



United States Department of Agriculture

Office of the Secretary
Washington, D.C. 20250

FEB 06 2008

The Honorable Collin C. Peterson
Chairman
Committee on Agriculture
U.S. House of Representatives
1301 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 a report by February 1st of each year to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition and Forestry. That report is required to describe the number of requests for equitable relief that producers filed 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 (Reorganization Act) during the previous calendar year and their disposition.

Enclosed is the Department's report. The report shows the number of equitable relief decisions that the Farm Service Agency and the Natural Resources Conservation Service made in calendar year 2007 under section 1613 of the 2002 Farm Bill. The report also shows the number of equitable relief decisions made by the National Appeals Division in the same year under section 278(d) of the Reorganization Act.

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 Senators Harkin and Chambliss and Congressman Goodlatte.

Sincerely,

A handwritten signature in black ink, appearing to read "E. Schafer", written over a horizontal line.

Edward T. Schafer
Secretary

Enclosure

Section 1613 of the 2002 Act requires that the Secretary report to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, on or before February 1st of each year certain information about equitable relief. Section 1613(g)(2) requires the report to include:

(1) the number of requests for equitable relief under subsections (b) and (e) and the disposition of the requests; and

(2) the number of requests for equitable relief under section 278(d) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6998(d)) and the disposition of the requests.

The following are the required totals from FSA, NRCS and NAD:

Farm Service Agency

May 3, 2002 (enactment of the 2002 Act), through December 31, 2002

Number of Requests for Equitable Relief:	101
Amount of Program Benefit Relief Requested:	\$ 773,408.
Amount of Program Benefit Relief Granted:	\$ 535,077.

Natural Resource Conservation Service

Number of Requests for Equitable Relief:	1
Amount of Program Benefit Relief Requested:	\$ 2,947.
Amount of Program Benefit Relief Granted:	\$ 2,947.

National Appeals Division

January 1, 2002 to June 16, 2002:

Requests for Equitable Relief:	63
Equitable Relief Denied:	50
Equitable Relief Granted:	13 (Includes decisions involving equitable relief in which Appellant ultimately prevailed.)

June 19, 2002 to December 31, 2002 (tenure of current NAD Director)

Requests for Equitable Relief:	32
Equitable Relief Denied:	19
Equitable Relief Granted:	13 (Includes decisions involving equitable relief in which Appellant ultimately prevailed.)



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The Honorable Robert Goodlatte
Ranking Member
Committee on Agriculture
U. S. House of Representatives
1305 Longworth House Office Building
Washington, D.C. 20515

Dear Congressman Goodlatte:

Section 1613 of the Farm Security and Rural Investment Act of 2002 (the 2002 Farm Bill) requires that the Secretary of Agriculture submit a report by February 1st of each year to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition and Forestry. That report is required to describe the number of requests for equitable relief that producers filed 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 (Reorganization Act) during the previous calendar year and their disposition.

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Edward T. Schafer
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**Department of Agriculture
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 participants in price, income support, production, or loss assistance programs of FSA and conservation programs of NRCS. This relief is subject to financial limitations. Section 1613 also grants this authority to the Secretary, without any financial limitation, and the Secretary has delegated this statutory authority to the Administrator of FSA 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, reenrollment of land for conservation, or any 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 2007 as required by section 1613 of the 2002 Farm Bill.

Farm Service Agency

Number of Requests for Equitable Relief:	2,742
Number of Requests Denied:	70
Number of Requests Approved: (Includes partial approvals)	2,672

Natural Resources Conservation Service

Number of Requests for Equitable Relief:	146
Number of Requests Denied:	10
Number of Requests Granted:	136

National Appeals Division

Number of Requests for Equitable Relief:	188
Number of Requests Denied:	100
Number of Requests Granted: (Including 66 cases involving money and 5 involving extensions of time)	71
Number of Requests Mooted by Favorable Outcome in Appeal	14
No Authority to Grant Relief	3



United States Department of Agriculture

Office of the Secretary
Washington, D.C. 20250

FEB 06 2008

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 a report by February 1st of each year to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition and Forestry. That report is required to describe the number of requests for equitable relief that producers filed 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 (Reorganization Act) during the previous calendar year and their disposition.

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

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

JAN 31 2008

INFORMATIONAL MEMORANDUM FOR THE SECRETARY

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

SUBJECT: Report to Congress on Equitable Relief to Farmers During 2007

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 1st 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 (e) and section 278(d) of the Department of Agriculture Reorganization Act of 1994 during the previous calendar year and their disposition. This is the sixth year the report is due. The draft report to Congress for 2007 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 2007. 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