



FEB - 1 2011

**UNITED STATES DEPARTMENT OF AGRICULTURE  
OFFICE OF THE SECRETARY  
NATIONAL APPEALS DIVISION**

**INFORMATIONAL MEMORANDUM FOR THE SECRETARY**

**FROM:** Roger Klurfeld   
Director  
National Appeals Division

**SUBJECT:** Report to Congress on Equitable Relief to Farmers During 2010

**ISSUE:**

Section 1613 of the Farm Security and Rural Investment Act of 2002 (the 2002 Farm Bill) requires the Secretary of Agriculture to submit a report by February 1<sup>st</sup> of each year to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition and Forestry. That report describes the number of requests for equitable relief that producers filed pursuant to sections 1613(b) and (c) and section 278(d) of the Department of Agriculture Reorganization Act of 1994 during the previous calendar year and their disposition. This is the seventh year the report is due. The draft report to Congress for 2010 is enclosed.

**DISCUSSION:**

Three USDA agencies are responsible for responding to requests for equitable relief, and the report consolidates information from these sources on a one-page appendix. The Administrator of the Farm Service Agency and the Chief of the Natural Resources Conservation Service have provided the information that shows the number of equitable relief requests under section 1613 processed during calendar year 2010. I have provided information for requests filed under section 278(d) of the Department of Agriculture Reorganization Act of 1994.

**RECOMMENDATION:**

I recommend that you sign the attached report and dispatch it to Congress.

Enclosure



United States Department of Agriculture

Office of the Secretary  
Washington, D.C. 20250

FEB - 2 2011

The Honorable Collin C. Peterson  
Ranking Member  
Committee on Agriculture  
U.S. House of Representatives  
1301 Longworth House Office Building  
Washington, D.C. 20515

Dear Congressman Peterson:

Section 1613 of the Farm Security and Rural Investment Act of 2002 (the 2002 Farm Bill) requires that the Secretary of Agriculture submit an Equitable Relief Report by February 1<sup>st</sup> of each year to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition and Forestry. We are also sending the report to the House and Senate Appropriations Committee, Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies. The enclosed 2010 Equitable Relief Report illustrates the number of requests for equitable relief filed by producers pursuant to sections 1613(b) and (e) of the 2002 Farm Bill and section 278(d) of the Department of Agriculture Reorganization Act of 1994 during the previous calendar year and disposition of the requests.

The report shows producers requested equitable relief in 2,060 cases, and the Department granted 1,870 of these requests and denied 190. The enclosed report provides a detailed explanation of this result.

If you have questions about the enclosed report, please ask your staff to contact Mr. Roger Klurfeld, Director of the National Appeals Division, at 703-305-2708.

A similar letter is being sent to your colleagues.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Vilsack".

Thomas J. Vilsack  
Secretary

Enclosure



**United States Department of Agriculture**

Office of the Secretary  
Washington, D.C. 20250

FEB - 2 2011

The Honorable Frank D. Lucas  
Chairman  
Committee on Agriculture  
U. S. House of Representatives  
1305 Longworth House Office Building  
Washington, D.C. 20515

Dear Mr. Chairman:

Section 1613 of the Farm Security and Rural Investment Act of 2002 (the 2002 Farm Bill) requires that the Secretary of Agriculture submit an Equitable Relief Report by February 1<sup>st</sup> of each year to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition and Forestry. We are also sending the report to the House and Senate Appropriations Committee, Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies. The enclosed 2010 Equitable Relief Report illustrates the number of requests for equitable relief filed by producers pursuant to sections 1613(b) and (e) of the 2002 Farm Bill and section 278(d) of the Department of Agriculture Reorganization Act of 1994 during the previous calendar year and disposition of the requests.

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**United States Department of Agriculture**

Office of the Secretary  
Washington, D.C. 20250

FEB - 2 2011

The Honorable Saxby Chambliss  
Ranking Member  
Committee on Agriculture, Nutrition and Forestry  
United States Senate  
328A Russell Senate Office Building  
Washington, D.C. 20510

Dear Senator Chambliss:

Section 1613 of the Farm Security and Rural Investment Act of 2002 (the 2002 Farm Bill) requires that the Secretary of Agriculture submit an Equitable Relief Report by February 1<sup>st</sup> of each year to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition and Forestry. We are also sending the report to the House and Senate Appropriations Committee, Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies. The enclosed 2010 Equitable Relief Report illustrates the number of requests for equitable relief filed by producers pursuant to sections 1613(b) and (e) of the 2002 Farm Bill and section 278(d) of the Department of Agriculture Reorganization Act of 1994 during the previous calendar year and disposition of the requests.

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Thomas J. Vilsack  
Secretary

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United States Department of Agriculture

Office of the Secretary  
Washington, D.C. 20250

FEB - 2 2011

The Honorable Blanche Lincoln  
Chairman  
Committee on Agriculture, Nutrition and Forestry  
United States Senate  
328A Russell Senate Office Building  
Washington, D.C. 20510

Dear Ms. Chairman:

Section 1613 of the Farm Security and Rural Investment Act of 2002 (the 2002 Farm Bill) requires that the Secretary of Agriculture submit an Equitable Relief Report by February 1<sup>st</sup> of each year to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition and Forestry. We are also sending the report to the House and Senate Appropriations Committee, Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies. The enclosed 2010 Equitable Relief Report illustrates the number of requests for equitable relief filed by producers pursuant to sections 1613(b) and (e) of the 2002 Farm Bill and section 278(d) of the Department of Agriculture Reorganization Act of 1994 during the previous calendar year and disposition of the requests.

