has expired. Thank you for your indulgence, Mr. Chairman. I yield back.

Mr. HARRIS. Thank you very much. The gentlelady, the ranking member of the Appropriations Committee, is recognized.

Ms. DELAURO. Thank you very much, Mr. Chairman, and thank you, Mr. Secretary, for being here with us today on an important issue. I said at the outset of the first panel, given that this is a nation with an abundance of food, that whatever the mechanics of the supply chains are, that no one in this Nation, no child, no adult, should experience hunger. And so that this is—would appear to be one of the consequences of the issue we are speaking about today.

I want to just also say I thank you for acknowledging not acting quickly enough, understanding that there were mistakes made, and saying so. Quite honestly, it is quite refreshing. That does not happen very often in the world that we live in here. So very, very pleased with the actions that you have taken in order to address this issue.

In the first panel, I asked the question about had this problem occurred before? This is a program that goes back to 1977, and

have we experienced this kind of a problem in the past? And the response to that was that we had experienced that in 2014. And so just let me just say to you from 2014, of having experienced this problem before, why have we not moved to try to do something about it? What happened in 2014? There was one contract or two contractors? What was the situation?

Secretary VILSACK. I do not think it was a circumstance involving the contracts, per se, representative. I think it was a situation where it was a ramification of a shutdown of the government that basically caused a rippling effect of resources that made it difficult to basically buy product on a timely basis. If you remember back in 2013, we had a shutdown for an extended period of time, and that was a consequence, one of many consequences, I might add, and one of many—if I can editorialize—one of many consequences that occurs when we do not have budgets.

Ms. DELAURO. When you have a government shutdown. OK, interesting. That was not—thank you. Thank you. Thank you for that answer.

The other issue that I asked about, were there two companies? One company? The indication was that there were similarities of problems with two companies, one company.

Let me just be clear. Were you legally bound to move from two contractors to one?

Secretary VILSACK. No. The solicitation was set up in a way that multiple bidders could have successfully been awarded part of the contract. As it turned out, of the seven that were reviewed, only one met all the technical aspects and qualifications of the solicitation. In fact, one of the bidders, and I mentioned this earlier, wanted to change the rules so that their bid would fit. And we cannot do that, because if you do that, then you have to rebid the whole—you have to go through the whole process again.

So we ended up with one successful bidder. We could have had two. We could have had more than two. As it turned out, we had one.

Ms. DELAURO. Let me just cut to the chase here for a second. You have acknowledged that there were mistakes made. We need to try to move forward. How is it that your view is—how do we, short term, long term, correct this situation, and we do not have people who are not finding food for them, you know, on the shelves?

Secretary VILSACK. Well, the first order of business is try to mitigate the severe consequences that we still see. We still have too many tribes in too many locations that do not have sufficient inventory on stock or are missing critical components of the food package. So we have to get that resolved. And that is why we are doing all of the things we are currently doing on the short term.

Then we have to work to exactly build back up the inventories to a point where they get to maybe a month and a half on stock, and then ultimately do three months. I think that is one of the reasons why a midterm effort was to enter into the emergency contract with another contractor to basically take some of the pressure off Paris Brothers to allow them to build back up.

Now the good news is, we are seeing more truck deliveries from Paris Brothers. We are now at a level very consistent with what

was initially contracted for. That was not the case in July, not the case in August. It is the case now.

And then longer term, I cannot answer that question, because I think it is fair to say we need to do a whole lot more listening and a whole lot more thinking about the totality of this program and whether or not in any aspect of it, it can be changed or should be changed or expanded or changed in some way. I do not have the answer to that question. That is why we have the consultations that have been set up. That is why I am sure that there will be additional discussions on this. And we will be more than happy once we have had that 360 review to come back and say this is what we think needs to happen, this is what can stay the same, this is what should change. And obviously, I suspect that you all have some thoughts about that, too, and we are anxious to hear as well from you.

Ms. DELAURO. Thank you very much, Mr. Secretary. And I just want to reiterate that in order to deal with compensation, which has been a question which has come up in the earlier panel, as you pointed out, that becomes then an issue for the Congress to deliberate, whether it is through a continuing resolution or other efforts. So thank you very much.

Thank you, Mr. Chairman.

Mr. HARRIS. Thank you very much. The ranking member of the Agriculture Committee is recognized, Mr. Scott.

Mr. DAVID SCOTT OF GEORGIA. Oh, thank you, Mr. Chairman. Good to see you, Secretary.

You know, I often say that our Agriculture Committees are the most powerful committees up here in Congress because of this one thing you can do without a lot of things, but the one thing you cannot do without is food.

That makes us the most powerful committee up here. So it's a necessity that we approach the solution of this problem. And I want to suggest, as I said earlier, we got to get the Brothers in here, find out what happened, and hopefully you can take the leadership in bringing together the pieces of how this puzzle must be put back together as quickly as we can.

In order to do this I have a series of questions I would like to ask you so that we can have an order of what we have got to do.

First of all, you need to communicate back to us and elaborate on what USDA knew about exactly how the Paris Brothers bit off more than they can chew. We got to know and understand how we got into this problem in order to find the way out.

And so what were their plans to expand and ensure they could cover both programs by themselves? And where did these programs fall short? Can you respond to that first?

Secretary VILSACK. Well, I think I can respond at least to a point. During the course of the process in January, when Paris Brothers was awarded the contract, they began the process of putting together a transition plan. And then we met in March with Paris Brothers and others to discuss that transition plan.

And at that point in time, they were confident that they would be able to get the staffing and train the staffing, and you have the warehousing space and organization to be able to handle the totality of this very important program, a set of programs.

It became obvious, relatively early in the process, April/May, that perhaps it wasn't as easy as they had assumed, in terms of hiring people, or in terms of training people, or in terms of having the inventory control to be aware of what is coming in, what is coming out, and that they were having—began to have difficulties.

I think at that point in time, our staff met with them, and at that point in time, the plan to rectify those concerns was put together, which involved more staff, different warehousing, construct, more training, things of that nature.

Mr. AUSTIN SCOTT OF GEORGIA. Did it occur to you, Mr. Secretary, that it might have been a good point for USDA to, at that time, have an opportunity to see what their plan was, to present it to you so that you could get approval for it? Apparently you did not.

Secretary VILSACK. It was presented at a much lower staff level, Congressman. And therein lies one of the problems, which is that at that point, when we first experienced difficulties, in my view, we should have accelerated this and elevated it to a higher senior level so that people could ask the questions necessary to determine whether or not the plan was adequate and sufficient, whether there was capabilities to actually implement the plan in a timely way.

That was not done. And I think the reason it wasn't done is folks assumed that a contractor that had been providing services for 17 years at a fairly high level of performance was going to be able to continue to maintain that level of performance, but this was a different situation. And I think that we just failed to recognize that.

Mr. AUSTIN SCOTT OF GEORGIA. And I think that this could be a great opportunity for us to show our Nation how we, in this committee, thanks to this excellent hearing that our chairman has put together here.

And you know, I mentioned in the early part of my presentation, we got to get the Brothers in if we are going to keep them into the mix. And I don't know what your plan is going forward, but your Secretary of Agriculture, and we are hopeful you can take the leadership in putting the pieces together and then bring them to this committee.

I mentioned we might want to have a hearing of them. But we all got to understand, we are in this together now, and we need a plan. It needs to be done right, and then it needs to be brought before this committee.

We need to approve it, because the shining light of our Nation is on this hearing. This gives us a great example to show how we can arise to this occasion.

Secretary VILSACK. Mr. Chairman, can I have 30 seconds to answer?

Mr. HARRIS. Yes, please. Go ahead.

Secretary VILSACK. I think there is a short-term and a midterm plan. The short-term plan is, as I think I outlined in my statement, the CCC resources, the TFAP distress situation, things of that nature.

The midterm plan is to basically have a second emergency contractor that will take some of the pressure off. They are ramping up. We are delivering food to their warehousing to ramp up so that

we eventually get to a point where all the locations have adequate inventory on hand.

The final piece, the longer term, I think, does require us to do a lot more listening and a lot more thinking. We're not there yet today, but we will be, and we're committed to doing that.

Mr. AUSTIN SCOTT OF GEORGIA. Great. Thank you, sir.

Thank you, Chairman.

Mr. HARRIS. I want to recognize the gentlelady from Louisiana, Ms. Letlow.

Ms. LETLOW. Thank you, Mr. Chairman, Secretary Vilsack, for being here with us today. And as we have both discussed numerous times, farmers in my district and around the Nation have been facing adverse weather conditions, including drought, for several years now.

And as we speak, you know, a hurricane is making landfall in Louisiana, disrupting farm operations in my district and across the south. In addition, costs for farm inputs like fertilizer, labor, and equipment have skyrocketed, while commodity prices have remained static, causing many of our farmers to operate at a substantial deficit.

USDA September 2024 farm income forecast projects that farmers are expected to lose nearly a quarter of their income between the years 2022 and 2024. Farmers are constantly facing financial challenges, and many of them cannot afford to continue producing in current marketing conditions.

I know this because I hear from them all the time. Many of the farmers in my district too often find themselves relying on disaster assistance payments just to make ends meet and to continue farming.

Domestic production losses mean that less of our American grown food is ending up on our tables, which can ultimately result in food shortages, and that is just unacceptable.

Farmers are the backbone of our economy. We must do more to ensure that our farmers have the resources they need to continue producing for our families and our industries here at home.

Mr. Secretary, USDA's disaster assistance programs play a critical role in helping our farmers get back on their feet in the aftermath of a disaster, and at a speed. And the speed at which these payments are issued makes all the difference.

I want to work with you on a commitment to make sure that these assistant payments are delivered to farmers in a timely and efficient manner.

Secretary VILSACK. Congresswoman, happy to make that commitment. I would encourage you to work with our office to make sure that your farmers have access to the Disaster at a Glance document that essentially outlines all of the programs that could potentially be available, depending upon the nature of the disaster, as well as providing contact information for people in their area, in their district, where they could basically secure the applications and the information about how to apply for the specific programs.

More than happy to provide that to your office.

Ms. LETLOW. Sure. I know that a lot of my farmers are still waiting on payments from the 2022 disaster and would like to know if

you can speak to that and how I can, how maybe we can come up with a better system moving forward?

Secretary VILSACK. Well, we have made partial payment under the ERP 2022 program. We're waiting for a court decision. There was a lawsuit pending concerning the structure of that program.

There was a temporary ruling on an injunction that gave us some direction, but we need a summary judgment decision by the court so that we know the parameters under which we can make the final distribution.

Once we have that, those parameters, we'll be able to make those distributions in very, very quick order.

Ms. LETLOW. OK. I will let my farmers know. And it is also my understanding that you haven't yet visited Louisiana after a natural disaster. Can I invite you down to Louisiana after this hurricane to visit with my farmers?

Secretary VILSACK. Always looking forward to a chance to come down to your neck of the woods.

Ms. LETLOW. Thank you.

Mr. Bruce Summers, I would like to move to you now. I want to take a second to discuss a critical feature that the FDPIR and CSFP program share.

Both programs provide American grown and produced foods and nutrition education that help reduce food insecurity and support nutritious diets. And as you may know, I am proud to be from a district where agriculture is our bread and butter. And I know that many of my colleagues in this room share the same sentiment.

Our Nation's farmers play a critical role in ensuring that these programs can deliver domestically sourced food products to individuals and households in needs. What measures are in place to ensure that domestic agriculture products are adequately represented in these programs moving forward?

Mr. SUMMERS. So by statute, we only purchase 100 percent domestically produced foods.

Ms. LETLOW. Great. And that will be your commitment moving forward?

Mr. SUMMERS. Of course. Absolutely.

Ms. LETLOW. Absolutely. Wonderful. All right. All right. That concludes my questioning.

Mr. Chairman, I yield back.

Mr. HARRIS. Thank you very much.

I recognize the gentleman from Massachusetts, Mr. McGovern.

Mr. MCGOVERN. Thank you very much.

First of all, Mr. Secretary, I want to thank you for your commitment to addressing the issue of food insecurity in this country. I appreciate your leadership at the White House conference on hunger, nutrition, and health.

And I know you care deeply about these issues, and I think we all agree, and I think you have made it clear that it is unacceptable for any tribal member or senior to be hungry in this country in 2024.

I appreciate the fact that you have taken, you are taking accountability for the Department's response to the crisis and pledging ways to try to fix it. I would just say that we in Congress have to take some responsibility, too.

I said, during my questioning of the earlier panel, that I sit on the Subcommittee on Nutrition, on the Agriculture Committee. I mean, this is the first hearing that the subcommittee has conducted in this session of Congress, and maybe we ought to be conducting more hearings, including hearings on challenges in tribal communities so that we better understand not only what the realities are, but we can maybe, hopefully find whether there is any trouble spots where we could address something before it becomes a crisis.

And, you know, I think if we also held more hearings, maybe we wouldn't be talking about cutting SNAP or any other nutrition programs. In my opinion, the current allocation for programs like SNAP is just not adequate for people to be able to put food on the table.

You know, in 2021, I traveled to Arizona with then-Natural Resources Chairman Grijalva and visited a number of his tribal communities. We had a round, and then I am also on the Rules Committee, we had a round table discussion on the Rules Committee about the challenges that tribal communities face.

And out of that work came a bipartisan request that I authored with Chairman Cole and Mr. Grijalva, asking GAO to examine challenges and opportunities for addressing hunger among tribes.

That report was released in July, and details are alarmingly—and it details the alarmingly high rate of food insecurity among Native Americans. Nearly 30 percent of native American households experience food insecurity, compared to 11 percent of all households.

And these families disproportionately suffer from diet related diseases, diseases as well, because they don't have the resources, or sometimes the access for more nutritious food.

And that obviously is wrong. But among the recommendations in the GAO report, and I hope we will remove the statutory prohibition on dual enrollment in SNAP and FDPIR, which causes a lapse in benefits for families and limits access to nutritious food.

So let me ask you, Mr. Secretary, thank you for creatively using all available resources to help address the immediate food shortage crisis. But what can Congress do to help? Do you think lifting the statutory prohibition against dual enrollment and SNAP and FDPIR, which tribes have been asking for, would help improve food security over the long term?

And then as a follow up, maybe you could just comment on how we can better support food security in tribal communities?

Secretary VILSACK. Well, I would say anytime you can invest additional resources for tribal families, they're obviously going to benefit. I think there's two issues here, Congressman.

One is the resources, and two is, as you mentioned, the access. I think it's important not only to increase capacity to purchase or to buy or to have, but you also have to have the access to be able to utilize those resources in a convenient way.

And I think that's one of the challenges that tribes face, is that oftentimes they are in remote areas and they don't necessarily have access to full scale grocery stores and things of that nature.

We've been making an effort, with our food sovereignty initiative, to try to incorporate more culturally appropriate foods that are important to the diets of tribal members.

We have a way to go, but we've made, I think, a positive first step. We've tried to expand opportunities, for example, for bison and things of that nature. So I think it's a more comprehensive answer to your question, which is that it's money, it's access, and it's also choice.

