

**NORTH CAROLINA ASSOCIATION OF BLACK LAWYERS'S
LAND LOSS PREVENTION PROJECT**

**REPORT ON PRIOR STATE FISCAL YEAR PROGRAM ACTIVITIES,
OBJECTIVES, AND ACCOMPLISHMENTS AND
ITEMIZED EXPENDITURES AND FUND SOURCES**

Citation of Law or Resolution:	S.L. 2009-451
Section Number:	SECTION 14.22.(a)
Due Date:	September 1, 2010
Submission Date:	August 30, 2010

Receiving Entities:

The Joint Legislative Commission on Governmental Operations
The Fiscal Research Division

Submitting Entity:

Land Loss Prevention Project

TABLE OF CONTENTS

1. Introduction	3
Period	3
Mission.....	3
Goals of the State Grant	3
Office Locations and Assistance Lines	3
Organizational Structure.....	3
2. Litigation and Outreach	4
Summary of Services Provided.....	4
Legal Assistance: Selected Case Summaries.....	6
Outreach, Education, and Collaborative Efforts.....	8
SmartGrowth Business Center.....	12
Fellowships and Academic Internships.....	15
3. Policy: Activities Implementing the 2008 Federal Farm Bill	16

PERIOD: This final report covers the fiscal year of the state of North Carolina from July 1, 2009 through June 30, 2010.

MISSION: The Land Loss Prevention Project was founded in 1982 by the North Carolina Association of Black Lawyers to curtail epidemic losses of Black-owned land in North Carolina. The organization was incorporated in the state of North Carolina in 1983. The organization broadened its mission in 1993 to provide legal support and assistance to all financially distressed and limited resource farmers and landowners in North Carolina.

GOALS OF THE STATE GRANT: The original goals and expectations for the activity supported by the state grant encompass the protection of North Carolina's financially distressed and limited resource family farmers and landowners from actions that may result in the loss of their land and livelihoods. These goals and objectives are achieved through the provision of free and/or reduced cost legal assistance to North Carolinians eligible under this grant. These goals have not been revised during the course of this project.

OFFICE LOCATIONS & ASSISTANCE LINES: The office of the Land Loss Prevention Project is located at 400 West Main Street, Suite 204, Durham, North Carolina 27701. The office can be reached toll free at (800) 672-5839, and locally via (919) 682-5969.

ORGANIZATIONAL STRUCTURE: The LLPP is a non-profit corporation, tax exempt pursuant to Section 501(c)(3) of the Internal Revenue Code. A board of directors consisting of attorneys, farmers, laypersons, and community advocates governs the organization. The LLPP has two focal units -- the Litigation Unit and the Sustainable Development and Environment Unit. The Litigation Unit consists of the executive director, deputy director, six staff attorneys, and one attorney-paralegal. The Litigation Unit performs debt restructuring for farmers in crisis and multi-faceted legal work designed to preserve land tenure for traditionally underserved individuals and families. Encompassed within these efforts is

the work of the SmartGrowth Business Center, an internal resource, dedicated to assisting farmers through proactive business law applications. The Sustainable Development and Environment Unit consists of the executive director and deputy director, plus one of the above-mentioned staff attorneys as needed, to monitor activities and implement program innovations. The Sustainable Development and Environment Unit helps family farmers and landowners explore sustainable agricultural alternatives and guide business development that is environmentally friendly and economically viable for rural communities. This Unit shares staff with the Litigation Unit. It is part of our strategy to integrate policy, business development and community economic development. The Sustainable Development and Environment Unit works with state, regional and national coalitions that support sustainable agriculture practices, sustainable development and policy innovations.

