

For: State and County Offices

Status Update on Pigford II, Keepseagle, and Hispanic and Women Farmers and Ranchers (HWFR) Settlements

Approved by: Acting Deputy Administrator, Farm Loan Programs



1 Overview

A Background

Pigford II - On February 18, 2010, USDA settled a lawsuit, about Black Farmers Discrimination Litigation, (D.D.C.), also known as *Pigford II*, brought by African American farmers who filed according to the 2008 Act. The settlement established a class and created a nonadversarial, nonjudicial claims process under which claims could be resolved. On December 8, 2010, the President signed the Claims Resolution Act of 2010 (Pub. L. 111-291) into law providing \$1.15 billion in funding for the settlement, in addition to the \$100 million allocated by the 2008 Act, for a total of \$1.25 billion. The finalized settlement was approved October 27, 2011, by the Federal Judge overseeing the litigation. All activities required by the Pigford II settlement were completed by February 2014.

Keepseagle - A settlement agreement was signed on October 19, 2010, to resolve the *Keepseagle v. Vilsack* class action lawsuit and approval was provided by the Court on April 11, 2011. The claims process period began June 29, 2011, and ended on December 27, 2011. All activities required by the Keepseagle settlement were completed by March 2014. In April 2018, Class Counsel provided recommendations for disbursement of the \$380 million cy pres fund. USDA has no role in screening or approving potential beneficiaries.

HWFR - In 2009, Secretary Vilsack provided a comprehensive plan to address civil rights issues at USDA. On February 25, 2011, the Secretary announced a unified claims process for HWFR who allege they were discriminated against when they applied, or were discouraged from applying for direct farm loan servicing. The claims period ran from September 24, 2012, through May 1, 2013. The contract for the Claims Administrator of the claims process closed in May 2017. All activities related to the program have been completed and the program will not accept any future claims for payment.

Disposal Date	Distribution
December 1, 2018	State Offices; State Offices relay to County Offices

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1 Overview (Continued)

B Purpose

This notice provides:

- loan making and loan servicing for applicants who were prevailing claimants
- information on how to respond to inquiries
- contact information for inquiries that FSA offices may receive about Pigford II, Keepseagle, or HWFR settlements.

2 Farm Loan Program Actions

All claimant cases are initially serviced according to 1-FLP, Exhibit 13.5.

A Loan Making and Loan Servicing

County Office processing will be as follows:

- prevailing Pigford II claimants who have received debt relief will be eligible for future loans and loan servicing if all of the debt relief was the result of their claim
- prevailing *Keepseagle* claimants who have received debt relief will be eligible for future loans and loan servicing

Note: This includes any debt forgiveness on eligible loans that occurred before the *Keepseagle* Settlement Agreement signed on October 29, 2010. Eligible loans consist of EE's, EM's, FO's, and OL's.

- prevailing HWFR claimants who have received debt relief will be eligible for future loans and loan servicing if all of the debt relief was the result of their claim.

B OL and FO Term Limits

Loans received by prevailing claimants will count toward their OL and FO term limits according to 3-FLP, including loans that received debt forgiveness.

C Creditworthiness on Future Loan Applications

For loans that received debt forgiveness because of the *Keepseagle* Settlement Agreement, see 3-FLP, subparagraph 65 A. For the HWFR claims process and Pigford II, loans that received debt forgiveness will not be considered when evaluating the applicant's creditworthiness for future loan applications.

If there are any questions, contact any of the following:

- Craig Nehls by e-mail to craig.nehls@wdc.usda.gov
- Jacqueline King by e-mail to jacqueline.king@wdc.usda.gov
- Ann Smith by e-mail to ann.smith@wdc.usda.gov.

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3 Contact Information

A State and County Offices

If there are questions about this notice:

- County Offices shall contact the State Office
- State Offices shall contact any of the following individuals for Pigford II, Keepseagle, and HWFR:
 - Craig Nehls by e-mail at **craig.nehls@wdc.usda.gov**
 - Jacqueline King by e-mail at **jacqueline.king@wdc.usda.gov**.

B Employee Guidance for Responding to Individuals, Media, or Denied Claimants

Individuals, media, or denied claimants that contact FSA personnel for information about the settlements mentioned in this notice should be advised using the following language.

“Thank you for your Inquiry [Mr./Mrs./Miss_____].

It appears your inquiry pertains to the [name of lawsuit].

It would be inappropriate for USDA to provide any assistance, advice, or counsel to person about the settlement. If you have any questions about the settlement or payment under the settlement, we recommend that you contact the appropriate claims administrator using one of the following:

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|--------------|------------|--|
| • Pigford II | Address: | Black Farmers Claims Administrator
PO Box 4028
Portland, OR 97208-4028 |
| | Telephone: | 1-877-810-8110 |
| | Email: | Questions@BlackFarmerCase.com |
| | | |
| • Keepseagle | Address: | Keepseagle Claims Administrator
PO Box 3560
Portland, OR 97208-3560 |
| | Telephone: | 1-888-233-5506 |
| | Email: | questions@indianfarmclass.com |
| | | |

The contract for the HWFR Claims Administrator is closed. For any inquiries related to the HWFR Claims Process, please contact the OGC Civil Rights, Labor and Employment Law Division at 202-720-1760.”