

Report on Review of Operation of Agricultural and Natural Resource Programs on Tribal Trust Land

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Farm Security and Rural Investment Act of 2002
Title X, Subtitle J, Section 10910
Review of Operation of Agricultural and Natural Resource
Program on Tribal Trust Land

Introduction

Section 10910 of the Farm Security and Rural Investment Act of 2002 (the 2002 Farm Bill) directs the Secretary of Agriculture (the Secretary) to conduct a review of the operation of agricultural and natural resource programs available to farmers and ranchers operating on tribal and trust land. The Secretary has determined that thorough review of the U.S. Department of Agriculture's (USDA) programs should be made which focuses on the programs included in the specific categories identified in subsection (a) of section 10910, *i.e.*, agricultural commodity programs, conservation programs, agricultural credit programs, rural development programs, and forestry programs. Therefore, this report focuses on programs operated by the Farm Service Agency (FSA); the Natural Resources Conservation Service (NRCS); the three Rural Development Agencies - Rural Housing Service, Rural Utilities Service, and the Rural Business-Cooperative Service (RD); the Forest Service (FS); and the Cooperative State Research, Education and Extension Service (CSREES).

Subsection (b) directs the Secretary to consider the following criteria in conducting the program review: 1) the extent to which Department's programs are consistent with tribal goals and priorities regarding the sustainable use of agricultural land; 2) strategies for increasing tribal participation in agricultural commodity and conservation programs; 3) the educational and training opportunities available to Indian tribes and their members in the practical, technical, and professional aspects of agriculture and land management; and 4) the development and management of agricultural land under the jurisdiction of Indian tribes in accordance with integrated resource management plans.

This report covers a broad array of programs that serve American Indians and Native Alaskans (Native Americans) who operate on tribal lands. These programs demonstrate the Department's broad-based commitment to improving the economic well-being of Native Americans residing on tribal lands.

USDA Coordination of Native American Affairs

Executive Order 13175 requires Federal agencies to establish regular and meaningful consultation and collaboration with tribal officials in the development of Federal policies that have tribal implications. Executive Order 13175 also requires the designation of an official with primary responsibility to implement the Order. In accordance with this directive, the Secretary, through 7 C.F.R. § 2.23(a)(2)(v), delegated authority for the implementation of this order to the Assistant Secretary for Congressional Relations. Departmental regulations have been issued to implement the

coordination of American Indian Programs throughout USDA and to ensure that agencies consult with the tribes to advise them of major policy issues. It is incumbent upon USDA to maintain government-to-government relationships with Indian Tribes. These relationships are fundamental to developing solutions that meet the needs of Tribes and their members in the vast area of agriculture, food and fiber development, emergency preparedness, conservation and natural resources, and food and nutrition services.

On June 20, 2003, Secretary Veneman appointed the Director for the USDA Office of Native American Programs. The Director is located within the Office of the Assistant Secretary for Congressional Relations and reports to the Director, Office of Intergovernmental Affairs because of the sovereign status of the Indian Tribes. The Director, Office of Native American Programs serves as the Department's principal advisor and representative on matters related to USDA policy and programs that benefit and affect Native Americans. Duties and responsibilities of the Director include participating as a senior resource person in planning projects, determining research methods, and identifying sources of information that concern USDA policy and program delivery to Native Americans.

Specific duties of the Director will address immediate outreach efforts for meaningful consultation and collaboration with tribal officials to develop Federal policies that have tribal implications. These duties clarify USDA policy for program delivery to American Indians and Native Alaskans, and strengthen USDA's government-to-government relationships with Indian tribes. The specific duties of the Director include:

- USDA's principal advisor and representative on USDA policy and programs that benefit and affect American Indians and Native Alaskans.
- USDA representative for the Secretary, Deputy Secretary, and the Director of Communications with groups made up of State and local government, and tribal officials related to American Indians and Native Alaskans.
- Liaison between the Department and the 562 federally recognized American Indian tribal governments, Native Alaskan communities, and other tribal organizations in the country.
- Contact point for tribal groups visiting the Department to meet with top-level USDA officials.
- Senior resource person in planning projects, determining research methods, and sources of information concerning USDA policy and program delivery to American Indians, Native Alaskans, American Indian tribal governments and Native Alaskan communities.

- Lead USDA person on consultations mandated by Executive Order 13175 and liaison and advisor on research projects to identify, clarify, and recommend actions concerning USDA policy and program delivery assistance to American Indians and Native Alaskans.
- USDA representative in relationships with the Bureau of Indian Affairs, USDA agencies, other Federal agencies, State, county and city officials and urban or tribal officials.
- Chairperson of the Native American Working Group (NAWG). The NAWG is comprised of Tribal Liaisons from each USDA agency and meets regularly to address USDA activities involving American Indians and Native Alaskans.
- Lead person for outreach and representation to tribes, tribal officials and advocacy.

Review of Operation of Agricultural and Natural Resource Programs on Tribal Trust Land

Section 10910 of the 2002 Farm Bill directs the Secretary of Agriculture to conduct a review of agricultural and natural resource programs operating on tribal and trust land. The review is to include agricultural commodity programs (i.e., agricultural commodity, price support, and farm income support programs); conservation programs; agricultural credit programs; rural development programs; and forestry programs. Several USDA agencies administer and operate the agricultural and natural resource programs for farmers and ranchers operating on tribal and trust land. In addition, CSREES manages programs that support university-based and other institutional research, education, and extension, which have an impact on agricultural programs, including the five program areas specified in the statute for review. Because CSREES' work cuts across those programs, the discussion of CSREES activities has been included at the end of this report in Appendix 1.

The results of the review of the five program areas in accordance with the four review criteria specified in the statute are summarized in the following section. The discussion also covers program accomplishments as applicable to Native American producers; initiatives and specific actions undertaken by USDA to increase program benefits and accessibility to Native American producers; and any recommendations and actions for program improvements.

Consultations

The statute also requires that in carrying out the review of the operation of agricultural and natural resource programs on tribal trust land that the Secretary of Agriculture consult with the Secretary of the Interior, local officers and employees of the Department of Agriculture, and program recipients.

The Secretary tasked the Office of the Assistant Secretary for Civil Rights and the Director of the Office of Native American Programs to develop this report with support from various Departmental mission area headquarters and local staff who serve as the direct interface with the program participants. Discussions during the development of this report were initiated with tribal leaders visiting Washington, D.C. Input useful in developing this report was also received during several site visits to tribal lands and tribal conferences including the Departmentwide consultation and site visit with the Navajo Nation in the fall of 2002 and a roundtable discussion with seven Montana tribes in the fall of 2003. Staff from USDA and their counterparts at the Department of the Interior also provided comments and useful input in the development of the report.

Results of Review

I. Agricultural Commodity Price and Farm Income Support Programs

Subsection (a)(1) of section 10910 of the 2002 Farm Bill¹, requires a report on the agricultural commodity programs of USDA. The USDA commodity programs are carried out by FSA². FSA administers agricultural commodity programs, emergency and *ad hoc* disaster programs, agricultural credit programs, and certain conservation programs to serve farmers and ranchers. In accordance with the provisions of section 10910, this report provides a brief description and results of the program review conducted by FSA, the recommendations for program improvement resulting from the review, and a summary of actions already taken to carry out the improvements.

A. Commodity Programs:

USDA commodity programs are vital to the efforts of USDA to assist farmers and ranchers, including Native Americans, prosper and have economically sustainable use of agricultural land. FSA has taken a broad approach to ensure full participation in all agency programs by farmers and ranchers throughout the country. USDA commodity programs fall into two rather broad categories:

- *Price and Farm Income Support.* Through FSA, USDA administers a wide ranging set of programs to support prices and quantities of agricultural commodities and farm income. The support mechanism includes provisions such as Marketing Assistance Loans and Loan Deficiency Payments (LDP), Direct Payments (DP), and Counter-cyclical Income Support Payments (CCP). Marketing Assistance Loan Programs allow producers of designated crops (wheat, rice, corn, grain sorghum, barley, oats, upland cotton, oilseeds, peanuts, mohair, wool, honey, small chickpeas, lentils, and dry peas) to receive a loan from the government at a commodity-specific loan rate per unit of production by pledging production as loan collateral. After harvest, a farmer may obtain a loan for all or part of the new commodity production. When market prices are below

¹ See 7 U.S.C. § 2204 NOTE, Pub L. 107-171, Title X, section 10910, May 13, 2002, 116 Stat. 539.

² FSA administers programs funded by the Commodity Credit Corporation or CCC. In this report FSA also means CCC.

the loan rate, farmers are allowed to repay the commodity loans at a lower loan repayment rate. If a farmer repays the loan at a lower loan repayment rate, the difference between the loan rate and the loan repayment rate, called a marketing loan gain (MLG) is retained by the producers as a program benefit. Accrued interest on the loan is waived. Alternatively, eligible farmers may choose to receive marketing loan benefits through LDPs when market prices are lower than commodity loan rates. The LDP option allows the producer to receive the benefits of the marketing loan program without having to take out and subsequently repay a commodity loan. When an MLG or LDP is received on a given quantity, that quantity is not eligible for further loan benefits.

The LDP Program provides annual fixed direct payments on covered crops to farmers and eligible landowners when they enter into an agreement for any of the 2002-2007 program years. CCPs are available to the same producers and provide payments whenever the effective price is less than the “target” price. Under the DP and CCP programs, participating producers are permitted to plant all cropland acreage on the farm to any crop, except for some fruits and vegetables unless an exception to that prohibition applies. The land must be kept in agricultural uses (which includes fallow) and farmers must comply with certain conservation and wetland provisions.

Together, all of these USDA commodity programs increase the economic well-being of program participants. Certain payments and marketing loan gains are subject to payment limitations and other eligibility criteria.

- *Commodity Operations:* USDA, through its FSA Commodity Operations programs, also purchases and delivers processed commodities for programs such as the National School Lunch Program, Commodity Supplemental Food Program, Food Distribution Program on Indian Reservations, and Disaster/Emergency Assistance Programs, as well as for foreign countries under Title II of Public Law 480 and the Food for Progress Program. FSA also buys surplus commodities from processors. These purchases help to maintain market prices at the legislated support levels, and FSA commodities assist the United States and foreign countries fight hunger worldwide.

Description and Results of Review of Commodity Programs:

Even though reliable specific commodity program participation rates for Native Americans are not currently available, disbursements to all persons known to be Native Americans were identified where possible³. Still, it should be pointed out that

³ USDA cannot reliably compute the rate of participation of Native American farmers and ranchers in commodity programs. USDA has not systematically captured the composition of its customers from a race and ethnicity standpoint, since the collection of such data for most programs (except credit programs) has not been approved under the Paperwork Reduction Act. USDA is now in the process of obtaining approval for this data collection and will be able to report this data at a later date. Further, USDA is currently unable to identify which producers receive payments from more than one program, thus, the aggregate number of tribe members receiving program payments is unknown. Also, many program payments are made to tribal governments and no data presently exists on indirect payments to tribal members.

the benefits of the commodity programs to all farmers are generally known and one would expect the Native American farmers to benefit in a similar manner.