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Thomas J. Wilsack  
Secretary

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United States Department of Agriculture

Office of the Secretary  
Washington, D.C. 20250

FEB - 2 2011

The Honorable Sam Farr  
Ranking Member  
Subcommittee on Agriculture, Rural Development,  
Food and Drug Administration, and Related Agencies  
Committee on Appropriations  
U.S. House of Representatives  
1016 Longworth House Office Building  
Washington, D.C. 20515

Dear Congressman Farr:

Section 1613 of the Farm Security and Rural Investment Act of 2002 (the 2002 Farm Bill) requires that the Secretary of Agriculture submit an Equitable Relief Report by February 1<sup>st</sup> of each year to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition and Forestry. We are also sending the report to the House and Senate Appropriations Committee, Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies. The enclosed 2010 Equitable Relief Report illustrates the number of requests for equitable relief filed by producers pursuant to sections 1613(b) and (e) of the 2002 Farm Bill and section 278(d) of the Department of Agriculture Reorganization Act of 1994 during the previous calendar year and disposition of the requests.

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Secretary

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United States Department of Agriculture

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Washington, D.C. 20250

FEB - 2 2011

The Honorable Jack Kingston  
Chairman  
Subcommittee on Agriculture, Rural Development,  
Food and Drug Administration, and Related Agencies  
Committee on Appropriations  
U.S. House of Representatives  
2362 Rayburn House Office Building  
Washington, D.C. 20515

Dear Mr. Chairman:

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Thomas J. Vilsack  
Secretary

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United States Department of Agriculture

Office of the Secretary  
Washington, D.C. 20250

FEB - 2 2011

The Honorable Thad Cochran  
Ranking Member  
Subcommittee on Agriculture, Rural Development,  
Food and Drug Administration, and Related Agencies  
Committee on Appropriations  
United States Senate  
190 Dirksen Senate Office Building  
Washington, D.C. 20510

Dear Senator Cochran:

Section 1613 of the Farm Security and Rural Investment Act of 2002 (the 2002 Farm Bill) requires that the Secretary of Agriculture submit an Equitable Relief Report by February 1<sup>st</sup> of each year to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition and Forestry. We are also sending the report to the House and Senate Appropriations Committee, Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies. The enclosed 2010 Equitable Relief Report illustrates the number of requests for equitable relief filed by producers pursuant to sections 1613(b) and (e) of the 2002 Farm Bill and section 278(d) of the Department of Agriculture Reorganization Act of 1994 during the previous calendar year and disposition of the requests.

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Thomas J. Vilsack  
Secretary

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United States Department of Agriculture

Office of the Secretary  
Washington, D.C. 20250

FEB - 2 2011

The Honorable Herbert H. Kohl  
Chairman  
Subcommittee on Agriculture, Rural Development,  
Food and Drug Administration, and Related Agencies  
Committee on Appropriations  
United States Senate  
122 Dirksen Senate Office Building  
Washington, D.C. 20510

Dear Mr. Chairman:

Section 1613 of the Farm Security and Rural Investment Act of 2002 (the 2002 Farm Bill) requires that the Secretary of Agriculture submit an Equitable Relief Report by February 1<sup>st</sup> of each year to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition and Forestry. We are also sending the report to the House and Senate Appropriations Committee, Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies. The enclosed 2010 Equitable Relief Report illustrates the number of requests for equitable relief filed by producers pursuant to sections 1613(b) and (e) of the 2002 Farm Bill and section 278(d) of the Department of Agriculture Reorganization Act of 1994 during the previous calendar year and disposition of the requests.

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## Department of Agriculture 2010 Equitable Relief Report

Section 1613 of the Farm Security and Rural Investment Act of 2002 (the 2002 Farm Bill) grants the Farm Service Agency (FSA) State Directors and the Natural Resources Conservation Service (NRCS) State Conservationists the authority to provide equitable relief to FSA participants in price, income support, production, or loss assistance programs, and NRCS conservation programs. This relief is subject to financial limitations. Section 1613 also grants this authority to the Secretary of Agriculture, without any financial limitation, and the Secretary of Agriculture has delegated this statutory authority to the FSA Administrator and the Chief of NRCS. To qualify for relief, a participant must demonstrate that he or she acted in good faith to comply with program requirements. Forms of relief include the retention of benefits received under the program, continuity of benefits, re-enrollment of land for conservation, or other appropriate relief.

Section 278(d) of the Department of Agriculture Reorganization Act of 1994 grants the Director of the National Appeals Division the same authority to provide equitable relief to program participants as provided to the Secretary.

The following table reflects information for calendar year 2010 as required by section 1613 of the 2002 Farm Bill.

### Farm Service Agency

|  |      |
|--|------|
| Number of Requests for Equitable Relief: | 1377 |
| Number of Requests Denied:               | 60   |
| Number of Requests Approved:             | 1317 |

### Natural Resources Conservation Service

|  |       |
|--|-------|
| Number of Requests for Equitable Relief: | 560   |
| (Misaction/Misinformation)               | (543) |
| (Failure to fully comply)                | (17)  |
| Number of Requests Denied:               | 76    |
| Number of Requests Granted:              | 484   |

### National Appeals Division

|  |     |
|--|-----|
| Number of Requests for Equitable Relief:                                   | 123 |
| Number of Requests Denied:   | 50  |
| Number of Requests Granted:  | 33  |
| (Including 5 cases involving money<br>and 28 involving extensions of time) |     |
| Number of Requests Mooted by Favorable Outcome in Appeal:                  | 36  |
| No Authority to Grant Relief:  | 4   |