SUMMARY OF SERVICES PROVIDED:

Litigation, advice, and brief counsel were the primary methods to meet the identified goals. In 2009-2010 State fiscal year, the LLPP addressed legal matters that could be clustered in the following areas: agricultural; environmental; real property; consumer protection; wills/estate planning; civil rights; zoning, municipal services, and related issues; bankruptcy as a last-resort alternative to foreclosures (farms and/or homes); and business/agricultural business issues. The SmartGrowth Business Center addressed a variety of matters including those involving rural economic development and farmers' cooperatives. The LLPP staff handled 394 matters between 7/1/09 and 6/30/10. The LLPP served 74 counties in North Carolina based on residence of client and 77 based on land location in that time period and provided limited service to individuals in several states, typically through referral. Technical and outreach activities targeted persistently underserved counties in eastern and western North Carolina. These activities were conducted through workshops, forums and seminars individually and in collaboration with other organizations. The bulk of the organization's direct legal assistance was

provided to financially distressed farmers, farm families, and rural landowners and residents. For example, in fiscal year 2009-2010, the majority of the cases continued to be real property related including environmental, with some 233 cases. Discrimination/civil rights actions involving the United States Department of Agriculture constituted 37 cases. Thirty-six were agriculture-related matters including issues involving rural economic development and cooperatives. Forty-one matters involved predatory lending, bankruptcy and consumer protection issues. Wills and estate planning constituted 20 matters. Incorporation transactions and miscellaneous matters involving such issues as tax-exempt status and access to municipal services totaled 27. The LLPP accomplished its goals successfully and achieved superlative results. In the 2009-2010 fiscal year, clients continued to receive the benefit of investment in the Land Loss Prevention Project through positive legal outcomes. The Land Loss Prevention Project gained \$2,049,429 in debt relief, loan modifications, and awards for clients.

The LLPP's technical assistance and outreach activities included a strong risk management component ranging from addressing preparation of simple wills and deeds to business entity formation. The LLPP continued to broaden the work of the SmartGrowth Business Center, which is of increasing importance in providing business training services to limited resource farmers to improve the management and profitability of their operations. The Business Center offers front-end education to the state's community of small farmers through legal assistance, seminars, and a website. The LLPP plans to continue to expand its Business Center outreach to qualified recipients; pinpoint specific community need; continue to provide legal assistance in Business Center competencies to qualified clients; and provide training to its licensed attorneys to expand the legal and technical assistance capacity of the Business Center.

Legal Assistance: Selected Case Summaries

The following summaries present a sample of the cases/matters handled by the LLPP staff which are in addition to those of the SmartGrowth Business Center reported below:

- The Land Loss Prevention Project has been actively engaged in productive dialogue with a historically Black community, local government officials, and service providers exploring extending water and sewer amenities to an underserved neighborhood.
- In the last half of 2009, the Land Loss Prevention Project assisted a Sampson County client facing foreclosure of her home and 17-acre farm. The LLPP was successful in obtaining a dismissal of the foreclosure action based on procedural defects on the part of the lender. Subsequently, the lender filed a new foreclosure action. The LLPP was successful in negotiating a loan modification agreement with the lender in an amount of \$74,309.56.
- The Land Loss Prevention Project assisted a Granville County couple in averting property loss due to questionable business practices. The couple had entered into a contract to purchase a modular home to be built on land that they owned that was valued at approximately \$10,000. In order to get financing for the house, the couple was told by the modular home builder that they had to deed the property to the builder in order for the builder to get financing. When the builder was unable to get credit approval for the buyers, the company attempted to evict them from the land that they had deeded to the builder. The LLPP contested the eviction action and brought counterclaims based on fraud and unfair business practices. The builder agreed to a settlement whereby the company financed the purchase of the home and deeded the property back to the client.
- The LLPP saved the home and 23-acre farm of a beginning farmer in Orange County, preserving approximately \$150,000 of equity in the property. She had originally chosen her farm's location

as reflecting the area's historic tie to land retention in an era of struggle. She is now exploring new opportunities and expansion into organics.