Review Criteria 1: Consistency of commodity programs with sustainable use of agricultural land.

Commodity programs provide important benefits to achieve the economically sustainable use of agricultural land. In recent years, several key commodity programs have been designed to allow participants the flexibility to plant crops in accordance with appropriate agronomic practices that help prevent depletion of essential nutrients, water, and deterioration of soil quality without loss of program economic benefits. This increase in planting flexibility, with program benefits no longer dependent on production levels of a specific crop, along with requirements to comply with sound conservation practices have made the commodity programs amenable to sound sustainable management of agricultural lands by producers. Table I summarizes the disbursements to all persons known to be Native Americans for FSA commodity programs. This data reflects an increase in total dollar benefits paid to tribes and tribe members from \$22 million in FY 2002 to almost \$30 million in FY 2003.

TABLE I
FSA Commodity Program Payments to Native Americans

	<u>FY 2002</u>		<u>FY 2003</u>	
	Payments	Producers*	Payments	Producers*
Apple Market Loss	NA	NA	\$280,274	13
Bioenergy Program	\$613,701	1	\$358,914	1
Cottonseed Payment Program	NA	NA	\$161,059	4
Direct & Counter-cyclical	\$11,391,409	3,126	\$17,536,166	3,077
Lamb Meat Adjustment Assistance	\$66,125	51	\$41,012	25
Marketing Assistance Loan Program	\$9,916,409	1,042	\$2,163,253	2,908
Milk Income Loss Contract	NA	NA	\$2,766,244	113
Peanut Quota Buyout Program	NA	NA	\$6,248,719	175
Potato Diversion Program	\$21,726	2	NA	NA
Sugar Diversion Program	\$115,881	6	NA	NA
Tobacco Loss Assistance	\$1,419	18	NA	NA
Tobacco Payment Program	NA	NA	\$241,532	949
Other Commodity Programs	\$52,159	32	NA	NA
Subtotal Commodity Support Programs	\$22,178,829	NA	\$29,797,173	NA ⁴

* The number of producers include individuals as well as entities as noted in the payment records.

TABLE II
Aid to Indian tribes under the FDPIR

Item	<u>FY 2002</u>		<u>FY 2003</u>	
	\$ value	Pounds	\$ value	Pounds
Total for all commodities	\$52,693,729	69,611,611	\$58,507,395	67,971,790

⁴ Most customers participated in multiple programs.

Table II summarizes aid to Indian tribes under the Food Distribution Program on Indian Reservations (FDPIR)⁵. FDPIR provides commodity foods to low-income households, including the elderly, living on Indian reservations, and to Native American families residing in designated areas near reservations. This data reflects an increase in the dollar value of commodities provided to tribes from almost \$53 million in FY 2002 to almost \$59 million in FY 2003.

Review Criteria 2: Strategies for increasing tribal participation in agricultural commodity programs.

FSA has taken a broad approach to ensure full participation in and use of all agency programs on tribal trust lands by Native Americans. By utilizing all National, State and local FSA personnel, including the local elected FSA county office committee (COC) members, the development of unique and innovative programs to accomplish this end, and partnership with community based organizations and others, FSA has undertaken unique efforts, which has dramatically increased and improved the use of all agency programs on tribal trust lands. Overall, FSA has implemented highly successful national outreach efforts and initiatives that have greatly improved the participation and use of all agency programs on tribal trust lands by Native Americans.

The following are examples of FSA's actions to increasing participation in agricultural commodity programs:

- Presented 2002 Farm Bill changes affecting FSA commodity programs and Native Americans' participation at the Intertribal Agricultural Annual Symposium held in September 2002.
- In Oklahoma, FSA has designated a County Executive Director (CED) for each of the 39 federally recognized tribes in that State, to assist them in program sign up.
- Over \$11 million was expended in 10 FSA commodity programs in Arizona to Native Americans. Arizona assisted 15 out of the 22 tribes within the State through FSA programs.
- In Idaho, FSA staff attended the March 2002 Annual Northwest Intertribal Agriculture Council Conference in Pocatello, Idaho. FSA spoke about the youth loan program, and displays were also set up with program outreach and recruitment information. After the passage of the new Farm Bill in May 2002, information on commodity programs was provided to interested tribal producers at the Fort Hall Indian Reservation.
- In Idaho and Nevada, FSA entered into a Memorandum of Understanding with the Shoshone-Paiute Tribes of the Duck Valley Reservation on the methods FSA

⁵ The Food Distribution on Indian Reservations program is administered by the USDA Food and Nutrition Service.

will use in delivering service to members of the Duck Valley Reservation and work with tribal representatives to establish a local administrative area on the reservation.

- FSA personnel from three Arizona county offices made weekly visits to various sites across the Navajo Reservation to explain and take applications for the Wool and Mohair LDP Program.
- In North Dakota, Montana, South Dakota, Alabama, and Oklahoma the information on FSA programs was provided to Native American communities through Tribal newspapers and newsletters. Also, in South Dakota, FSA organized a Statewide Native American Conference with the Bureau of Indian Affairs (BIA), Tribal Agricultural Councils, NRCS, National Tribal Development Association (NTDA), and Native American farmers, elders, ranchers, and tribal leaders and formed a Tribal Advisory Council.

Review Criteria 3: Educational and training opportunities in agricultural commodity programs for Indian tribes and members of Indian tribes.

FSA has a National Native American Outreach Coordinator (OC) who is responsible for coordinating and assisting Native Americans and others participation in these programs. OC arranges resources and organizes education and training session to meet the needs identified by Native Americans. Also, FSA has established a State OC for each of the 51 State FSA offices who are responsible for coordinating and implementing State outreach activities for ensuring that underserved segments of the population, including Native Americans and others on tribal trust lands, receive pertinent information to be able to fully participate in all agency programs.

The following are examples of FSA actions to promote education and training needs of members of Native American tribal communities:

- In South Dakota, FSA has developed programs with local tribal colleges to increase the interest of Native American community in agriculture. Outreach coordinators have led successful college recruiting campaigns for Native Americans.
- FSA assisted in establishing a 4-year agriculture degree program at the Oglala Sioux Tribal College. In addition, the State Outreach Staff initiated the FSA Credit Outreach Project in cooperation with the Sisseton Wahpeton Community College and the Sinte Gleksa University.
- The States of Arizona, Montana, South Dakota, and Kansas went to tribal universities to recruit Native Americans for FSA programs and to inform them of student intern programs.

Review Criteria 4: Development and management of agricultural land under the jurisdiction of Indian tribes in accordance with integrated resource management plans.

Commodity programs have been made flexible to permit sound stewardship of agricultural land. Modifications in these programs in recent years have also significantly increased economic returns and hence improved opportunities for effective integrated resource management planning. The impacts of integrated resource management plans including proper management of land, increase in economic returns, higher employment opportunities, and improved social and economic welfare for Indian tribes and members of Indian tribes are the same as for the general population of farmers and ranchers participating in FSA programs.

Recommendations for Specific Commodity Program Improvements and Actions to be Taken:

The agricultural commodity programs as discussed in this section are authorized under Title I of the 2002 Farm Bill. These programs apply to all eligible farmers and ranchers for the crop years 2002-2007. There is little or no discretion in the way the programs are implemented through the regulatory process. Any changes or modifications to the programs require changes in legislation by the Congress. The Department has recently completed the rulemaking process to implement various provisions of the 2002 Farm Bill. USDA is recommending no changes at this time to Title I of the 2002 Farm Bill.

B. Emergency and *Ad hoc* Disaster Assistance Programs:

As a part of the Department's income support programs, the Secretary of Agriculture may authorize emergency assistance and administer *ad hoc* disaster assistance programs as authorized by U.S. Congress in response to drought, floods, freeze, or similar natural disasters. This section of the report provides a brief description and results of the disaster and emergency program conducted by FSA, recommendations for program improvement resulting from the review, and a summary of actions taken to carry out the improvements.

Emergency and *ad hoc* disaster assistance programs are a major component of the economic "safety net" USDA provides for the Nation's farmers and ranchers, including Native Americans. In recent years, Congress has provided a range of emergency and *ad hoc* disaster assistance programs. Some of these are one-time programs (e.g., Apple and Potato Quality Adjustment Program) and others are irregular, but recurring (e.g., Crop Disaster Program, Livestock Assistance Program, and Livestock Feed Assistance Program). And, still, there are other continuing programs (e.g., Noninsured Crop Disaster Assistance Program (NAP) and the Dairy Indemnity Payment Program). These programs provide targeted financial assistance to allow producers to maintain their operations during periods of severe weather, or to recover from the impacts of

severe weather. Information on these programs is available from FSA offices and the USDA website.

Description and Results of Review of Emergency and Ad hoc Disaster Assistance Programs:

Even though the total number of tribe members receiving disaster and emergency program payments is unknown at this time, FSA has reviewed service delivery of programs to Native American tribes, Native Americans owning land, and farmers operating on tribal trust lands and has determined that emergency and *ad hoc* disaster assistance to Native American farmers has increased in recent years.

Review Criteria 1: Consistency of emergency and ad hoc disaster assistance programs with sustainable use of agricultural land.

USDA disaster and emergency programs are vital to the efforts of USDA to assist Indian tribes in achieving the goal of the economically sustainable use of agricultural land. The emergency and *ad hoc* disaster assistance programs provide economic assistance under adverse conditions caused by qualified natural disasters, thereby, allowing producers to continue sound, sustainable management of agricultural lands. Table III summarizes the available data on payments to all persons known to be Native Americans for USDA emergency and *ad hoc* disaster assistance programs. This data reflects an increase in total dollar benefits paid to tribes and tribe members from \$7.7 million in FY 2002 to \$30 million in FY 2003.

TABLE III

USDA Emergency and Ad hoc Disaster Assistance Program Payments to Native Americans

Item	FY 2002		FY 2003	
	Payments	Producers*	Payments	Producers*
Apple and Potato Quality Loss	\$61,205	4	NA	NA
Cattle Feed Program	\$2,118,122	471	\$450,715	189
Crop Disaster Program	\$1,011,288	183	\$8,346,206	876
Dairy Indemnity Program	\$11,201	1	\$8,189	2
Karnal Bunt Payment	\$646	2	NA	NA
Livestock Compensation Program	NA	NA	\$11,321,268	8,615
Livestock Feed Assistance Program	\$1,670,282	315	NA	NA
Livestock Indemnity Program	\$4,114	2	\$8,189	2
Noninsured Assistance Program	\$2,800,454	512	\$10,028,000	862
Pasture Recovery Program	\$16,552	8	NA	NA
Other Disaster & Emergency Programs	\$2,800	2	\$2,648	1
Subtotal: Disaster & Emergency Programs	\$7,716,664	a/	\$30,165,215	a/

* The number of producers include individuals as well as entities as noted in the payment records.

