

Congress of the United States
Washington, DC 20515

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OPERATIONS

COMMITTEE ON FINANCIAL SERVICES
SUBCOMMITTEE ON
OVERSIGHT AND INVESTIGATIONS

July 29, 2022

The Honorable Thomas Vilsack
U.S. Department of Agriculture
1400 Independence Avenue SW
Washington, DC 20250

Dear Secretary Vilsack:

Thank you for your leadership as you work to address the systematic civil, legal, social, political, and financial disenfranchisement by credit lenders, state agencies, and the U.S. Department of Agriculture (USDA) of socially disadvantaged farmers and ranchers (SDFRs). We recognize the Department's hard work under the Biden-Harris Administration to rectify centuries of dispossession for SDFRs and offer our full support for such efforts. Specifically, we commend the Administration for putting in place a USDA foreclosure moratorium while you work to implement debt forgiveness and other financial assistance authorized by Congress.

To continue this essential work, we ask that USDA quickly use funds appropriated within the American Rescue Plan to provide financial assistance for Black farmers who have suffered from USDA discrimination. Subsection 5 of Section 1006 of the American Rescue Plan Act (ARPA) requires USDA to use at least 5 percent of an appropriated \$1,010,000,000 to carry out financial assistance for SDFRs who suffered related adverse actions or past discrimination or bias in USDA programs. We understand that the Department can design a streamlined and rapid process to evaluate and grant financial assistance to SDFRs. Section 1006 is a potential lifeline for SDFRs as 1005 continues to face litigation.

Congress attempted to clarify its intention to fully support Subsection 5 of Section 1006 through the Build Back Better Act (BBBA) of 2021. According to the Department's data, there are only approximately 3,100 Black farmers who are Farm Service Agency borrowers eligible for USDA direct loan cancellation under Section 1005. Moreover, the combined debt of Black farmers appears to be less than \$300 million dollars. Because so few farmers of color remain as USDA borrowers who can benefit from Section 1005 debt forgiveness, this makes the funding for Subsection 5 of Section 1006 even more critical.

We understand that the Department intends to field requests for information regarding subsection 5 of Section 1006 from interested and applicable parties in the near future. We applaud this step and believe that USDA has the authority to implement Subsection 5 and address decades of discrimination. We urge USDA to move expeditiously to implement subsection 5 of Section 1006. In addition, if for any reason the debt forgiveness under Section 1005 is ever permanently unable to move forward, then we would urge you to transfer the funding which had been appropriated in ARPA for Section 1005 to Subsections 1, 2, 4, and 5 of Section 1006 and specifically as they pertain to SDFRs and universities, groups and organizations that work with SDFRs.

Thank you for your attention to this important issue.

Sincerely,

A handwritten signature in blue ink, appearing to read "Alma Adams", with a long horizontal flourish extending to the right.

Alma S. Adams, Ph.D.
Member of Congress
North Carolina—12th District