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**Race-Race Initiative Policy: Rural
Issues/USDA [1]**

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Race - Race Initiative Policy: Rural Issues/USDA [1]

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RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

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RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
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- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Race Initiative Policy - rural issues P.3



DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20250

Honorable Albert Gore
President of the United States Senate
The Capitol
Washington, DC 20510

Dear Mr. President:

We in the Department of Agriculture (USDA) are acutely aware of statute of limitations barriers that currently hinder the resolution of complaints of alleged discrimination in the administration of our programs during the period from 1983 through 1996. Complainants need to be assured that our review process for resolving their complaints is sound. As a result, we have identified actions that will resolve such cases in an expeditious and judicious manner while preserving the integrity of USDA and its programs.

This letter transmits draft legislation "To establish a process for the resolution of certain discrimination complaints against the Department of Agriculture, and for other purposes."

USDA strongly recommends that the draft bill be introduced and enacted.

The bill would give the Secretary of Agriculture the authority to create a separate administrative process to review all complaints of discrimination that have been filed alleging discrimination in the administration of USDA programs during the period from 1983 through 1996, which are barred by a statute of limitations. Furthermore, the bill would allow the Secretary to provide the remedies, including compensatory damages, to program participants not otherwise available to them due the to application of a statute of limitations bar. In certain cases, remedies could include compensatory damages such as certain credit related cases. For complaints covered by this bill, the remedies provided would be the exclusive remedies that would be available for such complaints. This bill would also provide authority for the payment of attorney fees. Determinations made under this authority would not be subject to judicial review.

The Office of Management and Budget advises that there is no objection to the presentation of this proposed legislation from the standpoint of the Administration's program.

AN EQUAL OPPORTUNITY EMPLOYER

Honorable Albert Gore

2

A similar letter is being sent to the Speaker of the House.

Sincerely,

DAN GLICKMAN
Secretary

2 Enclosures

SECTION-BY-SECTION ANALYSIS

Section 1 would provide that this Act may be cited as the "Department of Agriculture Discrimination Complaints Resolution Act".

Section 2 would contain Congressional findings regarding complaints alleging discrimination in the administration of Department of Agriculture (USDA) programs filed by program participants during the period from 1983 through 1996.

Section 3 would provide definitions for the terms "eligible complaint", "eligible claimant", and "Secretary". An eligible complaint would be defined as a complaint of discrimination based on race, sex, national origin, marital status, religion, age, or handicap in the administration of USDA programs during the period from 1983 through 1996, which was filed before the date of enactment of this Act and where the remedy sought is barred by statute of limitations.

Section 4 would require the Secretary of Agriculture to establish a process to investigate and resolve eligible complaints. The Secretary would be authorized to use the administrative process for resolving civil rights claims within USDA, appoint a review panel, or appoint or contract for an independent arbitration panel to resolve the complaints. The Secretary would be required to promulgate procedures for the process the Secretary establishes to investigate and resolve the complaints. The procedures would be published in the Federal Register. The procedures would be developed and implemented without regard to provisions of section 553 of title 5, United States Code, the Statement of Policy issued by the Secretary relating to rulemaking, and chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act"). An eligible claimant would have 180 days from the date the process is published in the Federal Register to apply to have the complaint reviewed in accordance with this Act. Determinations made pursuant to this Act would not be subject to judicial review.

Section 5 would authorize the Secretary to provide remedies to valid complaints. The Secretary would be authorized to provide remedies that would be available in such cases, if the statute of limitations did not bar such recovery. The Secretary would look to the applicable statutes, including the Equal Credit Opportunity Act, to determine the appropriate remedy. The Secretary may provide reasonable attorney fees if it is determined that the actions of USDA, which are the basis for an eligible complaint that is determined to be valid, are not substantially justified. This section also would provide that the remedies provided pursuant to this Act are the exclusive remedies for all eligible complaints.

Section 6 would authorize the Secretary to use funds otherwise available for the purposes of the Act as well as funds appropriated to carry out this Act. Section 6 also would contain an authorization for appropriations provision.

A BILL

To establish a process for the resolution of certain discrimination complaints against the Department of Agriculture, and for other purposes.

1 *Be it enacted by the Senate and House of Representatives of the United States of*
2 *America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Department of Agriculture Discrimination Complaints
5 Resolution Act".

6 **SEC. 2. FINDINGS.**

7 With regard to discrimination complaints filed against the Department of Agriculture.
8 Congress finds the following:

9 (1) The process to review discrimination complaints filed by farmers during the
10 period from 1983 through 1996 regarding the administration of agricultural
11 commodity, agricultural credit, and disaster assistance programs of the Department of
12 Agriculture has been questioned.

13 (2) In many cases, relief for such a complaint is now barred by a statute of
14 limitations.

15 (3) In order for these cases to be resolved and the integrity of the Department
16 of Agriculture to be preserved, these cases must be fully investigated and resolved
17 and, in meritorious cases, appropriate relief should be available.

SEC. 3. DEFINITIONS.

In this Act:

(1) The term "eligible complaint" means a complaint of discrimination based on race, sex, national origin, marital status, religion, age, or handicap in the administration of programs of the Department of Agriculture during the period from 1983 through 1996, which was filed with the Department of Agriculture prior to the date of enactment of this Act, and where any of the remedies sought is barred by a statute of limitations.

(2) The term "eligible claimant" means a person who has an eligible complaint.

(3) The term "Secretary" means the Secretary of Agriculture.

SEC. 4 PROCESS.

(a) **IN GENERAL.**-Notwithstanding any other provision of law with respect to application of any statute of limitations, except as provided in subsection (c), the Secretary shall establish a process to investigate and settle or compromise eligible complaints and provide remedies in accordance with this Act. The process the Secretary may use to reach a determination under this Act may include the use of the administrative process for resolving civil rights claims established within the Department of Agriculture, a review panel appointed by the Secretary, or an independent arbitration panel appointed or contracted for by the Secretary.

(b) **PROCEDURES.**-The Secretary shall promulgate procedures for the process described in subsection (a) in a notice to be published in the Federal Register. Such procedures shall be developed and implemented without regard to-

1 (1) the notice and comment provisions of section 553 of title 5, United States
2 Code;

3 (2) the Statement of Policy of the Secretary of Agriculture effective July 24,
4 1971 (36 Fed Reg. 13804) relating to notices of proposed rulemaking and public
5 participation in rulemaking; and

6 (3) chapter 35 of title 44, United States Code (commonly known as the
7 "Paperwork Reduction Act").

8 (c) **FILING OF APPLICATIONS.**-An eligible claimant shall have 180 days from the
9 date the process described in subsection (a) is published in the Federal Register to apply to
10 have the eligible complaint reviewed in accordance with this Act.

11 (d) **JUDICIAL REVIEW.**-Determinations with respect to eligible complaints made
12 pursuant to this Act shall be final and shall not be subject to judicial review.

13 **SEC. 5. REMEDIES.**

14 (a) **IN GENERAL.**-If the Secretary determines that an eligible complaint is valid
15 through a finding that discrimination has occurred, the Secretary may provide remedies to the
16 eligible claimant commensurate with remedies available under applicable statutes, including
17 the Equal Credit Opportunity Act.

18 (b) **ATTORNEYS FEES.**-If a determination is made that the actions of the Department
19 of Agriculture that are the basis of an eligible complaint determined to be valid are not
20 substantially justified, the Secretary may provide for the recovery of reasonable attorneys fees,
21 as determined by the Secretary.

22 (c) **EXCLUSIVITY OF REMEDIES.**-Notwithstanding any other provision of law, the

- 1 remedies provided pursuant to this Act shall be the exclusive remedies for all eligible
- 2 complaints.

1 **SEC. 6. FUNDING.**

2 (a) **IN GENERAL.**-To carry out this Act, the Secretary may use funds otherwise
3 available to the Secretary for this purpose and funds appropriated pursuant to subsection (b).

4 (b) **AUTHORIZATION OF APPROPRIATIONS.**-There are authorized to be
5 appropriated such sums as may be necessary to carry out the provisions of this Act.



Race Initiative policy -
rural issues

EK

October 20, 1997

United States
Department of
Agriculture

Office of the
Secretary

1400 Independence
Avenue, SW

Washington, DC
20250-0100

MEMORANDUM FROM SECRETARY DAN GLICKMAN

To: Erskine Bowles, Chief of Staff to the President

Subject: Civil Rights Progress at the Department of Agriculture

Last December, I commissioned a thorough review of civil rights at the Department of Agriculture (USDA). In February, the Civil Rights Action Team (CRAT) presented its report to me, then over 300 USDA employees, organized into more than 30 implementation teams, began putting into place the 92 recommendations contained in the report. Six months later, well over one-half of the recommendations have been implemented – as documented in the attached interim report USDA will release this week.

In addition to the highly visible actions we have taken, such as –

- stopping loan foreclosures while civil rights complaints are investigated,
- creating a new Office of Outreach,
- recruiting a new associate general counsel for civil rights, and
- creating a National Commission on Small Farms which is developing recommendations to me for actions to assist small farmers, particularly socially disadvantaged and minority farms –

USDA now has in place stringent new personnel and operating policies respecting the civil rights of our employees and those who participate in our programs, and we are working with Congress to implement the CRAT recommendations that require legislation.

Most important, however, are the institutional changes resulting from the CRAT process. I do not want this to be yet another forgotten report or secretarial priority; I am determined that the progress we are making be thoroughly ingrained in USDA so they succeed me. Giving this issue high visibility has been fundamental to changing the USDA culture, but I have learned that is by itself not sufficient. The detailed, difficult, constant work of implementing the CRAT recommendations -- carried out equally visibly -- is critical to the enduring, cultural changes that will, I am confident, transform into a civil rights leader in the government and is part of the legacy I want to leave.

..... more

Memorandum from Secretary Dan Glickman
Civil Rights at USDA
October 20, 1997

While we have made progress, I am disappointed we have not been able to resolve our backlog of complaints as quickly as we had hoped. The reasons are manifold, but stem largely from the fact past Administrations dismantled, literally, the Department's civil rights infrastructure and others let it languish. We are rebuilding it, starting by hiring competent investigators, and as I noted, beefing up our general counsel's office's ability to provide legal advice.

Nonetheless, we have settled closed over 100 complaints, including 9 of the cases that were oldest – some dating to the mid-1980's, most egregious, and most highly publicly visible. Last April, we reached administrative settlements on 5 of those cases and just last Friday, October 17, we concluded successfully a court-directed mediation of 4 complaints which were pending before the federal district court for the District of Columbia and the judge dismissed the cases.

While I am proud of the work hundreds, thousands of USDA employees have made to implement these reforms and improve our civil rights record, I know much work remains. Too long neglected and given minimal attention, civil rights is now a top priority for all of USDA's employees – a priority I continually reinforce and will as long as I am secretary.

There are no simple nor easy answers and change does not occur overnight, I have learned. The Department can progress and achieve the objectives we have set for ourselves, and those consistent with the high priority the President has made improving race relations, provided we -- myself, my top officers, and subcabinet, especially -- stay personally committed and involved with the detailed, difficult work this most important job demands. We will.

Attachment:

“Implementation of the Civil Rights Action Team Report at USDA – An Interim Progress Report”

cc:

Rahm Emanuel, Senior Advisor to the President
Sylvia Matthews, Deputy Chief of Staff
Bruce Reed, Assistant to the President for Domestic Policy
Maria Echaveste, Director of Public Liaison
Thurgood Marshall, Jr., Cabinet Secretary
Judy Winston, Director, President's Initiative on Race



United States
Department of
Agriculture

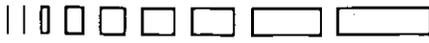
Civil Rights
Implementation
Team

September 1997

Implementation of the Civil Rights Action Team Report at USDA

An Interim Progress Report





Implementation of the Civil Rights Action Team Report at USDA

An Interim Progress Report

Contents

Message from Secretary Dan Glickman	2
Executive Summary	3
Status of Implementation, by Recommendation	7
Lack of Management Commitment to Civil Rights	7
Program Delivery and Outreach	13
Work Force Diversity and Employment Practices	28
Organizational Structure of Civil Rights	33
Abbreviations	39

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Message from Secretary Dan Glickman



Six months ago, USDA embarked on an ambitious effort to change the way we do business to ensure that every employee treats every customer and co-worker fairly and equitably, with dignity and respect.

Tens of thousands of staff hours later, we have come a long way toward achieving that goal: We're holding employees up and down our ranks personally accountable for being a part of the solution; instituting a zero-tolerance reprisal policy to protect workers who stand up for their rights; changing our foreclosure and lending policies to root out discrimination; settling proven cases of wrongdoing, and moving to investigate and resolve others; reaching out more to underserved populations; and hiring a full-time cadre of civil rights advocates for our legal team.

And that is only a partial list of our accomplishments.

I am proud of how far we have come in six short months, but amid all this progress, one thing is clear: We have a long way to go.

This report serves as a reality check. It gives us a better understanding of just how much time, effort, commitment and leadership it's going to take — from every USDA employee, from Congress, and from the agriculture community — to institutionalize the changes underway.

We will not fix a decades-old problem overnight. But we are taking steps every day toward putting a history of discrimination behind us, and turning USDA into the federal civil rights leader. USDA will reach that day, not because of the leadership of a few people, but because the vast majority of our employees take this effort seriously.

This is my 6-month progress report on the implementation of the 92 recommendations contained in "Civil Rights at the United States Department of Agriculture — A Report by the Civil Rights Action Team."

I work every day with committed public servants — across the country and in Washington — who take great pride in America, its ideals, and the work of "the people's department." Their commitment will prevail, and we will succeed in building a USDA that reflects and respects our country's diversity, a USDA that can best serve agriculture and our Nation in the 21st Century.



Dan Glickman

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Executive Summary

In February 1997, Secretary of Agriculture Dan Glickman accepted the findings of a team that listened to customers and employees from across the U.S. to find out how well USDA was serving the people and how well they treated their employees. The findings of their efforts were reported in "Civil Rights at the United States Department of Agriculture — A Report by the Civil Rights Action Team."

Based on the findings, the Department made a commitment to take action on all 92 recommendations of the Civil Rights Action Team (CRAT). An Acting Assistant Secretary of Agriculture for Administration was appointed and was charged with implementing the recommendations of the CRAT — a first step in making USDA a leader in civil rights.

Under the guidance of the Assistant Secretary of Agriculture for Administration's (ASA) office, more than 300 USDA employees have worked to make the recommendations into realities. Much of their work is complete and actions are now in the hands of agencies, legislators, customers, and employees.

To better address the needs of employees and customers, recommendations were grouped into one of four categories:

- ❑ Lack of Management Commitment to Civil Rights
- ❑ Program Delivery and Outreach
- ❑ Workforce Diversity and Employment Practices
- ❑ Organizational Structure of Civil Rights

This report reflects the Department's progress.



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Snapshot of Action

Below is a snapshot of the status of recommendations. Of the 92 recommendations, an action plan has been completed for 45 recommendations, 43 more are scheduled to be completed by October 31, 1997, and work on four recommendations will require more time to put processes or policies in place for results. The process of changing policy is sometimes lengthy. While the Department is interested in getting civil rights policies in place quickly, it is also committed to implementing policies and procedures that will be long lasting, responsive to everyone, and that fit into the operations of USDA. Every effort has been made not to add more bureaucracy to the system. The advantage to this approach is that civil rights is part of every USDA program and part of personnel policies. The disadvantage is that it takes longer to see results on some recommendations.

Progress Chart Key

- Actions of Civil Rights Implementation Team (CRIT) complete and policies in place. (10)
- Actions of CRIT complete and action required by another group or by USDA agency before results are realized. (35)
- CRIT work in progress—work expected to be complete by October 31, 1997. (43)
- Action for recommendation will require longer to complete, however, progress has been made in establishing a process to respond to the recommendation. (4)

The chart below shows of the status of each civil rights recommendation.

