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Testimony of Rebecca Naragon, United South and Eastern Tribes For the Record of the House Rules Committee Roundtable on “Ending Hunger in America: Food Insecurity in Rural America”

Good afternoon and thank you to Chairman McGovern and committee staff for the invitation to be with you all this afternoon. My name is Rebecca Naragon, I am a citizen of the Poarch Band of Creek Indians, and the Economic Development Director for United South and Eastern Tribes (USET). We appreciate and support Chairman McGovern’s focus on ending hunger in America. Food insecurity affects Tribal Nations and Indian Country, frequently to greater degrees than other jurisdictions and communities in the United States. 1 in 4 Native Americans experiences food insecurity, for example, compared to 1 in 8 people in the U.S. general population.

However, meaningful inclusion of Tribal Nations in this initiative requires an understanding of the history of U.S. – Tribal Nation relations, trust and treaty obligations, and the unique, and diverse circumstances of the 574 federally recognized Tribal Nations. Despite the complexity of our experiences, we share in common the failure of the U.S. government to live up to promises made in exchange for the cession of our land and resources. These promises are not based in poverty or need, but rather are a payment on debt to Tribal Nations. And the failure to deliver upon these promises, including the chronic underfunding of federal Indian programs and a failure to fully recognize Tribal sovereignty, as well as historic and current federal Indian policy, are largely responsible for food insecurity and other substandard living conditions faced by Native American people today. This includes a failure to promote and support economic development in Indian Country.

USET SPF is a non-profit, inter-tribal organization advocating on behalf of thirty-three (33) federally recognized Tribal Nations from the Northeastern Woodlands to the Everglades and across the Gulf of Mexico.¹ USET SPF is dedicated to promoting, protecting, and advancing the inherent sovereign rights and authorities of Tribal Nations and in assisting its membership in dealing effectively with public policy issues. While many of our members are rural, which we understand is the focus of today’s roundtable, many are also adjacent to urban centers. Regardless of location, however, a majority of Tribal Nations, with few exceptions, continue to experience the conditions described during the December 8th Roundtable. Proximity to an urban center does not necessarily alleviate these issues for Tribal Nations.

¹ USET SPF member Tribal Nations include: Alabama-Coushatta Tribe of Texas (TX), Aroostook Band of Micmac Indians (ME), Catawba Indian Nation (SC), Cayuga Nation (NY), Chickahominy Indian Tribe (VA), Chickahominy Indian Tribe–Eastern Division (VA), Chitimacha Tribe of Louisiana (LA), Coushatta Tribe of Louisiana (LA), Eastern Band of Cherokee Indians (NC), Houlton Band of Maliseet Indians (ME), Jena Band of Choctaw Indians (LA), Mashantucket Pequot Indian Tribe (CT), Mashpee Wampanoag Tribe (MA), Miccosukee Tribe of Indians of Florida (FL), Mississippi Band of Choctaw Indians (MS), Mohegan Tribe of Indians of Connecticut (CT), Monacan Indian Nation (VA), Nansemond Indian Nation (VA), Narragansett Indian Tribe (RI), Oneida Indian Nation (NY), Pamunkey Indian Tribe (VA), Passamaquoddy Tribe at Indian Township (ME), Passamaquoddy Tribe at Pleasant Point (ME), Penobscot Indian Nation (ME), Poarch Band of Creek Indians (AL), Rappahannock Tribe (VA), Saint Regis Mohawk Tribe (NY), Seminole Tribe of Florida (FL), Seneca Nation of Indians (NY), Shinnecock Indian Nation (NY), Tunica-Biloxi Tribe of Louisiana (LA), Upper Mattaponi Indian Tribe (VA) and the Wampanoag Tribe of Gay Head (Aquinnah) (MA).

Because there is Strength in Unity

Economic Development in Indian Country and the USET Region

Prior to European contact, Tribal Nations, including our members, had a long history of dynamic economies and governance structures. Robust trade networks connected Tribal Nations and the goods they produced. As with other aspects of Tribal governance and infrastructure, the removal, termination, and assimilation policies of the United States government negatively impacted traditional economic trade. Over the course of centuries, Tribal Nations ceded millions of acres of land and extensive resources to the U.S.—oftentimes by force— in exchange for which it is legally and morally obligated to provide benefits and services in perpetuity. Because of this historic and ongoing diplomatic relationship, the federal government has trust and treaty obligations to support Tribal self-governance and self-determination, along with rebuilding Tribal Nations and economies. At no point has the government fully delivered upon these obligations.