- The LLPP preserved a Franklin County farm against USDA foreclosure through negotiation with the lender and establishing sufficient cash flow through the facilitation of agricultural product diversification with the collaboration of a Farm and Home Planner from a local partner organization. The farmer contacted the LLPP in June 2009 regarding a default in a USDA Farm Service Agency (FSA) Loan. The client was denied primary loan servicing from the FSA due to their calculations that he was not able to cash flow. The LLPP appealed this decision to the National Appeals Division of the USDA and also filed for mediation with the North Carolina Agricultural Mediation Program. With the assistance of the Farm and Home Planner, the LLPP was able to obtain additional farm contracts for the farmer and restructure his finances to the point where in March 2010 the FSA allowed loan modification. The client's farm was saved.
- In April 2010, the Land Loss Prevention Project preserved the home of a Spanish-speaking client facing foreclosure. The client works in construction and recently his hours and salary had been cut which resulted in his mortgage payments falling behind. The LLPP assisted the client in achieving mortgage modification and having the foreclosure dismissed. The presence of a bilingual attorney on staff is of increasing importance in our land tenure efforts.
- In the first quarter of 2010, a Cleveland County farmer represented by the Land Loss Prevention Project prevailed in his *Pigford* Black farmer class action lending discrimination claim against the USDA. The LLPP's advocacy resulted in a reversal of the prior negative decision with the LLPP's client gaining relief. In his decision on reexamination, the Arbitrator awarded \$1,093,500; the forgiveness of any debt incurred by the client in the relevant Farm Ownership and Operating Loan Programs from April 7, 1981 forward; and a return of any monies collected

from the farmer for debt payments in those programs from April 7, 1981 forward. The Litigation Unit's multi-year involvement with the client is ongoing to facilitate the orderly provision of relief by the government and assist the client in accessing appropriate professional resources to address various planning issues. Thus far, the client has received the first deposit of over one million dollars.

Outreach, Education, and Collaborative Efforts

In addition to the SmartGrowth Business Center outreach documented below, the Land Loss Prevention Project has been engaged in outreach and education extended to both client and professional communities covering a variety of its practice areas. A sampling of community outreach, education, and collaborative efforts follows.

- On October 10, 2009, the Land Loss Prevention Project presented to a community group in Moore County on heirs' property.
- On October 14, 2009, the Land Loss Prevention Project spoke at the Asset Building Conference held in Durham, N.C. The audience consisted of property owners, community leaders, NGOs, and financial professionals. The session was entitled "The Epidemic of Black Land Loss in the South: the Pitfalls and Opportunities of Heirs Property."
- On October 17, 2009, the Land Loss Prevention Project presented at the North Carolina Environmental Justice Network Summit in Whitakers, N.C. The audience was primarily community members but also consisted of advocates. Topics addressed at the Summit by the LLPP included foreclosure prevention and heirs' property issues.
- On November 20, 2009, the LLPP presented at the National Legal Aid and Defenders Conference in Denver, Colorado. Legal professionals attended the session on the legal issues

associated with heirs' property.

- On January 8, 2010, the Land Loss Prevention Project presented at the Operation Spring Plant Risk Management Conference on heirs' property and will making as a session within the multi-topic conference. The audience consisted of advocates, representatives of governmental agencies, and community members.
- On February 20, 2010, the Land Loss Prevention Project guided a legal clinic on will making instructing 12 students from the University of North Carolina Black Law Students Association through a previously offered education module and presenting to a community member audience. The session took place in Whitakers, N.C. LLPP attorneys designed both the training and clinic.
- On March 5, 2010, the Land Loss Prevention Project presented at the N.C. Minority Landowners Conference on heirs' property and transition planning to an audience of approximately 340 people in Raleigh, N.C. Other topics including a *Pigford* update were treated by the LLPP in a separate session.
- On March 9, 2010, the Land Loss Prevention Project spoke to the Open Minded Seniors in Tillery, N.C. The presentation addressed heirs' property and estate planning.
- On April 8, 2010, the Land Loss Prevention Project's Skadden Fellow attended the annual Skadden Symposium to provide an update on her work in the estate planning arena which encompasses heirs' property outreach. She presented to an audience of approximately 100 attorneys in New York. She joined the LLPP in September 2008 for her two-year fellowship.
- On April 12, 2010, the Land Loss Prevention Project spoke at a community education event held by the Havelock Community Development Association. Topics included heirs' property challenges, tax foreclosure, and business resources within the firm geared to farmers. Fifty-six

people from Craven, Carteret, Edgecombe, Pitt counties and the state of New York attended.

