

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

**Distribution Shortages in Tribal and Elderly Communities Hearing**

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

**Chickasaw Nation Department of Health**

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

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

**Food Distribution Program on Indian Reservations**

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

**Inventory Issue:**

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

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

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

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

### **Effects on Chickasaw Nation**

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

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

Currently, the Chickasaw Nation outstanding food orders include:

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

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

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

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

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

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

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

1. Require national warehouse to meet scheduled deliveries immediately!

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

#### **Expansion of Self-Governance Authority**

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

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

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

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

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



**MARTY WAFFORD, FHFMA, CRCR, BBA**

Marty Wafford is the Undersecretary of Support and Programs for the Chickasaw Nation Department of Health (CNDH). Marty has more than 25 years of financial health care administration experience with 23 years serving the Chickasaw Nation. She is a Fellow of the Healthcare Financial Management Association and Healthcare Financial Professional certified by the HFMA Board of Examiners. She serves as Chair of the Southern Plains Tribal Health Board and is the Oklahoma City area representative for the Nation Indian Health Board.

# Truth in Testimony Disclosure Form

In accordance with Rule XI, clause 2(g)(5)\* of the *Rules of the House of Representatives*, witnesses are asked to disclose the following information. Please complete this form electronically by filling in the provided blanks.

Committee: Appropriations

Subcommittee: Agriculture

Hearing Date: 09/11/2024

Hearing Title :

Severe Food Distribution Shortages in Tribal and Elderly Communities

Witness Name: Marty Wafford

Position/Title: Under Secretary of Support and Programs

Witness Type:  Governmental  Non-governmental

Are you representing yourself or an organization?  Self  Organization

If you are representing an organization, please list what entity or entities you are representing:

Chickasaw Nation Department of Health  
Chickasaw Nation Food Distribution Program on Indian Reservations (FDPIR)

## **FOR WITNESSES APPEARING IN A NON-GOVERNMENTAL CAPACITY**

Please complete the following fields. If necessary, attach additional sheet(s) to provide more information.

Are you a fiduciary—including, but not limited to, a director, officer, advisor, or resident agent—of any organization or entity that has an interest in the subject matter of the hearing? If so, please list the name of the organization(s) or entities.

**Please list any federal grants or contracts (including subgrants or subcontracts) related to the hearing's subject matter that you or the organization(s) you represent have received in the past thirty-six months from the date of the hearing. Include the source and amount of each grant or contract.**

- FDPIR Self-Determination Demonstration Project supports tribal self-governance by allowing participating tribes to purchase/procure similar foods of their choosing within the FDPIR food package. Source - BIA/USDA, amount \$3,950,000

- Commodity Credit Corporation Funding Support for FDPIR (CCC). Source - USDA, amount \$498,000

**Please list any contracts, grants, or payments originating with a foreign government and related to the hearing's subject that you or the organization(s) you represent have received in the past thirty-six months from the date of the hearing. Include the amount and country of origin of each contract or payment.**

N/A

**Please complete the following fields. If necessary, attach additional sheet(s) to provide more information.**

- I have attached a written statement of proposed testimony.
- I have attached my curriculum vitae or biography.

\* Rule XI, clause 2(g)(5), of the U.S. House of Representatives provides:

(5)(A) Each committee shall, to the greatest extent practicable, require witnesses who appear before it to submit in advance written statements of proposed testimony and to limit their initial presentations to the committee to brief summaries thereof.

(B) In the case of a witness appearing in a non-governmental capacity, a written statement of proposed testimony shall include— (i) a curriculum vitae; (ii) a disclosure of any Federal grants or contracts, or contracts, grants, or payments originating with a foreign government, received during the past 36 months by the witness or by an entity represented by the witness and related to the subject matter of the hearing; and (iii) a disclosure of whether the witness is a fiduciary (including, but not limited to, a director, officer, advisor, or resident agent) of any organization or entity that has an interest in the subject matter of the hearing.

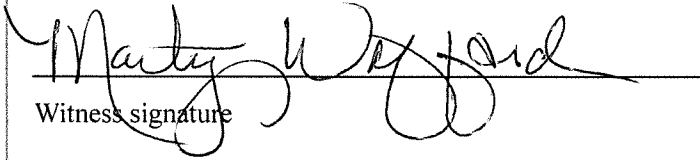
(C) The disclosure referred to in subdivision (B)(ii) shall include— (i) the amount and source of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) related to the subject matter of the hearing; and (ii) the amount and country of origin of any payment or contract related to the subject matter of the hearing originating with a foreign government.

(D) Such statements, with appropriate redactions to protect the privacy or security of the witness, shall be made publicly available in electronic form 24 hours before the witness appears to the extent practicable, but not later than one day after the witness appears.



**False Statements Certification**

Knowingly providing material false information to this committee/subcommittee, or knowingly concealing material information from this committee/subcommittee, is a crime (18 U.S.C. § 1001). This form will be made part of the hearing record.

  
Witness signature

9/4/24  
Date