Review Criteria 2: Strategies for increasing tribal participation in emergency and ad hoc disaster assistance programs.

USDA will continue to strive to increase participation of Native American farmers and ranchers in its programs. This will be accomplished through the use of its National Native American Outreach program as well as direct interaction with representatives of Indian tribes. For example, on December 3, 2004, some of the senior FSA managers and staff met with tribal representatives to seek their input in implementing the American Indian Livestock Assistance Program provision of the recently enacted emergency hurricane and disaster assistance of the Military Construction Appropriations Act, 2003-2005 (P.L. 108-324). Further, FSA plans to establish a State Outreach Coordinator for each of the States to administer outreach activities for all underserved producers, including Native Americans.

Review Criteria 3: Educational and training opportunities in emergency and ad hoc disaster assistance programs to Indian tribes and members of Indian tribes.

The National Native American OC's office in FSA organizes education and training sessions for issues identified by members of the Native American tribal community. The State Outreach Coordinators for each of the State FSA offices are responsible for coordinating and implementing State outreach activities, for ensuring that underserved segments of the population, including Native Americans and others on tribal trust lands, are aware of and fully participate in all emergency and *ad hoc* disaster assistance programs.

Review Criteria 4: Development and management of agricultural land under the jurisdiction of Indian tribes in accordance with integrated resource management plans.

Generally, emergency and *ad hoc* disaster assistance programs provide economic assistance for farmers and ranchers when there is significant damage due to a natural disaster. By stabilizing and improving economic returns, USDA helps producers continue sound stewardship of agricultural lands, thereby allowing improved opportunities for effective integrated resource management planning.

Recommendations for Specific Emergency and Ad hoc Disaster Assistance Programs' Improvements and Actions to be Taken:

The majority of the emergency and *ad hoc* disaster assistance programs are authorized by Congress in legislation to address special needs. In almost all cases, little or no discretion is granted to USDA, thereby, making it difficult to tailor these programs to any other situations not already covered by the legislation.

II. Conservation Programs (including Financial and Technical Assistance)

Subsection (a)(2) of section 10910 of the 2002 Farm Bill, requires a report on the conservation programs of USDA. The following provides a brief description of the Department's conservation activities as well as results of the review conducted, the recommendations for program improvement resulting from the review, and a summary of actions taken to carry out the improvements.

Following the four review criteria noted in subsection (b) of Section 10910, the Department reviewed its delivery of conservation programs to farmers and ranchers operating on tribal and trust lands. The Department's conservation and natural resource programs help American farmers to promote the conservation of natural resources including our land, water, air, wildlife, and elements of historic value. USDA carries out its conservation and natural resource programs by providing technical and financial assistance and incentive payments to agricultural producers to rehabilitate farmland damaged by natural disaster, carrying out emergency water conservation measures, nutrient management, pest management, and grazing land management, and to install specific conservation practices on their land.

NRCS primarily provides conservation technical and financial assistance to land-users, communities, units of State, tribal and local government, and other Federal agencies in planning and implementing conservation systems through voluntary participation. This assistance is for planning and implementing conservation practices that address natural resource issues. The programs or activities that NRCS reviewed included the major activities of the Conservation Operations – Conservation Technical Assistance, Plant Materials Centers, and Soil Surveys as well as the Environmental Quality Incentives Program, Wildlife Habitat Incentives Program, Wetlands Reserve Program, and Resource Conservation and Development Program.

FSA also administers conservation programs. It carries out the Conservation Reserve Program (CRP), which is the Department's largest single conservation program, and the Emergency Conservation Program (ECP). CRP's purpose is to assist farm owners and operators in conserving and improving soil, water, air, and wildlife resources by retiring environmentally sensitive lands from agricultural production and keeping them under long-term resource conserving cover. Under ECP, the Department shares the cost of carrying out practices to assist and encourage farmers to rehabilitate farmland damaged by natural disasters.

Description and Results of Review of Conservation Programs:

Natural Resources Conservation Service Programs

In FY 2002, NRCS provided more than \$32 million in conservation assistance on tribal lands through the following programs:

- *Environmental Quality Incentives Program (EQIP)*: The purpose of EQIP is to provide assistance to landowners that face serious natural resource challenges that impact soil, water and related natural resources. In FY 2002, NRCS field offices provided \$19.5 million in technical and financial assistance through EQIP to Native American farmers on reservations and trust lands.

Review of FY 2003 EQIP program participation data indicates that 18.4 percent of eligible Native American female farmers and 9.3 percent of Native American male farmers received assistance. The data shows that there were no disparities in the rates of EQIP assistance provided to operators who are members of protected groups. The approval for Native American applicants was at a rate of 47 percent. Native Americans received 1.8 percent of cost share dollars contracted (\$14,395,000). They represent less than one percent of eligible producers.

Cost share payments under the 2002 Farm Bill for EQIP were increased from a maximum of 75 percent to up to 90 percent for Limited Resource Farmers and for small and beginning farmers and ranchers. Many Native American producers have been able to take advantage of the increased cost-share rate as Limited Resources Farmers or Beginning Farmers or Ranchers.

- *Wetlands Reserve Program (WRP)*: WRP is a voluntary program in which landowners are paid to retire cropland from agricultural production if those lands are restored to wetlands and protected, in most cases, with a long-term or permanent easement. In FY 2002, nearly \$100,000 in WRP payments made by NRCS were to Native Americans.
- *Conservation Technical Assistance (CTA)*: Through CTA, NRCS assists land-users, communities, and government entities in planning and implementing conservation systems to reduce erosion, improving soil and water quality, and meeting other resource stewardship goals. In FY 2002, NRCS provided \$5.6 million in direct conservation technical assistance to Native American producers. NRCS has 426 field offices that provide NRCS programs and services to tribes in the lower 48 contiguous States, including 45 full-time and 22 part-time field offices located on tribal and trust lands typically staffed with one person.
- *Soil Survey Program*: Through the Soil Survey Program, NRCS develops soil surveys that provide the basic soil survey information necessary for understanding, managing, conserving and sustaining the Nation's limited soil resources. In FY 2002, NRCS provided \$3.6 million to this program to map 843,000 acres of soil types on tribal and Alaska Native lands. In recent years NRCS has increased the number of soil surveys conducted on tribal lands, but much more is needed in order for all lands to be surveyed, mapped and published for use as a critical tool in assessing soil resources and basic conservation planning. Since 1997, NRCS has earmarked \$1.25 million each

year from the soil survey program to accelerate soil survey on Native American lands. Currently, there are approximately 20 million acres of Native American lands remaining to be soil surveyed. In addition, 12 States have Indian land with initial soil survey acres that need to be mapped. And of the acres already mapped, extensive digitizing and publication work is needed in two States in order for the soil survey information to be readily available for use. In all, more than 40 million acres need some form of work in order to have soil survey information readily available for conservation planning efforts, including drought mitigation activities.

- *Plant Materials Centers (PMC)*: The purpose of this program is to develop and provide native plants that can help solve natural resource problems. The work at the 26 PMCs is carried out cooperatively with State and Federal agencies, commercial businesses, and seed and nursery associations. In FY 2002, NRCS provided \$1.7 million in technical assistance from its Plant Material Centers that benefited American Indians. NRCS held 15 training sessions dealing with culturally significant plants of Native Americans. Also during FY 2002, the Plant Material Centers conducted 10 active studies making plant selections from developing cultivars for the establishment and management of culturally significant plants. NRCS continually works with Native Americans to develop plant guides, conduct demonstrations and present propagation techniques for native plants.
- *Resource Conservation and Development (RC&D)*: The purpose of the RC&D program is to encourage and improve the capability of State and local units of government and local nonprofit organizations in rural areas to plan, develop, and carry out resource conservation programs and to coordinate available Federal, State and local programs. There are 375 authorized RC&D areas nationwide. In FY 2002, NRCS provided \$1.7 million in technical assistance from the RC&D Program to help address resource conservation and development concerns on tribal lands.

The effectiveness of the RC&D Program in meeting the needs of Indian tribes is currently being reviewed as part of the national evaluation being conducted for a report due to Congress by June 2005. Native Americans and tribal representatives have been invited to participate in the seven listening sessions being conducted with RC&D Councils across the Nation. In addition, a separate listening session for Native Americans is being planned for later this calendar year. Currently, there are eight authorized RC&D areas servicing Native Alaskans, one Navajo Nation RC&D and numerous RC&D's across the Nation serving American Indians as a collateral function.

- *Wildlife Habitat Incentives Program (WHIP)*: WHIP is a voluntary program that provides cost-sharing for landowners to apply an array of wildlife practices to develop habitat that will support various types of wildlife. NRCS established WHIP contracts with the Tanadgusix Alaska Native Corporation for Wildlife

improvements on Umnak Island. And, NRCS has significantly increased WHIP contracts with tribes in New Mexico. In total, about \$300,000 in WHIP funds were provided to Native Americans in FY 2002.

Farm Service Agency Programs

FSA has reviewed service delivery of the conservation programs to Native American tribes, Native Americans owning land, and farmers operating on tribal trust lands. Results of this review indicate that conservation program payments received by Native Americans in FY 2003 from all FSA conservation programs total about \$8.6 million, an increase of more than \$600,000 over the FY 2002 level (Table IV). The total dollar benefits paid to Indian tribes and tribal members increased from \$11.6 million in FY 2002 to \$14.5 million in FY 2003. There was also a sharp increase in the number of producers receiving payments in FY 2003.

TABLE IV
FSA Conservation Program Payments to Native Americans

Item	FY 2002		FY 2003	
	Payments	Producers*	Payments	Producers*
Conservation Reserve Program	\$7,170,821	661	\$6,812,205	695
Emergency Conservation	\$720,880	170	\$1,671,436	677
Environmental Quality Incentives Program (EQIP) ⁶	\$3,606,758	380	\$5,895,120	375
Wetlands Reserve Program	\$99,528	6	\$59,614	8
Other Environmental Programs ⁷	\$29,352	6	\$74,957	8
Other Programs		40		9
Subtotal Environmental Programs	\$11,627,339	a/	\$14,513,332	a/
Subtotal Less EQIP	\$8,020,581	a/	\$8,618,212	a/

* The number of producers include individuals as well as entities as noted in the payment records.

Review Criteria 1: Consistency of conservation programs with sustainable use of agricultural land.