And I think to the extent that hearings, consultations, listening sessions, all of that is important to be able to get a full understanding of the challenge.

And then you're dealing with a multitude of tribes in a multitude of different circumstances, and that has to be recognized. In this program itself there are 110 different tribal organizations that we're dealing with, and they're all in slightly different positions and places.

So it's tough to develop a program that's responsive, as responsive as it needs to be to all 110 at the same time. We're doing our best, but we have to do better.

Mr. MCGOVERN. Well, thank you. And again, I appreciate it is complicated and it could be tough, but it is doable. And I think we all need to do a better job, especially with regard to our tribal communities.

And hopefully, as we move forward, we will pay more attention to this in the committee and jurisdiction here. But I appreciate it, and I yield back.

Mr. HARRIS. Thank you very much.

I now recognize the chairman of the House Agriculture Committee, Mr. Thompson.

Chairman THOMPSON. Chairman, thank you so much.

Mr. Secretary, good to see you. It was great to see you in Iowa. Always good to see you. I was very pleased about 48 hours ago, I got the notice that your preference was to come and testify for this committee, and you were always welcome here. I was excited to see that that was going to occur.

I am going to apologize for the cough first. These allergies are, as someone who never had allergies growing up, but I wish I didn't have them today, actually. But the pollen count's pretty high, I am told.

So Secretary, I was stunned, as others were, to hear your Department made the warehouse consolidation decision, actually, before the required tribal consultation in February.

And so, especially given the fact, I think it was 2014, we kind of experienced something similar to this. And so I wanted to check with you, first of all, give you an opportunity to explain the rationale of the Department of doing what they did?

Secretary VILSACK. Well, Mr. Chairman, the 2014 experience was directly connected to the fact that there was a government shut-down, and the repercussions and implications of a lack of funding made it difficult for us to do a timely purchasing of items.

Chairman THOMPSON. Sure. So what about the rationale here in 2024?

Secretary VILSACK. Well, the process started in 2022. It was a long, extended process in which we had to rebid the contract be-

cause of the Federal procurement requirements. We couldn't extend it any further than we already had. We'd already exercised two extensions, so it had been in place for many, many, many years.

So we were required by law to basically rebid it. We went through a process of soliciting information and input. We had a request for information giving people the opportunity to weigh in on how they thought the program should be designed.

We put the bid package together. We had a pre bid or pre-solicitation conference and laid it all out in, I believe, August or July of 2023. In August 2023, we submitted the package for consideration for bids.

Folks had to submit their bid prior to September 2023. And at that point, we had eight bids. One was disqualified immediately. So seven got judged or reviewed by a panel of individuals who had a wide array of experience.

They went through the process of looking at those bids for several months and concluded that only one bid actually met all of the technical and procedural requirements and substantive requirements of the solicitation process.

Chairman THOMPSON. So was there any process for—well, first, my first question, next question then is, during those 2 years, 2022, 2024, was there a tribal consultation during that time where the sovereign nations expressed what they knew worked for them in terms of having some redundancy, multiple warehouses, multiple vendors?

Secretary VILSACK. I don't know if there was a specific tribal consultation. I'll have to check on that, Mr. Chairman, but I will tell you that I think there was a constant communication.

The problem was, and frankly, we need to listen better.

Chairman THOMPSON. Yeah, well, we work really hard to do that with the committee, as you know.

Secretary VILSACK. Well, I mean, when I say we, I mean USDA, not you.

Chairman THOMPSON. Well, but we need to do that too. It is team, Agriculture is teamwork, working with all the two branches.

Given the fact that the tribes have been pretty expressive about the importance of, with what they experienced before, for whatever reason it happened, the impact was significant on families and individuals.

There wasn't a process to go back and to work with those who came up short with their proposals to be able to honor their call for, you know, I don't know what redundancy is the right name, but multiple providers?

Secretary VILSACK. Well, if you do that, under the Federal procurement rules, you have to go all the way back and start the process all over again. You can't just bring folks in and say, can you adjust your bid, because we'd like to see if we could have more than one successful contractor. You can't do that.

Chairman THOMPSON. Does there exist quality assurance surveillance plan that aligns with the Paris Brothers incorporated contract or statement at work? Can you describe the responsibility of the Department in ensuring a contractor delivers on their commitments?

Secretary VILSACK. Well, the performance, as I understand it, requires a very high level of performance. I think it's a 97, 98 percent level. And historically, Paris Brothers met those standards, and I think that's one of the reasons why there was some confidence that they would be able to do the job that they contracted to do.

We had, after they received the bid in January 2024, we had transition conferences in March. There weren't any indications at that time that they were concerned of their ability to get this done.

I know that there were some tribes who raised some concerns in February, but by then, obviously, we were in the process and we were reassured, by the company, that they thought they could do it. And with their track record, I think that was a reasonable assumption.

Chairman THOMPSON. Are there what actions exist in instances where the contractor fails to meet its obligations?

Secretary VILSACK. Well, there's the ability of the Department to essentially assess financial penalties.

Mr. THOMPSON. OK. And, you know, the Federal Acquisition Regulation part 5 States contracting officers shall give members of Congress, upon a request, detailed information regarding any particular contract.

The FAR goes on to make certain classified information as released through existing security channels. So Secretary, why has an unredacted contract assigned to by the Paris Brothers Incorporated not been shared with members of Congress?

Secretary VILSACK. It's my understanding that we've done that, Mr. Chairman, but I will check and—

Chairman THOMPSON. Yeah, I don't have any record of it being received.

Secretary VILSACK. Let me check on that. I think I'm right in saying that, but I could be wrong.

Chairman THOMPSON. We have made multiple requests, but we don't really have record of it being received.

Mr. HARRIS. Thank you.

The Chair understands that the chairman of the full committee would just like an additional minute to make a closing statement because you are not going to be available later.

Chairman THOMPSON. Sure.

Mr. HARRIS. Yeah, and without objection.

Chairman THOMPSON. By the way, I just want to say you, you fill my chair rather well. Andy, good job.

Mr. HARRIS. You've got great snacks in the drawer.

Chairman THOMPSON. Yes, we do and you found them.

Secretary VILSACK. Mr. Chairman. Yes. I've just been informed we still owe you that redacted contract.

Mr. THOMPSON. OK. Look forward to receiving you.

So Mr. Secretary, real quick, before I get into my, you know, I wanted to kind of finish up with asking you about a letter this committee sent you in July, requesting information on agency rule-making as it relates to the overturning of the Chevron deference we received.

Now we received really what was a non-response yesterday evening. And can you tell me, did USDA engage with the White

House Counsel's Office, OMB, DOJ, or anyone else outside your agency in preparing your response?

I am not going to get into the details of what you might have received from them, direction or feedback, but just a question of whether you, you know, whether that there was an engagement with any of those offices?

Secretary VILSACK. Mr. Chairman, I'm sorry, I didn't hear the first part of your question.

Chairman THOMPSON. Sure. Well, tell me, did USDA engage in terms of the, related to the letter Louis sent asking for implications of the overturning of Chevron deference? Did USDA engage with White House Counsel's Office, OMB, DOJ or anyone else outside your agency in preparing your response?

Secretary VILSACK. I personally don't know the answer to that question, but I will check and I'll get back to you.

Chairman THOMPSON. I would appreciate that.

Secretary VILSACK. I would say normally a letter of that kind, our general counsel obviously would be very much involved in the drafting and counseling us in terms of what could be said or should be said, but I'm not sure about outside of our department.

Chairman THOMPSON. And that is what I would assume too. Well, I am really curious about given the fact that we are not really did not reveal anything or that there would be significant implications with the overturning of Chevron deference that, you know, I would be interested to know if anyone, other than your general counsel, whether it was instructed or consultation with the White House or OMB, Department of Justice, anyone else—

Secretary VILSACK. I can tell you that I haven't been.

Chairman THOMPSON. Got it. All right. Thank you.

Thank you for being here. Thank you, Chairman.

Mr. HARRIS. Thank you very much.

Ms. Brown is recognized.

Ms. BROWN. Thank you, Mr. Chairman.

Before I begin, I cannot let the debunked conspiracy theories about immigrants in Ohio go unaddressed. The Republican candidate for president's remarks about Haitian, meaning black, immigrants in Ohio, were barbaric, bombastic, and beneath the dignity of someone aspiring to hold the highest office in the land.

People are struggling. But these outrageous and racist lies are an insult to our Ohio communities, including the ones I represent here in Congress and our food pantries and our local programs and services that work tirelessly to combat hunger.

We are a nation of immigrants and trafficking in these baseless conspiracies is destructively divisive.

Mr. HARRIS. Excuse me, the lady—

Ms. BROWN. With that, I want to thank both the Agriculture Committee and excuse me?

Mr. HARRIS. Excuse me. The lady will be reminded to not ascribe things to people who are candidates for the president. It is not appropriate at this hearing, and I want to ask the lady to cease that. Otherwise I will have to have the words struck from the record.

Ms. BROWN. With that, I want to thank both the Agriculture Committee and Appropriations Committee for their leadership in convening this hearing.

Secretary Vilsack, Deputy Under Secretary Long and Administrator Summers, thank you all for being here to discuss how we can work together to ensure that delays and disruptions like this never happen again.

In Ohio's 11th Congressional District, we have thousands of low-income seniors who rely on the Commodity Supplemental Food Program to provide them with fresh, healthy food options that they are otherwise unable to afford or access.

The Greater Cleveland Food Bank, which distributes over 3,500 senior boxes per month, has not had a complete or on-time delivery for months since being newly serviced by Paris Brothers.

This is unacceptable. The seniors in my district struggling with hunger have no patience for excuses about a multimillion-dollar contract failing them. When the company shows up weeks late with incomplete orders their hunger doesn't wait.

Food banks in my district have been following the guidance of USDA in redirecting TEFAP product where possible to fill the gap. However, this is robbing Peter to pay Paul and at a time when TEFAP products is in decline and the Republican Farm Bill proposes significant cuts to the program, this solution is unsustainable.

So Secretary Vilsack, beyond the CCC funds that USDA has committed to replenishing redirected inventory, how would the USDA guarantee that TEFAP resources remain intact? And why is it crucial for Congress to fully fund TEFAP in support of this effort?

Secretary VILSACK. Congresswoman, we would love to be able to respond by essentially providing replacement foods for foods that are used by TEFAP. We'd actually have to have additional resources in the TEFAP budget to be able to do that.

We're using TEFAP for the very reasons that you've articulated in your question, which is that no seniors should go hungry and should go without. And that's one of the reasons why we are using that tool, as well as the tool of the CCC, providing resources that can then be provided in terms of cash that will allow seniors to basically purchase items until we get this circumstance in a much better place. We're improving, but we have a ways to go.

Ms. BROWN. Thank you. Secretary Vilsack, in your testimony, you say that the first time USDA was made aware of the delays was in May, 1 month after the new contract began, and was only elevated to your attention in July.

However, I've heard from folks in Ohio that delays with Paris Brothers are nothing new happening long before they were the sole servicer. So if you could share with us, was the USDA informed of service issues with Paris Brothers before awarding them with the singular contract role?

Secretary VILSACK. The reason why Paris Brothers got the contract was because they were the only successful bidder in a solicitation process that attracted eight bids. One was disqualified immediately. Seven were reviewed. The other six bids did not meet the technical or substantive requirements of the solicitation.

Ms. BROWN. And does USDA have a proactive communication plan in place to assure that providers on the ground do not face prolonged challenges before the agency intervenes?

Secretary VILSACK. What we are learning from this process of the need for better communication. But in the meantime, we are reaching out on a regular basis now to make sure that we are aware of problems that are cropping up in the system and that we are trying to respond and triage those very serious problems at the same time, providing additional options for folks to mitigate the consequences of that.

And then we've entered into a second contract with a contractor that is now staffing up or ramping up its capacity to begin making deliveries. And we've seen Paris Brothers significantly increase the number of trucks that are now going out of their warehouse.

So these are all positive directions, but there's still work to be done and it's going to take a bit more time to get us back to where we need to be.

Ms. BROWN. My time has expired, but I want to thank you, Mr. Secretary, for being here today and look forward to staying in good touch with your office on this issue as we move forward.

Thank you Mr. Chairman, for your indulgence.

Mr. HARRIS. Thank you.

Mr. Baird is recognized.

Mr. BAIRD. Thank you, Mr. Chairman, and appreciate our witnesses being here today.

My first question goes to, and I know you've answered several, Mr. Vilsack, but there probably exists a quality assurance surveillance plan that aligns with the Paris Brothers contract or statement of work.

Can you describe the responsibility of the Department in ensuring a contractor delivers on their commitments? What actions exist in instances where the contractor fails to meet those obligations?

And are there financial fines, or are there system and award management disqualifications? And I will just give you an opportunity to outline those issues in that kind of a contract.

Secretary VILSACK. The history of the Paris Brothers and their involvement in these two programs spawns, I believe, a number of years, maybe 17 years in total. And during that period of time, the performance level was met the standards at 97, 98 percent performance.

However, the contract does contain provisions that if, for whatever reason, deliveries are not made on time, deliveries are not accurate, deliveries are missing, there is the capacity of USDA to assess financial penalties against the payments and against the resources owed to the contractor.

We obviously are focused right now on understanding the nature of the challenge that we face, the steps that we're taking to try to mitigate the consequences to tribal members and to seniors, to try to mitigate those consequences, to put in place additional assistance and help to give Paris Brothers additional time to solve the problems that have cropped up as a result of them taking on this responsibility, in terms of warehousing, in terms of staffing, in terms of training, and beginning the process with a consultation that begins tomorrow and into the future, of trying to listen and learn about how we might, in the long term, make these programs even better than they were before this unfortunate and difficult situation that we've got to accept responsibility for.

Mr. BAIRD. Thank you.

Mr. Summers, can you add how the Agricultural Marketing Service might be of assistance in these kind of programs?

Mr. SUMMERS. So the Agricultural Marketing Service is the agency that's responsible for the contracting. So therefore, that relationship with Paris Brothers, when the problem started to arise, we started really daily contact with Paris Brothers to make sure we understood what was happening with processing of orders and deliveries.

When the situation didn't improve, we worked with them on putting together a mitigation plan. They actually ended up putting together two mitigation plans. So the contract and the request for proposals list certain deliverables that contractors are responsible for, and we measure their performance against those performance measures.

When they aren't meeting them we start, in this case, daily contact and take steps to try to bring the contractor into reaching those performance standards.

That's a fairly standard process under the FAR. As a result of the mitigation plans and the work that we did with Parrish Brothers, they did a number of things like moving to seven days a week operations, increasing staff, adding quality control experts on the day and night shifts.

A number of corrective actions went in place to move their performance forward. And I think late August and kind of where we are now, we're starting to see the number of shipments and the orders being filled, but that is the process that the agency pursues when there are issues.

Mr. BAIRD. Thank you. I got about 45 seconds. So Ms. Long, can you tell me how this food distribution situation impacts the food, nutrition, and consumer services?

Ms. LONG. Well, FNS is responsible for the operation of the FDPIR and the CSFP program. So we are the ones that interact with the tribes and the State agencies that operate CSFP.

