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June 17, 2024

Secretary Thomas J. Vilsack U.S. Department of Agriculture 1400 Independence Ave., S.W. Washington, DC 20250

RE: Final Payments for Discrimination Provision in Section 22007e of the Inflation Reduction Act of 2022 (IRA)

Dear Secretary Vilsack:

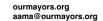
The African American Mayors Association (AAMA) is writing to let you know we stand with the Congressional Black Caucus in requesting the swift completion of processing and issuance of all final payments to eligible farmers, ranchers, and forest landowners as stipulated in the discrimination provision outlined in section 22007e of the Inflation Reduction Act of 2022 (IRA). Our primary concern is ensuring these vital funds reach those who have suffered discrimination in the U. S. Department of Agriculture (USDA) farm lending programs promptly and prior to July 4, 2024.

Completing the implementation and making final payments by July 4,2024, is crucial for affected individuals to utilize these funds to sustain their farming operations for the year. This assistance could potentially help mitigate a 5% to 10% yield variance by providing essential support for the upcoming harvest. Section 22007e of IRA appropriated \$2.2 billion to establish a program to provide financial assistance to farmers, ranchers, or forest landowners determined to have experienced discrimination before January 1, 2021, in USDA farm lending programs. The amount of financial assistance provided to a recipient may not exceed \$500,000, based on any consequences experienced from the discrimination. The administration of this program shall be through one or more qualified nongovernmental entities selected by the Secretary subject to established standards developed and enforced by the Secretary.

We are concerned that if USDA does not complete the implementation process and make final payments by July 4, 2024, the discrimination provision in section 22007e of the IRA will be added to the long list of failed efforts over the last 150 years to address discrimination. USDA has a deplorable historical record in implementing promises to Black farmers, beginning with the promise of 40 acres and a mule to formerly enslaved Africans which was not provided; and the failure of the Freedman's Bureau in redistributing land on equitable terms to African Americans.redistributing land on equitable terms to African Americans.











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Recent failures include the lack of debt cancellation in Pigford I, where only 371 of 22,721 Black farmers received partial debt cancellation; and USDA's failure to implement the transparency and accountability provisions of the 2008 Farm Bill. Moreover, Section 1005 of the American Rescue Plan Act of 2021 (ARPA) promised socially disadvantaged farmers and ranchers 100% debt payments plus 20% for USDA direct and guaranteed loans. However, the USDA's delay in implementing this provision allowed white farmers enough time to file lawsuits, effectively halting the program's implementation. Section 1006 the discrimination provision of ARPA was never implemented.

Section 22006 of the Inflation Reduction Act (IRA) revised the debt relief provision and allocated \$3.1 billion to assist distressed producers. Despite this substantial allocation, Black farmers have received minimal debt relief from this provision. Given this historical context, it is imperative that the implementation of section 22007e of IRA proceeds swiftly and effectively and not be added to the above list of federal failed efforts to address discrimination against Black farmers. We urge you to prioritize the completion of implementation and issuance of final payments by July 4, 2024.

To ensure accountability and transparency, we request that you provide us with a written update of your plans regarding the aforementioned matter no later than June 24, 2024.

Correspondence should be directed to Phyllis Dickerson, CEO, AAMA at phyllis@ourmayors.org or AAMA at 660 N. Capitol St. NW, Slot 450, Washington, DC 20001.

Respectfully submitted,

CEO, AAMA

CC:

Senator Debbie Stabenow, Chairwoman Senate Committee on Agriculture, Nutrition, and Forestry United States Senate

Senator John Boozman, Ranking Member Senate Committee on Agriculture, Nutrition, and Forestry United States Senate

Congressman Glenn Thompson, Chairman House Committee on Agriculture United States House of Representatives

Congressman David Scott, Ranking Member House Committee on Agriculture United States House of Representatives



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