1	2	3	4	5	6	7	8	9	10	11	12
13	14	15	16	17	18	19	20	21	22	23	24
25	26	27	28	29	30	31	32	33	34	35	36
37	38	39	40	41	42	43	44	45	46	47	48
49	50	51	52	53	54	55	56	57	58	59	60
61	62	63	64	65	66	67	68	69	70	71	72
73	74	75	76	77	78	79	80	81	82	83	84
85	86	87	88	89	90	91	92				

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Highlights

This report gives the status of implementation of each recommendation, but there are some activities which are especially noteworthy.

- It is a condition of employment that every employee treat every co-worker and customer fairly and equitably, and with dignity and respect.
- As of July 31, 1997, USDA has a new reprisal policy — zero tolerance for reprisals against employees who file civil rights complaints — and a policy of immediately adjusting hostile or volatile work place conditions.
- For the first time — beginning October 1, 1997 — agency heads will have performance standards for civil rights and will be rated by the ASA on their civil rights accomplishments.
- Resolving the backlog of Equal Employment Opportunity (EEO) discrimination complaints is one of USDA's highest priorities. As of September 3, 1997, USDA closed or settled 354 of the 1,504 cases that were in the backlog as of April 1, 1997.
- In April 1997, a new foreclosure policy was instituted to ensure that violations of borrowers' civil rights did not result in customers losing their farms. All foreclosures were halted in cases where complaints of discrimination were on file.
- An independent review team was created to review the status of some 4,449 pending foreclosures. As of September 11, 1997, the team had reviewed 2,768 cases and had halted further action on 115 foreclosures pending investigation of possible civil rights violations. The rest, where there was no finding of discrimination, are proceeding through foreclosure.
- The Office of Civil Rights investigative unit, which had been disbanded in 1983, is being re-staffed to investigate and resolve the backlog of program discrimination complaints.
- While progress hasn't been as fast as expected, USDA has closed 115 of the active formal program complaints (since January 1997). As of September 3, 1997, there were 872 active formal program delivery discrimination cases on file. Since April 1997, USDA has agreed to five major financial settlements — totaling more than \$2 million — with farmers who were discriminated against. Four of the settlements were for loans and the fifth was for disaster program benefits.

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- On August 22, 1997, the Secretary established an Office of Outreach, located in the office of the ASA to lead and coordinate proactive outreach efforts throughout all of USDA. This office will serve customers USDA has not served well in the past.
- In July, 1997, the Secretary named a 30-person National Commission on Small Farms. This commission will develop a national strategy for small farms and ranches that will help ensure economic viability and address the rapid decline in the numbers of minority farmers and ranchers.
- To help stem the loss in the number of minority farms, work is underway to establish a voluntary registry of minority farms. Working with community-based organizations, USDA intends to build the registry using USDA Service Centers.
- To help strengthen civil rights skills of USDA employees, training policy and multi-year training modules are being prepared to address: sensitivity and diversity, EEO laws and policies, program outreach, sexual harassment, complaint process, and special emphasis programs. In addition, all USDA employees will be required to attend annual civil rights training. The first training is scheduled for November 1997.
- Several of the CRAT recommendations are being addressed by draft legislative amendments or new legislative proposals including the bill Representative Eva Clayton (D-NC) introduced, H.R. 2185 — “USDA Accountability and Equity Act of 1997 — a bill to establish equitable service for customers and equal opportunity for employees of the United States Department of Agriculture.”

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Status of Implementation by Recommendation

Lack of Management Commitment to Civil Rights

Recommendation 1 ——— To ensure civil rights accountability at USDA, delegate to the Assistant Secretary for Administration (ASA) full authority — in practice as well as on paper — over all civil rights issues at USDA. The ASA may further delegate civil rights authority through the Mission Area Assistant and Under Secretaries to Agency Heads to administer civil rights programs.

Status of Implementation

This recommendation was implemented on May 16, 1997, with the issuance of Secretary's Memorandum 1010-4. Implementing this recommendation assures civil rights accountability at USDA. The ASA now has full authority over civil rights. This includes the authority to rate the Agency Heads on their performance of civil rights functions. Through the exercise of these authorities, the ASA can ensure civil rights accountability in USDA that results in the fair and equitable treatment of all customers and employees, fewer complaints of discrimination and reprisal, and a significant improvement in the timely processing of formal and informal complaints. This authorization will be institutionalized when the ASA's office reorganization is approved.

Recommendation 2 ——— Delegate to the ASA the authority to rate Agency Heads on their civil rights performance elements. The ASA will provide feedback to the Secretary on the civil rights performance of the Subcabinet.

Status of Implementation

Beginning October 1, 1997, the ASA will rate Agency Heads on their civil rights performance elements. USDA's civil rights goals, objectives, and performance measures are being integrated into the performance standards of Agency Heads. Specific standards for each Agency Head — as opposed to generic standards — will be in place by October 1, 1997, to hold Agency Heads accountable.

Recommendation 3 ——— Revise the present Performance Review Board (PRB) process for measuring performance of senior executives in civil rights, and implement an objective process designed to measure accomplishments based on specific goals and objectives. Hold Subcabinet members, Agency Heads, and senior officials accountable for implementing results-oriented affirmative employment and civil rights implementation plans.

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Status of Implementation

PBRs review the performance of Senior Executive Service (SES) employees. A comprehensive plan has been developed to identify USDA's civil rights goals and objectives, to develop performance measures, and to integrate them into the performance standards of Agency Heads. Goals for accountability, employment, program delivery, and procurement have been prepared, and tasks and performance measures required to measure accomplishments towards achieving these goals have been developed. These will be incorporated into the PRB guidelines.



Recommendation 4

The Secretary should revise and reissue USDA's civil rights policy to include specific, measurable goals and objectives in program delivery and employment that will provide guidance for senior officials on what they are expected to accomplish. The Secretary will hold the Subcabinet and Agency Heads accountable for adherence to the civil rights policy.

Status of Implementation

Part of recommendation 4 was implemented with the issuance of Secretary's Memorandum 4300-7, Civil Rights Policy Statement, February 28, 1997. When these recommendations are fully implemented, USDA will have institutionalized an effective process to hold Agency Heads accountable for achieving specific results in civil rights. This will establish a level of accountability that has never before existed at USDA.



Recommendation 5

To assure accountability, adopt and enforce a policy that the Department will take the appropriate adverse or disciplinary action against any manager found guilty of reprisal against any USDA employee or customer. Investigate all allegations of reprisal, and abuses of power, and where allegations appear meritorious, immediately remove the official from managerial duties, pending full investigation.

Status of Implementation

A new reprisal policy was issued July 31, 1997. In cases of suspected reprisal arising from EEO complaints, each mission area will establish a three-person panel made up of one union or employee representative, one manager or personnel staff member, and one impartial member who will conduct an inquiry into the claim. Within 45 days, this panel may make binding recommendations to adjust the employee's workplace or environment to reduce tension and may also recommend that the mission area consider disciplinary action.

For reprisal cases not arising from an EEO complaint each mission area will establish an office to hear allegations at the headquarters and, as appropriate, at the field level. In addition, Departmental Policy Manual 752-1, "Reprisal Actions Against Employees and Others," requires statistical reporting of reprisal complaints and disciplinary measures; the report will be available to all USDA employees. The effectiveness of the reprisal panels will be evaluated on or before December 31, 1998.

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Recommendation 6 ————— **Streamline procedures to allow agencies to quickly take the appropriate adverse and disciplinary actions against employees who fail to provide programs and services in compliance with all applicable civil rights laws and regulations, or who discriminate against or harass USDA customers or employees.**

Status of Implementation

Procedures have been streamlined. When discrimination is found as a result of an employment or program complaint, the Office of Civil Rights will notify the Agency Head and direct that appropriate disciplinary action be taken. The Office of Civil Rights will monitor agency compliance and if the agency's discipline is not deemed appropriate, the Office of Civil Rights will consult with the Office of Human Resources Management (OHRM) to determine an appropriate action.

The Office of Civil Rights will soon begin tracking complaints and respondents by name. This will allow the Office of Civil Rights to identify locations or individuals where persistent problems exist and to take appropriate corrective action.

Recommendation 7 ————— **The Secretary, USDA's Subcabinet, and Agency Heads must set an example of accountability and commitment for the Department by ensuring that their immediate staffs reflect the desired diversity that the Secretary is establishing for the Department as a whole.**

Status of Implementation

"The Secretary's Workforce Diversity Plan for Political Appointees," has been drafted. The plan calls for:

- Diversity among political appointees;
- A results-oriented civil rights commitment and accountability of political appointees at the Subcabinet and Agency Head levels for meeting the civil rights goals and objectives, as reflected in the revised Affirmative Employment and Recruitment Program (AERP);
- Establishment of a performance appraisal system that ensures maximum accountability of the Subcabinet and the Agency Heads for carrying out the AERP goals and objectives; and
- A training and development program for current and future political appointees, so they will acquire the skills and knowledge necessary to effectively manage a diverse workforce.

This plan will be reviewed quarterly and will provide operational guidance and feedback to the Secretary, Subcabinet, and Agency Heads. The Director of OHRM, in coordination with the USDA White House Liaison, will be responsible for updating and implementing the objectives of the plan.

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Recommendation 8 ————— **Include in the Department’s Strategic Plans required under the Government Performance and Results Act (GPRA), as well as in agency plans, goals as outlined in the Secretary’s policy statement to improve workforce diversity and civil rights. Affirmative Employment Plans and Civil Rights Implementation Plans must also reflect the Secretary’s goals. Set specific goals for minority and women-owned business participation in all program delivery, procurement, export, and business development activities.**

Status of Implementation

This recommendation is being implemented in concert with recommendations 3, 4, 9, and 10.

The Department’s strategic plans will include measurable goals for workforce diversity, as well as goals for the participation of minority and women-owned businesses.

Recommendation 9 ————— **Plans should establish reporting requirements to periodically collect data from USDA field offices to measure program delivery to minority, women, and small and limited-resource farmers.**

Status of Implementation

Work is progressing on implementing this recommendation in concert with recommendations 3, 4, 8, and 10 to establish these reporting requirements.

Recommendation 10 ————— **Plans should include well-defined areas of responsibility and accountability. Performance standards and elements for Agency Heads and all senior officials should reflect the specific goals and objectives as identified in the Department’s and agencies’ strategic plans.**

Status of Implementation

This recommendation is being implemented in concert with recommendations 3, 4, 8, and 9 to include well-defined areas of responsibility and accountability in the performance standards for Agency Heads and all senior officials.

Recommendation 11 ————— **Identify the core competencies and skills required to effectively manage people and serve customers, including recruitment and management of a diverse workforce and serving diverse customers. Require all promotions and selectees into managerial positions to demonstrate those competencies. Use employee and peer review surveys to assess managerial competence, provide feedback, and develop performance improvement plans for managers where needed.**

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Status of Implementation

USDA will adopt the 22 basic leadership competencies developed by the Office of Personnel Management (OPM) as the basis for all supervisory, managerial, and executive selection, training, and development. An upward and peer feedback program has been drafted, with an implementation plan outlining technical requirements and costs necessary for program administration.

- Recommendation 12** — **Require and provide ongoing training for all managers to enhance their people skills, including managing a diverse workforce. Develop criteria to measure effectiveness, provide specific timeframes for managers to improve, and require Agency Heads to remove from managerial positions those whose performance fails to meet the criteria.**

Status of Implementation

USDA's training policy will require competency-based training for supervisors and managers and establish a framework to evaluate training effectiveness and impact.

- Recommendation 13** — **The Department of Justice (DOJ) should investigate allegations of abuse of authority by the Office of Inspector General and Forest Service Law Enforcement.**

Status of Implementation

A decision memorandum has been prepared outlining several options available to implement this recommendation.

- Recommendation 14** — **The Secretary should direct the Forest Service to discontinue the practice of using its Law Enforcement staff to investigate Forest Service employees.**

Status of Implementation

On September 2, 1997, the ASA directed the Under Secretary for Natural Resources and Environment to stop using Forest Service (FS) Law Enforcement and Investigations officers to investigate FS employees for non-criminal misconduct or other minor employee misconduct. Any proposed investigation by FS of FS employees for alleged criminal conduct will require the advance approval of the OIG, the FS Chief, and the Under Secretary for Natural Resources and Environment. In addition, the Chief and Under Secretary were directed to involve USDA's Director of the Office of Civil Rights as appropriate if discrimination is involved.

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Recommendation 15 ——— The DOJ should advise the Secretary on the role and functions of the OGC at USDA as it relates to civil rights. The Secretary should take appropriate action to ensure that OGC has the capacity to provide the Department with the quality of legal assistance required for civil rights.

Status of Implementation

To ensure civil rights accountability within the Office of the General Council (OGC), a new division has been established and the selection of the new Associate General Counsel for Civil Rights is pending. The attorneys in this section will specialize in civil rights law and will provide USDA with the expertise it needs to make certain that employment and program delivery activities are conducted in accordance with civil rights laws, regulations, and statutes. Additionally, OGC will soon adopt an AERP to add diversity to its workforce, so OGC employees can better understand and serve minority, limited-resource, and women farmers.

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Status of Implementation by Recommendation

Program Delivery and Outreach



Recommendation 16

To assure that local delivery of USDA credit programs is fair and equitable, work with the President and Congress to obtain the authority to make personnel selections and manage the Farm and Foreign Agricultural Services (FFAS) and Rural Development (RD) mission areas to ensure accountability down the line, from the Secretary to the State and county levels.

Status of Implementation

An outreach effort has been outlined to identify potential political appointee candidates from under-represented groups to fill vacant positions. An analysis will be prepared about the civil rights impact of pending appointments, especially as it relates to under-represented groups. These efforts will ensure representation of under-represented groups at all levels of USDA, especially where USDA's top staff can set an example that the entire Department can follow.



Recommendation 17

Modernize the FSA State and county committee system by converting all county non-Federal FSA positions, including county executive directors, to Federal status; changing the committee selection process; and removing county committees from any farm loan determinations.

Status of Implementation

Legislative language to implement this recommendation has been incorporated into H.R. 2185, "A bill to establish equitable service for customers and equal opportunity for employees of the United States Department of Agriculture," which was introduced July 17, 1997, by Representative Eva Clayton. The proposed legislation will convert approximately 10,400 permanent and 2,800 temporary county committee employees to Federal positions. In addition, provisions are included to expand county committee membership where necessary for under-represented groups and to change farm loan processing to a Federal function.



Recommendation 18

Conduct a complete review of county committees and county office staffs to determine whether nepotism, conflict of interest, and/or discrimination in program delivery exist.

Status of Implementation

Guidelines have been developed for the Farm Service Agency (FSA) to conduct the reviews, and a monitoring group has been established under the ASA to independently oversee the process. The monitoring team will ensure the review

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is conducted in a thorough, unbiased manner. Reports from the monitoring sub-group and FSA will be provided to the ASA by the end-of 1997. Corrective actions will be taken as problems are identified. The review will be done on a sampling basis — with the sample expanded where warranted.

 **Recommendation 19**

Establish a system to assure timely and equitable handling of loan applications by county offices, including review and concurrence by FSA and Rural Development State Directors within 30 days of any adverse decision that affects a member of a defined socially disadvantaged group.

Status of Implementation

A policy being developed by FSA and RD will be institutionalized. At the same time, work is underway to develop a data base to track the loan-making process as to timeliness, reasons for rejection, and participation rates by various minority groups. Implementation of this recommendation should ensure that all minority applicants for farm credit loans will be treated fairly and will have better access to Departmental programs.

 **Recommendation 20**

Require independent review of all pending foreclosures to determine whether discrimination in USDA programs contributed to foreclosure action.

Status of Implementation

In April 1997, the Director of the Office of Civil Rights established an independent team to review all FSA pending foreclosures. Of the 4,500 pending foreclosures, the team has reviewed 2,768 and, as of September 11, 1997, halted further action on 115 cases awaiting investigation for possible civil rights violations or further review.

 **Recommendation 21**

Require that all pending foreclosures or actions leading to foreclosure be halted until all appeals of any formal civil rights complaints have been completed.

