

House Appropriations Subcommittee on Agriculture, Rural Development & FDA
Oversight Hearing on USDA Office of Inspector General (OIG)
February 3, 2026

Highlights:

The Subcommittee held an oversight hearing focused on concerns about the independence and credibility of the new USDA Inspector General, alongside bipartisan urgency around rising SNAP fraud, national-security threats to agriculture, and major USDA staffing shortfalls. Members pressed OIG leadership on modernizing oversight, strengthening data analytics, and addressing program vulnerabilities across nutrition, farm programs, broadband, and foreign farmland ownership, and the partial removal of the USDA's socially disadvantaged category. [Inspector General John Walk](#), newly sworn in, testified alongside senior OIG leadership.

Key Points:

- Inspector General Independence & Political Influence
 - The central tension of the hearing was concern over OIG's independence following the removal of former IG Phyllis Fong and Mister Walk's own prior political roles—including work in the Secretary's office and volunteer contributions to partisan political thinktank publications.
 - Members questioned Walk about recusals, conflicts of interest, and decision-making transparency. Walk stated he-making transparency. Walk stated he would remain impartial but declined to answer several questions about prior political activities, drawing criticism from Democratic members.
- SNAP Fraud, EBT Skimming & Data Modernization
 - Fraud in SNAP and child nutrition programs was a focus during the hearing along with nutrition programs more broadly, including the increasingly sophisticated schemes to steal benefits that may involve international criminal networks. OIG described schemes involving nutrition programs and discussed-nutrition programs dominated the hearing. OIG described increasingly sophisticated schemes involving international criminal networks, card operations, -skimming operations, and outdated EBT technology.
 - Key points:
 - 50% of OIG investigations involve SNAP.
 - EBT magnetic-strip cards are five decades out of date and vulnerable to theft.

- Joint operations with Secret Service have prevented hundreds of millions in losses.
 - Members urged stronger state partnerships, improved analytics, and faster modernization of benefit systems.
- USDA Staffing Losses & Reorganization Risks
 - Between January and June 2025, USDA lost 20,000+ employees, raising alarms about capacity in farm, rural development, conservation, and food safety programs.

Concerns raised:

- OIG's attrition report lacked analysis of program impacts.
 - Local offices, especially Farm Service Agency and Rural Development, are struggling to deliver services.
 - OIG staffing has also declined since 2021, although hiring plans are underway.
 - Members urged OIG to conduct forward-looking analysis to assess impacts-looking analysis to assess impacts of ongoing USDA reorganization.
- National Security & Foreign Threats to Agriculture
 - Members from both parties stressed agricultural national security concerning biological smuggling. Walk emphasized the need for stronger port surveillance, lab vetting, and mapping foreign farmland ownership near sensitive locations.
- Program Oversight: Farm, Disaster, Broadband & Loans
 - Members questioned OIG on a wide range of USDA program vulnerabilities:
 - Emergency Conservation Program: improper payment rates above 45%; needed policy updates.
 - Rural Energy (REAP): severe funding backlogs and disbursement delays.
 - Crop Insurance: gaps in verifying that farmers are offered all eligible policies.
 - Broadband (ReConnect): past mapping inaccuracies; limited verification of delivered service.
 - Farm Loan Programs: loan caps, restructuring issues, and oversight gaps. OIG reported ongoing reviews and future audit plans across these areas.
- Civil Rights & Removal of "Socially Disadvantaged" Criteria
 - [Representative Lauren Underwood \(D-IL\)](#) raised serious concerns over USDA's elimination of the socially disadvantaged category, historically used to ensure access for Black, Native American, Hispanic, and Asian farmers. She stated that USDA may be violating federal law requiring use of the category, and noted that farmers of color now have fewer protections than at any time since 1990.
 - OIG was asked to audit land loss and loan defaults among affected farmers; Walk said OIG would "consider" the request.