USDA provides an array of conservation and natural resource programs which can assist Native American producers in the goal of achieving economically sustainable use of agricultural land. Sound resource conservation is an integral part of the means to achieve sustainable agriculture. All conservation programs reviewed were consistent with sustainable use of agricultural land. They offer management strategies for the land owner/operator to use that provides environmental protection and soil conserving cultural practices as well as ways to improve soil fertility and pest management control. USDA does not treat sustainable agriculture as a separate program, but has integrated its principles into the existing technology and cost-share assistance conservation programs.

Review Criteria 2: Strategies for increasing tribal participation in conservation and natural resource programs.

⁶ EQIP is an NRCS program, but FSA assists in delivery of this program.

⁷ Programs from previous fiscal years with residual funding

NRCS plans to continue to hold Native American consultations to evaluate progress in providing NRCS services to the Native Americans and to identify and resolve barriers to their program participation. For example, after identifying a barrier with the EQIP payment limitation, NRCS has submitted a legislative proposal to amend the Environmental Quality Incentives Program statute to exempt tribal governments from the payment limitation, and allow them to monitor payments to individual producers to not exceed the limit. These changes, if enacted, are expected to increase services to Native Americans.

NRCS plans to increase its Native American workforce, by recruiting students at the Native American Science and Engineering Society annual conference, career days, and job fairs. NRCS maintains good relations with tribal colleges and universities, and will implement a pilot Tribal Scholars Program in 2004.

NRCS maintains contact with American Indian and Alaska Native producers through 193 full and part-time Tribal Liaisons across the country. These Tribal Liaisons ensure that NRCS continues government-to-government consultations so that Native American tribes participate fully in conservation programs offered through NRCS.

NRCS has participated in USDA efforts and is pursuing more agency related outreach by providing grants to Native Americans organizations, non-profit organizations, and tribal governments. Proposals for grants are currently being reviewed for awards totaling \$150,000.

FSA strives for full participation in agency programs on tribal trust lands. Participation rates in agency conservation programs by Native Americans will continue to increase through the FSA National Native American Outreach program. For example, FSA provides personal technical assistance to Native American agricultural producers with environmentally sensitive land who are interested to participate in long-term, resource-conserving practices to improve the quality of water, control soil erosion, and enhance wildlife habitat.

Review Criteria 3: Educational and training opportunities in conservation programs for Indian tribes and members of Indian tribes.

Both the NRCS and FSA continue to use every educational and training opportunity to increase awareness and participation of Indian tribes and members of Indian tribes in conservation and natural resource programs.

- In FY 2001, NRCS held four Harmony Workshops (“Working Effectively with American Indians”), two Area-Wide Conservation Planning Workshops for Native Americans, and two Consultation with Tribes Workshops. The teaching cadre members received the Secretary of Agriculture Group Honor Award in 1997 for development of the Harmony Workshop course.

- NRCS offers employees and partners four cultural based courses that provide a comprehensive overview of tribally sensitive issues when working on tribal lands. These courses are *Consultation with American Indian Governments, Planning and Contracting in Indian Country, Working Effectively with Native Alaskans, and Working Effectively with American Indians*.
- NRCS offers Area-wide conservation planning to tribes on request.
- For several years the NRCS Southeast Regional Office has hosted a regional training for Indian tribes on NRCS programs. With the implementation of the recent NRCS reorganization, the training outreach effort is being expanded to a national meeting.
- NRCS American Indian Alaska Native Employees' association holds an annual training meeting to increase agency awareness of cultural issues and expand employee understanding of program delivery.
- The State Outreach Coordinators for each of the State FSA offices are responsible for coordinating and implementing State outreach activities to ensure that underserved segments of the population, including Native Americans and others on tribal trust lands, are aware of and fully participate in conservation programs.

Review Criteria 4: Development and management of agricultural land under the jurisdiction of Indian tribes in accordance with integrated resource management plans.

The impacts of integrated resource management plans including proper management of land, increased economic returns, higher employment opportunities, and improved social and economic welfare on Indian tribes and members of Indian tribes are the same as for other farmers and ranchers participating in FSA programs.

NRCS has worked with tribal governments to establish offices and assistance in delivery approaches that meets their needs. NRCS conservation planning encompasses the integrated resources management planning by identifying holistic management objectives such as quality of life, production goals and landscape descriptions of all designated resources that include water, wildlife, agriculture, and recreation, as well as community and municipal resources as demonstrated below:

- The NRCS Small Farms Coordinator worked with the Intertribal Agricultural Council to host a two-day, on-Reservation Outreach Consultations on the Conservation Title. Consultations focused on NRCS programs and services at the United Indian Pueblo Center in Albuquerque, New Mexico, and the Kwa Tuk Nuk Lodge on the Lalish Kootenai Reservation in Montana. Eight tribal representatives were present at the United Indians Pueblo Center Albuquerque,

and 50 tribal representatives were present at Lalish Kootenai Reservation in Montana.

- NRCS performed a Navajo Nation Consultation and site visit to assist the Navajo Nation on resource management problems, and find ways to get their Community College students interested and involved in natural resource management careers.
- In Oklahoma, NRCS set aside 10 percent (\$990,960) of its FY 2003 EQIP allocation to target Native American and other underserved populations.
- In Nevada, NRCS formed an Advisory Group with members of tribes to advise NRCS on improving service to “Indian Country.” The Advisory Group made recommendations on the 2002 Farm Bill regarding Limited Resource Farmers and the distribution of State funding allocation for tribes.
- In Maine, NRCS has four Tribal Liaisons who provided services to six tribal groups. The staff serviced eight tribal EQIP/WHIP contracts to continue to apply the scheduled practices.
- In Alaska, NRCS provided soil survey data for land use planning and resource development in a nine million acres survey area for Alaskan Native tribes.
- The NRCS Plant Materials Centers worked closely with Native American tribes in Kansas, Michigan, Montana, North Dakota, and New York on the propagation and cultivation of sweet grass, a culturally significant plant to Native Americans.
- The Georgia Golden Triangle RC&D provides assistance to the Lower Muskogee Creek Tribe with the value added agricultural produce processing project which will process vegetables and fruits under a tribal label for resale at major grocery markets.
- In Montana, NRCS is providing technical assistance to complete range/resource inventories on 1.5 million acres of grasslands located on three reservations in Montana in partnership with tribes and the BIA.

NRCS participated in 12 major USDA Farm Bill Forums held across the Nation and the U.S. territories designed to provide awareness and reach historically underserved populations. The NRCS sponsored and coordinated the forums held in Mississippi and California, in addition to partnering with Mississippi Valley State University and California State University at Fresno, respectively. On average, over 300 minorities, small and limited resource farmers participated in the forums and agency presentations.

NRCS implemented the State technical committee in each State with tribal and Bureau of Indian Affairs representation. The State technical committees provide advice on issues within a variety of conservation programs.

Recommendations for Specific Conservation Program Improvements and Actions to be Taken:

- Better align NRCS programs to meet tribal priorities and goals through listening sessions, fully implementing the NRCS State Level Tribal Advisory Committee, and establishing the NRCS National Tribal Advisory Committee. The NRCS National Tribal Advisory Committee would advise the Chief.
- Form more tribal conservation districts to assist NRCS with outreach and program delivery.
- Continue training and technical assistance to Indian tribes on area-wide Consultative Conservation Planning.
- Continue conservation technical assistance and technology transfer on plants of cultural significance.
- Establish demonstration plantings to assist tribal members to manage lands and native plants more effectively.
- Continue to support the existing four NRCS culture based training courses; *Consultation with American Indian Governments, Planning and Contracting in Indian Country, Working Effectively with Native Alaskans, and Working Effectively with American Indians.*
- Continue to train employees and partners in how to work effectively with Indian tribes on conservation issues.
- Ensure tribes are aware of the opportunities for conservation technical and financial assistance under the Farm Bill programs through local outreach efforts.
- Tailor the RC&D program delivery for unique cultural and geographical issues on tribal and trust lands.
- Reduce legal barriers to implement conservation programs in relation to land ownership and program contracts.
- Identify and remove barriers to participation in NRCS programs by Native American farmers and ranchers.

III. Agricultural Credit Programs

Subsection (a)(3) of section 10910 of the 2002 Farm Bill, requires that the agricultural credit programs of USDA also be reviewed with respect to Native American participation. USDA agricultural credit programs are carried out by FSA. Provided in this section is brief description and results of the review of agricultural credit programs, the recommendations for program improvement resulting from the review, and a summary of actions already taken to carry out the improvements.

FSA makes direct and guaranteed farm ownership (FO) and operating loans (OL) to family-size farmers and ranchers who cannot obtain commercial credit from a bank, Farm Credit System institution, or other lender. The loan amounts can be used to purchase land, livestock, equipment, feed, seed, and supplies and are often provided to beginning farmers who cannot qualify for conventional loans because they have insufficient financial resources. FSA also helps established farmers who have suffered financial setbacks from natural disasters, or whose resources are too limited to maintain profitable farming operations.

The guaranteed loans offered by FSA provide conventional agricultural lenders with up to a 95 percent guarantee of the principal loan amount. The lender is responsible for servicing the loan; all loans must meet certain qualifying criteria to be eligible for guarantees; and FSA will monitor the lender's servicing activities. Farmers interested in these loans must apply to a conventional lender, which then arranges for the USDA guarantee through FSA.

In addition, FSA operates the Indian Tribal Land Acquisition Program (ITLAP). ITLAP is a loan program designed to allow Native American tribes and tribal corporations to acquire land and fractional interests in land on the tribes' reservations. Fractional interest of land occurs primarily through inter-generational transfers of property. After multiple transfers, there may be many individual owners of a farm who have inherited a partial or "fractional" interest in the land. Fractional ownership may make it difficult for the farm operator to obtain credit needed to maintain or expand their farming operation since the many "owners" may have conflicting ideas about how the farm should be maintained and operated. ITLAP loans allow tribes and tribal corporations to buy out minority owners and consolidate ownership of the land under the tribe. These loans may also be used to restore tribal ownership to reservation lands previously sold to non-tribal members.

Description and Results of Review of Agricultural Credit Programs:

Many farm loans are targeted to beginning and Socially Disadvantaged Applicant (SDA) farmers. Consequently, FSA collects information from farm loan applicants, and the agency has records on the race, sex, and ethnicity of applicants for or recipients of direct or guaranteed loans. Currently, about 123,000 farmers participate in direct or guaranteed loan programs offered through FSA.

Review Criteria 1: Consistency of agricultural credit programs with sustainable use of agricultural land.

Most farmers, including Native American farmers, need credit to purchase or operate their farm, or for the capital inputs needed to sustain farming operations. The agricultural credit programs are an important area where USDA provides a financial safety net for farmers who are in need of Government assistance to start farming, or to maintain the economic viability of their farming operation. Table V below contains the number and amount of loans made to Native Americans in FY 2002 and 2003.