We work this in close partnership with AMS, who is responsible for the contracting and the purchasing of food. We are responsible really for the interface with the program operators.

You know, you asked how this is impacting FNS programs. You know, I want to take the opportunity, on behalf of the teams that work with these programs in both agencies, I think on a day-to-day basis to reiterate the secretary's remarks that USDA takes responsibility for this.

We deeply regret the impact that this has had on the individuals and the communities that rely on us for healthy food, and we are absolutely committed to making this right.

Mr. BAIRD. Thank you.

My time is up and I will yield back.

Mr. HARRIS. Thank you very much.

Ms. Adams is recognized.

Ms. ADAMS. Thank you, Mr. Chairman, thank you very much. And thank you, Mr. Secretary, for your testimony.

I do appreciate your willingness to engage in the oversight process and your commitments to leave FDPIR and CSFP stronger than they were in the wake of what is clearly a crisis.

So can you speak to how the threat of government shutdowns and fights over funding in Congress put pressure on your department to make decisions about program implementation?

And did the past years repeated threats of a government shutdown? There were several. Did they adversely affect the solicitation for bids that you undertook to invite vendors to service FDPIR and CSFP?

Secretary VILSACK. When there's a government shutdown, there's obviously an interruption of resources available to the Department, which in turn impacts and affects contracts that the Department has, which in turn makes it harder for the contractor and the FDPIR and the CSFP program to be able to purchase on a timely basis the items that go into the various food programs that they're administering and implementing.

And that happened in 2013–14. The shutdown of 2013 created a rippling effect which impacted and affected deliveries in 2014.

The circumstance we're dealing with here today is not obviously direct to, related at all to congressional action or inaction. It is a result of a number of judgments and assumptions and decisions that were made that obviously were not the right judgments or decisions or assumptions.

And that's why we're here to acknowledge that and to point out that we're doing what we can to mitigate the impacts and effects of those decisions and to commit to longer term improvements to the system.

Ms. ADAMS. Well, thank you. And thank you for those acknowledgments. I think that is important. So can you speak to some of the concerns raised by members of the first panel about funding levels for these programs? And would greater funding allow for, for example, more staff involved in acquisitions work?

Secretary VILSACK. Well, I will say that when you look at the, at the amount of work that the Agricultural Marketing Service has done in the last several years, I will tell you that their staff has worked extraordinarily hard.

And I'm sure that Bruce would probably kick me under the table if I indicated that he has the right number of people working at AMS. You know, our budgets have always been tight.

You know, at the end of the day, we do what we can with what we get. I think more resources as we look at the longer term, as we look at adjustments and ways in which FDPIR relates to SNAP and the ways in which tribes can be more engaged in all of this, there are some financial consequences that are attached to those decisions.

And that's why I think it's important for us to do a 360 degree review and then come to Congress and basically say, this is what we've heard, this is how we think the program could be improved.

And I would, I would be surprised if there isn't an understanding that that would require additional commitments from Congress in terms of funding.

Ms. ADAMS. Thank you. So zooming out a bit, I understand that only the bid by Paris Brothers was judged as acceptable among the eight bids received, and that, at least on paper, the company did not take exception to any contractual requirements.

And so the decision to move forward with one firm seems that odds with both the requests of tribal nations for regionalization, but also the USDA's own work to increase competition, to reduce consolidation in the food and farm economy.

So were there any FAR compliant considerations to expand the solicitation to attract more bids, perhaps from smaller companies?

Secretary VILSACK. Well, I will say that I think the USDA and AMS in particular have a pretty good track record in terms of doing business with small business. About 60 percent of our procurement is done with small businesses and throughout the entire department I think we are one of the best departments in the government with reference to doing business with small business.

The problem with the bid situation was that if you were to provide some flexibility in having people sort of revise their bid or come in and say, if you change this about the solicitation, we might be, be willing to be part of this.

The problem is that you would then sort of taint the entire system. You'd have to go back to square one and you'd have to start the system all over again. And this process started in 2022.

It wasn't like it started late in 2023. And we made a decision in January 2024, advised the Paris Brothers in 2024. This basically started in the middle of 2022. So it was a rather elaborate process.

Ms. ADAMS. All right. Thank you so much.

Mr. Chairman, I yield back.

Mr. HARRIS. Thank you very much.

I recognize the ranking member of the Agriculture Subcommittee, Ms. Hayes. Oh, OK, we'll get to you subsequently.

I recognize the gentlelady from Maine, Ms. Pingree.

Ms. PINGREE. Thank you very much, Mr. Chair. And thank you, Mr. Secretary. Thank you to you and your team for the explanations you have given today, the work you are doing to try to mitigate this serious problem and for talking to us a little bit about the future going forward.

So I just want to focus a little bit on that. And I guess in particular, I mentioned earlier that I am the ranking member on the Interior and Environment Appropriations Subcommittee.

So we deal with the funding from the Bureau of Indian Affairs and are very familiar with the trust and treaty obligations. And we have talked a little bit about that today when Chair Seki was talking to us earlier, he reminded us several times that that is somewhat of the failure here.

And I think it is unique for the Agriculture Committee to have to deal with the added responsibility of the trust and treaty obligations.

We all are very concerned about the level of hunger in America and food distribution, but, in my opinion, this adds a level of additional concern here. And I just want to know how often or how you are able at the USDA to kind of add that lens to this issue?

I wasn't aware of the GAO study on tribal food security that I understand came out at the end of July. I should say maybe it crossed my desk, but I hadn't seen it yet. So I have had a chance to hear people discuss that today. And I am assuming that's something that as you're reviewing how to do this differently in the future, what concerns might be brought up that you'll be looking at?

And certainly one of the first things that it says is that food insecurity is far greater in American Indian and Alaska native households. So the scope of the problem, as we all know, is much greater. And I know there are some things that have been done.

I know you have put some emphasis on the food sovereignty initiative and that you have a high level of concern about making sure that appropriate foods are available, sufficient foods are available, that more opportunities for tribal agriculture are there.

But I guess going forward, I want to be able to have that dialogue about how you might respond to the concerns and the suggestions that were raised in that GAO report.

You know, looking at this overall, again, I don't expect you to know all the answers today, but, you know, having one warehouse seems kind of like a poor way of going about doing this.

And there has been suggestions about doing this more regionally. A couple of the other suggestions that came up very specifically today. And again, I understand you are going to want to look at some of these, but are using more opportunities to use things like the 638 pilot that is allowing for more self-determination.

I mean, if we were to allow tribes themselves to spend the money on FDPIR, would that be an option going into the future? How complicated would that be financially? And I also want to just get your initial opinion on the prohibition between participating in FDPIR and SNAP.

Interestingly, that concern was raised in our committee earlier this year from the Indian Health Service. And so it was something I was already looking at but wasn't aware of. But why do we have that prohibition?

And, you know, how significant do you think the cost would be? I know it wouldn't have solved every problem today, but certainly our tribal panel represented that.

I know I have used up a lot of the time, but I also don't expect you to have all the answers today. And I just want to say I feel like we have to have this lens on this.

Secretary VILSACK. Congresswoman, I'll try to respond as best I can to some of the comments you made.

First of all, oftentimes we deal with statutory restrictions and barriers, and that's certainly the question with reference to SNAP and FDPIR, in terms of the notion of not being able to utilize both programs.

So you'd have to remove the statutory barrier that exists. I really appreciate you bringing up the issue of trust, and I think we have to be really very careful about distinguishing between trust responsibilities and trust relationships.

Trust responsibility is more of a general, and you're right, a lot of us do not fully appreciate and understand the nature of nation to nation and dealing with tribal consultation and doing it in a meaningful way.

That is something that all of us have to learn. It's why I elevated the Office of Tribal Relations into the Secretary's Office, and why one of the first things we did was to take a look at that consultation system to make sure that we, we're doing a better job of it. We still need to obviously improve.

The relationship issue often starts with Congress, because if you want responsibilities, you have to basically specify them in statute. So for example, if you're talking about trust responsibilities relative to FDPIR, they are not specifically expressly stated in that part of the law.

So that is, to your point, of elevating the awareness of it so that you can make that judgment and decision about whether this is something that requires more specificity or whether it requires just a reliance on the overall general responsibility piece of this. So this is complicated.

And one of the things that we're trying to do at USDA is we're trying to get people with expertise in this area into our general counsel's office, for example.

We have a very small general counsel's office relative to the size of our operation. It's a budget, sorry, Mr. Chairman, it's a budget issue. But we're trying to figure out ways in which we can get that expertise so that we have somebody saying, wait a minute, you got to think about this specific aspect when it comes to tribes.

Ms. PINGREE. Great. I know I went over my time. Thank you, Mr. Chair, but I do think it is an area in the future where the Agriculture Appropriations Subcommittee and the Interior Environment Subcommittee might want to talk about some of these things together.

And thank you for the statute reference. I think some of these things we need to make sure are written into the law going into the future.

Mr. HARRIS. Yes. Thank the gentlelady.

And now recognize the gentleman from New York, Mr. Molinaro.

Mr. MOLINARO. Thank you, Mr. Chairman.

Thank you, Mr. Secretary.

I appreciated coming at the end of that. It is not often the Department suggests that we need more specificity in law in order to establish trust relationships. And we do rely on the agency itself and able staff to build those relationships.

But I appreciate that. I appreciate you being here today. As we all know, the Commodity Supplemental Food Program provides monthly food boxes to nearly one million low-income families or seniors, but it doesn't reach all seniors.

On top of the distribution failures of Paris Brothers and the USDA, admittedly, mobility and transportation challenges continue to make it difficult for many seniors throughout the country, in particular, in my district in upstate New York.

Seniors in rural areas have a much lower participation rate since they must travel greater distances to pick up their monthly food box. Because of this, I have introduced the Delivering for Rural Seniors Act, bipartisan bill in the farm bill passed by the House Agriculture Committee.

This bill authorizes a program that will further direct Federal funding to food banks to build out home delivery operations, or to contract with private partners to do the same.

The goal, of course, to meet seniors living in rural areas where they are, seniors with disabilities and those with limited mobility where they are, and ensure that they have access to nutritious meals.

In your testimony, you mentioned that USDA is considering ways to modernize CSFP distribution to make it more responsive with the needs of customers. I suggest that the bill that now is in the House Ag Committee adopted farm bill is a good place to start.

Certainly would, would welcome USDA support and frankly would like to see the Senate start moving more efficiently on a farm bill.

I do want to shift quickly so that I may take advantage of my time just to get some clarification on some of the concerning facts as related to the topic we are discussing today.

Could you explain the rationale for take for not taking information gleaned from the February 2024 tribal consultation into consideration when making the decision to consolidate storage and distribution services?

I heard you say it was sort of a staffing, perhaps you didn't have the right people in the right places to understand that need for that relationship. Can you explain, though, why there wasn't greater consideration of the consultation?

Secretary VILSACK. Well, I think it's a result of the extensive nature of the process that preceded the contract, the bid, and solicitation, and the confidence, I think, that we had and that Paris Brothers had in itself, of its ability to perform the contract that it agreed to do.

I think that's basically, at the end of the day, the reason, and I think it's fair to say that the lesson learned here is that we do have to listen more carefully, and we need to perhaps listen sooner rather than later.

And so I think that's, these are changes that can be made in subsequent relationships and contracts. And reviewing the totality of this program.

Mr. MOLINARO. You've been around for a while. I won't say a long time, respectfully. It just seems like—

Secretary VILSACK. I've been around in life for a long time.

Mr. MOLINARO. Fair enough. I hope to grow up to be a senior citizen someday soon. But I appreciate—it is surprising to me to hear you say that, right? Because it does seem to me that this is sort of an obvious kind of overlook, no?

Secretary VILSACK. It would be if there had not been any experience with Paris Brothers. But when you've had a 17-year experience with a contractor and they've been performing at a fairly high level during that 17-year period, there is a level of trust or assumption that if they say they're going to do the job, they're going to do the job, because for 17 years they've been doing the job.

Mr. MOLINARO. Fair enough. As a local county executive, I had led a lot of contracts. And I tend to feel, in fact, when an agency or a vendor is around for a while, it is in fact those situations that require us to pause and think, because they can become very comfortable in the relationship and there isn't always the kind of accountability necessary.

I do want to just mention, with my time running out, though, we are aware, and as you know, tribes offered to drive their own trucks to collect food. And for whatever reason, this offer was denied by USDA. What was the reason for not allowing at least that voluntary action?

Secretary VILSACK. We've got 110 different tribal organizations, and I think it was an issue of essentially trying to make sure that we knew what was going on in a variety of different areas.

And I think it was just a situation where it was going to be difficult for us to know when deliveries were being made independent of the—

Mr. MOLINARO. Is that better than no deliveries?

Secretary VILSACK. Well, I would say that we are making a concerted effort to address that by providing the resources for folks to be able to purchase food, providing TEFAP alternatives, providing the Department of Defense fresh in a number of States.

So there were strategies in place and that we were implementing designed to respond to the need. And we're seeing, gradually, an improvement of the circumstance and situation.

Fewer tribes with inventories that are not as full as they need to be, fewer tribes with late deliveries and things of that nature. Still have a ways to go, which is why we have the emergency contract in place to get that second contractor up to give Paris Brothers—

Mr. MOLINARO. My time has expired.

Mr. Chair, I just would say I would like to submit some additional questions just for consideration. And I would just close that, it does sound to me like there was a bit of paralysis when there could have been triage and partnering with tribes to take that. We don't have time right now, but I will further those questions.

Thank you, Mr. Chairman.

Mr. HARRIS. Yes. Gentleman be reminded we will have questions for the record that can be submitted.

And now I recognize the subcommittee chair, Ms. Hayes.

Mrs. HAYES. Thank you. And thank you to Secretary Vilsack for being here today.

And I actually would agree with my colleague, Mr. Molinaro, because I am not sure that gradual improvement instills confidence in these tribal communities that have been impacted.

I would also say that a program that has been in existence for 40 years that we know demands improvement and we have seen some failures right now in a farm bill year would be the time to do that before we, I mean, we have drafted language that has not been passed, has not been approved.

I think that now is the time to really do a deep dive and try to address some of the things that we have heard here today.

During the first panel, we had the opportunity to hear directly from members of those communities. My question to you, Mr. Secretary, was the USDA aware of the desire for a contingency plan when the FDPIR program moved from two contractors to one?

We have heard that after 2014, they experienced something similar and asked for a contingency plan, and nothing was put in place. And now we are experiencing the same thing.

I guess I want to know, if we are not addressing it in the farm bill and we are not putting together a contingency plan, how are we making sure that those communities feel that their concerns are heard?

Secretary VILSACK. I would just say the 2014 situation was different because it was a result of a government shutdown and an

interruption of funding, which made it difficult for the contractor to be able to purchase food on a timely basis.

So it is a completely different circumstance than what we have here. That is not to say that we shouldn't have additional plans. And that is part of what I think is incorporated in our review, our 360-degree review of these programs, to determine how we might be able to improve them over time.

Mrs. HAYES. So in your review, you have specific language to talk about how we improve delivery to these tribal communities so they don't experience what we have just seen?