- On May 4, 2010, the Land Loss Prevention Project provided coordinated consultation to older adults interested in estate planning through the Open Minded Seniors group in Tillery, N.C. community members in Tillery, N.C. on heirs' property and wills. Approximately 50 people attended the event.
- The Litigation Unit continues to participate in ongoing outreach, collaboration, and resource building concerning the challenges posed by heirs' property through the Heirs' Property Retention Coalition. The collaborative project has involved representatives from the Central Alabama Fair Housing Center, Alabama Appleseed, the Lawyers Committee for Civil Rights, Alabama Legal Services, the American Bar Association's Property Preservation Task Force, the Federation of Southern Cooperatives, Self-Help, the Southern Coalition for Social Justice, the Duke Law School Community Enterprise Clinic, and the UNC Center for Civil Rights among others.
- The Litigation Unit is statewide provider within the legal services organizations' referral network for foreclosures established in 2008. As has been publicized recently by both the Banking Commissioner and the N.C. Attorney General, North Carolinians can call the HOPE Hotline toll-free to receive free counseling on options to avoid foreclosure. The hotline connects callers with non-profit housing and credit counselors in their local community. When referred to legal assistance, designated legal services organizations will screen clients through the system negotiated by the providers themselves. Following caller referral, the LLPP's Litigation Unit and other key partners are designated to provide direct legal assistance to people facing foreclosure. Significantly, the Litigation Unit serves each of the system's three designated regions in the

state. This participation is in addition to assisting clients who contact LLPP directly or through other sources.

- The Land Loss Prevention Project has played a significant role in advancing local food policies that would benefit minority and other low-resource farmers in North Carolina. The LLPP is an active member of the North Carolina Local Sustainable Food Coalition. The Coalition is focused on supporting local, family, and organic farms. The work encompasses, among multiple issues, addressing increased diversity and the inclusion of limited resource farmers and consumers in planning policies and conducting research concerning local procurement policies by government agencies to enhance revenues for low-resource farmers and promote community food systems.
- The LLPP serves on the North Carolina Local Food Advisory Council and facilitates the addressing of the rights and needs of low-income and minority landowners in the Council's priorities.
- The LLPP served on the Environmental Law Section Council of the N.C. Bar Association and has been actively involved in efforts to further private bar interest in taking on *pro bono* cases and to expand the understanding of environmental justice issues. As part of this effort, the Land Loss Prevention Project worked with the *pro bono* project of the Section to develop “white papers” addressing rural land issues. The completed white papers cover a range of issues including providing guidance to private landowners on the Endangered Species Act and the Riparian Act, elucidating water and timber rights, and examining issues associated with underground storage tanks.

SmartGrowth Business Center: Helping Farmers Access Opportunity and Manage Risk

As noted, in keeping with its mission of preserving land for future generations, the LLPP continues to expand the work of its SmartGrowth Business Center to broaden the organization's approach to saving the family farm. The LLPP took its existing understanding of business issues to develop its expertise further to provide front-end education to the state's community of small farmers and advocacy focusing on a proactive approach to assisting individual farm families. The focus of the business center is the promotion of farm retention and enhanced business viability. Provided services include direct legal assistance and education on business entity formation, contractual review, counseling concerning program availability and requirements, and the addressing of credit management.

The need for the program is demonstrated in the data gleaned from the USDA's National Agricultural Statistics Service's 2007 Census of Agriculture released in February 2009. The analysis from the North Carolina Department of Agriculture and Consumer Services is telling: "The 2007 survey was the first census to attempt to extensively count very small family farms. This includes limited resource farms, retirement farms, and residential/lifestyle farms. As a result of the efforts to more accurately count minority and limited resource farms, the 2007 census farm counts are not directly comparable to earlier years. NASS also incorporated this change with the annual farm numbers estimates released February 12. However, even with the additional efforts to find the smallest farms, the North Carolina total farm count continues to decline."

www.agr.state.nc.us/stats/census/highlights.htm. Specifically, total farm numbers in 2007, including small and limited resource farms, was 52,900, compared with 53,900 counted in the 2002 census. A further decline was seen in the 2008 annual Farm Numbers report, showing about 52,500 farms. Farms with sales of less than \$1,000, including many of the very small limited resource, retirement, and residential/lifestyle farms totaled 15,900, compared with 13,500 in 2002. This size group accounts for