In addition to being relegated to fractions of our original homelands, which can be in remote areas, Tribal Nations lack governmental parity in economic development opportunities and treatment under the U.S. tax code. The Federal Reserve Board of Governor's 2012 report, *Growing Economies in Indian Country*, outlined eight issues as fundamental challenges to realizing economic growth in Indian Country. USET and member Tribal Nations, with few exceptions, face these same challenges:

1. Insufficient access to capital
2. Capacity and capital constraints of small business
3. Insufficient workforce development; financial management training; and business education
4. Tribal governance constraints
5. Regulatory constraints on land held in trust and land designated as restricted use
6. Underdeveloped physical infrastructure
7. Insufficient research and data
8. Lack of regional collaboration

All Tribal Nations, especially USET member Tribal Nations, vary in levels of economic activity, capacity and development. Some Tribal Nations have decades of experience and familiarity with economic development initiatives; some are just starting in their journey in this sector. This diversity demands that federal policy not adopt a one-size-fits all approach.

While the obstacles that Tribal Nations face certainly contribute and exacerbate food insecurity and other issues in Indian Country, we continue to fight for our economic sovereignty and greater economic development on our lands. Tribal Nations engage in a wide variety of economic development in order to fund essential government services and provide for our people. USET's comprehensive economic development strategy (CEDS) plan contributes to the region's effective economic development through a locally-based, regionally-driven economic development planning process of USET member Tribal Nations and partners. The 2016 Plan identified several economic clusters that member Tribal Nations participate in, including Agriculture, Aquaculture, and Fishing; Artisan – Handmade; Digital Media and Film; Forest/Wood Products; Tourism; Entertainment; Energy; Niche Manufacturing; Business Services; and Healthcare. This diversity is also illustrated in the USET Tribal Enterprise Directory and the over 600 business firms and activities across 21 industries. Since the focus of this roundtable is on rural economic development, we offer the following member examples:

- A maple syrup bottling and branded enterprise, Passamaquoddy Maple, by the Passamaquoddy Tribe in Maine: In 2013, the Passamaquoddy Tribe created an economic development project to tap into a traditional natural resource: maple syrup. Since the operation began, Passamaquoddy Maple has tapped over 10,000 trees and produced over

a thousand gallons of maple syrup. The enterprise has also created 6 seasonal and full-time jobs for the Passamaquoddy people.

- A local produce provider, Choctaw Fresh Produce, by the Mississippi Band of Choctaw Indians in Choctaw, MS: Since 2012 the farm, located in Choctaw, Mississippi on the Mississippi Band of Choctaw Indians Reservation, specializes in Direct-Store-Delivery throughout Central Mississippi to a broad variety of organic-focused buyers – from grocers and to institutions, to community farmer’s markets.
- A technical service contracting firm, Tiya Support Services, by the Chitimacha Tribe of Louisiana: As a member of the 8(a) graduate Keta Group, LLC, the multifaceted company has expertise and resources to provide organizations with everything from facility management to construction, disaster relief, engineering, technical services, and more.
- Local artist support through Authentically Cherokee, by the Eastern Band of Cherokee Indians in Cherokee, NC: The Authentically Cherokee store offers products made by Cherokee artists from the Qualla Boundary that reflect each artist’s own interpretation of their culture and the world around them.

It is critical to note that Tribal Nation economic development has the ability not only to alleviate food insecurity and other similar conditions for Tribal citizens and on Tribal homelands, it also contributes to larger regional growth and success, increasing economic security for non-Tribal citizens. For example, a USET member Tribal Nation located in the southeast, has an expansive portfolio of various businesses. Revenue from these businesses supports community programs for Tribal and local citizens, contributes to the needs of the local community through philanthropic giving, and the Tribal Nation has become one of the top employers in the entire state. When Tribal Nations succeed, positive impacts are felt far beyond our jurisdictional boundaries.