Secretary VILSACK. The review starts with listening to the tribes and making sure that we fully understand and appreciate, again, 110 different tribal organizations. They are all at different levels in connection with this program. So I think we will hear a number of different opinions.

And so the challenge is obviously to create enough flexibility to meet the needs of all 110 as they need, as opposed to having a one size fits all.

Mrs. HAYES. I understand that, and I am a part of the government. I understand the levels and the different processes that we go through.

But when you have tribal communities that found out in April that they were not getting food deliveries for our message to be, to hungry people, to be that we are in a process of review and like, what do we do in the immediacy?

One of the witnesses asked about if USDA had a process for emergency supplemental benefits to communities when programs like this fail. Is an emergency disaster declaration or something like SNAP, the only thing in our disposal?

Secretary VILSACK. That's why we use the power of the Commodity Credit Corporation to provide resources to enable tribal members, if their tribe so chose to participate in this, to be able to purchase food on their own. That's why we also provided seniors at the same level \$11 million from CCC for the tribes, \$36 million for CSP. That is why we did the Department of Defense Fresh Program. It is why we utilized TEFAP. It is why we are encouraging tribes with local food purchasing agreement to use the resources there as well. So these are short-term steps.

In the mid-term, we have got the second contractor staffing up to be able to respond to get ultimately the inventories back to where they need to be. And then there is the 360 review to take a look at the longer term, how do we make this better permanently, if you will.

Mrs. HAYES. Thank you. That is encouraging. That is actually a much better answer. So there are programs in place that can be taken advantage of in an emergency situation.

My last question. Does the Federal contracting policy allow for Paris Brothers to be held accountable for failing to meet the requirements of this program? Because the other thing we have heard from tribes is that they have had to bear the expenses from this.

Secretary VILSACK. Paris Brothers has made a number of business decisions to increase staff, to increase warehousing capacity,

to increase shifts, to increase the number of days that it worked. And so obviously, all of that has an economic consequence.

There are also provisions in the contract that enable the USDA to assess financial penalties in the face of nonperformance.

Mrs. HAYES. Thank you. And I hope as part of your review, we have heard that there is an appetite for regional distribution. So with that, there are more than one contractor, I hope you would at least explore that as an option so that this does not happen again.

Thank you. I yield back.

Mr. HARRIS. I thank the gentlelady. The gentleman from Washington, Mr. Newhouse.

Mr. NEWHOUSE. Thank you, Mr. Chairman.

Mr. Secretary, welcome. Thank you for being here and answering questions about this issue. It is very important.

I just had a couple quick questions, and maybe you covered it. And I apologize for my inability to be here the whole time. But witnesses in the first panel, and maybe you were listening, noted that there were several instances of food that was not only late being delivered, but also past the best-by dates on the label. And I believe one mentioned that something that was several months old with a 2023 expiration date. The solicitation awarded to Paris Brothers included a requirement that contractors must be able to track dates product is received into the contractor's warehouse and the best-if-used-by dates on all external containers and report to the USDA electronically.

Can you tell me who is accountable for food past date being delivered to these communities? And is the information reported to USDA monitored by program managers?

Secretary VILSACK. If I may, I am going to ask Mr. Summers to respond to that question, because he can go into detail concerning the inventory checking that goes—of product that comes into the warehouse and what leaves the warehouse.

Mr. SUMMERS. Yes, thank you for that question. So the vendor, the contractor, is responsible for ensuring the food that is shipped is within the expiration dates that the food is in good condition. That is part of the contract.

We have heard reports, very concerning reports, that food was being shipped that was out of expiration, and some other instances. As a result, we worked with the vendor to put in corrective actions. They increased the number of quality control employees that they have on board, including adding quality control specialists to the night shifts.

We have also worked with them to ensure that product in the warehouse that has expired codes is either tagged on the boxes with big yellow stickers so that the folks that are picking loads to be product to be loaded on the trucks will not pick that expired product. We are also asking that entire pallets be blocked off if it is expired code.

So again, taking steps to implement procedures within the warehouse to ensure, because it should not happen, that product that is out of code or—

Mr. NEWHOUSE. OK, thank you. Good to hear there is a process in place.

This last summer, July 13, a USDA representative speaking on background told Tribal Business News that the consolidation was due to expiring contracts and that Paris Brothers won the bid based on decisions from the technical evaluation teams. And shifting to a single provider was not the intention but a result of how the proposals were evaluated.

Now it is my understanding that eight proposals were received in response to the request for proposals. Are the vendors still contractually required to uphold a 98 percent on-time delivery rate? And did Americold submit one of these proposals?

Secretary VILSACK. I am going to take a stab at a part of that question and then Bruce can supplement.

There were eight solicitations. One was immediately eliminated because it did not meet basic criteria. The other seven were evaluated by the technical team and six of the seven basically had significant defects and flaws in their evaluation, and in some cases asked for an amendment or change to the solicitation, which we could not, under the Federal procurement rules, allow without going back and starting the whole process over again. And that left basically Paris Brothers as the sole successful bidder.

Paris Brothers represented to us and to everyone that they believed they could fulfill the contract in its entirety at the performance level that was required. And as a result of that, they were awarded the contract. And then we went through, we transitioned from awarding the contract to beginning the planning for transition.

Mr. SUMMERS. I am not sure, maybe I think you might have answered the question completely. Is there a follow-up or any additional detail?

Mr. NEWHOUSE. So Americold was not one of the—

Secretary VILSACK. It was one of the bidders. But their bid was deficient.

Mr. NEWHOUSE. I see.

Secretary VILSACK. Their solicitation was deficient from a technical perspective. I am not sure whether they were the one that also added, if we could change criteria in the solicitation, then this is what we would do. Well, you cannot change the criteria in the solicitation. Otherwise, you have to do the whole thing over again.

Mr. NEWHOUSE. Well, again, I appreciate you being here to answer questions. And hopefully, through this conversation, I know you have had lots, we can prevent this from ever happening again.

Secretary VILSACK. That is the goal.

Mr. NEWHOUSE. Thank you. Thank you, Mr. Chairman.

Mr. HARRIS. Thank you very much. The gentlelady from Illinois, Ms. Underwood, is recognized.

Ms. UNDERWOOD. Thank you, Mr. Chairman. Thank you. I appreciate the opportunity to discuss deeply concerning food shortages that are impacting some of our most vulnerable populations, tribal communities and seniors. As a member of the Appropriations Committee, I am proud of the work Democrats have done to put people over politics and the wins we secured in the fiscal year 2024 funding legislation that will keep families fed and healthy.

The Commodity Supplemental Food Program or CSFP is intended to improve the health of low-income seniors across the coun-

try, including in my State, Illinois, by supplementing their diets with nutritious and affordable foods. For our seniors, participating in this program is about more than food, it is about health and dignity. However, as we have learned today, there are significant problems with food deliveries and the overall administration of the program.

USDA's recent acknowledgement of mistakes made here is an important step, and I am glad to see the agency taking action to correct these issues and restore trust in these vital programs. These shortages are not just numbers on a spreadsheet; they represent real families, real seniors and communities struggling to put food on the table.

A recent Federal Trade Commission report on USDA contracts made it clear. High levels of market concentration where one company dominates creates a greater risk of disruption when problems arise.

Hi, Secretary Vilsack. Thank you so much for being here. And given the findings in the report and the shortages that occurred, how does USDA evaluate and weigh the risk associated with awarding contracts to a single distributor, especially considering the potential for supply chain disruptions, service delays, and the impact on vulnerable communities?

Secretary VILSACK. Congresswoman, I think it starts with the fact that this was a contractor that had done business with USDA for 17 years successfully. And I think there was an assumption based on that past performance that they would be able to meet the responsibilities of the new contract.

As has been explained, we basically put a solicitation process in place that spawned over a year and a half of activity to solicit input in terms of how it should be structured and who could successfully bid. There were eight solicitations. Seven were reviewed. One ended up meeting all the requirements.

I think part of the challenge and one of the lessons that we have learned is that when you have a significant change in the nature of how the contract is going to be performed, in this case going from two contractors to a single contractor, that perhaps it would have been appropriate for senior staff at AMS and at the Secretary's office to review that to determine whether or not there was a complete satisfaction that we knew what we were getting into before we got into it. That did not happen.

And then secondly, when we did enter into the contract and performance began in April, and we began to see problems in April, May time frame, it was at that point in time that more aggressive action should have been taken. It was not taken. That is on us. And that is why we have taken the steps we have taken to try to mitigate the consequences of that. It is going to take us a while because once a supply chain gets disrupted, it is very difficult. And I can assure you we do appreciate and understand the stress that we have created, and we are deeply, deeply sorry for it.

Ms. UNDERWOOD. Yes, sir. Thanks for explaining that process. I think it may be worthwhile for USDA to evaluate the requirements to promote a more competitive process as we move forward, while still maintaining the high quality and program integrity. And I

hope that you will follow up with my office on any plans or proposals to do just that.

Now, your department has announced short-term options to help communities access the food that they need, including allowing State and tribal governments to use local food purchase assistance program funds to meet the immediate needs while USDA works to resolve the delays with the food distribution program on Indian reservations and the Commodity Supplemental Food Program.

The farmers and the food banks that I represent have been really excited about the local food assistance program. It is supporting things in my district like the DeKalb County Community Gardens. I am glad that we have these funds available as a stopgap. But I am concerned about how it impacts the projects that it was originally designed to support. Can you tell us more about that?

Secretary VILSACK. Well, the concept of the local food purchasing agreement was primarily—there were two primary purposes. One, to expand the access to nutritious, fresh offerings in our food programs, our food banks, our schools, et cetera. The second was to create market opportunities for small and mid-sized family farming operations that oftentimes do not benefit as much financially from the overall commodity system that we have in play today in America. And for that reason, we have seen a dramatic reduction in the number of those small and mid-size family farming operations over the last 40 years, 544,970, to be exact, since 1981.

Ms. UNDERWOOD. Oh, yes, sir. I just mean for the folks that were already slated to receive funds, now that this program is being used sort of on an emergency supplemental basis, do we have an assurance that those existing programs will still be able to receive appropriately?

Secretary VILSACK. We are exploring ways in which we might be able to provide additional resources. We have not yet quite closed the loop on it. But we are hopeful that we can in the very near future.

Ms. UNDERWOOD. OK, well, we look forward to getting that information and passing it along to the folks in our community.

Thank you, Mr. Chairman. I yield back.

Mr. HARRIS. Thank you very much. The gentleman from Virginia, Mr. Cline.

Mr. CLINE. Thank you, Mr. Chairman. Mr. Secretary, thank you for being here.

Can you quantify the additional cost to the taxpayer for the department's mistake?

Secretary VILSACK. I can give you some numbers. There are \$11 million of Commodity Credit Corporation resources being used to provide cash to tribes that have decided to take advantage of that program. Up to today, it is roughly \$7 million of the \$11 million has been spoken for, if you will.

We have set aside up to \$36 million of the CCC for the Community Senior Food Program. I believe roughly \$27 million of that has been spoken for.

The DoD Fresh expansion, to date, is a couple hundred thousand dollars, but it could be significantly more than that, since there are, I think, six or seven States that are actively—and tribes in those States that are actively utilizing that tool.

Mr. CLINE. OK, you are getting into my next question, which was related to DoD and FEMA as well. The department has requested the assistance of FEMA and DoD to mitigate the disaster. We understand that representatives from DoD will take over once temporary FEMA officers leave their positions. What is the current role of FEMA and will DoD replicate the same assistance? And do you have estimates of these costs?

Secretary VILSACK. We have been trying to help Paris Brothers with their logistics. And FEMA has expertise in the logistics. It is a temporary commitment on the part of FEMA. It is time limited. And when that time is up, the Department of Defense, who also have logistics experts, will supplement our efforts.

We have also identified roughly 27 individuals from USDA that have been assigned to create a case management system so we can sort of keep an eye on some of the really difficult challenges that we face, where some of the tribes have faced serious disruption. That is the process designed to help complement Paris Brothers for a period of time, a limited period of time, with logistics.

Mr. CLINE. And you were saying that the DoD costs—I interrupted you, I apologize, when you were saying how much that cost was.

Secretary VILSACK. That is for the DoD Fresh program.

Mr. CLINE. OK.

Secretary VILSACK. We have allocated up to \$15 million for that program. But as of today, roughly \$200,000 has been spoken for.

Mr. CLINE. Of the \$15 million?

Secretary VILSACK. Yes.

Mr. CLINE. OK.

Secretary VILSACK. The last piece of this, I think, that bears discussion is the contract with Americold. That is the emergency contract that we have entered into. And you are going to have to help me here with the numbers on that. But that is a contract we have entered into to be able to eventually get back to a point where the inventories that are on hand in the tribes and in the CSFP program are at levels acceptable to reduce the stress and eliminate the stress, one and a half months, and then ultimately three months.

Mr. SUMMERS. My recollection, that is up to \$35 million. It is a service-based contract. So the payments that actually go out are based on the services that are provided. So we do not have a definitive amount, we have a cannot exceed. But right now, that is up to \$35 million.

Mr. CLINE. Your testimony, Mr. Secretary, claims to prioritize outreach to tribal leaders. And I agree that outreach and engagement is a priority, particularly in times of distress. But can you articulate why you did not heed tribal leaders' warnings about shifting to one contractor and one warehouse? And would it not make it apparent that you are, in fact, not prioritizing outreach and engagement to these communities?

Secretary VILSACK. Well, I think there was—there was, during the course of the many years of this program, there has been conversations about ways in which some tribes feel the program could be improved. I think there has been an effort on our part to listen. But I do not think we have listened quite as carefully as we need to. And I think that is one of the reasons why we have started the

consultation process which begins tomorrow. There is also a consultation that is scheduled in October. I think that will allow us the beginning of a more in-depth conversation for a longer term review of exactly how this program could be improved. And it will be interesting to see what recommendations and suggestions are forthcoming.

Mr. CLINE. Well, it is a costly mistake, as you have articulated, the costs to the taxpayers and to the people, The impact on the people who it was meant to serve is significant. So we look forward to continuing to follow up with you over the course of—at least in the Appropriations Committee—how we are going to recoup those costs and how are going to make sure that this program is actually run in an efficient manner for the people. So thank you. I yield back.

Mr. HARRIS. Thank you very much. I yield to myself for questions.

Mr. Secretary, thanks for being here. As I suggested earlier, I also want to thank you for your response to our letter of August 26. But I would remiss to say that I was a little disappointed that it was time-stamped by email at 5:45 p.m. yesterday. It was sent over 2 weeks ago. And for it to arrive at 5:45 the day before a 10 a.m. hearing, a little bit tardy. And the chairman of Agriculture Committee kind of suggested that he also got a response yesterday, late yesterday, to another letter. So we are still looking it over, because it was a pretty in-depth letter. But I would appreciate if we got a little more than a 3-business-hour notice on a response letter.

All right, so when you look back at what happened, it appears that, since we had Americold and we had Paris Brothers, and they were both doing a good job, somebody must have changed the contract specifications a little bit. Am I right, Mr. Summers?