30% of all farms but less than 1% of total sales. Family farms account for 97% of all farms. About 85% are classified as small family farms. The average age of principal farm operators in North Carolina is 57, compared with 56 in 2002. www.agr.state.nc.us/stats/census/highlights.htm (N.C. facts cited). These facts demonstrate three salient factors: the significance of N.C.'s small farm, the graying of the state's farming population, and the need to bolster small farm economic health and fortify the next generation of small farmers.

According to the census' state profile for North Carolina, in 2007, there were 7,016 women operators; 887 American Indian/Alaska Native; 232 Asian; 1,801 Black or African American; 12 native Hawaiian or other Pacific Islander; 471 "more than one race," and 738 Spanish, Hispanic, or Latino. www.agcensus.usda.gov/Publications/2007/Online_Highlights/CountyProfiles/NorthCarolina/ The N.C. Department of Agriculture emphasizes that women now account for 13% of all farm operators, up 3% from 2002. www.agr.state.nc.us/stats/census/highlights.htm. These segments of the farming population are traditionally underserved and can benefit from legal assistance geared to securing one's business investment. Many of the challenges faced by the LLPP's clients involve the acquisition and management of credit. In addition, as evidenced by requests for assistance with bankruptcy or foreclosure proceedings, their need for better risk management is typical and urgent.

During 2009-2010, SmartGrowth Business Center expanded its outreach efforts throughout the state. The focus has been both on publicizing the availability of the resource and its services and providing information to farmers on a variety of business law topics. The initiative has included training outside attorneys who may be interested in assisting farmers at no or low cost and offering education to others in the agricultural community. SmartGrowth has presented at the following events:

- June 19, 2009: Operation Spring Plant's 2009 Outreach and Farm Management Meeting, Kenansville

- August 5, 2009: North Carolina/South Carolina Associations of Community Development and Food-Based Development Workshop, Greensboro
- September 3, 2009: North Carolina Bar Association's GP/Solo Small Firm Symposium, Cary (LLPP was a co-course planner for Symposium and a presenter on advocacy in the National Appeals Division on behalf of farmers). The Symposium was approved by North Carolina State Bar for continuing legal education credit. The NAD module was designed by the LLPP to encourage *pro bono* or low cost assistance to farm families in need by attorneys in private practice through specialized education.
- September 19, 2009: Melfield United Church of Christ education meeting in Haw River. Audience members were introduced to SmartGrowth and provided information on securing land tenure.
- April 12, 2010: Havelock Community Development Association community education event, Havelock, N.C. As noted in the prior outreach section, topics included SmartGrowth.
- April 16, 2010: North Carolina Agricultural Mediation Program's mediator training, Asheville, N.C. At NCAMP's annual training event, a SmartGrowth attorney provided an orientation concerning the SmartGrowth Business Center and an examination of advocacy on behalf of farmers in mediation.

The SmartGrowth Business Center continues to broaden its client services. Examples of legal assistance include drafting enabling documents to access credit for a beginning farmer in Halifax County; drafting articles of incorporation for a Lenoir County farmer; counseling a Chatham County poultry farmer in business entity formation and debt mitigation after loss of a major poultry contract due to the bankruptcy of a poultry integrator; and drafting articles of incorporation for a beginning

vegetable farmer in Greene County, reviewing his business plan, and assisting him in identifying funding for his enterprise. SmartGrowth is working with another Chatham County farmer who wishes to expand his current enterprise to incorporate raising beef cattle and is working with another client in Lenoir County to establish a regional farming non-profit focused on sustainable agriculture and local economic development. SmartGrowth has provided a range of legal and technical resource counseling to a young vegetable farmer in Warren County. SmartGrowth is also assisting two Black-owned businesses in Bladen County exploring joining forces to pair a farmers' cooperative with an agricultural processing facility to enhance the coop's self-sufficiency and further community economic development.