TABLE V

USDA Farm Loan Program Loans Made to Native Americans

Year	Total Loans made to Indians	Total Loans to Indians \$\$\$	# of FO Loans Made	Farm Ownership (FO) Loan \$\$\$	# of OL Loans Made	Operating Loans (OL) \$\$\$	# of EM Loans made	Emergency Loans (EM) \$\$\$	# of ITLAP Loans Made	ITLAP Loans \$\$\$
FY02										
Direct	497	\$25,933,000	95	\$11,004,000	391	\$14,422,000	11	\$508,000	1	\$74,000
Guar.	218	\$46,389,000	88	\$23,445,000	130	\$22,944,000			--	--
Total	715	\$72,322,000	183	\$34,449,000	521	\$37,366,000	11	\$508,000		
FY03										
Direct	541	\$26,592,000	89	\$10,122,000	438	\$15,457,000	14	\$1,013,000	1	\$110,000
Guar.	149	\$27,816,000	63	\$16,465,000	86	\$11,351,000			--	--
Total	690	\$54,408,000	152	\$26,587,000	524	\$26,808,000	14	\$1,013,000		

Review Criteria 2: Strategies for increasing tribal participation in agricultural credit programs.

Following are examples of FSA's actions to increasing participation in agricultural credit programs:

- *SDA program:* This program targets direct and guaranteed loan assistance to socially disadvantaged persons; discovers and removes barriers that prevent full participation of those persons in USDA's farm loan programs; provides information and assistance to help applicants develop sound farm management practices, analyzes problems, and plans the best use of available resources essential for success in farming or ranching.
- *National Native American Credit Outreach Initiative:* FSA executed a cooperative agreement with NTDA to provide outreach to all Native Americans for FSA County Office elections. This initiative targets areas of Indian country and, as a result, 42 percent of all minorities on FSA County Committees are Native Americans. NTDA's outreach project on agriculture credit in Montana resulting in doubling the loans to Native Americans in Montana and cutting delinquency among tribe members by half. There was also a marked reduction in acreage of tribal trust land losing trust status. FSA has provided \$866,022 for the 2004 cooperative agreement.
- The Oklahoma State FSA Office has designated one Farm Loan Manager to target efforts in each of its 39 tribes.

- The Utah State FSA Office met with representatives from the Navajo Nation, Goshute Indian Tribe, Moapa Paiute Band, and the Koosharem Paiute Band to inform them about the USDA loan and conservation programs.
- The Montana State FSA Office offered “Loans in Indian Country” training to FSA and outreach employees in 2003 to assist employees in providing up-to-date financial service to Native American producers.
- Idaho State FSA staff spoke at the 2002 Annual Northwest Intertribal Agriculture Council Conference about the youth loan program.
- USDA will emphasize lending to Native Americans as part of program performance goals.

Review Criteria 3: Educational and training opportunities in agricultural credit programs to Indian tribes and members of Indian tribes.

USDA’s mission is not limited to providing credit; rather it is directed to provide supervised credit. Supervised credit means that USDA works with each borrower to identify specific strengths and weaknesses in farm production and management, and then work with the borrower on alternatives and other options to address the weaknesses and achieve success. Effective supervised credit may be the difference between success and failure for many farm families. The eventual goal of USDA’s farm credit programs is to graduate its borrowers to commercial credit. Once a farmer is able to obtain credit from the commercial lending sector, the Agency’s mission of providing temporary, supervised credit is complete.

In addition to its ongoing supervised credit activities USDA will take the following direct actions to increase Native American participation in its agricultural credit programs:

- USDA will provide farm loan program information through FSA at regional and national Native American meetings.
- Farm Loan staff at State level will work closely with Native American colleges and institutions for assistance in providing borrower training and technical assistance.

Review Criteria 4: Development and management of agricultural land under the jurisdiction of Indian tribes in accordance with integrated resource management plans.

The impacts of integrated resource management plans including proper management of land, increased economic returns, higher employment opportunities, and improved social and economic welfare on Indian tribes and members of Indian tribes are the same as for other farmers and ranchers participating in USDA programs.

The USDA agricultural credit programs may be used to fund the purchase of farm lands; necessary inputs such as seed, fertilizer, pesticide, and herbicide; and improvements to the land, such as soil and water conservation practices. Agricultural credit applicants are required to complete a farm business plan which details the individuals operating plan, including proposed conservation practices. FSA and NRCS staff work hand-in-hand to ensure that soil and water conservation practices funded through the agricultural credit programs are properly implemented and maintained.

Recommendations for Specific Agricultural Credit Program Improvements and Actions to be Taken:

- Leverage efforts to reach Native American groups through targeted efforts such as the National Native American Credit Outreach Initiative.
- Revise performance goals in States where Federally recognized tribes are located to include increased outreach and targeting to Native Americans.
- Fully implement the Common Computing Environment and Geographic Information Systems. This would improve coordination and data sharing between FSA and NRCS and would allow agricultural credit staff to more easily identify when conservation measures are necessary. It would also improve program compliance and integrity by ensuring that land use restrictions, such as those imposed by the Conservation Reserve Program, are properly accounted for in the Farm Business Plan.

IV. Rural Development Programs

USDA's Rural Development mission area administers a wide variety of programs that are intended to improve the economic opportunities and quality of life in rural areas. These programs provide loans, grants and technical assistance for purposes relating to rural housing, electric generation and distribution, telecommunications and water and waste disposal, other essential community facilities, and business and industry. Native Americans participate in these programs both individually and through their membership in tribal organizations. Participation rates for the rural housing programs are available and reported to Congress annually. In recent years, the participation rate for "American Indians and Alaskan Natives" has been about 1.5% of the direct loans made for single family housing and about 0.8% of the loans guaranteed for such housing. Data relating to other programs is either not collected on a regular basis or is inapplicable, for example, because assistance is provided to entities that may serve a diversified clientele including Native Americans.

A preliminary review of the Rural Development programs indicates that there are no known statutory or regulatory impediments to Native Americans participation in these programs. This does not necessarily mean that Native Americans are receiving a fair share of these programs. As noted in the overview, there is not sufficient data to make that determination. Further, it is possible that other factors, such as a lack of

information on the availability of these programs or a reluctance on the part of Native Americans to apply for them, could serve as an impediment to their participation.

Description and Results of Review of Specific Rural Development Programs:

The Rural Development programs do not meet all the review criteria contained in Section 10910 (b) of the 2002 Farm Bill. However, a few programs meet the criterion that they contribute to the development and management of agricultural lands under the jurisdiction of Indian tribes in accordance with integrated resource management plans that: (a) ensure proper management of land, (b) produce increased economic returns, (c) promote economic opportunities, and (d) improve the social and economic well-being of Indian tribes and members of Indian tribes (Review Criteria 4). Indian tribes or members of Indian tribes have participated in each of these programs. The programs are as follows:

- *Business and Industry Loan Guarantees:* This program provides guarantees of up to 80% of the loan amount on loans made by commercial or other authorized lenders. Loan proceeds may be used for working capital, machinery and equipment, buildings and real estate, and certain types of debt refinancing. The borrower may be virtually any type of legally organized entity, including an Indian tribe or federally organized tribal group. The program includes special provisions for farmers and ranchers to purchase stock in an agricultural cooperative. Program eligibility is limited to rural areas that are outside the boundaries of cities and towns of more than 50,000 populations and the urbanized area contiguous and adjacent to such a city or town. In general, the loan amount is limited to \$25 million, although the authorizing legislation allows loans to cooperative organizations of between \$25 million to \$40 million to be guaranteed subject to the Secretary of Agriculture's approval. In recent years, the program has had sufficient funding to support between \$600 million to about \$1 billion in guarantees. The program produces increased economic returns and employment opportunities and in rural areas.
- *Renewable Energy Grants:* This program was authorized by Section 9006 of the 2002 Farm Bill, and has been funded nationally at about a \$23 million level for the past two years. A similar amount was available for FY 2004. The program is limited to farmers, ranchers and rural small businesses. The authorizing legislation contains both loan and grant provisions. However, pending the promulgation of these regulations, use of the annual funding for the program has been limited to a national competition for grants, with the terms of this competition established through an annual notice of funding availability. The program contributes to the economic returns and employment opportunities in rural areas.
- *Value Added Producer Grants:* This program was also authorized by the 2002 Farm Bill. It provides grants for planning activities and working capital for marketing of value added agricultural products and farm- or ranch-based

renewable energy. Recipients include independent producers, farmer and rancher cooperatives, agricultural producer groups, and majority-controlled producer-based business ventures. For FY 2004, \$13.4 million in funding was available for the program. The program contributes to the economic returns and employment opportunities in rural areas.

- *The Combination of Electric, Telecommunications and Water and Waste Disposal Programs:* These programs provide infrastructure for services that support agriculture and rural businesses and, improve the social and economic well-being of rural residents. Except for water and waste grants, these programs can be expanded to meet the demand for assistance without significant budget cost because they provide loans that have little or no subsidy cost. Accordingly, program levels tend to reflect demand rather than funding limitations. In recent years, they have contributed from \$4 billion to over \$6 billion in financial assistance to rural areas.
- *Cooperative Development:* This program promotes understanding and use of the cooperative form of business as a viable organization option for marketing and distributing agricultural products. They provide funding for research, development and technical assistance that serve this purpose.
- *Empowerment Zones and Enterprise Communities (EZ/EC):* This program provides on-going support for rural communities that were designated either empowerment zones or enterprise communities, as authorized in the late 1990's. Such communities received specific tax-related benefits and, in some cases, grants in accordance with their designation. Rural Development continues to provide planning assistance and to target a portion of the funding available for certain of its programs to EZ/EC areas. Other areas, including those designated by Rural Development as Champion Communities also receive this planning assistance and quality for the targeting of funds. Currently, there are 18 Native American tribes benefiting from an EZ/EC designation. To date, the active EZ/EC communities with tribal participation have leveraged \$28.7 million of EZ/EC grants to secure \$434.4 million in other funding. For example, during FY 2003, in the EZ/EC communities with tribal participation, 85 houses were constructed, 170 houses were rehabilitated, 8 job training facilities, 4 business incubators and 3 loan funds were created, and 397 new jobs were created along with placing 150 youths in jobs.
- *Rural Community Advancement Program (RCAP):* RCAP is a funding mechanism that allows flexibility for the transfer of certain program funds, both within and among categories of programs that provide assistance for rural utilities, other rural community needs and rural businesses. In recent years, a portion of RCAP has been specifically targeted to Native Americans. The amount of RCAP budget authority targeted to Native Americans in FY 2003 was \$24 million, which was used to fund a \$4.25 million initiative for economic

development and transportation, \$4 million for tribal colleges and \$15.75 million for water and waste disposal grants.