Secretary VILSACK. I am sorry—

Mr. HARRIS. I have only got a limited time, and I know you are going to have to defer this to AMS—

Secretary VILSACK. No, no, no, I am going to answer the question. I think the major difference was on cybersecurity. There was a provision relating to more cybersecurity.

Mr. HARRIS. OK, so let me dissect that a little bit. So I assume that Americold had some cybersecurity and that your experts decided that it was not quite enough cybersecurity. Because every company has cybersecurity. Is that a correct assumption?

Secretary VILSACK. Not necessarily.

Mr. HARRIS. Well, was it or was—

Secretary VILSACK. Americold basically tried to change the bid.

Mr. HARRIS. Bear with me.

Secretary VILSACK. That is one—

Mr. HARRIS. Was it rejected because of cybersecurity at Americold?

Secretary VILSACK. No. It was rejected because Americold asked to change the nature of the contract.

Mr. HARRIS. But that must be because somebody had suggested that as a portion of the contract, that as a requirement of the contract that had to be fulfilled and was not adequately fulfilled at Americold. Because every company has cybersecurity.

Secretary VILSACK. Sir, you asked about the contract. The general contract, whether it changed, and it is cybersecurity. But Americold, basically, in the basic contract, tried to provide additional provisions not related necessarily to cyber. Correct?

Mr. SUMMERS. That is correct, sir.

Secretary VILSACK. That were related to some other aspect of the program, as it had been performed for the previous number of years. That was the problem.

Mr. HARRIS. So that part of the requirement of the program was not changed, and Americold bid on the contract contingent on that changing?

Secretary VILSACK. Go ahead, Bruce.

Mr. SUMMERS. Yes, so the only change to the request for proposals from 2018 to 2024 was an addition of requirement to have a cybersecurity plan that talked about what you do if you had a cybersecurity attack or how you would avoid one.

Mr. HARRIS. OK, so again, we have limited time. So it was cyber. That was the reason the technical panel said, we had to go from two to one, is because we reject Americold because of cyber.

Mr. SUMMERS. No. Your first question was what changed. The only thing that changed was the cyber requirement. That was not a factor in determining whether or not Americold ended up with the contract.

Mr. HARRIS. Oh, it was not? So Americold's cyber requirement was adequate?

Mr. SUMMERS. As far as I can recall, yes. But, no, that was not the—there was a different issue.

Mr. HARRIS. And what was that issue? Why did we reject Americold and yet now Americold is doing the job as an emergency contract. So why did we reject Americold?

Mr. SUMMERS. Because the proposal that they put forward, we could not award because it changed certain contract requirements that did not align with the request for proposals that went out. So everybody else proposed—submitted proposals based on the solicitation. Theirs came in with a change that was not reflected in the solicitation.

Mr. HARRIS. Gotcha. I understand. Then that is their problem, because they should not have changed it. I mean, if they wanted the contract, they should not have changed it.

But by the way, the cybersecurity, do we have a congressional mandate that you have to add cybersecurity things into contracting now. We should. I mean, do we?

Mr. SUMMERS. I would have to check.

Secretary VILSACK. I do not know that we necessarily have. But I think we were sensitive to it because of the disruption of when JBS was hacked.

Mr. HARRIS. Sure. I get it. We should. And if we do not, honestly, we should. And following up on the Chevron deference issue, Congress should basically say, look, when you go to contract, you ought to have some cybersecurity in it.

OK, now, I would assume that if there were 20 percent of Walmart stores that had an empty shelf, that someone at logistics at Walmart would be fired. Who was fired for letting this happen at the USDA? Anybody? Anybody fired? Anybody demoted? Any-

body transferred to another job? Because in the private sector, when you have a disaster this large, and this is large, this is a lot of stuff, we will get into the amount of dollars, was anybody fired?

Secretary VILSACK. I do not believe so.

Mr. HARRIS. No. OK. So this here, another example how the administration tolerates something that is egregious and does not fire anybody.

Now, I hope you hold the contractor liable. So how big was this annual contract with Paris?

Secretary VILSACK. It is roughly \$35 million. So \$177 million over 5 years.

Mr. HARRIS. Wait, wait, wait. But you said it is \$35 million going to Americold to supplement a contract that was \$35 million?

Secretary VILSACK. Well, it is in part because it is a 6-month contract. I mean, they are going to have to ramp up and then ramp down.

Mr. HARRIS. Whoa, whoa, whoa, whoa. Let me get this straight.

This is a program that is supposed to cost \$35 million for the entire year, and we issued a \$35 million 6-month emergency contract on this?

Secretary VILSACK. Well, actually, I think our estimate was that we expected bids in the neighborhood of \$230 million to \$240 million. We ended up with a bid of \$177 million.

Mr. HARRIS. Let me get the numbers. It is \$35 million a year, and we are spending \$35 million for a 6-month contract with a rejected contractor. Are my numbers right? I think that is what I heard, the testimony?

Secretary VILSACK. Well, it is also a contractor that for a number of years performed at a 98 percent level. They just did not want to perform at—

Mr. HARRIS. You are talking about Americold, right?

Secretary VILSACK. Well, both Americold and—

Mr. HARRIS. Ah, OK. So we are going to end up at the end of one year spending at least twice as much. So now my question is, is Paris Brothers going to be liable for any of that \$35 million that we have to spend to Americold? Because remember, Paris Brothers promised they were going to deliver on this contract. They took the contract, they promised they were going to deliver on it, they did not. So they were not qualified either. Americold was not qualified because of a circumstance of their bid. Paris Brothers is not qualified because they could not deliver. And I follow up on the gentleman from Virginia's question. Is the American taxpayer going to be held holding the bag for Paris Brothers? And that is a rhetorical question, because I think you answered it, that you can assess liability.

How much of Paris Brothers' book of business is this program? I am sure when you evaluate a contractor, you know what their entire revenue is. This is \$35 million a year. What is Paris Brothers' entire revenue? Please tell me that you evaluate the revenue base of a company that is bidding on a \$35 million contract.

Mr. SUMMERS. I do not know today what that number is.

Mr. HARRIS. Ballpark?

Mr. SUMMERS. I do not have that ballpark number.

Mr. HARRIS. You are going to have to get back to me on that.

Mr. SUMMERS. Right.

Mr. HARRIS. I suspect that there is no way they could deliver on this contract because it probably was, again, as was suggested—I think one of my colleagues on this side of the aisle suggested it—they bit off a whole lot more than they could chew on this, and we watched them bite it off.

I have to tell you, this is—all I can tell you, Mr. Secretary, is that if somebody's head does not roll over this, the American taxpayer should be furious. This is tens of millions of dollars. And I am not even talking about what we did to our tribal nations, delivering outdated food, missing shipments, things like this. But the American taxpayer should be furious. This program is going to cost us at least twice as much as—and that is only for—we are not talking about the other things, the other little pockets of money that you are shuffling in here.

So again, I would suggest that we hold Paris Brothers liable. You know, the benefit of a government contract is you make money. The downside is if you do not deliver, you have to be held liable. And I fully expect that when we meet again to discuss this, which may be, you know, in a budget hearing, that we have data on what fines are going to be assessed, what the final cost was, and how we are going to solve this.

Because I will tell you, I have no confidence that Paris Brothers, no matter how much you hold their hand, is going to be able to become a 98 percent delivery system in the next few months. I have no confidence in that whatsoever.

I would like to hear your perspective as we close out.

Secretary VILSACK. I need to correct the record. The Americold contract is \$25 million for 6 months, not \$35 million.

Mr. HARRIS. OK.

Secretary VILSACK. You know, I think we have seen Paris Brothers make significant improvements in terms of the number of delivery trucks leaving their warehouse. We are now at a point where they met or exceeded the contract number of truck deliveries on a weekly basis. So I think they have the capacity. I think they are reflecting that capacity. I think it took them, obviously, a lot longer than they anticipated.

Mr. HARRIS. I thank you for watching that. I will tell you, I do not know if you were here for the testimony of the first panel, the testimony was they missed two shipments to the Chickasaw Nation in September. This is September. That is within the last 10 days, missed two shipments. They are not delivering on that contract, they still are not. And no reasonable person would expect they could. You cannot ramp up a business like that in 3 months. It is not possible.

That is why the whole—I do not know. There is some suspicion here that things were being steered that way. Maybe they were not. Maybe this was just incompetence, I do not know, at some level.

But, Mr. Secretary, I would be furious if I were not told for 3 months that something like this was brewing, and you suggested that you were, you felt that you should have been told earlier. Right. But let me tell you something. Whoever did not tell you earlier and let this fester should not be holding a job at the USDA.

That was extremely poor judgment and what it resulted in is an abridgment of our tribal nation obligation.

Paris Brothers, anybody can Google, by the way. Paris Brothers, they deliver to other systems. This is not their only contract. They chose not to deliver to tribal nations, probably to keep their other commercial contracts whole. That is why I wanted to know what their book of business was, because I suspect that they shorted the tribal nations while keeping other commercial contracts whole, and we should never tolerate that, because we do have penalties within our contract.

And I kept you way too long.

Oh, my gosh, and Mr. Miller. Oh, Mr. Miller. Thank you very much. So I will recognize Mr. Miller before, hopefully—and again, look, if another member shows up while Mr. Miller hears, we will hear from them. But, Mr. Miller, you are recognized.

Mr. MILLER. Thank you, Chairman. Mr. Secretary, it is good to see you again. I do not know if you remember the first time you and I met. I was sitting in that seat, and I was always the last one to go, and you looked at me and you said, you have been very patient. Well, thank you for your patience today, sir.

Thank you for holding this important joint hearing. And, Mr. Secretary, we look forward to working with you as we seek to address food insecurity, which has been brought up numerous times, and ultimate build better opportunities for those in need.

I recognize the vital efforts of Ohio food banks and our local communities, and the stress now being experienced due to persistent food inflation challenges that we see. Within this setting, it is troubling to hear the most vulnerable in my region may be experiencing bureaucratic Federal program delays and cancellations of vital goods.

Recently, I was privileged to witness firsthand the valuable efforts of food banks in my congressional district. The Ohio Association of Food Banks, including the Greater Cleveland Food Bank feeding Medina County and others, partner with 3,600 hunger relief organizations across my State to meet the needs of the underserved. However, I am deeply concerned to learn that many of these local services have been significantly impacted by the USDA Commodity Supplemental Food Program, CSFP, distribution delays, cancellation, and shortages impacting critical food security efforts.

For instance, the Cleveland Food Bank normally provides 3,523 senior boxes per month. However, CSFP products for the needy seniors scheduled for delivery on August 18 unfortunately still has not been delivered. And earlier kits were short critical food components. It is reported that these recent delays and shortfalls have cost just this local food bank in our district \$277,000, just bearing this economy for anybody.

If delays and cancellations continue, I understand these food banks will be limited in their capacity to meet local food security needs to those who are the most vulnerable. And, Mr. Secretary, can you just please share how options such as the most recent announcements from the USDA to address these shortfalls to the emergency food assistance program known as TEFAP can operate

effectively to get food in the hands of those in need without compromising TEFAP's ability to fill its already challenged capacity?

Secretary VILSACK. Well, that is just one of a number of steps that we have provided to try to provide assistance. The other step is to utilize resources that are available to the agencies that are operating CFSP program to provide cash to seniors so that they can essentially buy groceries themselves to supplement what they did not get or to supplement what they have gotten from the food program.

We obviously would be happy to work with you as you consider funding for TEFAP, happy to work with you to make sure that we have adequate resources in TEFAP. We know it is an important, incredibly important program. And our hope is that we get this straightened out. And we also have the local food purchasing agreement opportunities in Ohio. We are operating through your secretary of agriculture, commissioner of agriculture. So I think there are a number of ways in which we can mitigate the consequences until we finally get to a point where we get back to a normal order.

Mr. MILLER. It is my hope that at some point, not that it would be federally sponsored, but if we cost a business or an entity \$277,000 in this type of economy, and a lot of it can be done, you know, whether it is going to be from donors or whomever, or the government and its community, it is a hit that just is not sustainable for all these local food banks to take and sustain. My concern is it is happening not just in my district but across this entire country, regardless of political affiliation. And that is just my ultimate concern for our seniors and for every one in seven children who are going hungry every day that we need to help.

I also would like to flag a recent letter by the Ohio Association of Food Banks and Ohio farm organizations to USDA seeking a continuation of the local food purchase assistance programs and in support of TEFAP. And I look forward to working with you on that effort.

As just a final note, Mr. Secretary, I wanted to mention, as a nation, we must identify policies aimed at helping low income families achieve the type of opportunity that every American deserves. And I believe that you and I probably both agree on that wholeheartedly. This includes bipartisan farm bill measures adopted by this committee to ensure those in need can maintain access to critical nutrition programs and pathways to long-term economic security.

I just wanted to say, I am sure you have gotten a little roughed up here today. I know it has been a long day. But I have enjoyed working with you and your team. And so any of these issues that I have within my district, if you can I can continue to work on, so we can deliver for the people of the Seventh in Ohio, I would be honored to do that. Thank you for your time.

Secretary VILSACK. Thank you.

Mr. HARRIS. Thank you very much. I just want to recognize Mr. Bishop for closing comments.

Mr. BISHOP. Thank you very much, Mr. Chairman. And I want to again thank each of our witnesses for coming to speak with us today. We are grateful for our tribal leaders and the important work they are doing to keep the spotlight on this issue. We also ap-

preciate hearing from you, Secretary Vilsack, and the department about the progress that is being made to remedy the situation. We understand there is still much work to be done.

I hope that the dialogue between the tribal leaders and the USDA at tomorrow's consultation will be productive. And I encourage my colleagues on both sides of the aisle to remain engaged on this issue. Congress must be prepared to support the tribes and the department in resolving this shortage and ensuring that our domestic food programs can be resilient so that we do not suffer this kind of inventory crisis again.

So I thank you, Mr. Chairman, and I yield back.

Mr. HARRIS. Thank you. I want to recognize the ranking member of the Agriculture Committee.

Mr. DAVID SCOTT OF GEORGIA. Thank you very much. First of all, Mr. Secretary, I just want to say so much, so many of us our depending upon you to provide the sterling leadership that you have demonstrated in so many challenges. You and I worked together to develop my food assistance program for our veterans. We have so many groups out here who need food. Hunger is a big problem in our country.

I want to ask you before we close, what in your mind is to be the future of the Brothers operation?

Secretary VILSACK. I think right now, the immediate future is to mitigate the consequences of the problems that arose in May and June that were not addressed as actively and as aggressively as they should. Mid-term, it is ultimately to get the programs back where tribes have a month and a half of inventory, tribes eventually have three months of inventory. And the CSFP basically are in the same circumstances.

Longer term, I cannot answer your question today, because I do not know everything I need to know, and I need to listen more carefully about what tribes and others want to say about how to improve the program. And that may or may not involve contractors that have been engaged and involved in this.

But short term focuses on mitigating the consequences. Mid-term, getting this program at least back to where it was. And then long term, trying to figure out ways in which it can be better.