Status of Implementation:

In April 1997, the Department issued FSA Field Notices 114 and 117 which clarified the policy ensuring that discrimination is not a factor in any USDA farm loan foreclosure. The policy:

- Froze all loans that had already been called due or accelerated until the independent review team has made a determination;
- Established an independent review team to examine loans facing foreclosure to make sure that discrimination or inequitable treatment is not a factor before any foreclosure action is taken (recommendation 20);

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- Assured borrowers that USDA would continue to apply its loan servicing programs to all accounts;
- Assured borrowers that USDA would not accelerate any loans or call any loans due until the independent team had reviewed the account and found no evidence of discrimination or inequitable treatment; and
- Established that FSA must process new loan applications from borrowers with pending discrimination complaints. Additionally, if an FSA loan officer is alleged to have discriminated against the prospective borrower, the application will be assigned to another loan officer. If the new loan is refused, the applicant must be advised both in a face-to-face meeting and in writing.

Recommendation 22

Act on all existing program discrimination complaints within the next 120 days. Resolve those that can be resolved and bring all others to the point of adjudication within those 120 days.

Status of Implementation

In April 1997, the Office of Civil Rights established a team to examine and resolve the backlog of program complaints. After the team began work, it discovered that almost all the cases lacked investigations and, therefore, it was unable to complete work within the original goal of 120 days. It also found that the investigative unit of the Office of Civil Rights had been disbanded in 1983. In July 1997 the new Director of the Office of Civil Rights began hiring contract investigators and recruiting for permanent and temporary investigators. Since January 1997, the Office of Civil Rights has closed 115 of the more than 800 formal program complaints. There have been five major financial settlements, totaling more than \$2 million, with farmers who were discriminated against. Four of the settlements were for loans and the fifth concerned disaster program benefits.

Recommendation 23

Require that an agency's civil rights office elevate a program discrimination complaint to the next higher level when no action has been taken within the time limit. When a delay occurs at the next higher level, the agency's civil rights office should apply the adverse inference rule and direct the agency to immediately act on the complaint in favor of the customer.

Status of Implementation

This recommendation is being implemented in concert with recommendations 24 and 25. The adverse inference rule is included in the new program discrimination complaints process.

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Recommendation 24 ——— **Establish one program appeals system for all Mission Areas at USDA. Hold all litigation until the appeals process is complete.**

Status of Implementation

The system for processing program discrimination complaints is being redesigned. The new system provides various options for different types of cases, for example, mediation, hearing, or investigation, and will result in most complaints being brought to closure within 180 days. The system calls for the coordination of appeals and discrimination complaints, so that an adverse appeal decision will not be implemented while a discrimination complaint is being processed. An operational manual and a regulation setting forth key aspects of the system are being drafted. Customer input has been and will continue to be solicited. A key component of the new system is an education and awareness campaign, so customers know how to file a discrimination complaint and USDA employees know what to do when they receive one.

Recommendation 25 ——— **The National Appeals Division Director shall consider the impact of the NAD appeals process on the civil rights of farmers and coordinate the program appeals process with the Department's program discrimination complaints process.**

Status of Implementation

The recommendation is being implemented in concert with recommendations 23 and 24. The discrimination complaints process and the National Appeals Division (NAD) appeals process are being coordinated through the development of the program discrimination complaints process.

Recommendation 26 ——— **Require that the National Appeals Division and informal agency program appeals processes comply with established legal timelines and establish timelines in cases where they are not required by law. When NAD does not comply with these timelines and the Hearing Officer has ruled in favor of the customer, the Hearing Officer's ruling shall stand.**

Status of Implementation

An appeals deadline policy is being drafted. The policy would require agencies, including NAD, to comply with timelines and to implement appeals and discrimination complaint decisions in a timely manner. The policy sets uniform timelines, when appropriate, for appeals processes of different USDA agencies. Implementation of the policy also requires discrimination complaint decisions to be implemented within 10 working days. Agencies will no longer implement adverse appeals decisions when the customer has a pending discrimination complaint. Consequently, the policy ensures that agencies will meet timelines and that timely implementation will be a factor in managers' and employees' performance standards.

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Recommendation 27 ——— Hold all managers accountable for carrying out the final decisions of the National Appeals Division and within 10 working days of their issuance.

Status of Implementation

Under the new program discrimination complaints process, agencies will be required to carry out final decisions within 10 days.



Recommendation 28 ——— To establish a baseline for the number of minority farms, USDA should support a voluntary registry of minority farms. This would help USDA set goals to halt land loss and to monitor the loss of minority-owned farms.

Status of Implementation

The Secretary is establishing a voluntary registry of minority-owned lands, through the USDA Service Centers, to document the amount of farmland owned by minorities. The registry will establish a baseline of minority farmland ownership which can be monitored over time. It will be available to CBOs, educational institutions, and government agencies helping minorities with land retention and acquisition. The voluntary registry form has been designed and is currently going through the clearance process. It will be issued in Spanish and English and will be distributed to CBOs and other organizations to ensure that the registry form is widely publicized and accessible to all.

To assure that the U.S. Census of Agriculture accurately counts minority farms, National Agricultural Statistics Service (NASS) has added a number of additional lists of minority farm operators to the mailing list for the 1997 census. Also, minority operators included in the 1992 census were contacted to identify farmers who were missed in the 1992 census. As part of the 1997 census, a procedure has been designed which will estimate the number of Native American farm operators on every reservation — instead of counting a reservation as one farm, as was done in the 1992 census.



Recommendation 29 ——— Fully implement a “Debt for Nature” program as authorized in the 1996 Farm Bill and prior legislation.

Status of Implementation

A memorandum has been drafted to direct the Agency Heads of FSA and Natural Resources Conservation Service (NRCS) to fully implement the “Debt for Nature” program. These two agencies have agreed to cooperate on joint administration of the program and have prepared a budget proposal to cover debt cancellation conservation contracts and to inventory property conservation easements and transfers.

By ensuring that all minority farmers understand and have access to this program, many of them will be able to maintain a viable farming operation when they sign up for the debt cancellation for the conservation feature of this program.

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Recommendation 30 ——— Establish and empower a Special Task Force to determine a process for providing remediation to farmers who have been discriminated against by USDA. Priority should go to farmers who have lost or are about to lose their land because of discrimination.

Status of Implementation

Pending.

Recommendation 31 ——— Allow farmers who have received debt write-downs to continue eligibility for operating loans.

Status of Implementation

Legislative language to implement this recommendation has been incorporated into H.R. 2185. USDA will work to ensure that farmers continue to have access to credit, while adequate safeguards are in place to protect the integrity of financial programs. Factors to be considered involve the Federal Debt Collection Act and outstanding recommendations from the General Accounting Office.

Recommendation 32 ——— Allow completion of lease back/buy back agreements extended for lack of funds during the 3 years previous to elimination of the program on April 4, 1996, where the farm and home plan did show that the operation would cash-flow.

Status of Implementation

Legislative language to implement this recommendation has been incorporated into H.R. 2185. It provides authority for the Secretary to finance a farm loan (to the extent practical, at the same terms as farm ownership loans) for individuals who had a lease back/buy back agreement during fiscal years 1994-96; had applied in a timely manner for a farm ownership loan during fiscal years 1994-96; have been denied financing due to lack of funds; and can demonstrate that the farm will generate sufficient income to repay the loan.

Recommendation 33 ——— Allow incorporation of anticipated tax liability in the terms of debt write-downs.

Status of Implementation

The Secretary wanted to ensure that State and county office employees consider anticipated tax liability when calculating debt restructure; therefore, an FSA procedural notice (FSA Notice FC-119) was issued on May 28, 1997, that provided guidelines on how to consider the tax liability for debt write-down. However, in H.R. 2185, Rep. Eva Clayton proposes to amend the Consolidated Farm and Rural Development Act so the debt write-down is not considered as income for tax purposes. Because this is a tax matter, the Secretary will work with the Treasury Department on this issue.

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Recommendation 34 — Allow eligibility for 502 single-family housing program direct loans without a credit history if applicants can demonstrate they have been able to live independently and pay rent and utility bills in a timely manner.

Status of Implementation

Changes have been made to the Direct Single-Family Housing Field Office Handbook (HB-1-3550) to ensure that applicants have every opportunity to provide the Rural Housing Service (RHS) with documentation of an acceptable credit history, especially when there is a lack of credit history on a credit report. Enhancements were made to several areas of the handbook. These provided useful reminders, examples, and clear policy statements to ensure that customers' full credit history is taken into consideration when determining their ability to repay a single-family housing loan. On May 19, 1997, these changes became effective and were issued in revised handbook pages to all RD staff in a procedural notice. The agency also provided training to its field staff during July 1997.

Implementing this recommendation will mean that more limited-resource customers will be eligible for rural housing loans. Applicants previously denied loans because of lack of credit history will now have an opportunity to participate in the home ownership program.

Recommendation 35 — Allow EQIP cost-share payments in the same year conservation practices are completed.

Status of Implementation

Draft legislation to implement these recommendations has been incorporated into H.R. 2185.

The "pay-as-you-go" provision of the Omnibus Budget Reconciliation Act (OBRA) of 1990 requires offsets for direct spending, and acceptable offsets will need to be found.

Recommendation 36 — Appoint a diverse commission to develop a national policy on small farms.

Status of Implementation

On July 16, 1997, the Secretary established a National Small Farm Commission to develop a national strategy for small farms and ranches. The 30-member Commission held public hearings in Memphis, TN; Sioux Falls, SD; Washington, DC; and Sacramento, CA, and is scheduled to report back to the Secretary by September 30, 1997. Following the release of the Commission's report, the Secretary's office will set up and oversee an interagency team to develop a Departmental plan for incorporating and institutionalizing the Commission's recommendations through existing programs and, if necessary, new programs.

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Recommendation 37 ——— Establish an Office of Outreach in a program mission area to coordinate program delivery outreach efforts throughout USDA. Assign responsibility for the Outreach and Technical Assistance to Socially Disadvantaged Farmers (2501) to this new office to assure Department-wide implementation.

Status of Implementation

The Secretary has signed a memorandum to establish a Departmental Office of Outreach in the Office of the ASA. The personnel package, which included the delegation of authority and position descriptions for the office, has been developed. A director, who has been selected and will be announced soon, will coordinate program delivery efforts throughout USDA. Locating the Office of Outreach under the ASA gives it the visibility and stature needed to send a strong signal of USDA's commitment to strengthening outreach to all underserved customers.

Recommendation 38 ——— Develop a strategic outreach plan, as part of USDA's strategic plan, for which Agency Heads will be held accountable through the Civil Rights performance standard.

Status of Implementation

A USDA strategic outreach plan for fiscal years 1997-2002 was drafted and submitted to the Chief Financial Officer for help in coordinating a target peer review. The plan will be incorporated into USDA's Departmental Administration's Strategic Plan. A Secretary's transmittal memorandum has been drafted to Subcabinet officials, directing them to incorporate the goals and objectives of the plan into the outreach components of agency plans. The impact of implementing this recommendation is to provide a common vision and outreach objectives under which all USDA agencies will operate.

Recommendation 39 ——— Establish in each agency an outreach liaison position to coordinate and direct outreach programs in conjunction with the new USDA Office of Outreach. The agency coordinator must be responsible for monitoring outreach goals and accomplishments to underserved customers.

Status of Implementation

A Secretary's Memorandum has been drafted requiring each Agency Head to establish an outreach liaison.

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- Recommendation 40** ——— Establish State and National Outreach Councils, comparable to the USDA Food and Agriculture Council (FAC), to coordinate outreach efforts of all USDA agencies with State and local-level program delivery. Require that Outreach Councils establish partnerships with community-based organizations and 1890, 1994, and 1862 land-grant institutions, HACU, and the Research and Employment Access Programs Initiative to enhance program and service delivery to underserved communities.

Status of Implementation

A memorandum has been prepared to expand the responsibilities of the State and National FACs to include the Outreach Advisory Councils to coordinate USDA outreach efforts with State and local program delivery efforts.

- Recommendation 41** ——— Establish a partnership between USDA and the Department of the Interior to develop a strategic outreach plan to address the needs of American Indian agriculture and land conservation.

Status of Implementation

A memorandum has been prepared directing the ASA and the National FAC to charge the Office of Outreach to work with the U.S. Department of the Interior in setting up a joint task force with tribal governments. The task force will develop a USDA strategic outreach plan for identifying and addressing the agriculture and land conservation needs of American Indians. The National FAC will help develop the plan.

- Recommendation 42** ——— Require land-grant institutions and major CSREES, ARS, ERS, FS, and NRCS programs to identify and give priority to the research and educational needs of the socially disadvantaged.

Status of Implementation

Several actions have been developed to ensure that USDA agencies make the research and educational needs of underserved customers a priority. Mission areas will be directed to designate an individual in USDA research, educational, technical assistance agencies, and land grant universities who will ensure that the needs of socially disadvantaged and limited-resource customers are given priority. A proposal is being written for one of the mission areas to sponsor an annual national conference that will foster a dialogue on research, educational, and technical needs of limited-resource and underserved customers. Implementation of this recommendation will ensure that the research, educational, and technical assistance needs of socially disadvantaged and limited-resource customers are surfaced and given serious consideration in the priority-setting process.

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Recommendation 43 ——— USDA should thoroughly examine funding of institutions of higher education to determine if 1890 and 1994 land-grant institutions are receiving equitable support to assist USDA in carrying out its mission. The Department should adjust its budget recommendations and consider other statutory or regulatory changes required to eliminate any disparate funding of land-grant institutions.

Status of Implementation

Two legislative actions are proposed as amendments to Title 8 of the Federal Agriculture Improvement and Reform (FAIR) Act of 1996 to move toward more equitable funding for the minority-serving land grant institutions. These items are included as part of the Administration's reauthorization package for the research and education title of the 1996 farm bill. One amendment that would increase resources available to the 1890 institutions contains matching requirements for formula funds (Evans-Allen research and 1890 Extension funds), with the amount of the match phased in over a 4-year period. The proposed legislation also includes two options for assuring that the 1890 institutions will not be penalized for failure to meet their match. A second proposed amendment extends eligibility to the 1890 and 1994 minority-serving institutions for participation in the specially funded 3(d) extension programs and eligibility to all accredited colleges and universities, including Hispanic-serving institutions, to apply for competitive 3(d) programs. Implementing this recommendation will strengthen USDA's ties and provide more equitable funding to the minority-serving land grant institutions.

Recommendation 44 ——— Fully fund the Outreach and Technical Assistance to Socially Disadvantaged Farmers (2501) program at \$10 million annually.

Status of Implementation

The legislative language to implement this recommendation has been incorporated into H.R. 2185.

The "pay-as-you-go" provision of the OBRA of 1990 requires offsets for direct spending, and acceptable offsets for any increase in direct spending must be found.

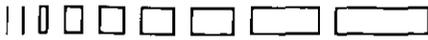
Recommendation 45 ——— Extend and fully fund the Extension Indian Reservation program at \$8 million annually.

Status of Implementation

The legislative language to implement this recommendation has been incorporated into H.R. 2185.

The "pay-as-you-go" provision of the OBRA of 1990 requires offsets for direct spending, and acceptable offsets for any increase in direct spending must be found.

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Recommendation 46 ——— Increase EQIP funding from \$200 million to \$300 million and target the increase for assistance to minority and limited-resource farmers, ranchers, and Indian nations.

Status of Implementation

The legislative language to implement this recommendation has been incorporated into H.R. 2185. A team is also exploring non-legislative options for implementing this recommendation.

Recommendation 47 ——— Fully fund the farm ownership and farm operating loan programs at \$85 million and \$500 million, respectively.

Status of Implementation

The legislative language to implement this recommendation has been incorporated into H.R. 2185. The “pay-as-you-go” provision of the OBRA of 1990 requires offsets for direct spending, and acceptable offsets for any increase in direct spending must be found.

Recommendation 48 ——— Require that a higher percentage of farm ownership and farm operating direct loan funding be targeted to minorities and socially disadvantaged groups.

Status of Implementation

Legislative language has been drafted for inclusion in the Department’s omnibus legislative package to amend existing legislation to ensure program resources, at a minimum, will be expended to reflect the diversity in population of the specific State or county. This change will allow management the flexibility of targeting additional resources, since the legislation will not specify either the actual percentage or the methodology for determining the rate.