The review provided documentation of extensive efforts that Rural Development already has underway to provide outreach to Native Americans, both to obtain input on how the programs can be improved and to encourage their participation. Following are examples of outreach initiatives by Rural Development which have already been taken:

- RD Instruction 1901-N, Indian Outreach Program, establishes procedures and responsibilities for carrying out the Rural Development American Indian Outreach Program. Each Rural Development State which has federally or State recognized Indian tribes has a Native American Coordinator whose role is to carry out the outreach initiatives of this Instruction.
- In September of 2002, our National office provided training to all of our State Native American Coordinators regarding their outreach and technical assistance responsibilities. This was the first such training of our field staff since the inception of Rural Development in 1995.
- The Rural Development mission area has verbalized its commitment to serving Native Americans through such activities as providing an editorial piece in November of 2002 in recognition of Native American Heritage month as well as providing keynote speeches at two national Native American conferences in FY 2003, i.e., Intertribal Agricultural Council (IAC) and the National American Indian Housing Council (NAIHC).
- In October of 2002, the Rural Development mission area announced a “Five Star Commitment” to help achieve President Bush’s goal of increasing rural minority homeownership. As a result of this initiative, Rural Development’s section 502 direct and guaranteed loans to American Indians and Alaska Natives have increased by approximately 35 percent, i.e., FY 2002 had approximately 400 loans to Native Americans and in FY 2003 this increased to approximately 550 loans.
- Rural Development is an active participant with other USDA and Federal agencies, nonprofit organizations, and private parties who are also involved in the development of Native American communities. Examples of partnerships addressing single and multi-family housing issues: Federal Communications Commission on joint telecommunications outreach initiatives; Department of Housing and Urban Development; Indian Health Services; Environmental Protection Agency; the Bureau of Indian Affairs on water and waste water development in Native American communities; Department of Veterans Affairs; Federal Housing Administration, the National American Indian Housing Council; and Fannie Mae. Rural Development also partners with the Office of the Comptroller of the Currency on economic development initiatives and the Administration on Aging on Indian Elder issues.

The National Native American Coordinator participates at many National and Regional Native American conferences each year, providing technical assistance, program informational sessions, as well as running an outreach booth.

Recommendations for Specific Rural Development Program Improvements and Actions to be Taken:

The review supports the following recommendations:

- Rural Development's outreach efforts for Native Americans should be maintained.
- Rural Development should, as required by statute, continue targeting a portion of its RCAP funding for Native Americans.
- Rural Development should explore opportunities for obtaining improved information on Native American participation in its programs.

Examples of the efforts Rural Development already has underway to implement these recommendations include the following:

- Rural Development recently hired a cooperative development specialist to focus on the needs of Native American producers, ranchers, artisans and others interested in cooperative organization. Among other activities, the person hired for this position is working with the Navajo Nation Department of Agriculture to assist a number of Navajo ranchers to improve their cattle marketing.
- To assist with the recommended outreach efforts identified in this report, Rural Development has committed funding to participate in the Department's multi-agency outreach contract. This contract, which was awarded at the end of FY 2003, is focusing on the delivery of programs of the participating USDA agencies to Native American agricultural producers as well as to tribal governments and other tribal organizations. Rural Development has provided direction to the contracting organizations to emphasize the outreach and technical assistance needs for the programs discussed in this report. One of the contractors, the Menominee Tribal College, is focusing on a pilot to study the effectiveness of the USDA outreach programs and make recommendations as to how USDA can improve their outreach efforts to American Indian and Alaska Native communities.
- The Federal Agriculture Improvement and Reform Act of 1996 requires that the strategic plans developed by Rural Development's State offices include a strategic plan for each federally recognized tribe for the delivery of assistance to the respective Indian tribe. These plans are presently in the process of being updated and will again include tribes who are interested in participating. In preparation for this activity, training was conducted at Rural Development's

National Policy Meeting in FY 2004 on “Tribal Consultation” as a tool to more effectively engage tribes in our State Strategic Planning process.

In working to develop a more comprehensive data base on tribes accessing Rural Development’s programs, we have begun to use GIS mapping as a tool to better identify geographically where the tribal program recipients reside. With this tool, we expect to more effectively target our outreach efforts to areas of the country with the least participation.

V. Forestry Programs

Subsection (a)(5) of section 10910 of the 2002 Farm Bill, requires a report on the forestry programs of USDA. As required by section 10910, this report provides a brief description and results of the review conducted, the recommendations for program improvement resulting from the review, and a summary of actions already taken to carry out the improvements.

Description and Results of Review for Forestry Programs:

In reviewing the delivery of forestry programs to farmers and ranchers operating on tribal and trust lands, we considered the review criteria contained in section 10910(b). Some of the review criteria are not applicable to FS programs. Therefore, the review focused on the strategies for increasing tribal participation (Review Criterion 2) and the development and management of agricultural lands under the jurisdiction of Indian tribes in accordance with integrated resource management plans (Review Criterion 4). The USDA Forest Service has three programs available to ranchers and farmers operating on tribal and trust lands. FS works with tribal governments, communities, farmers and ranchers primarily through its State and Private Cooperative Forestry Programs including the Forest Land Enhancement Program (FLEP), the Forest Stewardship Program (FSP), and its Economic Action Programs (EAP).

FS requires that all State partners actively reach out to a full range of potential program beneficiaries, including ranchers and farmers on tribal lands. All of these programs utilize performance measures to track the degree to which they are successfully engaging tribal and other eligible participants.

FSP was established to encourage active, sustainable management on non-industrial private forestland, including tribal land. The program functions primarily through State forestry agency partners, to provide landowners with long-term multi-resource management plans that enable them to achieve their own unique land management objectives, while also providing a variety of environmental and economic goods and services including healthy watersheds, wildlife habitat, recreation, timber and local employment opportunities. State forestry personnel provide technical assistance to tribes on a continuous basis to support and enable their forest management planning efforts. The program aggressively promotes the development of appropriate, sustainable forest and agro-forest management strategies that address individual and

tribal community resource priorities and integrate traditional stewardship practices. State Forest Stewardship coordinators and local service foresters visit tribal land and resource managers on a regular basis to understand and appropriately address their resource management needs and opportunities, while assisting them with the implementation of their Forest Stewardship management plans. Tribes are represented on State Forest Stewardship Coordinating Committees that guide local program development and assure that programs are made available to all potential beneficiaries, including farmers and ranchers on tribal lands. The Forest Stewardship Program provides tribal ranchers and farmers with resource management plans for integrating forestry and agricultural practices that support tribal land management goals and priorities.

FLEP can provide tribal ranchers and farmers with cost-share, technical, and educational assistance to carry out forestry and agro-forestry practices on their lands through State forestry and resource management agencies. The Reforestation, Nurseries and Genetic Resources team works with the Intertribal Nursery Council which facilitates the sharing of technical information to further forest restoration objectives on tribal lands.

EAP provide financial and technical assistance to tribal communities, who in turn provide assistance to farmers and ranchers operating on tribal and trust lands.

Rural tribal lands and communities are a primary focus for EAP efforts. Outreach success to tribal communities is measured specifically through our EAP - Program Management Tool, which allows tracking of activities and accomplishments for tribal communities, as well as non-governmental organizations that provide assistance to tribal communities. All EAP activities with tribal communities are guided by tribal goals and priorities to build local capacity, to stimulate appropriate diversification of tribal economies, to expand markets for natural resource-based products, and to plan for tribal wildfire protection activities.

The preponderance of EAP work with the tribes is done face-to-face by FS employees, thus improving and building long-term relationships. Local EAP coordinators take the time to learn about tribal culture, integrate local knowledge, and listen to concerns and suggestions as they help the tribe create and implement a plan for the future. EAP coordinators help tribes increase the skills, knowledge, and abilities of individuals, groups, and businesses through a wide range of mechanisms, including training in grants writing, community-based strategic planning, marketing studies and product development, developing partnerships for joint projects, networking with other tribes, communities, or organizations, and helping apply research or technology to tribal issues and opportunities

Program Accomplishments as Applicable to Native Americans:

- FS continues to produce and distribute “Reaching Out, a Forest Service Guide for Equal Participation.” This guide is an outreach toolkit that includes suggestions for increasing the participation of tribes and other potential program beneficiaries for FS programs that are delivered by State forestry and resource management agencies. Performance data indicate that State forestry and resource management agencies directly assisted more than 800 tribal communities and landowners in 27 States with participation in FS programs during the past 2 years.
- In June of 2004, the Reforestation, Nurseries and Genetic Resources (RNGR) staff team convened the third annual Intertribal Nursery Council (INC) meeting to discuss tribal needs and promote information sharing among tribal participants. More than 50 tribal representatives attended and exchanged information regarding the propagation of culturally significant plant species.
- In 2003, the RNGR tribal coordinator published and widely distributed the *Tribal Nursery Needs Assessment*, a listing of all participating tribal nurseries with current service profiles and needs summaries.
- Tribal lands and communities across the Nation have been recipients of the Forest Service’s EAP for more than 10 years. In FY 2003 a total of 95 primarily tribal communities and 57 primarily tribal organizations were assisted, either with direct technical or financial assistance.
- Some specific examples of EAP activities with tribes include:
 - Evaluating the feasibility of biomass energy systems for use on tribal lands.
 - Conducting feasibility studies of value-added forest product markets.
 - Developing strategic plans for forest product businesses to create more jobs.
 - Exploring tourist recreational opportunities on tribal lands.
 - Providing grants for hazardous fuel reduction of tribal forestlands.
 - Workshops on business opportunities for using hazardous fuel reduction.
 - Providing scholarships for attendance at SmallWood 2004 conference.

Initiatives Undertaken to Increase Forestry Program Benefits and Accessibility to Native Americans:

- Tribes are represented in many States on the State Forestry Stewardship Coordinating Committee (SFSCC) that guides policy formulation and sets priorities for the FLEP as well as the Forest Stewardship Program. The SFSCC also recommends to State foresters, actions that are needed to make these programs accessible to wide diversity of landowner types, including tribes.

- FSP requires that each State maintain and periodically update a strategic plan for program delivery that addresses the needs of a diversity of potential landowner beneficiaries, including tribes.
- FSP supports the National Agroforestry Center (NAC) and the nationwide RNGR Program. The NAC researches, develops and extends technologies that integrate forestry with agricultural crops, thus benefiting tribal farmers and ranchers who are concerned with the diversification and sustainability of their operations.
- Both the NAC and RNGR program regularly deliver educational and training activities that are benefiting tribal farmers and ranchers. RNGR staff members are working with the Hopi in New Mexico to adapt Project Learning Tree curricula for use with tribal children. The intertribal forest nursery coordinator, a Navajo, regularly conducts INC training workshops to extend tree improvement and propagation techniques for culturally significant species that have become scarce due to tribal land conversion or previous introductions of invasive species.
- The RNGR team is currently working in many locations, to develop propagation protocols that will provide high quality plant material to tribes for reforestation work and FSP implementation. An interagency agreement with the NRCS is making it possible for the Plant Materials Center in Las Lunas, New Mexico, to develop propagation protocols for a number of important native willow species.
- Many FSP lay out forest restoration strategies that intend to replace invasive non-native species with culturally useful native species. One such effort involves the re-establishment of native riparian vegetation on the Hopi Reservation in Arizona.
- The FLEP interim rules recognize the unique needs of tribes. FLEP does not have the acreage ownership limitations of past programs like the Stewardship Incentives Program and the Forestry Incentives Program, and thus more tribes are likely to be eligible. FLEP allows for the treatment of up to 1,000 acres per year or up to 5,000 acres per year if significant public benefit will occur.
- Some States have indicated that they are willing to dedicate a percent of their total FLEP allocation to tribal lands. The FLEP Interim Rule allows Alaska to set its own payment limit to tribes, whereas other States are bound by a \$100,000 limit per landowner.
- The Coeur d'Alene Indian Reservation, located in the northern Idaho panhandle, is served by EAP educational programs related to management of forest lands, natural resources and environmental resources.