Mr. DAVID SCOTT OF GEORGIA. Well, it is my hope that if you have those Brothers involved, I would hope we would have them come before the committee to answer to what has gone on. They have a good track record, they have done some good things, but we cannot let them come back without answering to this with your blessing, so that we will have the full confidence of the American people in this example. This is a great example for us in Congress to be able to show the American people that when something goes wrong as desperately as dealing with our food supply system, how we move to effectively fix it. And if it is the Phillips Brothers—have I got their name right?—I think we are to at least hear from them, I would hope. And I just submit that to you, Mr. Chairman. I do not think we should let that lie until we have full confidence, face to face, that we are bringing them back and we have that.

This is a great opportunity, as I see it, to send a powerful message to the American people. Nobody is going to go hungry in this Nation. And we are here to make sure that happens.

And I want to personally thank you. This has been an unusual hearing. It has been the first of my kind. I have been here 22 years, and we have never had such a pulling together of Appropriations. And I want to thank you, Mr. Bishop. As the chairman of our subcommittee, you are doing a great job. I appreciate it.

I just want us to know, we have a great opportunity to do a great blessing that God has given us to do with this particular challenge. Thank you.

Mr. HARRIS. I want to thank the ranking member for his comments. I could not agree more. You know, this is a 5-year contract, which has fallen apart in the first few months. And we should need assurance that, if it is going other be a five-year contract, that it can be deliverable to the extent of quality that it had in the past.

And I am not convinced at this point. I think you are right, I think we would have to have people come and explain to us exactly how that turnaround is going to occur.

Anyway, I want to thank all of today's witnesses for joining us to discuss the severe food shortages impacting tribal and elderly communities, the fact that USDA could probably have prevented this entire situation and has let this crisis drag out for months with no long-term solution at this point. We will continue to closely monitor this situation.

If Members, not many left, would like to submit questions for the record, please submit those to the subcommittee staff within 7 days.

Thank you all for attending today. The hearing is adjourned.

[Answers to submitted questions follow:]

QUESTIONS SUBMITTED BY CHAIRMAN ANDY HARRIS, M.D.

FDPIR AND CSFP

TO SECRETARY VILSACK

1. Mr. Secretary, I understand you only became aware of USDA's contracting failure in early August. Who brought this matter to your attention and when? Did you have to hear about it from Tribes, advocacy organizations, or through the media, like Congress did? Because as the Committees with oversight responsibilities of USDA, we were not informed of this brewing problem by USDA.

My staff brought this to my attention in late July.

2. You said in the August 28 Politico article that senior staff should have been involved earlier in the decision and the response and that senior staff should have reviewed the switch from two contractors to one. Is "senior staff" a reference to Ms. Long and Mr. Summers? If not them, who are you referring to that qualify as "senior staff" and should have been involved to prevent this debacle?

USDA is currently evaluating what level of staff seniority should be appropriate to review certain contracts.

TO MS. LONG AND MR. SUMMERS

Ms. Long, prior to becoming Deputy Under Secretary of FNS, you were the FNS Administrator. The Administrator functions like a CEO, so as you and Mr. Summers are the equivalent of being CEOs of FNS and AMS, respectively, your primary responsibilities are to ensure programs are carried out according to the law. In this case, to make sure food was being delivered to Tribes and State Agencies. USDA's written testimony states that USDA heard of delays in May.

3. When did you both learn of food distribution shortages?

USDA first heard reports of delayed deliveries from Tribes and CSFP agencies in May 2024. In response, USDA staff began working with Paris Brothers on a corrective action plan to get deliveries back on track—including consolidating commodities, segmenting warehouses, and updating bin locations. Considering Paris Brothers' history of successful performance and 98–99 percent on-time food delivery rate, staff expected the company would be able to course correct and resume on-time deliveries per the corrective action plan. FNCS Deputy Under Secretary Cindy Long and AMS Administrator Bruce Summers learned of Paris Brothers' challenges delivering shipments to FDPIR and CSFP program operators in June 2024. That month, USDA conducted an on-site audit of the Paris Brothers' Kansas City warehouse. In July 2024, it became clear that the situation would not be remedied without immediate interventions and additional support from USDA.

Since then, USDA's first order of business has been to use every tool we have available to get food to where it is needed as soon as possible. We have taken an all-hands approach to resolve the contractor delays and resume regular, on-time deliveries to all communities that depend on FDPIR and CSFP.

4. Did any member of your staff brief you on this contract before it was decided that there would be only one contractor, Paris Brothers, servicing both FDPIR and CSFP?

No. In hindsight, this is a place where USDA senior staff should have been made aware and been able to engage to understand the full impact and potential risks of this shift. USDA is undertaking a review of our procurement processes and procedures both within FNS and AMS and at the Department level to identify places where we can make changes that would prevent similar circumstances from occurring in the future.

5. Did you attend the February tribal consultation meeting to hear the Tribal concerns with using only one vendor for FDPIR? If not, who was your respective agency's representative(s)?

Former Deputy Under Secretary Stacy Dean was the consulting official for the February 16, 2024, FDPIR Tribal Leader Consultation Work Group Tribal consultation. AMS and FNS support staff were also in attendance.

6. The whole crux of this issue is the fact USDA had two contractors supporting FDPIR and CSFP and then a decision must have been made to change the contract specifications. What requirements changed to make it

such that only Paris Brothers met the requirements out of the 7 or 8 bids you received?

The 2018 and 2023 Requests for Proposals (RFPs) were largely the same—one notable change is the addition of a requirement for a cyber security plan, a commercial best practice to reduce potential business disruptions. However, this added requirement did not cause Paris Brothers' bid to be the only one to meet the RFP requirements.

7. When USDA is awarding a contract, there is a contract review board—how many reviewers were from FNS, AMS, other agencies, or contracting divisions? Did they have familiarity with how FDPIR and CSFP operates?

The technical evaluation board was comprised of a multidisciplinary team of three Food and Nutrition Service program agency representatives, one USDA warehouse examiner, one IT expert, and two Agricultural Marketing Service contracting specialists; they were selected for their knowledge of CSFP and FDPIR, their expertise in warehouse management and audits, their understanding of IT interfaces, and their comprehension of government contract terms and conditions and offerors' ability to meet them.

8. Did the contract review board recommend that only Paris Brothers met the qualifications?

Yes. Of the bids received, only one company, Paris Brothers, Inc., was judged as acceptable by the technical evaluation board.

9. Then who reviewed the recommendation to only use one company and had final sign off to move forward with one contract?

The contractor selection was made by the contracting officer based on recommendations from the technical evaluation board, which was a multidisciplinary team of experts selected for their knowledge of CSFP and FDPIR, their expertise in warehouse management and audits, their understanding of IT interfaces, and their comprehension of government contract terms and conditions and offerors' ability to meet them.

10. Please provide Paris Brothers book of business as to how many other contracts they service, both commercially and through government contracts. Was this information taken into consideration when deciding to select them as a sole source contractor?

Paris Brothers is a privately held company and has not disclosed that information. The Federal Acquisition Regulation requires the contracting officer to determine whether a prospective contractor has adequate financial resources to perform the contract, or the ability to obtain them, and is given broad discretion to use any current facts in making such determinations. Paris Brothers was determined financially responsible using past performance information from the prior 3 years as well as information documented in the System for Award Management (SAM).

11. According to the Paris Brothers contract, they had 60 days to transition to the sole provider. When USDA staff recognized that 60 days was not enough time, why was the contract not updated to allow for a longer transition?

USDA never received a request for an extension to the transition period from Paris Brothers. The Request for Proposals to which Paris Brothers submitted their bid called for a 60-day transition period between the old contracts and any new contracts. USDA only considered proposals that indicated they could meet this timeframe. The bid Paris Brothers submitted indicated they were capable of serving the entire country. Further, the contract was signed in January 2024 with the contractor's knowledge of the full scope. Preparations for the transition began immediately in January 2024.

12. According to the Paris Brothers contract, Paris Brothers was required to have a detailed communication plan to notify USDA and Tribes of emergencies. Please share minutes, timelines, and plans of action that cover this situation from early April when Paris Brothers notified Tribes of delays.

The contract requires Paris Brothers to have an Exigency Plan that describes how they will continue their work in the event of power outages, unexpected location closures, nation-wide fuel shortages, and/or cyber attacks. Paris Brothers began meeting with USDA on a daily basis in June about this situation. Paris Brothers does not have previous minutes, timelines or plans of action to share.

13. How would USDA describe the quality of food provided through FDPIR and CSFP, and how can USDA use the current situation to consider

how regional and more culturally relevant and healthy foods can be procured going forward?

USDA provides nutrient-dense foods through CSFP and FDPIR to support participants in achieving healthy dietary patterns while advancing nutrition security. USDA's purchasing power means the nutritious USDA Foods provided through FDPIR and CSFP can be procured often at a lower cost than on the open market.

CSFP food packages, which are supplemental, include foods that are good sources of the nutrients typically lacking in participants' diets. Similarly, the FDPIR food package offers a variety of fruits, vegetables, lean proteins, legumes, grains, and dairy products with traditional foods included. A recent study was conducted to measure the nutritional quality of the FDPIR food package using the Healthy Eating Index (HEI). HEI scores are used to assess how well a set of foods aligns with the Dietary Guidelines for Americans. The study found that the FDPIR food package scored much higher, meaning it is healthier, than the average U.S. diet.

USDA has made significant progress in increasing Indigenous and culturally appropriate food offerings in FDPIR in recent years, in consultation with our Tribal partners. FDPIR participants may select from over 100 products, including over 40 fresh produce options and six traditional foods (bison, blue cornmeal, wild salmon, traditionally harvested wild rice, catfish, and walleye). USDA works with FDPIR Tribal partners to identify and implement enhancements to the food package to support the cultural preferences of program participants.

Additionally, the successful FDPIR Pilot Self-Determination Demonstration Projects involve partnerships with Tribal vendors for food procurement. These projects empower Tribal Nations by providing them with options for the selection and procurement of foods for FDPIR. In September 2023, USDA also initiated a pilot aimed at offering more localized ground bison meat for Tribal communities through FDPIR. The pilot will look at changes to how USDA purchases bison to better support buying the meat from local, small, and mid-sized bison herd managers and delivering it directly to their local Tribal communities.

As one of the short-term options to help address the current situation, USDA has encouraged Local Food Purchase Assistance awardees to purchase local foods to support FDPIR and CSFP programs, which may create and/or strengthen local partnerships.

14. What obstacles keep Tribes and food banks from receiving culturally relevant and healthy foods through FDPIR and CSFP?

Both FDPIR and CSFP collectively ensure that about 800,000 people receive domestically produced dietary staples every month. For FDPIR especially, which is one of the few programs at USDA specifically developed and operated for Tribes, food package offerings also include a growing number of culturally significant foods, as well as fresh fruits and vegetables. In nation-to-nation consultation, Tribal leaders have called for expanded culturally significant foods to be included in the FDPIR package, highlighting these foods' high nutrient density as well as their cultural importance. Tribal leaders have asked USDA to focus on opportunities for local and/or Tribal agricultural producers to provide these foods. USDA has been working with NAFDPIR and Tribal leaders to meet these requests over the past several years by identifying and adding culturally relevant, nutritious foods to the package.

In addition to this work, USDA has also been successfully implementing the FDPIR Self-Determination Demonstration Projects as authorized by the 2018 Farm Bill. Under these projects, USDA enters into modified self-determination contracts for Tribal organizations to directly purchase some of the foods for the food package. This included supplanting existing USDA Foods purchased by USDA with local Indigenous foods. More than \$10 million has been awarded to 16 Tribal nations to purchase foods for their FDPIR food packages. For example, the Lummi Nation uses the program to purchase foods like local prawns rather than some of the fish in the USDA food package. FNS has been able to fund all requested projects to date.

15. How can USDA partner with regional food providers to ensure this situation doesn't happen again?

USDA has taken several steps to offer solutions for the immediate term while addressing underlying issues to restore a fully functional and dependable regular distribution program. We are also working on a longer-term solution. This experience has underscored the importance of redundancy and distributed distribution capacity. We recognize that regionally based food distributors, warehouses, and transportation could play a role in a system that is able to meet the needs of communities in different parts of the country. USDA will explore all options as we consider the best system to mitigate the risk inherent in relying on a few, centralized warehouses. To that end, USDA is considering ways to create additional distribution

services that will allow for a more resilient distribution system. We will invite input from Tribes, CSFP agencies, regional supply chain businesses, and other external partners to discuss the best approaches to a system that will ensure dependable deliveries and responsive service.

USDA remains deeply committed to transforming America's food system to ensure access to safe and nutritious foods and to better partnering with Tribal Nations in empowering Tribal food sovereignty. We are also undertaking a review of our procurement processes and procedures both within FNS and AMS and at the Department level to identify places where we can make changes that would prevent similar circumstances from occurring in the future. As we take steps to build resiliency and improve the FDPIR and CSFP programs for the long-term, there may be places where we run into statutory or financial barriers. We will continue to be thoughtful about making these visible to Congress.

QUESTIONS SUBMITTED BY RANKING MEMBER SANFORD BISHOP

RESOURCES FOR TRIBAL AND ELDERLY COMMUNITIES AND SUPPLY CHAIN DISRUPTIONS

TO SECRETARY VILSACK

16. Secretary Vilsack, I think that you requested an increase of \$1.5 million in TEFAP and FDPIR in the FY 2025 Budget Request, as you had in the FY 2024 Budget Request. You also requested an increase of \$4 million and 13 FTEs for regional commodity procurement and to support USDA's ongoing response to supply chain disruptions. Would these additional staff work on this contract? If so, how would an increase in staffing help in future contracting actions? If you had gotten this increase last year, would you have been able to prevent this issue from occurring?

USDA FNS requested an additional \$1.5 million, adjusted annually for inflation, in the 2025 Budget request to support additional Federal staff and operational expenses for TEFAP and FDPIR. As described in the Budget request, administration of the programs has become more complex and increased the need for Federal staff support and technical assistance to both TEFAP State agencies and FDPIR administering agencies. Though the volume of USDA Foods purchases and additional resources provided to these programs has increased dramatically over the past few years, staff increases have not kept pace to support the additional oversight that these investments and initiatives require. This funding would allow for increased staffing to support these ongoing investments in equity and food sovereignty for Tribal Nations, including enhancing customer service and oversight of the expanded FDPIR Self-Determination Demonstration Projects and the Bison Purchase Pilot. Staff would be added to both the National and Regional Offices to facilitate increased FNS engagement with tribal communities, support tribal producers, and ensure program offerings continue to meet the needs of our tribal partners. In addition, staff would provide enhanced monitoring and stakeholder support in TEFAP for kosher, halal, and culturally relevant foods for program participants, the TEFAP Reach & Resiliency grants to provide oversight to ensure grant funds are used effectively and leverage best practices to better serve those in remote, rural, tribal and/ or low-income areas that have been underserved by the program.