Recommendation 49 ——— Dedicate one-third of the Fund for Rural America to serving the needs of socially disadvantaged customers.

Status of Implementation

A plan has been developed and is under review to use one-third of the Fund for Rural America for “Resources 2000,” a 2-year campaign to reach and meet the needs of rural, socially disadvantaged communities and the people who live there. The main thrust of “Resources 2000” is to reach and make a difference in a set of specially selected communities that are the “poorest of the poor.”

Recommendation 50 ——— Target \$100 million annually from Rural Utilities Service Water and Waste Disposal Grant Program to Federally recognized Indian Tribes.

Status of Implementation

A funding proposal has been drafted to target up to \$100 million of the total appropriated funds to federally recognized Indian tribes.

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Recommendation 51

Target \$50 million of RHS funds annually for the Farm Worker Housing Program.

Status of Implementation

A funding proposal has been drafted to target up to \$50 million for farm worker housing. Implementing this recommendation will increase and direct funds and programs to socially disadvantaged groups and communities.



Recommendation 52

Require consideration of underserved communities in USDA Service Center location decisions.

Status of Implementation

The National FAC will issue a Departmental directive to the State FACs directing them to revise their USDA Service Center implementation plans to consider underserved communities in Service Center location decisions. Guidelines are being established to standardize criteria used to identify underserved communities.



Recommendation 53

Establish satellite offices where necessary to reach underserved customers.

Status of Implementation

The National FAC will issue guidelines for State FACs to use in establishing offices where needed to reach underserved customers.



Recommendation 54

Establish full-time USDA Service Centers on Tribal lands.

Status of Implementation

The National FAC will issue a directive to the State FACs to establish and evaluate full-time USDA Service Centers on tribal lands. The consultative process will be used with the American Indian tribes to help in determining Service Center locations on tribal lands. The National FAC will monitor the State FACs' implementation of the directive and its guidelines.



Recommendation 55

Ensure that all USDA Service Centers are accessible to people with disabilities.

Status of Implementation

The ASA will issue a directive requiring USDA agencies to complete a self-evaluation to determine the degree to which USDA Service Center programs are in compliance with guidelines issued by the DOJ. The directive will also instruct agencies to bring programs into compliance. The Office of Civil Rights will monitor those that are not in compliance. Criteria for recognizing outstanding efforts will be included in determining USDA's Honor Awards Program selections.

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Recommendation 56 —

Streamline program regulations and application forms to make USDA programs more easily accessible to all customers. Require USDA county offices to assist socially disadvantaged customers in understanding requirements and completing forms.

Status of Implementation

Guidelines have been drafted to streamline program regulations and application forms. Additionally, the team compiled an extensive list of all forms, related program regulations, program name, and agency responsible for the program. The list is being evaluated before further action is taken.



Recommendation 57 —

Strengthen the training program for FSA county committees and county office staff on all programs, with special emphasis on civil rights issues and outreach responsibilities.

Status of Implementation

A policy requiring annual civil rights training and training modules are being developed to implement standardized civil rights training for USDA beginning FY 1998 for a 3-year cycle. Six major areas have been identified and will be included in the civil rights training curriculum: Sensitivity and Diversity, EEO Laws and Policies, Program Outreach (Title VI), Sexual Harassment, Complaint Process (Title VII), and Special Emphasis Programs. The Director of the Office of Civil Rights and the Director of OHRM will be responsible for the delivery, design, and evaluation.



Recommendation 58 —

Provide and document Title VI training for all volunteers and new field, State, and Service Center employees on an annual basis.

Status of Implementation

This recommendation is being implemented in concert with recommendation 57. A design team has gathered input from representatives of agencies — NRCS, FSA, RD, and Food and Consumer Service (FCS) — with significant program delivery and outreach responsibilities. The pilot training is set for January 1998, with the actual training scheduled for April 1998.



Recommendation 59 —

Make all USDA educational and technical assistance services and publications available to customers in languages appropriate to the community being served. Use appropriate media outlets to distribute information to underserved communities.

Status of Implementation

A USDA regulation has been prepared that requires Agency Heads to develop and implement communications plans that serve diverse and special-needs audiences. To assist agencies and field staff in working with diverse and special-needs customers, a team has also drafted a field communications guide.

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When this recommendation is fully implemented, the communications needs of diverse and special-needs customers will be better served and USDA staff will be better equipped with resources to serve these groups.



Recommendation 60

Establish an initiative to address the needs of farm workers that could be addressed through USDA programs.

Status of Implementation

A plan for conducting listening sessions concerning farm worker issues has been drafted. Lists of panel members, farm workers groups, and others to attend have been developed. The listening sessions will provide much of the information the panel will use to develop an initiative. The team has also proposed a Farm Worker Coordinator position in the Office of Outreach. The Secretary has also proposed a joint working group made up of USDA and Department of Labor officials to maintain an ongoing dialogue on farm worker issues.



Recommendation 61

Enforce the requirement that those who use “restrictive-use pesticides” keep records of the application of their products.

Status of Implementation

A team is examining options to expand cooperative agreements for the Federal pesticide record keeping program with all states and territories by the end of FY 1998.



Recommendation 62

Immediately provide pesticide information to health care providers treating pesticide-related illnesses.

Status of Implementation

A \$3.5 million increase in the Cooperative, State, Research, Education, and Extension Service (CSREES) budget has been requested, which includes a maintenance cost of \$1.75 million to update the Extension Toxicology Network (EXTOXNET) data base to make information on pesticides readily available and to provide training to health care providers. A partnership between the American Medical Association (AMA) and USDA has also been proposed.



Recommendation 63

Require USDA to use this information to prepare comprehensive annual pesticide use reports, as mandated in the 1990 and 1996 farm legislation.

Status of Implementation

A funding request has been prepared that seeks a \$2 million increase in the NASS budget to enhance future pesticide use surveys. The “pay-as-you-go” provision of the OBRA of 1990 requires offsets for direct spending, and acceptable offsets for any increase in direct spending must be found.

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Recommendation 64

Enforce the Environmental Justice Executive Order at USDA.

Status of Implementation

A Departmental regulation is being developed to address the needs of farm workers as they relate to environmental justice. A policy statement is also being developed for complying with Executive Order 12898 on environmental justice. Environmental justice will be incorporated into the National Environmental Protection Act (NEPA) process and into all program delivery. Outreach and training will be enhanced. Evaluation, oversight, and reporting methods will be developed to ensure that environmental justice policy is being implemented.



Recommendation 65

Reassert the commitment of USDA to the goal of increasing involvement of small and disadvantaged businesses in USDA programs.

Status of Implementation

Performance standards and criteria have been identified to strengthen the evaluation of managers' efforts to support small business participation. Several pilot initiatives have been proposed that will streamline regulations and simplify the execution of small business contracts. A Departmental regulation was developed to establish a clearance process to identify greater opportunities for small business set-asides. In addition, a wide range of technical assistance materials for use by small businesses have been developed.

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Status of Implementation by Recommendation

Workforce Diversity and Employment Practices



Recommendation 66

Review all SES designations, beginning with FSA, to determine if positions are appropriately designated as career-reserved or general.

Status of Implementation

The team has reviewed the designations for all occupied and allocated vacant SES positions in USDA. Results are being prepared for follow-up discussions with Under and Assistant Secretaries and Agency Heads.



Recommendation 67

Hold all managers accountable for a diverse pool of applicants for all vacancy announcements and target outreach and recruitment of under-represented groups as identified in the agency Affirmative Employment Plans (AEPs).

Status of Implementation

A team prepared and completed the AERP regulations, Personnel Bulletin 330-3, "Core Competencies for Agency Recruiters and Outreach Representatives"; and Personnel Bulletin 335-1, "Multi-grade Positions."

The regulations integrate equal opportunity recruitment and all affirmative employment programs; reemphasize equal opportunity outreach, recruitment, and affirmative employment requirements by cross-referencing with new OHRM requirements; and hold managers and supervisors accountable through the performance appraisal system. October 1, 1997, is the target effective date for the AERP.

Personnel Bulletin 330-3 identifies two levels of required competencies: a basic level for those who recruit infrequently and a higher level for those who recruit on a recurring basis. It also requires agencies to certify that recruiters and outreach representatives, meet core competencies; and it permits USDA's OHRM to evaluate agencies compliance practices. It was distributed to Agency Heads and Departmental Personnel Manual holders in August 1997. Recruiters and outreach representatives are scheduled to be certified by August 25, 1998.

Personnel Bulletin 335-1, which became effective August 18, 1997, requires agencies to provide consistent information on career ladders to all applicants; ensures that job openings are advertised in multi-grade increments; and requires career ladders be published in an agency's Merit Promotion Plan and cannot change for one year.

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Recommendation 68 ——— **Require all USDA employees to have civil rights training annually.**

Status of Implementation

An annual civil rights training policy has been drafted and a training plan developed that will implement standardized civil rights training for USDA beginning in FY 1998. Six major areas have been identified and will be included in the training curriculum: Sensitivity and Diversity, EEO Laws and Policies, Program Outreach (Title VI), Sexual Harassment, Complaint Process (Title VII), and Special Emphasis Programs. The roles and responsibilities of the Director of the Office of Civil Rights and the Director of OHRM in the implementation of training have been identified.

Civil rights training is scheduled for November 1997 using satellite broadcast. The Office of Civil Rights will monitor and track the annual civil rights training.

Recommendation 69 ——— **Publicize and recognize those managers and agencies that have made significant accomplishments in workforce diversity.**

Status of Implementation

Criteria for recognizing individuals, groups and managers for outstanding efforts in workforce diversity has been drafted. The draft will be taken to OHRM to incorporate the criteria into USDA's Honor Awards Program.

Recommendation 70 ——— **Direct the Forest Service to end the use of surplus lists.**

Status of Implementation

On June 11, 1997, the Acting ASA directed the Under Secretary for Natural Resources and Environment to:

- Suspend directed reassignments of employees identified as "surplus" under the FS Employee Placement System (EPS);
- Have FS propose to the National Federation of Federal Employees (NFFE) that they reopen their collective bargaining agreement provisions which are the basis for the EPS; and
- Analyze the current EPS in terms of the effect on diversity and its relationship to complaints and representational activities.

FS suspended directed reassignments on June 16, 1997, began negotiations with NFFE, and has completed the requested analysis.

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Recommendation 71 — Evaluate the role and function of the Special Emphasis Program Managers (SEPM) in accomplishing USDA's civil rights goals and objectives. The valuable resources dedicated to support SEPM could be used more effectively. Presently they are limited to the annual Special Emphasis activities as their primary function.

Status of Implementation

A team conducted interviews with Departmental SEPMs to determine how they perceived their function and responsibilities. The team determined that under the new civil rights structure at USDA, the SEPMs would also serve as desk officers to interface with specific agencies. Implementing this recommendation will make the SEPMs more effective and responsive to agencies' needs.

Recommendation 72 — Develop and implement retention programs to ensure a diverse workforce.

Status of Implementation

This recommendation was implemented in August 1997 with the issuance of Personnel Bulletin 250-3, "Work Life Survey Guidelines," and Personnel Bulletin 250-4, "Agency/Department Exit Interview Guidelines."

Personnel Bulletin 250-3 requires agencies to conduct periodic work life surveys aimed at assessing conditions in the workplace and identifying problems. Agencies must report results to the OHRM.

Personnel Bulletin 250-4 requires agencies to provide a questionnaire to permanent full-time employees who are separating from the agency or the Department. The questionnaires will be designed to alert management to concerns within the workforce and take the appropriate action to correct problems.

Recommendation 73 — To substantially reduce the backlog of EEO complaints, offer mediation, arbitration, or similar alternative dispute resolution (ADR) processes to employees who filed a formal EEO complaint before January 1, 1997. The use of ADR shall be the employee's choice; however, binding arbitration will be used only if agreed to by both the employee and management.

Status of Implementation

The Backlog Resolution Team's effort to reduce the backlog of 1,504 employment discrimination complaints has resulted in 354 cases being closed — 252 by settlement and 102 by decision and other action as of September 3, 1997. About 200 additional cases have been referred to the Federal Mediation and Conciliation Service for mediation. The Backlog Resolution Team officially closed its operations on July 31, 1997 but it will continue settlement efforts in those cases having a reasonable chance of being resolved — 674 cases were identified where mediation was possible. Where it appears that an agency has unreasonably refused to settle the case, USDA's Director of the Office of Civil Rights will sign a settlement agreement in lieu of the agency. All unresolved cases will continue in the EEO process. The ASA has directed that a small, ephemeral task force be established to further explore the resolution of EEO complaints.

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Recommendation 74 — All EEO resolution agreements shall have terms that (1) relate to the nature of the complaints; (2) address causal factors; (3) are conducive to timely implementation; and (4) contain implementation time frames. To ensure accountability, “no fault” settlements shall be used only in cases where all the parties to the dispute agree that it is appropriate.

Status of Implementation

A new policy on EEO settlement agreements has been drafted. The USDA draft policy holds Agency Heads accountable for full and timely implementation of EEO settlements, and directs them to empower their civil rights directors to intervene and sign agreements on behalf of the agency when necessary. The draft policy further directs that “no fault” agreements shall not be used to shield acts of discrimination, and holds Agency Heads accountable for vigorously addressing misconduct and discrimination by their managers. The Director of the Office of Civil Rights has drafted guidelines for agencies and the Office of Civil Rights staff to implement the Secretary’s policy.

Recommendation 75 — To ensure an effective and timely EEO complaints process on a permanent basis, conduct an independent review of USDA’s existing EEO system, assess the areas of deficiency, and redesign or repair the system.

Status of Implementation

An analysis of the EEO complaints process, led by an independent contractor that specializes in process reengineering, began in July, 1997. The analysis will result in specific recommendations to repair the system.

Recommendation 76 — Initiate a continuing and coordinated USDA-wide workforce planning and recruitment process.

Status of Implementation

Personnel Bulletin 250-1, “Workforce Planning,” scheduled to be issued in early October, requires agencies to coordinate strategic planning, recruitment efforts, affirmative employment program plans, and other strategies to ensure a highly skilled and diverse workforce. Personnel Bulletin 250-2, “Human Resources Management Evaluation Program,” requires agencies to review workforce plans and human resource management programs to emphasize responsibility and accountability, and ensure that diversity is an integral part of the Department’s workforce and programs. A new staff will be established in the OHRM to oversee these functions. In addition, a memorandum of understanding has been drafted which establishes a research and scholar exchange program and addresses under-representation of Asian Pacific Americans in USDA’s workforce.

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Recommendation 77

The Secretary should be more involved in the management and selection of the SES cadre within USDA:

Status of Implementation

The Office of Personnel Management (OPM) approved the USDA Senior Executive Service Candidate Development Program (SESCDP) Plan on August 20, 1997. USDA officials had hoped to immediately announce a new SESCO. However, since OPM has just revised the Executive Core Qualifications (ECQs) and the Leadership Competencies that form the basis for the ECQs, USDA is currently working with OPM to modify the USDA plan to use the new standards. The program is expected to be announced this fall, with the first class starting this winter.

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Status of Implementation by Recommendation

Organizational Structure of Civil Rights

Recommendation 78 — Consolidate the Department's civil rights functions under one Office of Civil Rights that reports directly to the ASA. Immediately fill the top position in that office with a career SES individual with demonstrated skills in civil rights management, communications and outreach, partnership building with other USDA agencies, and leadership.

Status of Implementation

In March 1997, the civil rights offices under the Office of Operations and all the offices under the Policy Analysis and Coordination Center — Civil Rights were consolidated under the new Office of Civil Rights. Secretary's Memorandum 1010-4, dated May 16, 1997, officially outlined the restructuring of Departmental Administration, including the establishment of the Office of Civil Rights, headed by a Director who reports directly to the ASA, and the consolidation of all civil rights offices under the Office of Civil Rights. Internal customers — employees, managers, and agencies — and external customers alike now have one point of contact on civil rights program, and equal employment opportunity matters.

Recommendation 79 — Organize the new USDA Civil Rights Office with separate employment and program civil rights components that report under separate lines of supervision.

