WASHINGTON—Last month, President Biden signed into law a spending bill intended to reckon with what courts and government investigations have repeatedly found to be a history of discrimination by the U.S. Agriculture Department against Black farmers.

But for many Black farmers and their advocates, they will have to see the money to believe it.

While they welcome the new federal aid, included in the health, climate and tax package that Congress passed with only Democratic votes, decades of failed efforts to address the issue have left them skeptical.

“I just feel like nothing’s going to happen,” said Carolyn Jones, who with her husband, Chris, raises livestock in Monroe and Chickasaw counties in Mississippi. “We’ve gotten excited before.”
The congressional funding provisions, championed by Sens. Cory Booker (D., N.J.) and Raphael Warnock (D., Ga.), provide the USDA with $3.1 billion for loan modifications to farmers in financial distress and $2.2 billion for farmers who have experienced discrimination through the department’s farm-lending programs.

The latest package follows a court-ordered halt to a more narrowly targeted $4 billion fund for minority farmers that had been in the March 2021 Covid relief bill. White farmers, including Texas Agriculture Commissioner Sid Miller filing as a private citizen, had sued over that funding, saying it was unconstitutional to exclude them on the basis of race.

The new funding is structured differently: A farmer of any race who is in financial distress and has a direct or guaranteed loan with the USDA is eligible for relief, including loan modifications, under the $3.1 billion. Meanwhile, the $2.2 billion pot of money is available to anyone who has experienced discrimination through USDA lending programs before Jan. 1, 2021, which could also include white women.

Agriculture Secretary Tom Vilsack told reporters last month that the agency was thinking carefully about how to structure the discrimination funding, which Congress stipulated has to be administered by an outside group. He said the agency is also reviewing its loan portfolio to figure out how to make sure financially distressed farmers don’t lose their land after a moratorium on foreclosures ends when the public-health emergency for the Covid-19 pandemic is lifted.

Some advocates believe the USDA could have successfully delivered more debt relief to Black farmers in 2021—before the lawsuit halted the program—if it had moved more quickly, and they are nervous that the agency is repeating that mistake.

“There was more than enough time to implement that, had the secretary given it high priority,” said Lloyd Wright, the former director of civil rights at the USDA. “Blacks have a long history of being promised things and not getting it.”
A USDA spokesperson said the agency had tried to deliver that funding as quickly as possible, noting that it was a new program, which typically takes more time to design and implement.

In a letter released this past Monday, Messrs. Booker, Warnock and Senate Majority Leader Chuck Schumer (D., N.Y.) urged the USDA to swiftly take the next steps to “provide much needed financial assistance to Black farmers and others who have suffered discrimination through USDA’s farm lending programs.”

Rep. Glenn Thompson of Pennsylvania, the top Republican on the House Agriculture Committee, asked Mr. Vilsack in a letter last month how the agency would determine who was eligible for the programs, noting he was “deeply concerned with the lack of transparency throughout this entire process.”

Delays in loan funding have been part of the problem. Mr. and Mrs. Jones struggled in the 1970s to access the USDA funding they needed to expand as pig farmers. The loan they landed was half of what Mr. Jones had requested, and the USDA directed them to go through their local bank. But the USDA funds arrived late, their bank loan accrued interest and this ultimately set them up for foreclosure and bankruptcy, the family said.

Later, after decades of working other jobs, Mrs. Jones secured a USDA loan for their new farm raising beef cattle, which remains in operation. Mrs. Jones, who helped start the Mississippi Minority Farmers Alliance in 2012, said she wonders “where we could have been” had the family not been trapped by debt early on.
In recent years, the agency has emphasized its efforts to help launch a new, younger and more diverse generation of farmers.

But even as outright racism has faded, Black farmers said they still are often told their business models are wrong and that they have insufficient farming experience.

When USDA loan officers visited the urban farm at the Tupelo, Miss., home of Bryant Stubbs and Stephanie Green-Stubbs in August 2021, “the first thing they said is ‘we don’t buy trucks’” with these loans, said Ms. Green-Stubbs, who was seeking a loan for operating expenses. “What do you mean by that? Just because I’m Black, is that why you’re saying it?”

Ms. Green-Stubbs said she had done at least 12 interviews with USDA loan officers and is still trying to secure a loan.

A USDA spokesperson said the agency is “committed to facing its history, learning from mistakes, and doing the intentional work of building trust in the communities that need us most.”

The tense relationship between Black farmers and the Agriculture Department, founded by Abraham Lincoln in 1862, goes back generations. One source of tension is a system set up by Congress in 1937 of county committees of local farmers, long overwhelmingly white, with significant discretion to decide who was eligible for federal USDA loans. As late as 1996, only 37 county commissioners were Black, out of more than 8,000 commissioners nationwide, according to a report from the USDA’s Civil Rights Action Team.

Repeatedly, government reports found that Black farmers were denied loans, or received smaller loans than white farmers, under this system. Black farmers also had limited avenues
to protest the disparities. In 1983, the Reagan administration closed the USDA’s Office of Civil Rights, creating a backlog of unaddressed complaints.

“These events were the culmination of a string of broken promises that had been made to African American farmers for well over a century,” U.S. District Judge Paul Friedman, in Washington, D.C., wrote in 1999, approving a consent decree and settlement in the first Pigford class-action lawsuit brought by Black farmers against the USDA. Questions arose over the high numbers of farmers who applied late for the typically $50,000 payments, and a second settlement was reached in 2010.

Critics of the government’s response questioned the 31% of claims that were denied in the first Pigford lawsuit, although some media reports found alleged fraud in some payments.

“The farmers have been fighting for debt cancellation since the disastrous implementation of the Pigford lawsuit,” said Tracy McCurty, executive director of the Black Belt Justice Center, a legal and advocacy group for Black farmers.

The hurdles in financing have contributed to a steep drop in the number of Black farmers in the U.S., down from a peak of almost 926,000 in 1920 to roughly 18,450 Black farm operators in 1997, a 98% drop, according to USDA data. In that same period, the number of white farm operators fell from almost 5.5 million to under 1.9 million, a 66% drop.

As of 2017, there were 48,697 Black farmers, out of almost 3.4 million total farmers, according to the Census of Agriculture, although methods of counting have changed over time.

Some Black farmers simply stopped trying to work with the USDA after years of being denied loans, or receiving them delayed, forcing them to buy supplies at higher prices or plant their
crops late.

Freddie Bynum, a cattle farmer with plots in Chickasaw and Pontotoc counties in Mississippi, said he had a $35,000 loan rescinded in 2014 when he bought a tractor on the advice of his local loan officer, who said the purchase would be reimbursed through his already-approved loan. When the tractor purchase went through, he was told, “if you’re able to get the money for the tractor, you don’t need the loan.”

In August, Mr. Bynum filed a discrimination lawsuit reflecting years of struggles with the local USDA office.

His inability to purchase enough land for his cattle to graze has meant he has to buy six rolls of hay each week, at $40 a roll, to feed them, eating into his profits, he said. “I’ve never been able to get established like I want to.”

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