The USDA AMS marketing services FY 2024 enacted budget was \$14.8M (6.2 percent) less than the FY 2023 enacted budget. In the FY 2025 budget request, AMS identified an increase of \$2,000,000 and 11 FTE in the Local and Regional Commodity Procurement program. This increase will help AMS better respond as emergency food organizations continue to face significant ongoing needs. Schools have had difficulty purchasing products from their commercial distributors and have looked to USDA to continue to purchase and deliver nutritious food products to serve their customers. USDA needs to continue strengthening and diversifying the suppliers that provide foods to schools and nutrition assistance programs. We can do this in several ways including by engaging with producers and distributors who are successfully providing local food deliveries to schools, food banks, and community organizations through the Local Food Purchase Assistance and Local Food for Schools programs. We can also do this by assisting small and underserved farmers and businesses to become vendors in these programs. Outreach to small and historically underserved producers, processors, and food businesses will help us understand the challenges they face in becoming USDA vendors, identify barriers that can be removed, provide additional support, and inform future contract requirements and planning. While the current contract was executed with a company that had

been successfully delivering services for 17 years with USDA, and additional resources may not have necessarily led to a different conclusion, having the necessary resources to hire, recruit, retain, and train high caliber employees to meet the mission is critical to long term success. USDA is also undertaking a review of our procurement process to prevent similar circumstances from occurring in the future and will be building on lessons learned and other warehousing best practices to ensure necessary redundancy moving forward.

LOCAL CSFP PROVIDERS AND STATE FLEXIBILITIES

TO SECRETARY VILSACK/DEPUTY UNDER SECRETARY LONG

17. Secretary, first, let me express our appreciation for the efforts that you have undertaken to remedy this supply chain disruption. Let me ask you about the flexibility at the state level. Local partners within the Commodity Supplemental Food Program rely on the state agencies for answers to questions and for administrative assistance. If a state agency does not sign an agreement to receive the funds necessary to fill food boxes for our seniors, what flexibility exists for local partners such as our food banks?

The USDA is taking an all-hands approach to address significant delays in the delivery of USDA Foods from the contracted national multi-food warehouse to FDPIR and CSFP and has initiated several short-term options to assist program operators in accessing the supplemental food they need as quickly as possible. USDA offered up to \$36 million in Commodity Credit Corporation (CCC) funds for CSFP State agencies, including ITOs, to support the purchase of domestically grown and produced foods. The Department infers the above question is related to the acceptance of CCC funding by CSFP State agencies, and the requirement that CSFP State agencies enter into agreements with USDA to accept and use such funds.

The majority of CSFP State agencies (51 out of 60 as of October 1, 2024) have entered into signed agreements to accept the CCC funds. USDA is providing ongoing technical assistance to support CSFP State agencies in accepting the funds and to ensure they have the information needed to best use the funds. The CCC funds are just one of several short-term options USDA has implemented already as part of this response, recognizing the needs of CSFP program operators vary. For the full range of options available to State agencies and Indian Tribal organizations (ITOs), please see the Department's dedicated webpage: <https://www.fns.usda.gov/usda-foods/supply-chain-disruptions>

Our priority is to get food where it's needed, and to do that expeditiously, we've taken care not to put up overly burdensome requirements and to strike the right balance between streamlining processes and building in guardrails and checks. The requirements and criteria USDA has set related to the use of the CCC funds for FDPIR and CSFP strike that balance.

18. What will USDA be doing to empower, enable, and encourage the states to put meaningful solutions in place quickly? It seems that the red tape may hamper any real remedies quickly.

It is a priority of USDA to get food where it is needed, expeditiously, and without overly burdensome requirements that could unnecessarily slow down the corrective actions being taken. The criteria USDA has set related to the use of the short-term options to activate additional food resources, summarized at <https://www.fns.usda.gov/usda-foods/supply-chain-disruptions>, require commonsense documentation and reporting by State agencies, while minimizing unnecessary and overly burdensome processes and recordkeeping.

QUESTIONS SUBMITTED BY CHAIRMAN TOM COLE

TO SECRETARY VILSACK

19. Secretary Vilsack, under your duties as Secretary of the U.S. Department of Agriculture, you are charged with upholding the federal trust responsibility with tribal nations. You are accountable for any actions made within your agency. Who ultimately made the decision to consolidate from two contractors to one? Were you aware of this decision when it was made, and did you approve it?

This was the outcome of a competitive bidding process. The contractor selection was made by the contracting officer based on recommendations from the technical evaluation board, which was a multidisciplinary team of experts selected for their

knowledge of CSFP and FDPIR, their expertise in warehouse management and audits, their understanding of IT interfaces, and their comprehension of government contract terms and conditions and bidders' ability to meet them. In hindsight, this is a place where USDA senior staff should have been made aware and been able to engage to understand the full impact and potential risks of this shift. USDA is undertaking a review of our procurement processes and procedures both within FNS and AMS and at the Department level to identify places where we can make changes that would prevent similar circumstances from occurring in the future.

20. It is September—why did USDA not take immediate actions when you learned in May that disruptions were occurring?

In May, USDA initially learned from calls with a few program operators of disruptions to Paris Brothers' normally 98-99 percent on-time food delivery rate.

In June 2024, USDA met with FDPIR Tribal leaders, began daily calls with Paris Brothers to discuss deliveries and prioritization, issued a letter to FDPIR and CSFP operators notifying them of the disruptions and explaining the events leading up to the problem, conducted a site audit of Paris Brothers' Kansas City warehouse, initiated weekly meetings with the National Association of Food Distribution Programs on Indian Reservation (NAFDPIR), and addressed communications and administrative concerns onsite in Kansas City.

In early July 2024, USDA received the first indication from Paris Brothers that storage space was an issue and that the continued high level of inbound trucks of USDA Foods was a challenge to on-time operations. USDA immediately solicited and contracted for additional pallet in/pallet out warehouse space to serve as overflow, awarding a contract on July 10, and began diverting dry loads of USDA commodities from Paris Brothers to the overflow space the same day. Later in July, seeing the continued challenges and lack of progress, USDA quickly stood up a whole-of-USA response to address this emergency situation.

In August 2024, USDA announced the availability of four short-term options to help program sites obtain food as soon as possible. These options include making use of The Emergency Food Assistance Program (TEFAP), accessing Commodity Credit Corporation (CCC) Funds to purchase domestic food, expanding deliveries through the USDA Department of Defense Fresh Fruit & Vegetable Program (USDA DoD Fresh) to include items beyond produce, and purchasing local foods through Local Food Purchase Assistance Cooperative Agreements (LFPA). USDA also established a dedicated case management team to support this short-term response. USDA assigned a case manager to each FDPIR Tribal operator and CSFP State agency to provide individualized, one-on-one communication and assistance.

USDA's first order of business continues to be using every tool we have available to get food to where it is needed as soon as possible. We have taken an all-hands approach to resolve the contractor delays and resume regular, on-time deliveries to all communities that depend on FDPIR and CSFP.

21. Who, within your agency, attends the tribal consultations? How do they communicate to their superiors what was discussed and how to best implement improvements based on tribal feedback?

USDA's Departmental Regulation on Tribal Consultation, which applies to all USDA agencies, mission areas, and offices, specifies that in Nation-to-Nation consultation, a USDA consulting official should be a "senior-level official with the statutory or delegated authority to make decisions on the regulation, policy, or other USDA action in question." This regulation also provides for post-consultation actions, including consideration of feedback received during discussion and coordination with the Office of Tribal Relations (OTR) regarding the consultation record. Report-outs from Tribal consultations are publicly available and archived on the OTR website (<https://www.usda.gov/tribalrelations/tribal-consultations>). These reports include notes from all items raised by both USDA and Tribal leadership. The reports also specify which senior officials served as consulting officials from USDA at each consultation.

TO DEPUTY UNDER SECRETARY CINDY LONG

22. Deputy Under Secretary Long, I have heard from tribes that the short-term solutions presented by USDA are not sufficient or beneficial for all impacted participants. For example, it is absurd to ask tribes to rob their own Local Food Purchasing Agreement resources to resolve USDA's failure with no guarantee of reimbursement. In addition, it is apparent that the CCC funds being distributed is causing extra internal burdens and costing tribes more in administrative costs to administer the funding. What

are other options the USDA is considering for more long-term solutions to this crisis? Are you basing these proposals off feedback from tribes?

USDA is committed to strengthening our Nation-to-Nation relationships with Tribal Nations. On September 12, 2024, USDA held a Tribal Consultation and listening session on the FDPIR warehouse issues, which included topics such as USDA contracting for the warehouse distribution services, building supply chain resiliency for food distribution programs, and self-determination in food and nutrition programs.

USDA has scheduled a follow-up Tribal Consultation on the supply chain disruptions on October 9, 2024, to coincide with the 35th Annual National Association of FDPIR conference in Auburn, Washington. USDA will continue to invite input from Tribes, CSFP agencies, and other external partners so that long-term solutions are properly considered.

The end result of Tribal consultation and external partner dialogue is expected to be a more modern and responsive system that is better aligned with the needs of FDPIR and CSFP customers and incorporates Tribal self-determination wherever possible. For example, USDA expects to invite a Tribal representative to participate in future procurement decisions related to the FDPIR program. This would be a new action that would meaningfully incorporate Tribal input using a practice allowed by the Federal Acquisition Regulations.

23. What is USDA doing to lift the burden of this crisis off tribes? Is there technical assistance being offered to tribes to navigate the various short-term options and to assist with tracking receipts and orders? Are there plans to reimburse tribes for food purchases made from their own money due to the empty shelves or for administrative costs they have had to incur?

The Department is committed to returning to on time and accurate deliveries from the national warehouse and minimizing the burden on ITOs and State agencies during this response. For example, USDA has put in place an emergency contract for additional surge capacity for warehousing and delivery services to help resume on-time deliveries of multi-food orders for FDPIR and CSFP. USDA is also providing ongoing technical assistance to support FDPIR and CSFP program operators in exploring solutions to best meet the needs of their participants.

The Department conducts regular online meetings with FDPIR and CSFP ITO and State agency operators, to help them navigate the various short-term options and the food delivery process. During these meetings, USDA provides updates on key issues related to our efforts to mitigate the impacts short-term and ultimately remedy the situation for participants, as well as providing time for questions and dialogue. This ensures an open forum for USDA to provide technical assistance while creating a feedback loop necessary to ensure we are doing all we can to assist program operators in meeting participants' needs.

USDA's dedicated case management team also supports direct, timely communication with CSFP and FDPIR program operators to ensure any questions are addressed and regular updates provided. USDA assigned each FDPIR and CSFP State agency a dedicated case manager who engages in weekly conversations to address any questions and understand inventory concerns, which informs the prioritization of deliveries. We continue to engage with FDPIR and CSFP State agencies as we consider how USDA can best support communication with those agencies to meet their needs.

With regard to reimbursement, USDA is offering at least \$11 million in CCC funding to FDPIR and up to \$36 million in CCC funding to CSFP to support food purchases and associated incidental expenses. For FDPIR, CCC funds are available to cover ITO and State agency food purchases made on or after August 12, 2024. For CSFP, these funds are available to cover ITO and State agency purchases made on or after August 26, 2024.

TO ADMINISTRATOR BRUCE SUMMERS

24. Administrator Summers, why was Paris Brothers not fully vetted in their abilities to be the single source contractor? Did you visit their warehouses and inspect their abilities to make deliveries nationwide?

Of the bids received, only one company, Paris Brothers, Inc., was judged as acceptable by the technical evaluation board, which consisted of cross-agency experts at USDA. All other offers were determined to be unacceptable by the board. In addition, Paris Brothers has a solid track record dating back to 2007. Furthermore, in the submitted offer to USDA, Paris Brothers did not take exception to the requirements in the solicitation, which indicated its ability to meet all requirements in the

performance work statement. While not part of the solicitation and contract award process, AMS has visited Paris Brothers in the past and subsequently since the contract was awarded.

25. Why did USDA not consider a regional sourcing model when tribes repeatedly expressed that this would be a better distribution method?

This experience has underscored the importance of redundancy and distributed distribution capacity. To that end, USDA is considering ways to create additional distribution services that will allow for a more resilient distribution system. We will invite input from Tribes, CSFP agencies and other stakeholders so that ideas such as regionalizing distribution systems are properly considered.

TO SECRETARY VILSACK, DEPUTY UNDER SECRETARY CINDY LONG, AND
ADMINISTRATOR BRUCE SUMMERS

26. What has USDA learned because of this crisis and the decisions made? Do you have a better understanding of how tribes operate and the barriers they face regularly? How are you going to use this to better uphold your trust responsibility to tribal nations?

This experience has underscored the importance of redundancy in our systems and distributed distribution capacity. To that end, USDA is considering ways to create additional distribution services that will allow for a more resilient distribution system. The Department is undertaking a review of our procurement processes and procedures to identify places where we can make changes that would prevent similar circumstances from occurring in the future. We are in regular dialogue with Tribal leaders to understand the unique challenges they face with remote locations that are often at the end of the food supply chain. We are seeking input from Tribes, CSFP agencies and other stakeholders so that ideas such as regionalizing distribution systems are properly considered. We are rethinking our models using concepts gained from nation-to-nation consultation, Tribal consultation and stakeholder dialogue, and we expect to develop a more modern and responsive system that is better aligned with the needs of FDPIR and CSFP customers than the current one. USDA's goal is to incorporate Tribal self-determination throughout our program design wherever possible.

27. Are you all going to commit to take tribal consultation seriously and act upon what tribes recommend is best for them?

Since taking office, President Biden has committed to strengthening the Nation-to-Nation relationships between the United States and Tribal Nations and advancing Tribal sovereignty. USDA has taken this commitment to heart.

As USDA begins to address underlying issues to restore a fully functional and dependable regular distribution system, we will invite input from Tribes, CSFP agencies, and other external partners so that potential long-term solutions are properly considered. The end result of Tribal consultation and external partner dialogue is expected to be a more modern and responsive system that is better aligned with the needs of FDPIR and CSFP customers and incorporates Tribal self-determination wherever possible.

28. What is the cost-estimate of what is needed to resolve this crisis?

USDA does not have a cost estimate at this time.

QUESTIONS SUBMITTED BY CONGRESSWOMAN SHARICE DAVIDS

TO SECRETARY VILSACK, DEPUTY UNDER SECRETARY CINDY LONG, AND
ADMINISTRATOR BRUCE SUMMERS

29. I am working on legislation to make permanent the Food Distribution Program on Indian Reservations Self-Determination Demonstration Project, which was initially authorized in the Agriculture Improvement Act of 2018. Does USDA support making this program permanent?

As USDA has shared with Tribes previously through Tribal Consultation, the Department supports making the FDPIR Self-Determination Demonstration Project permanent and nationwide, with appropriate planning, funding, and Congressional authority.

TO SECRETARY VILSACK, DEPUTY UNDER SECRETARY CINDY LONG, AND
ADMINISTRATOR BRUCE SUMMERS

30. Furthermore, does USDA support using title I and title IV of the Indian Self-Determination and Education Assistance Act to carry out this permanent program? Does the United States Department of Agriculture need resources to implement the permanent authority?