Recommendations for Specific Forestry Program Improvements and Actions to be Taken:

- Encourage State agencies to seek tribal representation on SFSCCs wherever feasible and appropriate.
- Encourage States to consider tribes when developing educational projects and activities.
- Encourage States to allocate a certain percentage of their FLEP funding allocation to projects and educational programs that specifically target tribes.
- Encourage State agencies to develop stronger working relationships with tribal governments and communities.
- Encourage State forestry agencies to identify all eligible tribal communities and landowners, and target appropriate outreach activities.
- Encourage State forestry agencies to specifically address the forest/resource management needs and opportunities of tribes in their statewide Forest Stewardship strategic plan updates.
- Encourage the NAC and the RNGR Program to continue to identify environmental education, research, and seedling improvement projects that specifically target the land management and resource priorities of tribal communities.
- Encourage the RNGR Program facilities to provide traditional tribal plant materials and promote their use and integration into forest stewardship management plans through extension and training projects.
- Provide workshops in collaboration with State agencies and others, to tribal communities to generate a greater interest in forestry and agro forestry as alternative, complimentary land uses and make tribes aware of available resource management assistance programs.
- Enlist the assistance of the BIA in developing and implementing a nationwide tribal informational and outreach campaign. Distribute program information/brochures nationally, through the BIA.
- Expand technical assistance opportunities in forestry to tribal communities.
- Through EAP, assist tribes with developing current and effective strategic plans, particularly with tribes in the wildland urban interface who are at risk from catastrophic wildfires.

- Increase financial opportunities for modernizing wood products processing facilities.
- Expand funding opportunities and partnerships under the Forest Service-National Endowment for the Arts (NEA) grant program to support tribal efforts to effectively combine culture, the arts, and natural resources in such a way to make appropriate changes in their local economies.
- Expand training opportunities to improve forest product processing technical skills of tribal members.
- Help develop infrastructure such as energy systems and housing that use forest biomass.

General Recommendations for Operation of Agricultural and Natural Resource Programs on Tribal Trust Land

USDA will continue to practice a hands-on Native American Outreach effort. Also, as part of that effort, the agency plans to take the following broad-based actions:

- Collect relevant demographic data especially on race, sex, and national origin. Currently, no uniform method of reporting and tabulating race and ethnicity data exists in USDA. Within FSA alone there is a wide array of potential program applicants and participants. The purpose of the amendments made by Section 10708 of the 2002 Farm Bill were “to ensure compilation and public disclosure of data to assess and hold the Department of Agriculture accountable for the nondiscriminatory participation of socially disadvantaged farmers and ranchers in programs of the Department.” (7 U.S.C. 2279-1). The amendments made by Section 10708 of the 2002 Farm Bill require USDA to annually compute the participation rate of socially disadvantaged farmers and ranchers as a percentage of the total participation of all farmers and ranchers in each county and State for each USDA program designed for farmers and ranchers. The rates of participation must then be reported to Congress and made available to the public. USDA is developing a system for the collection of the race, gender, ethnicity, national origin, and disability status of all applicants and participants in USDA programs. This data is necessary to understand the demographic composition of USDA customers and potential customers. USDA will use this data to: (1) compute a baseline for possible applicants and participants, (2) compute the participation rate of socially disadvantaged farmers and ranchers as a percentage of the total participation of all farmers and ranchers, and (3) report the results of this analysis to Congress as required by section 10708.
- Assign the duties of FSA State Native American Liaison to a full-time employee in all 37 States with a Federally or State recognized tribe and/or reservation, or hire a liaison as necessary.

- Conduct an annual conference on Native American issues with State Native American Liaisons, the FSA National Native American Liaison, and Outreach Coordinators concerning Native American issues.
- Target the most underserved tribal trust lands.
- Increase USDA presence on reservations.
- Provide support, information and guidance to potential future resource management professionals in tribal colleges and universities.
- Utilize local chapter houses on the Reservation to hold program sign ups and disseminate relevant information.
- Increase National office training and technical assistance to States with large tribal trust lands.
- Continue training employees in how to work effectively with Native Americans.
- Tailor program delivery to address unique cultural and geographical issues on tribal and trust lands.
- Maintain and strengthen partnerships with Native American organizations in conducting outreach activities.
- Improve capacity of tribal communities to develop successful entrepreneurial enterprises.
- Encourage States to consider tribes when developing educational projects and activities.
- Encourage State agencies to develop stronger working relationships with tribal governments and communities.

Summary and Conclusions

USDA has an extensive array of programs available to farmers and ranchers on tribal and trust lands. These include commodity, emergency assistance, conservation, forestry, credit programs and rural development programs.

The commodity programs make available an array of price and income programs which help to support farming operations. In addition, emergency and disaster programs provide assistance to sustain farming operations in response to drought, floods, freeze or similar natural disasters.

The conservation and natural resource programs promote the conservation of natural resources including land, water, air, wildlife, and elements of historic value. The conservation and natural resource programs are carried out by providing technical and financial assistance to program participants to plan and implement conservation practices that address natural resource issues, including rehabilitating farmland damaged by natural disaster and implementing emergency water conservation measures, nutrient management, pest management, and grazing land management measures.

Agricultural credit programs make direct and guaranteed farm ownership and operating loans available to farmers and ranchers who cannot obtain commercial credit from a bank, Farm Credit System institution, or other lender. USDA's Indian Tribal Land Acquisition Program (ITLAP) allows Native American tribes, and tribal corporations to acquire land and fractional interest in lands due to intergenerational transfers on the tribe's reservations.

The Rural Development programs provide loans, grants, and technical assistance for purposes related to rural housing, electricity generation and distribution, business and industry to improve economic opportunities and quality of life in rural areas, including Indian reservations.

The forestry programs available to ranchers and farmers operating on tribal and trust lands include FLEP, FSP, and EAP. Also discussed in the report is a large number of USDA education and outreach efforts and programs used for the purpose of increasing participation of farmers and ranchers, including Native American producers, in the above mentioned programs.

This report has reviewed all of the above mentioned programs utilizing the four criteria specified in the legislation. A description of the results of the review has been presented for each program area. Recommendations for program improvements and actions to be taken to make programs improvements have also been discussed to the extent feasible given current law and regulations governing these programs. Even though there are limits to the extent some of the current programs discussed can be changed or improved, these programs still offer an effective way to provide assistance to farmers and ranchers operating on tribal lands. USDA recommends that these producers take advantage of the vast array of benefits that these programs offer. USDA will continue its efforts to reach out to Native American producers in an effort to share information about USDA programs with a view of increasing program participation. At the same time, based on the review, recommendations and actions discussed in this report, USDA invites Native American producers and tribal organizations to communicate and consult with USDA program managers and outreach coordinators on agricultural and natural resource programs as they apply to tribal lands. Moreover, this feedback will also need to be taken into account when legislation is under consideration in the Congress for changing or implementing new programs of interest to Native American producers operating on tribal lands.

Appendix 1

Education and Outreach The Cooperative State Research, Education, and Extension

CSREES, in partnership with the land-grant university system (including the 32 designated 1994 Land-Grant Tribal colleges) provides research, education and extension programs to tribal populations throughout the Nation. The Tribal Colleges Extension Program, administered through the 1994 Land-Grant Institutions, the Extension Indian Reservation Program (EIRP), administered through the 1862 Land-Grant Colleges and Universities, and the Alaska Native-Serving Institutions and Native Hawaiian Serving Institutions program, deliver educational programs to primarily Native American individuals and communities on subjects including conservation, rural development, and agriculture. Other programs, such as the Outreach and Technical Assistance for Socially Disadvantaged Farmers and Ranchers Program, and the Water Quality Research, Education and Extension Program, though not targeted directly to Native Americans, also serve tribal populations in agriculture, community resources and economic development, and natural resources and environmental management.

Tribal Colleges Extension Program

The Tribal Colleges Extension Program, authorized under Section 534(b) of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note), as amended by the Agricultural Research, Extension and Education Reform Act of 1998 (7 U.S.C. 7601), is a competitive program that provides funding for the 1994 Institutions to conduct non-formal education and outreach activities to help meet the needs of the Native American people and to provide essential services to their communities. This program was funded at \$2.9 million in FY 2004.

There are several highly successful programs in the areas of conservation and rural development that are positively affecting Native American communities. Major strides have been made in working with existing extension resources and materials and/or developing new resources and materials and then creating culturally relevant curricula that are particularly successful in reaching Native American audiences. In a number of States, programs are enhanced by increasing cooperation and collaboration with 1862 and 1890 Institutions. Work done through the Tribal Colleges Extension Program includes:

- In Minnesota, Fond du Lac Tribal and Community College (FDLTCC) Extension is monitoring the health of the region's waterways by involving youngsters from 28 schools within the 3,634 square mile St. Louis River watershed. For the past five years, secondary school students and teachers have gathered chemical, physical, and biological data twice per year at river sites located throughout the St. Louis River watershed. The USDA-funded St. Louis River-River Watch Project has grown to involve over 900 students and teachers each year, with about 300 people attending the annual River Watch Congress, where participants share information with each other and local communities. In addition

to receiving environmental education, young people cultivate a life-long sense of stewardship toward the river and its communities. FDLTCC Extension is creatively integrating youth development and environmental sciences by engaging communities in extension, teaching and applied research activities.