Honoring and Supporting Tribal Sovereignty to Promote Economic Development and Reduce Food Insecurity

Economic sovereignty is essential to Indian Country’s ability to be self-determining and self-sufficient. Rebuilding of our Tribal Nations involves rebuilding of our Tribal economies as a core foundation of healthy and productive communities. Building strong, vibrant, and mature economies is more than just business development. It requires comprehensive planning to ensure that our economies have the necessary infrastructure, services, and opportunities for our citizens to thrive; thus resulting in strong Tribal Nations. In order to achieve economic success, revenues and profits generated on Tribal lands must stay within Indian Country in order to benefit from the economic multiplier effect, allowing for each dollar to turn over multiple times within a given Tribal economy. It is critical that inequities and the lack of parity in policy and federal funding be addressed for Tribal Nations in order to fully exercise our inherent self-governance to conduct economic development activities for the benefit of our Tribal citizens.

Tribal Nation economies thrive when Tribal sovereignty and self-governance are supported and upheld. When Tribal governments are empowered to make decisions in response to local conditions and priorities through self-governance, especially in ways that support cultural principles, all metrics of economic prosperity benefit, i.e. lower rates of unemployment, higher rates of household income, etc. As members of the House Rules Committee, you can support Tribal economic development by crafting policy that:

- Acknowledges our sovereign status and provides for governmental parity;
- Funds Tribal Nations directly and ensures these funds can be received through self-governance contracts and compacts;

- Recognizes the diversity of Indian Country by providing appropriate flexibility in use of funds and programmatic implementation, and deferring to Tribal Nations to set standards; and
- Avoids competitive grants, pass through funding, matching funds, non-duplication requirements, and extensive reporting.

Policies promoting economic sovereignty are just one way to address food insecurity for our people. We provide the below recommendations as the Committee works to better understand the uniqueness of Indian Country.

Economic Parity

With nearly every aspect of economic development controlled by the federal government, economic progress within Indian Country moves at a slower pace than needed. Congress and the Administration must work to free Tribal Nations from the over-burdensome regulations that impede our success. This is especially important in an environment of fiduciary failures via inadequate funding for Indian programs.

The U.S. government has a responsibility to ensure that federal tax law treats Tribal Nations in a manner consistent with our governmental status, as reflected under the U.S. Constitution and numerous federal laws, treaties and federal court decisions. With this in mind, we remain focused on the advancement of tax reform that would address inequities in the tax code and eliminate state dual taxation. Revenue generated within Indian Country continues to be taken outside our borders or otherwise falls victim to a lack of parity. Similarly, Tribal governments continue to lack many of the same benefits and flexibility offered to other units of government under the tax code. USET SPF continues to press Congress for changes to the U.S. tax code that would provide governmental parity and economic development to Tribal Nations.

This includes support for H.R. 4505, the Tribal Tax and Investment Reform Act, introduced by Rep. Ron Kind. H.R. 4505 would specify the treatment of Tribal Nations as States with Respect to Bond Issuance, modify the treatment of pension and employee benefit plans maintained by a Tribal Government, modify the treatment of Tribal Foundations and charities, improve the effectiveness of Tribal child support enforcement agencies, and recognize Tribal governments for purposes of determining whether a child has special needs eligible for the adoption tax credit. We further note and support the inclusion of Tribal parity for bond issuance in the House-passed version of the Build Back Better Act.

Dual Taxation

Dual taxation hinders Tribal Nations from achieving their own revenue generating potential. Although Tribal Nations have authority to tax noncitizens doing business in Indian Country, when other jurisdictions can tax those same noncitizens for the same transactions, Tribal Nations must lower their taxes to keep overall pricing at rates the market can bear or forgo levying a tax at all. The application of an outside government's tax often makes the Tribal tax economically infeasible.

Dual taxation undercuts the ability of Tribal Nations to offer tax incentives to encourage non-Indian business entities onto the reservation to create jobs and stimulate the Tribal economy. As long as outside governments tax non-Indian businesses on the reservation, even if a Tribal government offers complete Tribal tax immunity to attract a new non-Indian business to the reservation, that business is subject to the same state tax rate that is applicable off-reservation. As a matter of economic fairness, we ask that you work with us to support and advance initiatives that would bring

certainty in tax jurisdiction to Tribal lands by confirming the exclusive authority of Tribal governments to assess taxes on all economic activities occurring within our borders.

