

March 15, 2022

Jenny Lester Moffitt

Undersecretary
USDA Marketing & Regulatory Programs

Bruce Summers

Administrator
USDA Agricultural Marketing Service

Sara Hernandez

Assistant to the Director
USDA Agricultural Marketing Service

Marty Matlock

Senior Advisor, Food Systems & Resiliency
USDA Marketing & Regulatory Programs

Dear Undersecretaries Torres Small and Moffitt; Administrators Neal and Summers:

Re: Equity Concerns in USDA Meat and Poultry Processing Expansion Program

We, Rural Coalition and the undersigned organizations, write to you on behalf of the Black, Indigenous, and other People of Color (BIPOC) communities that we serve expressing our concerns regarding the the equitability of the new Meat and Poultry Processing Expansion Program (MPPEP), and to uplift the additional concerns raised by the Intertribal Agriculture Council (IAC) in their companion letter sent on March 10, 2022.

The Biden-Harris Administration identified racial equity as the center of its agenda stating “the promise of our nation is that every American has an equal chance to get ahead, yet persistent systemic racism and barriers to opportunity have denied this promise for so many. President Biden is putting equity at the center of the agenda with a whole of government approach to embed racial justice across Federal agencies, policies, and programs.” This persistent systemic racism is ever-present in our rural BIPOC communities, especially due to the longstanding and sordid history of discriminatory actions by the U.S. Department of Agriculture (USDA) against BIPOC producers.

Additionally, we support the efforts of the Administration to expand competition for local and regional meat, seafood, and poultry processors identified in the Action Plan for a Fairer, More Competitive, and More Resilient Meat and Poultry Supply Chain on January 3, 2022, as previous actions and inactions in previously administered programs have exacerbated perpetuating racial inequities. Expanding access to localized meat, seafood, and poultry processors will strengthen the vertical integration of the local and regional food supply chain that significantly impacts small-scale BIPOC producers and will improve access for BIPOC producers who often do not have accessibility to the currently concentrated market. The coronavirus pandemic has exposed and exacerbated the vulnerabilities of our BIPOC producers, many in the livestock sector and require targeted support due to previous delays in meat processing and the loss of marketing channels such as restaurants and farmers markets. These channels played a vital role in not only the farm viability but the community resilience; a loss of these channels only deepened existing inequities.

However, as IAC noted in their companion letter, “the MPPEP framework places an undue burden on not only Native American producers but all BIPOC, socially disadvantaged, and underserved producers. At

present, the MPPEP will award a maximum grant amount of \$25 million, or 20 percent of total project costs, whichever is less.” The USDA, as we have mentioned on numerous occasions, should remove matching requirements for BIPOC communities who do not have the equity needed to meet the required matching threshold, which, as IAC has also illustrated, are discriminatory or unintentionally inaccessible at best. This program as it stands will undermine the Administration’s racial equity agenda and cause BIPOC rural communities, who cannot afford the 80 percent of the costs of a processing facility, to once again be excluded from another USDA program.

Underserved and disadvantaged communities of color do not have the funds or equity needed to invest in this grant program that is statutorily designed to make “loans and grants and provide other assistance to maintain and improve food and agricultural supply chain resiliency” as authorized in section 1001(b)(4) of the American Rescue Plan. An equitable improvement of the food and agricultural supply chain must take into account the ability for BIPOC communities to be able to actually apply for the program and remove any barriers that discourages or prevents BIPOC communities from participating. As currently designed, underserved Black, Indigenous, and other People of Color communities will face another loss from USDA and the existing inequities will only continue to grow.

We uplift the solutions proposed by IAC to (1) “create a new grant program as soon as possible under ARPA Section 1001(b)(3) or (4) that specifically addresses the needs of Tribally-owned processing facilities operated on Tribal lands. Such a program is necessary given Indian Country’s demonstrated need, the legal complexities inherent in operating on Tribal lands, and unique ways in which Tribes do business. These are nuances which USDA does not understand and historically has resulted in the underfunding of Tribes as a result. This new program should not have the “20% or whichever is less” language;” and (2) address these funding inequities through set asides or removal of the 20% limitation in an immediately amended program supplement and all future iterations of the MPPEP so that BIPOC, underserved, and socially disadvantaged communities are not left behind in future.

We ask for your immediate consideration and response to these comments. For any questions or to continue the conversation, please contact Lorette Picciano (lpicciano@ruralco.org) and DeShawn Blanding (deshawn@ruralco.org).

Cooperatively Yours,

Rural Coalition
Intertribal Agriculture Council

Cc. The Honorable Tom Vilsack, Secretary, U.S. Department of Agriculture
Janie Simms Hipp, Esq., General Counsel, U.S. Department of Agriculture
Heather Dawn Thompson, Director, USDA Office of Tribal Relations
Xochitl Torres Small, Undersecretary, USDA Rural Development
Dr. Karama Neal, Administrator, USDA Rural Business-Cooperative Service
Dr. Olubegnga Ajilore, Senior Advisor, USDA Rural Development