- Salish Kootenai College (SKC) Extension on the Flathead Indian Reservation in western Montana uses locally produced native plants in culturally relevant and scientifically based ecological restoration projects throughout the reservation. After the devastating 2000 forest fires, extension staff organized community groups and governmental agencies to develop a coordinated reclamation plan for a 30,000-acre burn site. In 2003, the SKC Nursery produced about 15,000 native plants and propagated native seeds for many restoration projects. Research studies are evaluating the effectiveness of introducing native grasses into rangeland infested with invasive plants. A partnership with the Salish Kootenai Tribe's forestry department is creating a premier cooperative native plant production, research, and demonstration center for the entire region.
- In Wisconsin, the College of the Menominee Nation conducts extension and outreach programs focused on strengthening the economic capacity of the surrounding communities. The college engages local business, government agencies and individuals in a collaborative process to strengthen capacity to conduct economic analysis and to develop planning and implementation strategies.
- In Montana, Chief Dull Knife College (CDKC) Extension is providing outreach programs in community resource development that emphasizes economic viability. Through community partnerships, CDKC Extension developed strategies to strengthen tribal enterprises, develop tourism opportunities, and attract new businesses and entrepreneurs. For instance, CDKC Extension facilitated the creation of a grassroots community development corporation (CDC) that represents reservation districts, local businesses, and community groups. Participants in the CDC developed their skills by evaluating tribal enterprises, creating their own articles and by-laws, and developing strategic economic plans for the reservation. CDKC Extension also provides workshops in e-commerce, financial literacy, and youth entrepreneurship.

Extension Indian Reservation Program

The Food, Agriculture, Conservation, and Trade Act of 1990 (1990 Farm Bill) authorized EIRP. This measure directed that the "Secretary of Agriculture, acting through the Extension Service, shall establish appropriate extension education programs on Indian reservations and tribal jurisdictions." The legislation specifies consultation with the Bureau of Indian Affairs, the Intertribal Agriculture Council, and the Southwest Indian Agriculture Association in establishing these extension programs.

This program is carried out through a partnership between CSREES and the 1862 Land-Grant Institutions with tribal advisory committees being involved in determining programs and priorities. Current EIRP projects focus on agriculture and agriculture-related youth programs, natural resource management, and rural development

programs. In FY 2004, there are 28 projects in 15 States, spanning from Florida to Washington, and from Arizona to North Dakota. This program was funded at \$1.8 million in FY 2004.

EIRP agents are employees of, and administratively responsible to, the Cooperative Extension Service of the State where the reservation is located. The University of Arizona, in cooperation with Utah State University and New Mexico State University, administers the Navajo Reservation agents. EIRP agents are housed at, and work on, the reservations. They share daily experiences (blizzards, forest fires, floods, droughts, etc.) with their neighbors. They provide educational programs and, from their own knowledge, leadership, and experience, help their neighbors to achieve better living conditions. They meet annually to discuss successes, share program ideas, and to investigate additional sources of program support. Approximately one-third of the Reservation Agents are Native Americans. Examples of EIRP education and outreach programs that include conservation, rural development and forestry issues include:

Conservation

- The EIRP Window Rock project coordinates extension and outreach within the Navajo Nation among the University of Arizona, New Mexico State University and Utah State University and in cooperation with Dine= College and Crownpoint Institute of Technology. Programs focus on the management of the arid rangelands and the livestock on them, nutrition education for the Navajo people and youth development programs. In addition, EIRP conducts agriculture and 4-H youth programs in the Shiprock area of the Navajo Nation in cooperation with the Navajo Nation Department of Agriculture.
- EIRP provides educational programming related to beef production, natural resource management, farm business management, horticulture and 4-H youth development to the residents of the Fort Hall Extension Indian Reservation in Idaho. Programs help tribal members better utilize resources and increase awareness of up-to-date practices. The program collaborates with the Natural Resources Conversation Service and FSA to bring more resources to the tribe.
- The EIRP project on the Flathead Reservation in Montana focuses on water quality and crops, noxious weed control, and livestock and sustainable ranch practices. EIRP provides research based educational programming utilizing visual and hands-on programs, including field trips and a demonstration ranch. Mini-society entrepreneurial day camps offer youth opportunities to learn about business first-hand and a youth loan program teaches youth the business side of agriculture.
- On the Northern Cheyenne Reservation in Montana, EIRP is developing a large scale noxious weed rehabilitation demonstration pasture, recruiting and informing producers of USDA program opportunities, continuing ranch specific technical education efforts for cow calf producers, working with youth on agriculture and natural resource issues, and promoting youth loans for those young people

interested in developing agricultural enterprises.

- Working with the conservation district, the Blackfeet Reservation EIRP in Montana is providing leadership in a range inventory effort to provide the tribe with technical data to determine current ecological sites for plant communities within their rangeland and to improve range conditions through proper use of the available resources by balancing the resources with livestock needs. 4-H clubs and a Junior Agricultural Loan Program provide young people with opportunities to experience agriculture in a culturally appropriate manner.

Rural Development

- The Tanana Chiefs= Conference EIRP project serves the Native American population in 43 Alaskan villages along the Yukon River and its tributaries from the Yukon Territory in Canada to the Bering Sea. The project focuses on agriculture, 4-H agricultural programs and related youth development programs, and safe food preservation.
- The Seminole Tribe of Florida is served by EIRP through the agricultural economic development and marketing program and the 4-H youth development program.
- EIRP provides educational programs and technical assistance for agriculture, youth and community resource development on the Cherokee Reservation in North Carolina. The major agricultural emphasis is on improving the production and marketing of traditional crops and the introduction of higher value alternative crops.
- On the Fort Berthold Reservation in North Dakota, EIRP targets farmers and horse and cattle ranchers with educational programs on herd health, nutrition, marketing, profitability and irrigation.
- EIRP on the Warm Springs Reservation in Oregon provides education in ranch planning; livestock, range resource and farm business management; credit development, marketing strategies and leadership development; development of group process skills for stockmen as they seek self-sufficiency; and youth development.
- EIRP provides education programs on the Chehalis Reservation in Washington to tribal members. Programs emphasize community resource development, environmental conservation, stream and prairie restoration, and traditional strategies for the use of natural resources.
- Profitability in agriculture, resource conservation, small business development and youth development are the target areas of the EIRP project on the Wind River Reservation in Wyoming.

Forestry

- The Coeur d=Alene Indian Reservation, located in the northern Idaho panhandle, is served by EIRP educational programs related to management of forest lands, natural resources and environmental resources.

Alaska Native-Serving and Native Hawaiian-Serving Institutions

This program was authorized in FY 2001 under the provisions of Section 759 of P.L. 106-78 and was funded at \$3.1 million in FY 2004. The purpose of this program is to promote and strengthen the ability of the Alaska Native-Serving Institutions and Native Hawaiian Serving Institutions to carry out education, applied research, and related community development programs, as determined by each institution, within a broadly defined arena of food and agricultural sciences-related disciplines. Priority is given to those projects that enhance educational equity for under-represented students; strengthen institutions' educational capacities; prepare students for careers related to the food, agricultural, and natural resource systems of the U.S.; and maximize the development and use of resources to improve food and agricultural sciences teaching programs. As mandated by Congress, Alaska and Hawaii each receive 50% of the funding.

The Prince William Sound Community publication, "Tourism in Rural Alaska: A Community Education Curriculum, 2nd Edition," has gained wide recognition and was presented at the International Hospitality and Tourism Conference in July 2003 in Costa Rica. This curriculum now is being used by universities, businesses and agencies around the world. The University of Alaska Southeast Sitka Campus, in partnership with the Southeast Alaska Regional Health Consortium, has developed a State-wide, distance-delivered, 30-credit Community Wellness Advocate Certificate Program that addresses the problem of poor nutrition. The University of Hawaii system has established a State-wide agribusiness incubator initiative partnering with local agribusinesses and farms to support student recruitment, retention and employment in agriculture and agriculture-related sciences.

Outreach and Technical Assistance for Socially Disadvantaged Farmers and Ranchers

The Outreach and Technical Assistance for Socially Disadvantaged Farmers and Ranchers Program is authorized by Section 2501 of the 1990 Farm Bill. This program provides outreach and technical assistance to encourage and assist socially disadvantaged farmers and ranchers to own and operate farms and ranches and to participate in agricultural programs. CSREES assumed responsibility for the grant-making aspects of this program beginning in FY 2003. Competitive grant awards are made for multiple year projects. It is expected that work conducted under multiple year projects will be better coordinated with outreach efforts directly managed by other USDA agencies, leading to sustainable systems that reach and assist disadvantaged farmers. Assistance provided under this program will enhance coordination of the outreach, technical assistance, and education efforts authorized under various

agriculture programs and include information on and assistance with commodity, conservation, credit, rural and business development programs, application and bidding procedures, farm and risk management, marketing and other activities essential to participation in agricultural and other USDA programs.

Applications may be submitted by any community-based organization, network, or coalition of community-based organizations; an 1890 Institution or 1994 Institution; an Indian Tribal Community College or an Alaska Native Cooperative College; an Hispanic-serving institution; any other institution of higher education that has demonstrated experience in providing agriculture education or other agriculturally related services to socially disadvantaged farmers and ranchers in a region; an Indian tribe or a national tribal organization that has demonstrated experience in providing agriculture education or other agriculturally related services to socially disadvantaged farmers and ranchers in a region.

During the FY 2003 funding cycle, grants in the amount of \$800,000 were awarded to four tribal colleges to work with socially disadvantaged farmers and ranchers: Oglala Lakota College, Fort Berthold Community College, Fort Peck Community College, and Little Big Horn College. CSREES program staff is working with tribal colleges to promote USDA programs and services. Highlights of these funded programs include the institutions' ability to teach and enhance basic record keeping and business management, modern day animal husbandry techniques, availability of credit, gardening practices and development of skills needed to operate in a modern day global agricultural economy.

Water Quality Research, Education and Extension Program

The CSREES National Water Quality Program is funded in large part through a competitive grants program authorized through the Integrated Activities Account (Section 406). This program - the National Integrated Water Quality Program (NIWQP) - provides funding for research, education, and extension projects that address water quality in rural and agricultural watersheds. Awards are made for national facilitation projects, regional water quality coordination projects, extension education projects, and integrated research, education, and extension projects. In FY 2004, the program was funded at \$600,000.

In FY 2002, 1994 Land-Grant Institutions were added to the list of institutions eligible to compete for funds provided through the Integrated Activities Account (Section 406). To date, only one proposal has been submitted from a 1994 Institution, and that project was not recommended for funding by the peer review panel.

The Committee for Shared Leadership for Water Quality (CSL-WQ) was formed in FY 2001 to provide a shared leadership of the CSREES National Water Quality Program. This committee consists of the 10 Regional Water Quality Coordinators funded through the NIWQP, two National Program Leaders from CSREES, and one representative each from the 1890 Land-Grant Institutions (Historically Black Colleges

and Universities) and the 1994 Institutions. Leadership provided by the 1994 Institutions' member of the CSL has increased awareness of tribal issues and strengthened participation of tribal college members on Regional Water Quality projects. At present, three Regional Water Quality Coordination Projects include 1994 Institutions representatives on their water quality teams (Southwest and Pacific Territories, Mountain & Plains, and Pacific Northwest).

Since 2001, a representative from a tribe or a tribal college has been included on the peer review panel for the water quality program. These participants have greatly improved panel decisions regarding projects working on or adjacent to tribal lands.