FDPIR is one of the few programs at USDA which is specifically developed and operated for Tribes. Title I on its face applies only to the BIA and IHS and the purpose and text are designed in the context of those agencies. FDPIR fits into the concepts underlying title I of the Indian Self-Determination and Education Assistance Act (638) model better than almost any other program at USDA. A powerful step would be to expand purchasing to all Tribes who wish to procure any foods in FDPIR. This would empower increased Tribal control and choice. Tribes could still use and leverage USDA's national buying power where they choose, and also choose local purchases from Tribal producers, incorporating traditional food items.

As USDA has shared with Tribes previously through Tribal Consultation, the Department supports making the FDPIR Self-Determination Demonstration Project permanent and nationwide, with appropriate planning, funding, and Congressional authority. We stand ready to provide technical assistance on this issue at Congress' request.

QUESTIONS SUBMITTED BY CONGRESSWOMAN MARCY KAPTUR

LOCAL FOOD PURCHASE ASSISTANCE PROGRAM

TO MS. LONG

31. I noticed that one of USDA's emergency responses was to activate the Local Food Purchase Assistance Program in some affected areas. If it is so effective that it works as a backup plan in an emergency, why not give this a bigger, permanent role in fulfilling the needs of these programs?

We are pleased to have LFPA as an option to support FDPIR and CSFP programs, however, not all Tribes participate in LFPA. Additionally, not all of the foods made available through the FDPIR and CSFP programs would be able to be purchased through LFPA. To make LFPA a permanent program, Congressional action is necessary. USDA believes that promoting and supporting local food systems certainly has a large role to play here. LFPA provides funding for state, tribal and territorial governments to purchase foods produced within the state or within 400 miles of the delivery destination to help support local, regional and historically underserved producers. The cooperative agreements allow the states, tribes and territories to procure and distribute local and regional foods and beverages that are healthy, nutritious, unique to their geographic areas and that meet the needs of the population. The food serves feeding programs, including food banks, schools and organizations that reach underserved communities. In addition to increasing local food consumption, the funds are expanding economic opportunity for local producers and food supply chain businesses, helping to build resilient regional food systems.

32. Is there going to be a cost analysis on the difference between the cost of buying local versus the cost of transportation associated with the current distribution system for these programs?

USDA is undertaking a review of our procurement processes and procedures both within FNS and AMS and at the Department level to identify places where we can make changes that would prevent similar circumstances from occurring in the future. However, this will not include a cost analysis on the difference between the cost of buying local versus the cost of transportation associated with the current distribution system for these programs as the data are not available.

TO MR. SUMMERS

33. Per pound of food, how much money does USDA pay for transportation in the FDPIR and CSFP programs compared to the Local Food Purchase Assistance Program?

We do not have data to be able to answer this question. LFPA awardees do not report transportation costs and when AMS purchases the commodities for FDPIR and CSFP, the cost is inclusive of transportation.

TO MR. SUMMERS

34. Given the fact that a local food system improves both individual and community health in nearly every way—including financially—do you think that using these programs to lift up the local food system and put this money into the local economy could lift up citizens to the point that they can come off the program?

Yes, USDA believes that promoting and supporting local food systems certainly has a large role to play here. For example, the Local Food Purchase Assistance Cooperative Agreement Program (LFPA) provides funding for state, tribal and territorial governments to purchase foods produced within the state or within 400 miles of the delivery destination to help support local, regional and underserved producers. The cooperative agreements allow the states, tribes and territories to procure and distribute local and regional foods and beverages that are healthy, nutritious, unique to their geographic areas and that meet the needs of the population. The food serves feeding programs, including food banks, schools and organizations that reach underserved communities.

In addition to increasing local food consumption, the funds help build and expand economic opportunity for local and underserved producers. One of the most compelling reasons to buy locally grown produce is the positive impact it has on the local economy. LFPA and the Local Food for Schools (LFS) programs have been important to lift up the local food system and put money into local economies. As always, our mission is to increase food security and reduce hunger in partnership with cooperating organizations by providing children and low-income people access to food, a healthy diet, and nutrition education in a manner that supports American agriculture and inspires public confidence

COMMUNITY GARDENS

TO MR. SUMMERS

35. Young farmers are the future of this nation. If USDA puts this money into the local economy of these low-income program participants, it could incentivize both first generation and legacy farmers to become farmers or remain farmers, lifting up those communities. Community gardens recruit farmers, uplift youth, build wealth in the community, supply the community with food, and are largely independent of the supply chain.

Could a local community garden or urban farm receive funding from these programs if it supplies to FDPIR and CSFP program participants?

The Local Food Purchase Assistance Cooperative Agreement and Local Food for Schools Programs provide awardees the flexibility to purchase from local community gardens or urban farms. Those purchases can supplement FDPIR and CSFP distributions to meet participant needs. In addition, any approved vendor may bid on selling food to USDA's nutrition assistance programs. Information on becoming an approved vendor can be found at <https://www.ams.usda.gov/selling-food/becoming-approved>, although AMS has typically ordered in full truckload quantities which would be difficult for most community gardens and urban farms to meet.

FOOD QUALITY AND TYPE

TO MS. LONG

36. How would USDA describe the quality of food provided through FDPIR and CSFP, and how can USDA use the current situation to consider how local and more culturally appropriate and desirable foods may be procured going forward?

USDA provides nutrient-dense foods through CSFP and FDPIR to support participants in achieving healthy dietary patterns while advancing nutrition security. USDA's purchasing power means the nutritious USDA Foods provided through FDPIR and CSFP can be procured often at a lower cost than on the open market.

CSFP food packages, which are supplemental, include foods that are good sources of the nutrients typically lacking in participants' diets. Similarly, the FDPIR food package offers a variety of fruits, vegetables, lean proteins, legume, grains, and dairy products with traditional foods included. A recent study was conducted to measure the nutritional quality of the FDPIR food package using the Healthy Eating Index (HEI). HEI scores are used to assess how well a set of foods aligns with the Dietary Guidelines for Americans. The study found that the FDPIR food package scored much higher, meaning they are healthier, than the average U.S. diet.

USDA has made significant progress in increasing Indigenous and culturally appropriate food offerings in FDPIR in recent years, in consultation with our Tribal partners. FDPIR participants may select from over 100 products, including over 40 fresh produce options and six traditional foods (bison, blue cornmeal, wild salmon, traditionally harvested wild rice, catfish, and walleye). USDA works with FDPIR Tribal partners to identify and implement enhancements to the food package to support the cultural preferences of program participants.

Additionally, the successful FDPIR Self-Determination Demonstration Projects involve partnerships with Tribal vendors for food procurement. These projects empower Tribal Nations by providing them with options for the selection and procurement of foods for FDPIR. In September 2023, USDA also initiated a pilot aimed at offering more localized ground bison meat for Tribal communities through FDPIR. The pilot will look at changes to how USDA purchases bison to better support buying the meat from local, small, and mid-sized bison herd managers and delivering it directly to their local Tribal communities.

As one of the short-term options to help address the current situation, USDA has encouraged Local Food Purchase Assistance awardees to purchase local foods to support FDPIR and CSFP programs, which may create and/or strengthen local partnerships.

PREVENTING FUTURE OCCURRENCES

TO MR. SUMMERS

37. How can the U.S. Government partner with local food providers to ensure this situation doesn't happen again?

This experience has underscored the importance of redundancy in our systems and distributed distribution capacity. We recognize that regionally based food distributors, warehouses, and transportation can play a role in a system that is able to meet the needs of communities in different parts of the country. Understanding the capacity of these businesses and their role could mitigate the risk inherent in relying on too few, centralized warehouses. To that end, USDA is considering ways to create additional distribution services that will allow for a more resilient distribution system. The Department is undertaking a review of our procurement processes and procedures to identify places where we can make changes that would prevent similar circumstances from occurring in the future. We will invite input from Tribes, CSFP agencies, regional supply chain businesses, and other external partners to discuss the best approaches to a system that will ensure dependable deliveries and responsive service.

QUESTIONS SUBMITTED BY CONGRESSWOMAN BARBARA LEE

COMMODITY SUPPLEMENTAL FOOD PROGRAM (CSFP)

TO SECRETARY VILSACK

38. The draft FY 2025 Ag-FDA spending bill includes a \$34 million decrease in funding for the CSFP. If enacted today, how would this cut in funding impact USDA's work to resolve this crisis? How many people would lose access to food assistance due to this cut in funding?

The House appropriation bill would provide \$34 million below the President's Budget request for the Commodity Assistance Program (CAP) account, including nearly \$410 million (or \$15 million below the request) for the Commodity Supplemental Food Program (CSFP). Taking into account the current warehouse crisis, funding CSFP at the House mark would result in about 75,000 seniors losing access to the program in 2025.

FDPIR

TO SECRETARY VILSACK

39. I am encouraged to see that the USDA has taken an all-hands approach to resolve the contractor delays and resume regular, on-time deliveries to all communities that depends on the CSFP.

Among the four available short-term options to help get food back into communities as soon as possible, which option have Tribal leaders and FDPIR administering agencies used the most and can you explain why USDA has not approved

options offered by Tribes to mitigate the impact of this situation, such as driving their own trucks to pick up food from the Paris Brothers warehouse?

Our first order of business continues to be getting food where it's needed while continuing the all-hands approach to resume on time and accurate deliveries as soon as possible. In the short-term, USDA continues to provide options to support Tribal operators and CSFP State agencies in meeting immediate food needs. Providing multiple options recognizes the diverse needs of program operators. Below are the four options, to include the number of agencies which have pursued each option as of September 30, 2024, to the extent such the data is available:

- **Commodity Credit Corporation (CCC) funds for FDPIR and CSFP agencies:** USDA offered at least \$11 million to help FDPIR agencies buy food; and made available up to \$36 million to CSFP state agencies. The funding may be used to purchase domestically grown and produced foods. 72 FDPIR agencies and 51 CSFP agencies have elected to pursue this option.
- **Temporary Expansion of the USDA Department of Defense Fresh Fruit & Vegetable Program (USDA DoD Fresh):** Through a partnership with the DoD Defense Logistics Agency (DLA), USDA is working to expand USDA DoD Fresh to include food items such as meats, grains, and dairy for distribution to a limited number of FDPIR sites experiencing severe inventory shortages. To date, 35 FDPIR agencies were offered this option and 11 elected to pursue it.
- **Activation of the Emergency Feeding Network with Situations of Distress:** USDA is encouraging TEFAP State agencies to work with local partners such as food banks to distribute food to FDPIR and CSFP sites. A total of 20 TEFAP State agencies have pursued this option to date, to the benefit of 11 FDPIR and 13 CSFP agencies.
- **Leveraging the Local Food Purchase Assistance Cooperative Agreement Program (LFPA):** LFPA agreements allow State and Tribal governments to procure and distribute regional foods that are unique to their geographic areas and dietary needs and preferences. Some Tribes served by FDPIR agencies, plus some states that administer CSFP, have cooperative agreements with USDA under the LFPA, and they can use LFPA funds to purchase food to address immediate needs while USDA works to resolve the delays.

We understand that this situation has been frustrating to Tribal operators. To date, USDA has not approved Tribes to use their own trucks to pick up food from the Paris Brothers warehouse because the root cause of this issue is not trucking. Since a lack of trucks is not the issue, additional trucks would not be helpful and would only add to the challenges by introducing additional disruptions or slowing down regular processes. While we understand and appreciate the offer of help, we believe that we can get more food to more tribes faster by minimizing distractions in the warehouse and supporting Paris Brothers in picking, packing and loading trucks for deliveries to tribes nationwide. We continue to work closely with Paris Brothers to address root causes and remedy the situation through corrective actions like increasing warehouse shifts, leasing additional space, and hiring more staff.

40. According to a statement from NAFDPIR, "USDA initially estimated issues would be fixed by mid-July." However, it is now September 2024, and this inventory crisis has not been resolved yet. Could you discuss the timeline of events from July 1, 2023, to now of actions taken by USDA to try to address the delays? When did USDA first convene a dedicated team of USDA case workers to assist Tribal leaders and administrating agencies?

In May, USDA initially learned from calls with a few program operators of disruptions to Paris Brothers' normally 98–99 percent on-time food delivery rate.

In June 2024, USDA met with FDPIR Tribal leaders, began daily calls with Paris Brothers to discuss deliveries and prioritization, issued a letter to FDPIR and CSFP operators notifying them of the disruptions and explaining the events leading up to the problem, conducted a site audit of Paris Brothers' Kansas City warehouse, initiated weekly meetings with the National Association of Food Distribution Programs on Indian Reservation (NAFDPIR), and addressed communications and administrative concerns onsite in Kansas City.

In early July 2024, USDA received the first indication from Paris Brothers that storage space was an issue and that the continued high level of inbound trucks of USDA Foods was a challenge to on-time operations. USDA immediately solicited and contracted for additional pallet in/pallet out warehouse space to serve as overflow, awarding a contract on July 10, and began diverting dry loads of USDA commodities from Paris Brothers to the overflow space the same day. Later in July, seeing the continued challenges and lack of progress, USDA quickly stood up a whole-of-USA response to address this emergency situation.

In August 2024, USDA announced the availability of four short-term options to help program sites obtain food as soon as possible. These options include making use of The Emergency Food Assistance Program (TEFAP), accessing Commodity Credit Corporation (CCC) Funds to purchase domestic food, expanding deliveries through the USDA Department of Defense Fresh Fruit & Vegetable Program (USDA DoD Fresh) to include items beyond produce, and purchasing local foods through Local Food Purchase Assistance Cooperative Agreements (LFPA). USDA also established a dedicated case management team. USDA assigned a case manager to each FDPIR Tribal operator and CSFP State agency to provide individualized, one-on-one communication and assistance. USDA's first order of business continues to be using every tool we have available to get food to where it is needed as soon as possible. We have taken an all-hands approach to resolve the contractor delays and resume regular, on-time deliveries to all communities that depend on FDPIR and CSFP.

41. How can Congress ensure that USDA has the support it needs resolve this crisis? As USDA takes steps to build resiliency and improve the FDPIR and CSFP programs for the long term, can you discuss any statutory or budgetary barriers that you believe the Department will face? When can Members of Congress expect a USDA report outlining recommendations to Congress to improve USDA oversight of FDPIR and CSFP?

USDA appreciates the opportunity to work with Congress as we continue to resolve the food distribution disruptions. As we take steps to build resiliency and improve the FDPIR and CSFP programs for the long-term there may be places where we run into statutory or financial barriers; we will be thoughtful about making these visible to Congress.

Regarding recommendations to improve USDA oversight of FDPIR and CSFP, USDA has taken an all-hands approach to resolve the contractor delays and resume regular, on-time deliveries to all communities that depend on the FDPIR and the CSFP. We have already implemented multiple actions to address immediate needs as we work to restore a fully functional and dependable food distribution system such as offering a number of program flexibilities and direct financial assistance to help FDPIR and CSFP program operators access food. We've also put in place an emergency, auxiliary delivery contract to alleviate some pressure in the system over the next few months. Long term, we are undertaking a review of our procurement processes to prevent similar issues from occurring in the future and will continue to keep Congressional leaders and offices abreast of our efforts.