Status of Implementation

This recommendation is being implemented as part of the overall reorganization of the Office of Civil Rights. Since March 1997, the Office of Civil Rights has been operating with separate employment and program civil rights components that report under separate lines of supervision.

Recommendation 80 — The USDA Civil Rights Office will proactively promote civil rights at USDA, provide guidance and oversight to agencies, establish and disseminate civil rights policy, update regulations, and conduct compliance reviews and audits to ensure enforcement of all applicable civil rights laws, rules, and regulations.

Status of Implementation

The new Office of Civil Rights includes a policy and planning branch which will be responsible for developing strategic plans, Department-wide regulations, and other forms of policy guidance for implementing national civil rights law and policy in the Department. It also includes an Accountability and Compliance Division which will be responsible for monitoring and over-

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seeing corrective action to include settlement agreements and decisions on findings of discrimination, ensuring that USDA agencies are held accountable for carrying out effective civil rights implementation plans, and evaluating systemic problems of discrimination in program and employment services in the Department.

Recommendation 81 ——— **USDA's Director of Civil Rights is ultimately accountable for investigations of program discrimination complaints. The Director may delegate to agency civil rights directors the authority to conduct preliminary investigations of program discrimination complaints, but must document any such delegation in writing, and may withdraw such authority from the agencies.**

Status of Implementation

This recommendation was implemented on May 16, 1997, when Secretary's Memorandum 1010-4 was issued. It notified agencies that the Office of Civil Rights is delegated the authority for investigating program discrimination complaints. In addition, the reorganization package for the Office of Civil Rights established a Program Complaints Division to investigate and process formal, individual, and class program complaints.

A memo has been drafted for distribution to civil rights directors which, when issued, will give them authority to conduct preliminary inquiries into program complaints. When the Office of Civil Rights Investigations Division is established and staffed, it will be responsible for conducting all investigations.

Recommendation 82 ——— **The Director of Civil Rights will focus on improving the Department's enforcement of civil rights laws in program delivery, and ensure that adequate funds are allocated to enforcing civil rights in program delivery. The Director should consider reestablishing the position of desk officer or similar position that would provide specialized services to individual agencies.**

Status of Implementation

The Secretary is working with Congress to provide budget and other resources needed to enforce civil rights laws in program delivery.

Recommendation 83 ——— **Give the Department's new Director of Civil Rights the authority to create a quality, competent staff which is capable of implementing an effective civil rights program at USDA. This authority includes the flexibility to reassign and hire staff.**

Status of Implementation

Positions are currently being filled in the Office of Civil Rights. USDA will have a civil rights office with the staff and expertise capable of providing the kind of guidance and oversight that USDA agencies need.

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Recommendation 84 — Change the designation of the Director of Civil Rights from SES general to SES career-reserved, but do not allow that process to hold up the immediate appointment of a permanent Director of Civil Rights.

Status of Implementation

An SES position was established and a Director of the Office of Civil Rights named in March 1997. The designation of this position is being reviewed with all others as part of recommendation 66.

Recommendation 85 — To ensure civil rights accountability, OGC must demonstrate its commitment to civil rights by establishing a division dedicated to providing legal counsel to the Department and agency officials on civil rights issues and diversifying its staff of attorneys starting at the highest levels.

Status of Implementation

A new OGC division has been established and the selection of the new Associate General Counsel for Civil Rights is pending. The attorneys in this section will specialize in civil rights law and will provide USDA with the expertise it needs to make certain that employment and program delivery activities are conducted in accordance with civil rights laws, regulations, and statutes. Additionally, OGC will soon adopt an AERP to add diversity to its workforce, so OGC employees can better understand and serve minority, limited-resource, and women farmers.

Recommendation 86 — To ensure that each USDA agency has civil rights accountability, each agency must have a civil rights director who reports to the Agency Head. Any exception to the reporting line must be approved by the Secretary. The director will have primary responsibility for ensuring that the agency enforces all civil rights laws and that the agency complies with all complaints processing timeframes. Departmental staffs (OGC, OIG, OBPA, etc.) must have effective civil rights programs with a measurable mechanism for feedback to the Secretary on their civil rights performance.

Status of Implementation

A Secretary's Memorandum has been drafted which, when issued, will notify agencies that their civil rights director must report to the Agency Head and that any exceptions must be approved by the Director of the Office of Civil Rights. Agencies will be required to submit a report to the Office of Civil Rights when they have completed their reorganization to effect this action or to request an exception to the rule. The Office of Civil Rights is currently working to set up processes and mechanisms to oversee and monitor the agencies' overall civil rights program.

Secretary's Memorandum 1010-4 established that the ASA, through the Office of Civil Rights, will "provide guidance and oversight to USDA agencies, and conduct compliance reviews and audits to ensure enforcement of all

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applicable civil rights laws, rules, and regulations.” The Office of Civil Rights will monitor and oversee agency civil rights activities through the proposed Accountability and Compliance Division and the Tracking, Applications, and Analysis Division. Regular, measurable standards will be provided to the ASA to act accordingly (e.g., rating Agency Heads on their civil rights elements or recognizing those managers and agencies that have made significant accomplishments in workforce diversity).



Recommendation 87

The agency civil rights programs must include program planning, analysis, compliance, and complaints management. In addition, agencies must have documented, measurable goals and timetables to address civil rights in program delivery and employment, under-representation, workforce diversity, and procurement.

Status of Implementation

Performance standards are being developed to hold Agency Heads accountable for establishing civil rights programs in accordance with this recommendation. A Secretary’s Memorandum is being drafted to outline the requirements of agency civil rights programs. This memo will specifically define measurable goals for the agency civil rights offices and the mechanisms to be used to monitor the effectiveness of the agency with regard to civil rights. Agency administrators will be held accountable for operating and managing a comprehensive civil rights program. The Office of Civil Rights will focus on monitoring and ensuring that the agencies actually have an effective program which is proactive and adequately staffed and funded. The Office of Civil Rights is currently working to put processes and mechanisms in place to oversee and monitor the agencies’ overall civil rights program.

Specific performance standards will allow the ASA to rate Agency Heads on their actual performance toward meeting the Department’s civil rights goals and objectives.

Recommendation 88

The EEO counselor positions, including resources, must be returned to the agencies from the Department’s Civil Rights Office. All EEO counselors must be in full-time civil rights positions.

Status of Implementation

Agencies and employees have been notified of the pending transfer of the counseling function to the agencies. A survey of affected employees solicited preferences for geographical and agency locations. Agencies were asked to submit their plans for establishing the counseling function within the agency. All employees and agencies have complied with the requests. In addition, on July 11, 1997, a buyout was approved for all Office of Civil Rights employees. OHRM officials have matched employees from the Service Centers with positions in the agencies. Employees have received their transfer-of-function letters. On October 1, 1997, all counselors will be returned to agency civil rights offices.

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Recommendation 89 ——— Adopt and announce as USDA's official policy that management is responsible for preventing conflict and resolving disputes at the lowest possible level by resolving the underlying issues and preventing recurrence of conflicts. Resolve conflicts using an "interest based" approach whenever possible.

Status of Implementation

A new policy on conflict management has been written. It requires all USDA managers to become competent in conflict management skills, and that all employees be afforded the opportunity to participate in alternative dispute resolution, outside the formal complaint systems, to resolve workplace conflicts.

Recommendation 90 ——— Convene a team, with representatives from all mission areas/agencies, to develop a USDA program implementing the Department's new conflict management policy.

Status of Implementation

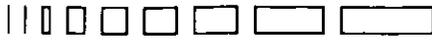
A team with representatives from all USDA mission areas developed a USDA conflict management program. The two essential elements of the program are training in conflict resolution skills for USDA employees, and greater use of alternative dispute resolution processes to achieve early resolution of workplace disputes, outside the formal complaint systems. To provide a viable forum to address conflict that may not involve discrimination, the Acting ASA has concurred in a recommendation to establish a USDA Conflict Prevention and Resolution Center. The Center will be established in a neutral location in the Department — not in the Office of Civil Rights — and will coordinate the Department's conflict prevention and early-resolution activities. A proposed budget for this office is being reviewed by the Office of Budget and Program Analysis.

Recommendation 91 ——— Eliminate the Dispute Resolution Boards and close the Department's Civil Rights Regional Service Centers.

Status of Implementation

This recommendation is being implemented. See recommendation 88.

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Recommendation 92 —

Consolidate all administration and management functions under the ASA with full delegation of authority. This consolidation will bring the Chief Financial Officer (CFO), the Chief Information Officer (CIO), the Office of Small and Disadvantaged Business Utilization (OSDBU), and the Service Center Implementation Team (SCIT) under the ASA.

Status of Implementation

On May 16, 1997, the Secretary issued Memorandum 1010-4 which, among other USDA restructuring changes, modified the reporting assignment for the Office of Small and Disadvantaged Business Utilization (OSDBU) to report to the ASA. Realigning the OSDBU to report to the ASA will ensure that small business goals and objectives are coordinated with other equal opportunity initiatives while allowing the ASA to ensure accountability.

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Abbreviations

AARC	Alternative Agricultural Research and Commercialization Corporation
ADR	Alternative Dispute Resolution
AERP	Affirmative Employment and Recruitment Plan
AMA	American Medical Association
AMS	Agricultural Marketing Service
APHIS	Animal and Plant Health Inspection Service
ARS	Agricultural Research Service
ASA	Assistant Secretary for Administration
BCA	Board of Contract Appeals
CBO	Community Based Organizations
CIO	Chief Information Officer
CFO	Chief Financial Officer
CR	Office of Civil Rights
CRAT	Civil Rights Action Team
CRIT	Civil Rights Implementation Team
CSREES	Cooperative, State, Research, Education, and Extension Service
DAMS	Departmental Administration - Management Services
DOJ	Department of Justice
ECQ	Executive Core Qualifications
EEO	Equal Employment Opportunity
EPS	Employee Placement System
ERS	Economic Research Service
EQIP	Environmental Quality Incentives Program
EXTOXNET	Extension Toxicology Network
FAC	Food and Agriculture Council
FAS	Foreign Agricultural Service
FAIR	Federal Agriculture Improvement and Reform Act (P.L. 104-127)
FCS	Food and Consumer Service
FFAS	Farm and Foreign Agricultural Services
FNCS	Food, Nutrition and Consumer Services
FS	Forest Service
FSA	Farm Service Agency
FSIS	Food Safety and Inspection Service
GIPSA	Grain Inspection, Packers and Stockyards Administration
GPRA	Government Performance and Results Act
HACU	Hispanic Association of Colleges and Universities
H.R. 2185	"A bill to establish equitable service for customers and equal opportunity for employees of the United States Department of Agriculture" introduced by Rep. Eva Clayton (NC)

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HWM	Hazardous Waste Management
MAP	Modernization of Administrative Processes
MRP	Marketing and Regulatory Programs
NAD	National Appeals Division
NASS	National Agricultural Statistics Service
NEPA	National Environmental Protection Act
NFFE	National Federation of Federal Employees
NRCS	Natural Resources Conservation Service
NRE	Natural Resources and Environment
OALJ	Office of Administrative Law Judges
OBPA	Office of Budget and Program Analysis
OBRA	Omnibus Budget Reconciliation Act, 1990
OC	Office of Communications
OCA	Office of Consumer Affairs
OCE	Office of Chief Economist
OCFO	Office of the Chief Financial Officer
CR	Office of Congressional Relations
OES	Office of the Executive Secretariat
OGC	Office of the General Counsel
OHRM	Office of Human Resources Management
OIG	Office of the Inspector General
OJO	Office of the Judicial Officer
OO	Office of Operations
OPM	Office of Personnel Management
ORACBA	Office of Risk Assessment and Cost-Benefit Analysis
OSEC	Office of the Secretary
OSDBU	Office of Small and Disadvantaged Business Utilization
PACC	Policy Analysis and Coordination Center
PRB	Performance Review Board
RBS	Rural Business-Cooperative Service
RD	Rural Development
REE	Research, Education and Economics
RHS	Rural Housing Service
RUS	Rural Utilities Service
SEPM	Special Emphasis Program Managers
SES	Senior Executive Service
SESCDP	Senior Executive Service Candidate Development Program
SCIT	Service Center Implementation Team
WAOB	World Agricultural Outlook Board

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United States Department of Agriculture
Civil Rights Implementation Team
September 1997

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To file a complaint, write the Secretary of Agriculture, U.S. Department of Agriculture, Washington, D.C., 20250, or call 1-800-245-6340 (voice) or (202) 720-1127 (TDD). USDA is an equal employment opportunity employer.

Race Int Policy - Rural

THE WHITE HOUSE
WASHINGTON

Ek

MEMORANDUM

TO: MARIA ECHAVESTE
ASSISTANT TO THE PRESIDENT AND
DIRECTOR OF PUBLIC LIAISON

FROM: BOB J. NASH
ASSISTANT TO THE PRESIDENT
AND DIRECTOR OF PRESIDENTIAL PERSONNEL

DATE: SEPTEMBER 2, 1997

SUBJECT: USDA AND BLACK FARMERS

BN

Enclosed is information I received from Lawrence Lucas of the USDA Black Coalition regarding continuing issues between the USDA and the National Black Farmers Association. As you know, a protest is scheduled in front of the White House on Monday, September 22.

I assume we are talking with USDA about the proposed event and the overall issue?

BJN:jes

cc: Ben Johnson
Bruce Reed

**IF YOU EAT GET ON YOUR FEET!!!
AND JOIN JOHN BOYD AND THE
NATIONAL BLACK FARMERS ASSOCIATION
IN OUR
*MARCH AGAINST DISCRIMINATION***

DATE: SEPTEMBER 22, 1997

TIME: 10:00 a.m.

**PLACE: LAFAYETTE PARK IN FRONT OF THE
WHITE HOUSE**

We will be praying for racial healing.

**We will be protesting against discrimination and
other unfair practices by the USDA.**

**We will be protesting against the lack of farm
programs complaint settlements in the office of
civil rights.**

**We will be fighting for repairs for descendants of
farm slaves.**

**We will be protesting against the foreclosuers that have
occured on black and other socially disadvantaged farmers.**

**"WE HAVE OUR MULE, NOW WE'RE
LOOKING FOR OUR 40 ACRES"**

**If you need more information please call the following numbers
(202) 462-4873, (804)447-7825 or (801)529-6460.**



News Index
Feedback
Gateway Virginia

8/27/97 12:01 AM

Black farmers turn out to hear Glickman

By DOMINIC PERELLA
Associated Press Writer

ETTRICK, Va. (AP) — Dozens of black farmers, some of whom have pressed the U.S. Department of Agriculture all year for racial equity in farm lending, turned out for a speech by Agriculture Secretary Dan Glickman.

In an appearance Tuesday at Virginia State University, Glickman said the government is working to undo years of unfair racial practices.

"You won't hear me make excuses for the past," he said. "There are none. But we are moving to ensure that USDA treats its customers and its employees with dignity and respect."

His appearance for VSU's annual Crop Field Day was the first by an agriculture secretary at the predominantly black school with a strong agriculture program.

The USDA this year has dealt with hundreds of civil rights complaints from black farmers and even a march in April on the agency's Washington headquarters.

Three times more blacks than whites are losing their farms across the United States, and many black farmers lay the blame squarely at the feet of USDA loan discrimination.

If they continue to be rejected for loans, the 18,000 black farmers left in the U.S. could be out of business by 2000, said John Boyd, a Mecklenburg County chicken farmer who heads the National Association of Black Farmers.

The heart of the farmers' complaints is the federal farm loan approval process. Nationwide, the county committees that take loan applications have 7,300 whites, 28 blacks and 2 females, Boyd said.

Black-owned farms "are going to be at the auction blocks," he said. "How the hell are we supposed to plant if we can't get money from the lender of last resort?"

Farmers who file civil rights complaints with the Department of Agriculture seem to be wasting their time: USDA investigators have backed the complainant in only four of 800 cases since the 1980s.

"I was cut off for a loan and complained in '89, and it took them five years to respond," Linwood Brown, a black farmer from Brunswick County, said Tuesday. "I've applied for loans since 1985 and been turned down every time. ... White farmers were getting their loans."