Fellowships and Academic Internships

As noted, in September 2008, a same-year graduate of the University of Virginia School of Law joined the LLPP for her two-year Skadden Arps fellowship. In addition to providing outreach to communities throughout the state concerning wills and estate planning as a land retention tool, which encompasses addressing heirs' property issues, her work has included accessing the public health community to extend land retention services to underserved individuals. She also participates in the LLPP's ongoing collaborative efforts with member organizations to promote land tenure within Halifax County. Her various educational efforts allowed for penetration of additional communities during outreach.

In the summer of 2009, the LLPP hosted legal interns from North Carolina Central School of Law (NCCU) and Duke University in an effort to encourage entry into public interest law or provision of *pro bono* legal assistance once they become practicing attorneys. Our most recently hired staff attorney came through the LLPP's summer intern program as a recipient of the American Bar Association's 2008 Minority Fellowship in Environmental Law. The LLPP routinely provides short-

term projects to students in coordination with local law schools, most recently that of the University of North Carolina at Chapel Hill and N.C. Central University. This summer (2010), the LLPP hosted two interns from NCCU.

POLICY REPORT

Activities Implementing the 2008 Federal Farm Bill: Program Access and Civil Rights for Socially-Disadvantaged Farmers and Ranchers:

During the 2009-2010 policy review and implementation processes of the 2008 Food, Conservation and Energy Act (Farm Bill) provisions for socially-disadvantaged farmers, from which North Carolina's limited-resource farmers and small farmers are benefiting and having wide-ranging impacts are as follows:

- **Land Loss and Preservation:** Thousands of farmers and ranchers face imminent foreclosure following inadequate protection and outcomes of civil rights complaints, as well as individual and class action lawsuits. The LLPP played a key role in important policy advocacy which resulted in gains for North Carolina farmers and farmers nationwide. In April 2009, U.S. Secretary of Agriculture Thomas Vilsack issued a future directive to initiate a temporary suspension on all foreclosures involving Farm Services Agency (FSA) farm loans. He also projected that this would allow for the Department's examination of loans potentially affected by discrimination. This moratorium was an outgrowth of multi-prong policy advocacy of the Farm and Food Policy Project Diversity Initiative over the span of two years. The Land Loss Prevention Project co-led the Diversity Initiative whose work resulted in a variety of gains in both the Farm Bill and subsequent USDA policy. The Diversity Initiative was composed of a

range of civil rights and land-focused organizations throughout the U.S. working to improve equity for people of color within the food system.

- **Settlement of Civil Rights Claims:** The new law requires the Secretary of Agriculture to resolve all civil rights claims and class actions brought against the department by socially-disadvantaged producers in a fair and expeditious manner. By end of the first half of 2009, Secretary Vilsack re-organized the Office of Civil Right, under the Assistant Secretary for Civil Rights. By October 2009, the USDA reported on its newly created Program Complaints Reduction Initiative and USDA Program Task Force Plan. The Task force was created to review and investigate non-class Action complaints (*Pigford I&II, Love, Garcia, and Keepeagle*). Some 14,000 complaints filed between 2000 and 2008 and languished without final determination. Complaints came from individuals from all 50 states, and included those filed by African-Americans, Hispanics, American Indians, Women, Disabled and the Aged. The Task Force team reviewed over 11,000 complaints and approximately 3,800 were recommended for further review or settlement. North Carolina farmers are represented within the remaining complaints. Of the 3,800 complaints, at least 80% were reported as time-barred under the Equal Credit Opportunity Act, Statute of Limitation, which is being interpreted to prevent the USDA from providing relief on complaints older than 2 years. If settled, the potential economic benefit for this class of claimants is in excess of 1 billion dollars.