Traditional Foods

In addition to changes in federal Indian policy related to economic development, we must also focus on food and nutrition policy. Though Tribal Nations have access to millions of acres of land that are already engaged in some form of agriculture or food production, these foods do not stay within Tribal communities. At this time, the \$3.4 billion generated annually through Tribal agriculture efforts is more than 99% raw commodities, instead of the healthy, local, economically beneficial, and nutritious food needed in Tribal communities and rural areas. Access to traditional and healthy foods is not just an economic issue, but a health and sustainability issue as well. Increasing access to these foods is a crucial part of the solution to food insecurity in Indian Country.

Across Indian Country, Tribal Nations and Tribal producers are actively engaging in food sovereignty projects that would increase the amount of traditional food, including fresh fruit, meat, and vegetables within Tribal communities. Congress must ensure Tribal food sovereignty and traditional food programs are supported. This includes ensuring Tribal Nations and Tribal agriculture programs have equal access to vital agriculture programs that would support traditional food programs, including, for example, the Specialty Crop Block Grant Program. The sustainability of traditional foods and crops are vital to the cultural and spiritual lives of Tribal citizens.

Tribal products must also be given the maximum protection under federal law so that they are protected from non-Tribal commercialized purposes. Tribal products are often derived from traditional seeds, which are among the most sacred items to individual Tribal Nations. The federal government must uphold the inherent right and sovereign status of Tribal Nations to protect traditional seeds not just to ensure biosecurity and food security for their communities, but to preserve market competitiveness for Tribal products as well.

Self-Governance for SNAP and Forestry Programs

As a matter of governmental parity, Tribal Nations must have the authority to engage in Tribal Self-governance to administer the Supplemental Nutrition Assistance Program (SNAP), Food Distribution Program on Indian Reservations (FDPIR) and other vital nutrition programs. Tribal Nations, like other units of government, are responsible for providing essential services to their citizens, including those related to nutrition. Tribal Nations have demonstrated we have the capacity to fully administer SNAP programs to Tribal citizens, as we have been administering far more complex federal programs for decades. However, and in spite of a 2014 USDA feasibility study, Tribal Nations continue to be excluded from administering SNAP and other nutrition programs under P.L. 93-638 contracting and compacting. The 2018 Farm Bill authorized a P.L. 93-638 demonstration projection for FDPIR, but this authority should be guaranteed to any Tribal Nation that wishes to USET SPF joins Tribal Nations and organizations across the country in calling upon this Committee and this Congress to ensure that Tribal sovereignty and self-determination for federal nutrition programs is made a reality, including as part of the upcoming Farm Bill reauthorization.

In addition, we urge that P.L. 93-638 authority also be extended to forestry programs at the U.S. Department of Agriculture. When Tribal Nations manage our own forests, we are able to prioritize traditionally harvested plants and animals that provide vital elements of a healthy Indigenous diet. Wild harvested foods are often more nutritionally dense than their cultivated counterparts and they

carry a cultural connection for Indigenous people. Nutritious, local foods are an essential part of any solution to food insecurity.

Need for Broader Engagement with Indian Country

As noted during the Roundtable, Indian Country's diversity and complexity cannot be represented by a single individual or organization. With this in mind, we were pleased to know that Chairman McGovern intends to engage Tribal leaders for a roundtable in this series specific to Indian Country. This will facilitate the meaningful inclusion of Tribal Nations and Native American people, as the Chairman seeks to address food insecurity, and contributing issues, throughout the country.

Conclusion

Food insecurity in Indian Country is a symptom of the larger issues we face as Tribal Nations, particularly the failure of the U.S. government to live up to the terms of our diplomatic, Nation-to-Nation relationship. Solutions that recognize and uphold our inherent sovereignty and trust and treaty obligations are necessary to alleviate food insecurity and improve conditions for Tribal Nations and Native American people. We urge you to keep this in mind as you seek ways to meaningfully include Tribal Nations, as well as address hunger at its roots in the United States. We commend your efforts thus far, appreciate the opportunity to participate in the Roundtable, and welcome further engagement as this initiative proceeds.