Lloyd Wright, new director of the USDA's civil rights office, admitted that farmers' civil rights complaints have been ignored since the Reagan administration.

"They dismantled the office and dismissed the investigators in 1983," Wright said. "They didn't give a reason. ... Nothing was being done with the complaints. They were gathering dust."

Fed up, Boyd started the National Black Farmers Association last year and organized the April 23, 1997, march on the Agriculture Department.

Part of Glickman's response was to hire Wright, who is bringing in investigators to deal with about 800 backlogged civil rights complaints. Wright said he hopes to investigate all complaints by sometime next year.

Brown, who has had to lease out his land since 1993 for lack of capital, said the changes underway in Glickman's department are encouraging.

"He's the first secretary to come to the nation's black farming college. I think that's a great step," Brown said. "But there's still a long way to go in the process."

AP-ES-08-27-97 0003EDT

The AP Wire	Feedback	News Index	Gateway Virginia
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Glickman sees progress; farmers red

Group calls for White House demonstration

By GARY BARNETT
Washington Staff Writer

A U.S. Secretary of Agriculture Dan Glickman described the progress made toward restoring civil rights within his department yesterday, the president of the Virginia-based National Black Farmers Association was calling for a demonstration at the White House next month to protest a lack of progress on civil rights at USDA.

"We're facing a problem that's been allowed to fester really since the Civil War," Glickman said. "We must find a way to turn civil rights into civil realities."

Glickman described his effort to act on the recommendations of a civil rights study done at the department earlier this year as "trying to find a way to institutionalize common sense and fairness."

He said he has instructed Pezdie Reed, an assistant secretary and the USDA's top black official, to review the civil rights performance of all top USDA officials.

Among other changes, the department is adding a full-time civil rights lawyer and hiring civil rights investigators to replace the long-defunct staff eliminated during the Reagan administration.



John W. Boyd Jr., a Middleburg County farmer and president of the National Black Farmers Association, said that black farmers will not get justice until USDA's black employees succeed in eliminating discrimination against themselves. Hundreds of black farmers have discrimination complaints pending against the USDA, so do more than 1,000 of USDA's minority employees.

Boyd criticized Glickman for failing to deliver on a promise he said the secretary made earlier this year to increase the number of loans going to black farmers.

Of 22,978 farmer program loans made by the USDA for the current fiscal year through June 30, 91.4 percent went to white farmers, 2.3 percent to blacks, 4.2 percent to Hispanics, 1.2 percent to American Indians, and the remainder to farmers of other ethnic backgrounds, Boyd said. Blacks, he said, received an even smaller 1.3 percent of the \$1.9 billion that was lent. Only one of 111 USDA farm employees has been hired to a black and

some of the 161 emergency loans. Glickman, Boyd said, had said in April that he would make emergency loans available to blacks.

"That's a national disgrace, an embarrassment to the federal government. You can't sit there and tell me they can't make a loan to one farmer some where in this country," Boyd said.

Boyd called on the USDA workers to join farmers and their supporters in a protest in front of the White House on the morning of Sept. 22.

Glickman said he won't sure where Boyd got his loan statistics or whether they are accurate, but he said he has asked Boyd to look into Boyd's complaint.

Keith Kelly, the new chief of the Farm Service Agency, also will be looking at the figures, Glickman said. Kelly, he said, will be discussing discrimination cases with FSA leaders from each state when they meet in Washington next month.

Sen. Charles S. Robb, D-Va., also a farm speaker, said discrimination is particularly offensive when

practiced by government employees against their co-workers and customers.

"It's hard to imagine anything more disheartening than to be struck down by the very hand you thought was there to help you up," said Robb, who was instrumental in adding \$2 million to the USDA's appropriations bill to re-establish the department's civil rights investigative unit.

Glickman's goal, Robb said, is to set up a 34-person unit to begin attacking the backlog of 2,300 discrimination complaints against the agency.

Rep. Robert C. Scott, D-Va., warned farm participants about the threat to civil rights progress posed by an anti-discriminatory action bill, sponsored by Rep. Charles Canady, R-Fla. In the bill passed, it will eliminate the remedies available in law to control discrimination, Scott said.

Scott advised USDA employees to keep the pressure on civil rights issues. "You can't expect USDA, on their own, to get discriminating,"

Judge, 2 troopers, editor

are killed

German crew have



Airline, contractor, FAA blamed in crash

The Associated Press

Washington — The deadly crash of a Yugoslav airliner has the Florida Everglades last year was caused by failures by the airline, a maintenance contractor and federal regulators, investigators concluded yesterday. The National Transportation Safety

BUSINESS

MARKET
TABLES C2-6

Federalize FSA jobs, ag chief says

BY GREG EDWARDS

TIMES-DISPATCH STAFF WRITER

ETTRICK — U.S. Farm Service Agency workers, who are now under local control, should be made into federal workers, but they shouldn't have to re-apply for their jobs,

Secretary of Agriculture Daniel Glickman said yesterday after a speech at Virginia State University's annual crop field day.

A black farmers group has pushed for the federalizing of all county FSA jobs not now

under federal control and a review of the people holding those jobs.

The FSA was formed three years ago when the Department of Agriculture combined the activities of the Agricultural Stabilization and Conservation Service, which administered farm programs, with the credit operations of the former Farmers Home Administration. All FSA workers are paid by the federal government.

Local ASCS offices were run by elected county farmers committees, which hired and supervised the agency's local staffs. When the FSA was formed, the county committees were

retained.

Critics have maintained that the committees, whose members nationwide are overwhelmingly white men, are a part of the reason for the civil rights problems besetting USDA.

John W. Boyd Jr., a Mecklenburg County farmer and president of the National Black Farmers Association, said FSA workers should be made federal employees and should be made to re-apply for their jobs.

Glickman said it would be impossible to persuade Congress to pass the necessary legislation to federalize the employees if it meant laying thousands of people off. But, he said, the

USDA is in the process of re-organizing and diversifying the county committees, and that should lead to a more diverse local FSA work force in the long run.

The secretary, a former Kansas congressman, made the same promise to a crowd at Virginia State that he has made previously to President Clinton and minority USDA workers in Washington: He will make civil rights his legacy at the department.

A February report, commissioned by Glickman, documented USDA civil rights abuses

PLEASE SEE USDA, PAGE C4 ▶

Racial Wrongs Described

Forum Focuses on Difficult Changes

By Meg Walker

Federal Times Staff Writer

Employees from throughout government complained of racial discrimination during a week-long conference held by Blacks in Government.

They described an unfair equal employment opportunity system that favors agencies over employees, a lack of promotions and training, and reprisals that continue despite official policies of "zero tolerance" for discrimination.

A House panel will hold a hearing in September on discrimination at federal agencies, said Rep. Elijah Cummings, D-Md.

Cummings said his office gets hundreds of calls from employees about discrimination.

A member of the Government Reform and Oversight subcommittee on civil service, Cummings asked subcommittee chairman Rep. John Mica, R-Fla., to hold the hearing because "so much has been shoved under the rug with regard to people out there who are suffering."

"We want to highlight that so people don't think we are dealing in a colorblind society."

Organizers of the BIG conference released a report on job discrimination that has been submitted to the White House and Congress.

"It's very clear that federal employees have been putting up with a level of disparate treatment," said Frank Hunt, a Social Security Administration employee and communications director for BIG.

"It's covert, but it's institutional and solutions need to be systemic," Hunt said.

'Reality Check' at USDA

During a panel discussion arranged by Agriculture's Coalition of Minorities, Agriculture Secretary Dan Glickman described the progress of a civil rights initiative he set into motion this year.

After black farmers protested in front of the White House about delays in farm loans, Glickman appointed a task force to investigate problems both within the workplace and with the agency's services to the public.

In March, officials began putting into place 92 task force recommendations aimed at ending discriminatory practices.



Changing the culture has been 'slower than we thought.'

USDA Secretary Dan Glickman

Noting that discrimination at Agriculture has "been allowed to fester since the Civil War," Glickman said, "my goal is to get USDA out from a history of discrimination and have it emerge as a leader in civil rights."

Many of the recommendations focus on changing the attitudes of top managers who have not made eliminating discrimination a priority.

"We have a zero tolerance policy against reprisals," Glickman said. "I've made it crystal clear that people who think about retaliating against an employee who stands up for his or her rights had better think first about their own job."

But Glickman noted changing the workplace culture has been "slower than we thought."

He described Agriculture's backlog of civil rights complaints as "tenacious."

"I'm proud of the progress we've made, but I've also undergone a serious reality check as to the massive amounts of time, resources, people power and leadership that it's going to take — at USDA, in Congress and in our communities — to institutionalize lasting change."

"You can't repeal the discrimination in a person's heart," said Sen. Charles Robb, D-Va., speaking at the same panel. "It's this kind of discrimination that is so difficult to eradicate."

Robb said he was successful in passing an amendment to a Senate spending bill that provides \$2 million for Agriculture's civil rights program.

"We need the federal government to stand up and say we will not discriminate," he said.

Ag chief: Federalize FSA jobs

▼ USDA FROM PAGE C1

involving minority farmers and the USDA's minority employees. It also offered recommendations for dealing with discrimination.

Black farmers attending the crop day said they are hopeful change finally is coming to the USDA.

"It's long overdue," said Herman MacIa, a Brunswick County farmer and former extension specialist at Virginia State. Black farmers have been neglected and over the years have lost a lot of land to small debts throughout the South, he said.

Glickman's visit to VSU was the first by a U.S. secretary of agriculture in the land-grant school's 115-year history.

He asked the standing-room only crowd to recognize Boyd of the black farmers group, who he said had been instrumental in bringing national attention to the disappearance of black farmers at three times the rate of farmers overall.

He wished he could blame the economy or bad weather for the problems of black farmers, Glickman said. But he added that the fault more often lies with the "abysmal" way the USDA has dealt with their problems.

Charles Epps, a part-time farmer in Dinwiddie County, said things may change at USDA, but that change depends a lot on the attitudes of individual department workers. Epps said the department needs to make a greater effort to educate farmers about what it has to offer them in the way of help.

Government is beginning to get that message. Earlier

Allen seeks disaster aid for 3 Virginia counties

Gov. George Allen yesterday sought federal disaster aid for farmers in three Virginia counties where crops have been destroyed by drought.

In a letter to U.S. Agriculture Secretary Dan Glickman, Allen requested assistance for farmers in Isle of Wight and Buckingham counties in Southside and Northampton County on the Eastern Shore.

Allen said losses in the localities exceed \$15 million. Crops lost to drought include cotton, corn, hay and soybeans.

With a disaster declaration, farmers could seek low-interest loans from the Agriculture Department.

— Jeff E. Schapiro

this year, Virginia Gov. George Allen approved emergency state money to pay for a farmer financial education program at Virginia State. And the new federal budget, which will take effect Oct. 1, includes money to bolster programs to educate farmers about federal assistance.

Glickman also spoke about efforts at Virginia State and in his department to help small farmers diversify their production and survive in a marketplace increasingly dominated by large agricultural corporations.

"We need to find a way smaller farmers can peacefully co-exist in this world," he said.

Please review carefully. We have to plug USDA into our process, and see if we can

July 23, 1997 glean some good ideas from what they've done. (we also have

MEMORANDUM FOR ERSKINE BOWLES

FROM: John Hilley
Andy Blocker

this legislation.) Reading this made me think that one of the things we should be working towards is an EO addressing discrimination

SUBJECT: Meeting with the Representative Eva Clayton (D-NC) on Black Farmers

BACKGROUND:

and civil rights enforcement in agencies generally. *Elena*

As you know, Representative Clayton has been the lead member of the Congressional Black Caucus on the issue of discrimination at the Department of Agriculture (USDA). She has written letters to both the President and Secretary Glickman on this issue (see attached). In her correspondence, she has been laudatory of the Administration's efforts to deal with all forms of discrimination at USDA.

Last week, Secretary Glickman testified before the House Committee on Agriculture concerning this issue (testimony attached). In his testimony, Secretary Glickman gave the committee an update on the progress USDA has made in the 5 months since the release of its civil rights reports. As a result of Secretary Glickman's hands-on involvement, the Administration has a good story to tell in some areas (see talking points & civil rights progress report). However, there is concern that many at USDA are resisting the changes sought by the Secretary.

ISSUES:

In her July 22nd letter to you (see attached), Representative Clayton expresses her concern that USDA is not moving fast enough to deal with discrimination against minority farmers, specifically in the area of introducing legislation to deal with discriminatory practices. According to Representative Clayton, the Secretary assured her that his staff would help her draft legislation that would be acceptable to the Administration. However, USDA was nonresponsive to her requests for drafting assistance and was only able to get an idea of what would be objectionable to the Department when she met with Secretary Glickman on July 9th.

With limited guidance from the department, Representative Clayton introduced her legislation—H.R. 2185, the USDA Accountability and Equity Act of 1997 on July 16th. She based the legislation on the 13 recommendations of the USDA's Civil Rights Action Team and will want the Administration to support this legislation. At the hearing last week, Secretary Glickman promised Representative Clayton that he would have an analysis of her bill done by the end of this week. USDA has agreed to forward its analysis to the White House once it is completed.

In addition, Representative Clayton will reiterate her call for the President to speak publicly about this issue. Note: In the President's July 4th response to Representative Clayton (see attached), the President stated that he "will be looking for opportunities to make public pronouncements concerning black farmers, and will continue to support the work of Secretary Glickman." She believes that a public statement will not only bolster the Secretary in his efforts on this matter, but that it will give minority farmers more assurance that the Administration at the highest level is concerned and working to address their concerns.

TALKING POINTS:

- The President directed Secretary Glickman to do everything within his power to resolve the concerns of Black Farmers.
- In the context of our race initiative, the President will be looking for opportunities to make public pronouncements concerning black farmers.
- Concerning your legislation, I know that you based many of your provisions on recommendations made by USDA's Civil Rights Action Team. Secretary Glickman currently has his staff working vigorously to analyze your bill. We hope that we can fully support your bill.
- USDA organized a Civil Rights Implementation team which has already made 92 specific recommendations. Over 50% of these will be implemented by September, 1997.
- Secretary Glickman met with Mary Berry of the U.S. Civil Rights Commission to elicit her support in monitoring USDA's progress.
- Secretary Glickman met with the CBC on April 16, 1997 to discuss the USDA Civil Rights plan.
- Secretary Glickman has issued two directives to USDA Field offices which 1) freezes foreclosures when allegations of discrimination are made and 2) continue loan processing for new loans to Black farmers even when a discrimination complaint is pending.
- A new system and additional teams have been set up to deal with the backlog of discrimination complaints.
- USDA has settled three (3) major complaints against USDA including one by the President of the National Black Farmers Association. These settlements and debt write-offs total over \$1.5 million dollars. More lawsuits will be settled in the near future.
- The President and I will monitor USDA's progress on a regular basis. The President and I will also support the Secretary in his effort to resolve these issues in a timely manner.

ATTACHMENTS:

Letter from Representative Eva Clayton to Erskine Bowles—July 22, 1997

Testimony of USDA Secretary Glickman before the House Agriculture Committee—July 17, 1997

Response from the President to Representative Eva Clayton—July 4, 1997

Letter from Representative Eva Clayton to the President—May 19, 1997

Civil Rights Progress at the Department of Agriculture—May 20, 1997

USDA Secretary Glickman Memorandum for the President—May 20, 1997

CBS THIS MORNING Segment on the Department of Agriculture—July 17, 1997

EVA M. CLAYTON
1ST DISTRICT, NORTH CAROLINA

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RISK MANAGEMENT AND SPECIALTY CROPS
RESOURCE CONSERVATION, RESEARCH AND FORESTRY

SMALL BUSINESS

SUBCOMMITTEE:
PROCUREMENT, EXPORTS, AND BUSINESS
OPPORTUNITIES

Congress of the United States
House of Representatives
Washington, DC 20515-3301

WASHINGTON OFFICE:

222 CANNON BUILDING
WASHINGTON, DC 20515
(202) 225-3101

DISTRICT OFFICES:

134 N. MAIN STREET
WARRENTON, NC 27589
(919) 257-4800

400 WEST 5TH STREET
GREENVILLE, NC 27834
(919) 758-8800
1-800-274-8672

July 22, 1997

The Honorable Erskine Bowles
Chief of Staff
Office of the Chief of Staff
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear Erskine:

I write to seek a meeting with you to discuss the issue of race discrimination in lending practices by the U.S. Department of Agriculture. You may recall that I raised this issue with the President when the Congressional Black Caucus met with him recently. The President expressed great interest in this matter.

