



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

INFORMATIONAL MEMORANDUM FOR THE SECRETARY

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

JAN 22 2009

SUBJECT: Report to Congress on Equitable Relief to Farmers During 2008

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 seventh year the report is due. The draft report to Congress for 2008 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 2008. 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

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 2008 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 Lucas.

Sincerely,

Tom J. Vilsack
Secretary

Enclosure

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 the 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 2008 as required by section 1613 of the 2002 Farm Bill.

Farm Service Agency

Number of Requests for Equitable Relief:	2,003
Number of Requests Denied: (includes partial denials)	146
Number of Requests Approved: (Includes partial approvals)	1,857

Natural Resources Conservation Service

Number of Requests for Equitable Relief:	520
(Misaction/Misinformation)	127
(Failure to fully comply)	393
Number of Requests Denied:	4
Number of Requests Granted:	514

National Appeals Division

Number of Requests for Equitable Relief:	183
Number of Requests Denied:	129
Number of Requests Granted:	48
(Including 38 cases involving money and 10 involving extensions of time)	
Number of Requests Mooted by Favorable Outcome in Appeal	2
No Authority to Grant Relief	4

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

Dear Congressman Lucas:

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

Dear Senator Chambliss:

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