In 2009 and through the 2010 Congressional sessions, a bill entitled USDA Statue of Limitations (SOL), was introduced provide redress for complaints that are time-barred. These discrimination complaints are

not eligible for USDA administrative award or judicial review. The proposed Bill, according to its sponsors, would provide the following:

- Suspend the statute of limitations on USDA program discrimination complaints until USDA provides a decision on each complaint.
- Toll the two year statute of limitations only for those individuals who filed a timely administrative complaint after January 1, 1998, therefore the Bill does not allow new filings.
- Permit the complainant to request a hearing on the record or bring a civil action in court if USDA fails to timely process the complaint.
- Permit the complainant to bring a civil action in court if the person does not agree with the final USDA decision, however, decisions based on a hearing on the record are final.
- Allow the USDA to potentially provide recourse to discrimination complainants who were denied due process, to include compensatory damages, debt relief and Attorney fees...
- Include administrative complaints filed by all Socially Disadvantage Groups (Black, Asian, Native American, and Hispanic), and Women, Disabled, and Age related.

The Bill would exclude Class Action Complaints (*Pigford I & II, Love, Garcia, and Keepseagle*) and Civil Court Complaints. The Bill has been voted out of the US House of Representative but failed to be voted out of the US Senate. Instead the Senate has focused on the much publicized *Pigford II* settlement. The 2008 Farm Bill provided for special consideration of late filers under *Pigford I*. This special provision authorized funding of 100 million dollars to settle these claims (*Pigford II*). In 2009 and through 2010, the Congress has been considering a bill to set-up a judgment fund of 1.2 billion dollars to resolve all outstanding claims (*Pigford II*). Thus far, the Senate is stymied in internal wrangling over fiscal issues and is not making allocations for these settlements. North Carolina farmers and families would benefit from the *Pigford II* late filers resolution.

The LLPP with its national small farmers and farm workers policy partner, the Rural Coalition, the facilitator of the Farm and Food Policy Diversity Initiative, developed implementation strategies and issued comments in response to USDA program rulemaking. In September and October 2009, Natural

Resources Conservation Services, comments were issued to assist the Agency in determining its priorities, program approaches and conservation needs of small farmers, minority and socially-disadvantaged producers.

In April 2010, based on the persistent advocacy of members of the Farm and Food Policy Diversity Initiative, the NRCS allowed funding for high tunnels or hoop houses for its economic and environmental benefits. This funding was secured through a cost share program piloted by this Initiative. The Diversity Initiative members worked with the Senate Agriculture Committee to secure language that allows NRCS to pay up to 90% of the cost of conservation practices for socially-disadvantaged and beginning producers and to advance up to 30% of that amount so producers could afford the costs for they wanted to make on their land. This provision is important for NC's low-resource and growing population of beginning farmers. Further to April 2010 activities, a letter was sent to President Obama requesting funding priorities for claimants civil rights lawsuits against USDA, child obesity and farm-to-school initiatives, as well as conservation and environmental practices.

In June 2010, the LLPP assisted in research and advocacy on efforts to re-direct the negotiating posture of the USDA in dealing with crop insurance companies. The Standard Reinsurance Agreement with the Risk Management Agency was up for renegotiation and it was felt that the draft agreement was still lacking adequate insurance products and other risk management protections for socially-disadvantaged and beginning farmers. Efforts were being made to reallocate savings to meet the needs of farmers who have traditionally not utilized sufficient risk products. Critical outreach programs would be adequately resourced to meet the growing needs of this population of producers.

Sectors of producers represented by the Land Loss Prevention Project, those of minority and socially-disadvantaged farmers, have increased access to federal farm programs.

Provisions of 2008 Farm Bill have increased funding to North Carolina's land grant system and locally grown foods and community-based foods organizations. Accesses to healthy and homegrown foods are improving the lives of vulnerable children and communities throughout the state. In the coming months, a multi-million dollar Jackson-Lewis Civil Rights Assessment contracted a year ago by the USDA is due to be published. The call for restoration of justice through the full and fair settlement of all the class action lawsuits and unresolved discrimination claims against the USDA is being heeded. In Secretary Vilsack's words, *"This is a new day for equal employment opportunity, program delivery, and civil rights at USDA. I intend to lead the Department in correcting its past errors, learning from its mistakes, and moving forward to a new era of equitable service and access for all."*

Report Prepared By:



Savonala Horne, Esq.
Executive Director
NCABL Land Loss Prevention Project
P.O. Box 179
Durham, North Carolina 27702
(919) 682-5969, ext. 103
savi@landloss.org