It has now been more than five months since USDA issued its comprehensive Report about this situation. As you know, the Subcommittee on Department Operations, Nutrition, and Foreign Agriculture, held a limited hearing on this subject on March 19, 1997. At that hearing, a Report from the General Accounting Office was examined. More recently, on July 17, 1997, a Full Committee hearing was held. Secretary Glickman testified, and the CRAT Report was a central focus of the hearing. The necessity of rekindling the President's interest and commanding his attention to this matter is made more urgent by the fact that widespread unfair and unequal treatment of socially disadvantaged and minority farmers has been well documented for more than three decades. We can no longer allow this matter to languish.

The GAO Report, an Inspector General's Report and the exhaustive Civil Rights Action Team Report are just the latest in a series of government initiatives examining this problem. The issue was first raised in 1965, when the U.S. Commission on Civil Rights established that USDA discriminated both in internal employee actions and external program delivery activities. An ensuing USDA Employee Focus Group in 1970 reported that USDA was callous in their institutional attitude and demeanor regarding civil rights and equal opportunity.

In 1982, the U.S. Commission on Civil Rights examined this issue a second time and published a report entitled, "The Decline of Black Farming in America." The Commission concluded that there were widespread prejudicial practices in loan approval, loan

servicing and farm management assistance as administered by the Farmers Home Administration. However, as no improvement was forthcoming, this matter was investigated again in 1990 by the House Governmental Operations Committee, chaired by our colleague, Representative John Conyers. Ironically, the same conclusion was reached in 1990 as had been reached in 1982 --- that "FmHA has been a catalyst in the decline of minority farming". That conclusion is found in the Conyers Report, entitled, *The Minority Farmer: A Disappearing Resource; Has The Farmers Home Administration Been The Primary Catalyst?*,

Then, in January 1997, the General Accounting Office published a Report entitled, "Farm Programs: Efforts to Achieve Equitable Treatment of Minority Farmers." While much of the Report was inconclusive due to its limited scope, GAO did find instances of discrimination. GAO also found that the disapproval rate for loans was 6% higher for minority farmers than the rate for nonminority farmers.

The very next month, two related reports were released: the Office of Inspector General Evaluation Report for the Secretary on Civil Rights Issues and the Civil Rights Action Team Report. The authors of these hard-hitting reports came to the identical conclusion as those who had looked at this issue 32 years previously--- there are significant problems with discrimination within the Department of Agriculture.

In addition, in November of last year, FSA Administrator Grant Buntrock stated in a public speech that "[w]e recognize . . . there have been instances of discrimination in responding to requests for our services in the past, and we deplore it."

While we all deplore the instances of past discrimination, it is now time to do something about it. In light of the CRAT Report and recent actions taken by Secretary Glickman on this critical issue, I now repeat the call for the President to speak out and take some bold actions.

One of the actions the President may consider is to endorse a Bill that I have recently introduced in response to USDA's history. My Bill, H.R. 2185, is detailed below for your use.

*A Summary of The
USDA Accountability and Equity Act of 1997*

Introduction

On February 28, 1997, a Report was issued entitled, "Civil Rights at the United States Department of Agriculture." Referred to as the "CRAT Report," it was done by the Civil Rights Implementation Team at USDA, and it documents decades of discrimination against minorities and women within the Department. Ninety-two recommendations for change were made in the Report, thirteen of which require legislative action. This Bill seeks to implement most of those legislative recommendations within the CRAT Report, by (1) changing the structure of county committees; (2) changing the status of county committee employees from nonfederal to federal; (3) making sure that socially disadvantaged farmers can obtain credit and other assistance to maintain their farms; and (4) making sure that USDA has sufficient funds to carry out its loan, technical assistance and outreach programs.

The Bill

The Bill is entitled the "USDA Accountability and Equity Act of 1997." It consists of three titles. Title I - Program Accountability, makes changes to the structure of the county committees as well as to the status of county committee employees. County committees are retained, and the tenure of county committee employees is preserved and protected. Title II - Program Equity, makes provisions for those producers who are of marginal financial standing to continue to participate in USDA loan and other programs. These provisions recognize the financial hardship created by past USDA practices.

And, Title III - Funding of Farm Ownership and Operating Loans, provides funding for the full authorization of farm ownership and farm operating loans in the amounts of \$85 million and \$500 million, respectively. Details of each title follow.

Title I

This Title consists of two sections. Section 101 deals with the conversion of county committees and seeks to ensure fair representation of all producers on the county committees. The number of county committee members is set at no fewer than five and no more than seven. Three to five of the members shall be elected by the producers in each county, and two members shall be appointed by the Secretary in consultation with underrepresented groups. Civil service laws are made applicable to all persons employed by county committees, and the county executive director is given the sole authority for making loan determinations. Section 102 converts all current, nonfederal Farm Service Agency county committee employees to Federal civil service status. Those with service of three years or more are given career civil service appointments. Those with less than three years are given conditional civil service appointments. Temporary county committee employees are given temporary Federal civil service appointments, at the discretion of the Secretary. The Federal civil service appointments take place six months after the enactment of the Bill.

Title II

This Title consists of nine sections. Section 201 provides for exceptions, under very strict circumstances, to the prohibition that delinquent borrowers may not obtain a direct loan from USDA. These changes are necessary to compensate for socially disadvantaged farmers who face difficulty accessing credit because of certain credit reforms within USDA that were put in place in 1996. Section 202 appropriates \$10 million to facilitate lease or buy back opportunities for those who could not exercise these options due to insufficient program funding. Section 203 makes clear that debt forgiveness should not be treated as income for tax purposes. Section 204 allows applicants with poor or no credit history to be eligible for direct single family housing loans. Section 205 increases by \$100 million the Environmental Quality Incentives Program

(EQIP), and targets one-third of the funds to the socially disadvantaged. **Section 206** appropriates the full authorization of \$15 million under the program which provides facility upgrade funds for 1890 land grant colleges, while **Section 207** establishes a bi-partisan, five to twenty-five member advisory committee, appointed by the Secretary, to determine whether 1890 land grant colleges are receiving funding equal to other similar institutions. **Section 208** appropriates the full authorization of \$10 million for the Outreach and Technical Assistance for Socially Disadvantaged Producers Program. And, **Section 209** appropriates the full authorization of \$8 million for the Extension Indian Reservation Program.

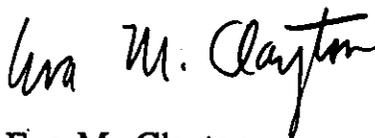
Title III

This Title consist of one section. **Section 301** appropriates the full authorization of \$85 million and \$500 million, respectively, for farm ownership and operating loans. Often USDA is the lender of last resort, especially for socially disadvantaged farmers, and this section ensures that sufficient funds are available for the performance of this function.

Additional information and material, including a copy of the Bill, is available by contacting my Office. Your staff may feel free to speak with my Administrative Assistant, Johnny Barnes at (202) 225-3101.

Thank you for your consideration and cooperation. I trust I will hear from you very soon.

Sincerely,



Eva M. Clayton
Member of Congress

EMC:jb

**TESTIMONY OF
SECRETARY DAN GLICKMAN
U.S. DEPARTMENT OF AGRICULTURE
BEFORE THE
HOUSE COMMITTEE ON AGRICULTURE**

JULY 17, 1997

INTRODUCTION

Mr. Chairman, members of the Committee, thank you for the opportunity to be here. I have with me Deputy Secretary Rich Rominger, and Pearlie Reed, the former head of our Civil Rights Action Team (CRAT), now our Acting Assistant Secretary for Administration. We are all pleased to appear before this committee on the important topic of civil rights at the U.S. Department of Agriculture. Abraham Lincoln called us 'the people's department.' We at USDA are working hard to restore the full luster of that name.

I'd like to in particular thank those on this committee and elsewhere who've shown a deep *personal* commitment to and involvement in the civil rights struggles of USDA. The support of Congress, and in particular this committee, will be crucial to the progress we make.

It was a little over 2 years ago when I appeared before this committee to first talk about my plans for USDA. We talked about wheat and cattle, crop insurance and conservation, Kansas and California. We did *not* focus on civil rights. Quite honestly, if there was one ambush awaiting me in this job, this is it.

Today, I spend as much if not *more* of my time dealing with civil rights matters as I do any specific farm program. The reason's simple enough: We have a long history of both *discrimination* and *perceptions* of unfairness that go back *literally* to the middle of the 19th century.

For those who look back on the progress made in the 1960s, of the historic civil rights laws passed in that time, and think we got the job done, I can say, just from my experiences at USDA, we do not yet *fully* practice what we preach. I've talked to people who've lost their farm ... *good people* ... who lost their family land ... not because of a bad crop, not because of a flood, but because of the color of their skin. I've talked to employees ... *dedicated public servants* ... who've been humiliated, abused and then punished for speaking up.

I want to close this chapter of USDA's history. My goal is to get USDA out from under the past and have it emerge in the 21st century as *the* federal civil rights leader. The American farmer and the American people deserve nothing less.

I appear before you today, *proud* of the progress we have made in calling attention to the problem, of starting to focus ourselves on *solutions* and getting key changes quickly in place. But I also appear before you today having undergone a *reality check* as to the *massive* amounts of

time, resources, people power and leadership -- both at USDA and in the Congress -- that it's going to take to get the job done *right*.

I also want to emphasize that the overwhelming majority of our employees are committed to treating their co-workers and customers with dignity and respect. The institutional and personnel problems which continue to afflict the department should not demean the majority of our committed and capable staff. By and large, USDA employees are dedicated, fair-minded, overworked and underpaid.

SCOPE

Like discrimination in many of America's public and private institutions, civil rights problems at USDA are *not* going to disappear overnight. If there were easy solutions, I assure you: We would not be sitting here today. But the fact is, there is no silver bullet. We're going to have to get through this the old-fashioned way -- with our sleeves rolled up and a whole lot of people doing a whole lot of work.

Our efforts are already well underway. As most of you know, it's been 5 months since the release of USDA's civil rights reports. Just to give you a general idea of the scope of the efforts underway at USDA, we've had *12* civil rights listening sessions across the country to hear from farmers, ranchers, employees, rural residents and community leaders. Our report listed *92* specific recommendations to improve the civil rights climate at USDA. To carry them out, we've organized *33* implementation teams involving approximately *300* people. Together, they've logged tens of thousands of hours of work, and we still have a long way to go.

I'd like to briefly give you an overview of where we are today.

PROGRESS TO DATE

Where progress could be made on my authority, we have moved quickly:

-- I've made it a *condition* of employment that every employee treat every co-worker and customer fairly and equitably, with dignity and respect. No exceptions. No excuses.

-- We have a new foreclosure policy: Now, when a written civil rights complaint is lodged, the foreclosure is frozen -- wherever it is in the process -- until an independent review occurs and a judgement is made as to whether or not discrimination occurred.

-- We have a zero-tolerance policy for reprisals against employees who file civil rights complaints. From now on, a 3-person panel made up of one union or employee representative, one manager or personnel staff, and one mediator will investigate alleged reprisals and make *binding* recommendations.

-- I've also ordered that loan processing continue on accounts where a discrimination complaint is pending. Standing up for your rights should *not* disqualify someone from seeking a farm loan.

If it's the loan processor facing the allegations, then another FSA loan officer will be assigned to work with the applicant. If their loan can't be approved, they get a meeting and a written letter of explanation. That last part helps clear up the problems *and* the perceptions.

-- Without question, part of the problem *is* economic. Smaller farmers of all ethnic backgrounds are having an increasingly difficult time coping with the massive changes that are occurring in the structure of agriculture. Yesterday, I announced the formation of a National Commission on the Small Farm. It will be headed by a former member of this committee, Harold Volkmer, of Missouri. His commission will talk to folks across the country and pull together the thread of rural and economic conditions that affect America's small farms, and weave a national strategy to make our small farms as powerful a force in agriculture's future, as they have been in our past. I've asked for their report by Sept. 30. I look forward to sharing it with all of you and taking bold steps in that area, as well.

-- Under the economic rubric, we will also propose legislation to modify certain provisions of the '96 Farm Bill to provide more flexibility in terms of assisting farmers who rely on USDA for farm operating credit. In my book, the '96 Farm Bill went too far in restricting credit, particularly to those farmers who received a debt forgiveness and were denied an opportunity to work their way back to qualifying for assistance. That's even harsher than *commercial* credit standards and needs to be corrected.

-- USDA will also soon have an Office of Outreach which may be the most *visible* evidence that USDA is *serious* about reaching out to customers whom we've neglected in the past. *All* our potential customers should get the information they need to use our programs and services.

-- We also expect to soon fill the newly created position of Associate General Counsel for Civil Rights. This person will head a staff of attorneys who will be dedicated exclusively to the performance of civil rights functions.

These are just the highlights of what we've done. You should all have a more complete accounting in the package of material that my staff has handed over to this committee.

BACKLOG UPDATE

I mentioned earlier a reality check. Nowhere has it been more abrupt than in our efforts to resolve the backlog of nearly 2,300 civil rights complaints -- 1,500 from employees, and nearly 800 in our farm and rural development and other programs. Some of them go back *years*. This shows the rift between civil rights and civil realities. I don't have to explain to anyone on this committee what's likely to happen to a small farmer who's denied a timely loan. Or, the employee who's filed a complaint against her boss, and then has to wait year after year for closure.

I am not proud of the history of USDA in the past 15 years in resolving these complaints. Our organizational structure and institutional commitment to resolving program and personnel

complaints have left a lot to be desired. Quite frankly, neither past administrations, nor past Congresses, devoted very much time to this issue.

Since the CRAT report, we've focused huge amounts of time and resources on resolving these complaints. We've settled 215 cases of alleged discrimination against employees, and closed 89 cases on the program side. Of that 89, 4 cases involved what I would characterize as *significant* settlements -- adding up to more than \$2 million.

USDA stands ready to resolve -- quickly and fairly -- *legitimate* civil rights complaints. And, I stress the word 'legitimate' because we still have an obligation to taxpayers to ensure that charges are warranted. We cannot simply settle for settlement's sake. We must investigate each charge.

This is where we've hit the proverbial brick wall. A good part of the reason for the backlog is the fact that in 1983, USDA's civil rights investigation unit was dismantled. We're just now in the process of hiring back those positions. Currently, we're using contract investigators to help us sort through the backlog. We expect that a permanent staff will help us break up the logjam, but this will remain a lengthy, arduous process that is likely to take a year to wrap up responsibly.

Once we *get* back to ground zero, we're working on ways to move the process along at a quick but *fair* clip that allows all parties to move on with their lives.

BUILDING ACCOUNTABILITY

See, we don't just want to fix what's wrong. We want to build an institution that consistently does what's *right*. That requires building more accountability into the system. In this area, in particular, we're going to need to work very closely with this committee.

We need to send a *strong* signal throughout our ranks that USDA is *serious* about *institutionalizing* civil rights -- up and down our ranks. I've given Mr. Reed the authority to rate agency heads on their civil rights performance. It will no longer be a second-tier consideration.

We're also working to ensure that our civil rights objectives are incorporated into our performance management system, so managers *know* what's expected of them, and understand that they will be rated based on how well they live up to those expectations.

Finally, there is the question of the USDA structure which serves agriculture outside of Washington. As an 18-year member of this body from the great agricultural state of Kansas, I am under *no* delusions as to the political degree of difficulty of any legislative proposal to convert county employees to federal employees. While this change was suggested in our civil rights report, its origin is almost entirely based on general management concerns.

Our county field structure is far from resembling a Fortune 500 corporation. But as we downsize and streamline and all the rest, I think a brief comparison is worthwhile. Right now, we're

operating under 2 personnel systems. A system of county-based employees and federal employees whose salaries are all paid by the federal government. In the same county office, we find both federal and non-federal employees all doing USDA work -- side by side -- but they don't have the same boss.

This is something you'll be hard-pressed to find in the private sector because it is (that *dreaded* management consulting word): *Inefficient*.

Now, what does that mean? We have a county committee. They are our grass-roots connection and bring to the table *hands-on* farmers' knowledge of how federal policies actually work. These men and women are like the *Board of Directors*. They care about *the big picture ... getting* their rural communities and farmers the federal resources they need ... *seeing* federal conservation policies, rural development efforts and farm programs work in *their county*. Their role in substantive policy and program matters would *not* be affected by this shift.

This proposal will not get in their way. It will simply take the *next logical step*. It will recognize all the changes that are occurring, it will close the accountability gap on civil rights, and it will create a more *efficient* field structure where everyone does what they do best. County committees will be free to focus more fully on the big picture, and nuts-and-bolts personnel management will be carried out according to *one* national standard. This will help create a more *positive, consistent* work environment for our field staff and a *higher* standard of service for *all* our customers. Done right, it will also eventually save us the thousands of hours and millions of dollars we're putting out right now on the *damages* side of civil rights enforcement.

I understand that the nature of a bureaucracy is to *resist* change. I understand, too, that for decades this has been an untouchable issue and probably rightly so for the times. But today I am utterly convinced that we can do this the *right* way, and I am equally convinced that this is simply *the right thing to do*.

This is an idea that's time has come.

CONCLUSION

You know, our employees out on the front lines of this effort liken their work to 'trying to turn an elephant around using a pin.' We are dealing with a large federal bureaucracy ... one that is scattered across every county of this nation. We're also dealing with civil rights which involves laws and policies, but also people's hearts and minds. Some things change faster than others.

It's hard not to draw the comparison to President Clinton's One America Initiative. On the one hand, racial healing is such a vast and squishy issue that few people have any real *concrete* ideas where to *even begin*. On the other hand, discrimination runs so completely counter to everything we stand for as a nation, that the alternative -- to do nothing -- would be unthinkable.

Today, President Clinton is talking to the NAACP and the National Association of Black Journalists about our options as a nation. I am here talking to all of you.

I have every confidence that these actions -- if embraced by this Congress -- *will* be extraordinarily positive for the Department of Agriculture.

USDA is special in its advocacy for America's farmers and ranchers. These changes will make us even more effective. We can't change how every person treats every other person. But *we can* demand a basic respect for the human rights and dignity of our customers and employees. If we do, we will strengthen 'the people's department,' and dramatically improve USDA's ability to serve agriculture and our nation.

Thank you.

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EVA M. CLAYTON
1ST DISTRICT, NORTH CAROLINA

COMMITTEES:
AGRICULTURE

SUBCOMMITTEES:
RISK MANAGEMENT AND SPECIALTY CROPS
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Congress of the United States
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WASHINGTON OFFICE:
222 CANNON BUILDING
WASHINGTON, DC 20515
(202) 225-3101

DISTRICT OFFICES:
134 N. MAIN STREET
WARRENTON, NC 27589
(919) 257-4800

400 WEST 5TH STREET
GREENVILLE, NC 27834
(919) 758-8800
1-800-274-8672

May 19, 1996

The Honorable William J. Clinton
President of the United States
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear President Clinton:

I want to bring to your attention a high priority matter for the Black Community --- the recent and important activity surrounding the longstanding problem of discrimination against Black farmers within the United States Department of Agriculture. Indeed, widespread unfair and unequal treatment of socially disadvantaged and minority farmers has been well documented for more than three decades.

A GAO Report, an Inspector General's Report and an exhaustive Civil Rights Action Team Report are just the latest in a series of government initiatives examining this problem. I have taken the liberty of enclosing copies of each of those reports for your use and information.

The issue was first raised in 1965, when the U.S. Commission on Civil Rights established that USDA discriminated both in internal employee actions and external program delivery activities. An ensuing USDA Employee Focus Group in 1970 reported that USDA was callous in their institutional attitude and demeanor regarding civil rights and equal opportunity. In 1982, the U.S. Commission on Civil Rights examined this issue a second time and published a report entitled, "The Decline of Black Farming in America." The Commission concluded that there were widespread prejudicial practices in loan approval, loan servicing and farm management assistance as administered by the Farmers Home Administration.

However, as no improvement was forthcoming, this matter was investigated again in 1990 by the House Governmental Operations Committee, chaired by my colleague, Representative John Conyers. Ironically, the same conclusion was reached in 1990 as had been reached in 1982 --- that "FmHA has been a catalyst in the decline of minority farming". That conclusion is found in the Conyers Report, entitled, The Minority Farmer: A Disappearing Resource; Has The Farmers Home Administration Been The Primary Catalyst?,

Then, in January 1997, the General Accounting Office published a Report entitled, "Farm Programs: Efforts to Achieve Equitable Treatment of Minority Farmers." While much of the Report was inconclusive due to its limited scope, GAO did find instances of discrimination. GAO also found that the disapproval rate for loans was 6% higher for minority farmers than the rate for nonminority farmers.

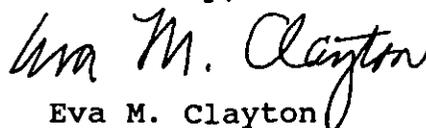
The very next month, two related reports were released: the Office of Inspector General Evaluation Report for the Secretary on Civil Rights Issues and the Civil Rights Action Team Report. The authors of these hard-hitting reports came to the identical conclusion as those who had looked at this issue 32 years previously--- there are significant problems with discrimination within the Department of Agriculture.

In addition, in November of last year, FSA Administrator Grant Buntrock stated in a public speech that "[w]e recognize . . . there have been instances of discrimination in responding to requests for our services in the past, and we deplore it."

Throughout his tenure, Secretary Glickman has continued to display a firm intent to promote change at USDA. As you know, however, Mr. President, change, the kind of which is needed in this situation, is very difficult and very demanding. It is my hope, and the hope of many of my colleagues in the Congress as well as the hope of many Black Americans across the United States, that you will provide Secretary Glickman the kind of support he will need if true change within USDA is to be realized. To this end, we believe it is important that, at your earliest convenience, you make some public pronouncements and commitments about this matter. In that way, you will demonstrate that rooting out discrimination within USDA is a national priority, and you will give the current effort the kind of boost that is required to begin to bring to a close a chapter in our Nation's history that should have been closed long ago.

I am happy to provide further information and to brief you on this matter should that be desired. Thank you for your consideration and cooperation.

Sincerely,



Eva M. Clayton

cc: Congresswoman Maxine Waters
Chair, Congressional Black Caucus

THE WHITE HOUSE

WASHINGTON

July 4, 1997

Dear Eva:

Thank you for writing regarding the civil rights issues facing the United States Department of Agriculture (USDA).

Secretary Glickman has made civil rights one of his top priorities at USDA. I am in full support of the Secretary's actions and want to assure you that I will continue to push for fair and equitable treatment of all Americans by the USDA and other government agencies.

Secretary Glickman has informed me of the long-standing problems with discrimination at the USDA and regularly provides me reports regarding implementation of the recommendations of the Civil Rights Action Team, which conducted a thorough audit of the issues of discrimination and unequal treatment. The Secretary has also met with leaders of the Association of Black Farmers and members of the Congressional Black Caucus to hear first-hand the concerns with discrimination in loan and other credit programs at the Department. In addition, the USDA has established a Civil Rights Implementation Team that is assiduously addressing each of the ninety-two recommendations in the Civil Rights Action Team report released last February.

Although much work remains to be done, I am pleased that the USDA continues to make progress in resolving discrimination problems and has recently reported several key accomplishments including: the settlement of four bias suits by African-American farmers since January 1, 1997, for a total settlement of \$1.2 million, plus debt write-downs; and the halting of all loan foreclosures when discrimination has been alleged until completion of an independent review. The USDA is also taking a much more aggressive and systematic approach to handling the backlog of program discrimination complaints, sending a message throughout its employee ranks that discrimination and reprisal will not be tolerated.

Over the next several months, the USDA will be increasing outreach to minority agricultural producers, expanding locally elected farmer county committees to include under-represented groups and providing more opportunities for participation in loan and conservation programs.

The Honorable Eva M. Clayton
Page Two

As you know, we recently began a year-long initiative on race. Our effort will focus on how we can use policies and people to help unite America while maintaining a respect for each other's differences. It will be a balance of dialogue, study and action, and will focus on the future of our nation in terms of demographics and the complexity of race issues. In the upcoming year, I will be looking for opportunities to make public pronouncements concerning black farmers, and will continue to support the work of Secretary Glickman and his implementation team.

I appreciate your assistance on this issue, and look forward to working with you toward a solution. I feel confident that through a careful balance of dialogue and action, we will be able to move forward on this issue.

Sincerely,

Bill Clinton

CIVIL RIGHTS PROGRESS AT THE DEPARTMENT OF AGRICULTURE

CIVIL RIGHTS ACTION TEAM (CRAT)

- In December, 1996, the Secretary commissioned the CRAT to review civil rights issues at the Department of Agriculture. It conducted 12 listening sessions around the country and produced a report with 92 recommendations, delivered to the Secretary February 28, 1997.

CIVIL RIGHTS IMPLEMENTATION TEAM (CRIT)

- 300 employees in 33 sub-teams will have implemented one-half of the 92 CRAT recommendations by the end of this month; by the end of September, most of the rest will be in place.

FARM CREDIT

- During the week of April 21, 1997, the Secretary issued two directives strengthening previous policy to prevent foreclosures of USDA loans:
 1. If the borrower has a pending discrimination complaint, an independent review team will examine the case before foreclosure actions proceed.
 2. If an applicant has a pending discrimination case and the loan officer is the official against whom the applicant alleges discrimination, the loan will be reassigned to another official. If USDA cannot approve the loan, the applicant will be told in writing and in person.
- Senior USDA officials met with representatives of the National Black Farmers Association, lenders, and others last week to facilitate the availability of credit in Virginia for planting season.
- The pending supplemental appropriations bill contains funding that will enable USDA to make \$110 million in guaranteed loans this year; without these resources, the Department will soon exhaust its FY97 appropriation for credit assistance.

SETTLEMENTS

- As of May 20, 1997, USDA has settled 3 cases in which the former-Farmers Home Administration was found to have discriminated. The settlements amount to payments of \$1,195,000 and debt write-offs of \$442,000.

COMPLAINT BACKLOG

- In April, USDA assigned 12 teams to begin working the backlog of 2000 discrimination complaints. Their goals is to resolve the cases by dismissal, mediation, settlement, or assignment for completion of investigation by June 1. By August 1, USDA will have a new system to streamline the complaint system.

LEGISLATION

- 13 of the CRAT recommendations will require legislation which several CRIT teams are working to draft.

May 20, 1997



THE SECRETARY OF AGRICULTURE
WASHINGTON, D. C.
20250-0100

May 20, 1997

MEMORANDUM FOR THE PRESIDENT

From: Secretary Dan Glickman

Subject: Progress on Civil Rights at the Department of Agriculture

A handwritten signature in black ink that reads "Dan Glickman". The signature is written in a cursive style and is positioned over the "From:" and "Subject:" lines of the memorandum.

Since my January 27, 1997 memorandum to Chief of Staff Bowles, the Department of Agriculture (USDA) has established a Civil Rights Implementation Team (CRIT) to implement the 92 recommendations in the Civil Rights Action Team (CRAT) Report I commissioned last December and which I received February 28, 1997.

Under the acting assistant secretary for administration, who served as the CRAT leader, the CRIT, composed of 300 employees in 33 sub-teams, will have implemented approximately one-half of the CRAT recommendations and by the end of this September, most of the rest will be in place.

I am attaching to this memorandum the full CRAT report as well as the most recent weekly CRIT progress report. The department has been involved in a number of related events. Below, I have summarized some of the most significant:

U.S. COMMISSION ON CIVIL RIGHTS AUDIT

On April 4, I met with Mary Francis Berry, Chairwoman of the Commission on Civil Rights. Ms. Berry shared her continuing concerns about whether USDA has sufficient resources dedicated to civil rights in program delivery and outreach, that a culture exists within the department that is unreceptive to diversity and change, and about the lack of good legal assistance in the area of civil rights from the office of the general counsel. I explained to her what we are doing to address these issues. She and I agreed that the commission will continue to monitor these issues and will conduct a civil rights audit after October 1998.

CONGRESSIONAL BLACK CAUCUS HEARING

On April 16, I met with members of the Congressional Black Caucus (CBC) to

discuss the CRAT recommendations and implementation. The CBC raised several specific issues including: the backlog of program and employee complaints, providing legal assistance on civil rights, ensuring accountability for those who discriminate, and departmental policy on foreclosures and making farm operating loans when the borrower has alleged discrimination.

On April 23, the CBC held a hearing focused on these issues of discrimination that CBC Chairwoman Maxine Waters chaired. She was joined by Representatives Bennie Thompson, Sanford Bishop, William Clay, Elijah Cummings, Danny Davis, Jesse Jackson, Jr., Eddie Bernice Johnson, Cynthia McKinney, Donald Payne, Robert Scott, Albert Wynn, Sheila Jackson-Lee, John Conyers, Eva Clayton, Donna Christian-Green, Eleanor Holmes Norton, Juanita Millender-McDonald and William Jefferson. House Minority Leader Dick Gephardt made a surprise appearance.

Farmers at the hearing questioned whether USDA is working quickly enough on CRAT implementation, stated that the USDA loan program was unresponsive to black farmers, and that they had received racist threats. The farmers also stated their contention that USDA is at the center of a conspiracy to take their land. They were concerned about a continued decline in the number of black farmers and about the lack of loans for this spring's crops.

BLACK FARMERS RALLY AT USDA

Prior to the April 23 CBC hearing, several hundred black farmers rallied outside of USDA headquarters that featured Representatives Maxine Waters and Bennie Thompson, and John Boyd, President of the National Association of Black Farmers. Speakers were concerned about the declining numbers of black farmers and one speaker stated if the current trend continues, there would be no black farms by the year 2000. Farmers charged that USDA was not doing enough, fast enough, to satisfy them. They stated that discrimination and lack of access to capital were key reasons for the declining numbers. They also charged that USDA was not making money available to them in time to plant their crops this spring.

CREDIT

USDA's credit programs continue to be near the center of many of the civil rights concerns with which I am dealing.

Virginia's Senator Robb and Lieutenant Governor Donald S. Beyer, Jr., asked me by telephone for emergency aid for black farmers who need loans this growing season. USDA has now freed up this money so it is available to the farmers. USDA is securing guaranteed loans from banks to provide immediate aid to the

farmers. Last week, senior USDA credit officials met with representatives of Virginia banks, black farmers, and others to facilitate providing operating credit this planting season. Also, the pending supplemental appropriations bill includes funds to provide an additional \$110 million in guaranteed loans this fiscal year.

I issued two directives the week of April 21 freezing foreclosures at all stages of processing until all charges of discrimination are investigated by an independent review team. This is a more stringent civil rights protection measure than USDA has had in the past and a step further than the policy I announced last December. In the second directive, I changed other loan processing actions to make sure loan processing continues when a discrimination complaint is pending. Further, if a loan applicant alleges discrimination and his or her application is being process by the USDA employee against whom the charge is made, another loan officer must process the application. If USDA cannot approve a loan, the applicant must be advised, in a meeting and in writing, to explain why the loan application was denied.

COMPLAINT BACKLOG

In early April, the department began dealing with the backlog of at least 2,000 discrimination complaints. The new civil rights division has 12 sub-teams working to eliminate the backlog of 550 program discrimination and 1,450 equal employment opportunity complaints. Cases that can be dismissed will be; cases with incomplete investigations will be mediated, settled or assigned for completion of investigation; and cases that have possible cause will be settled or decided. My goal is to resolve those cases that can be resolved by the first week of June.

However, the backlog issue may be worse than I had originally thought. Files are disorganized and, in some cases, have not yet been located. Officials have as yet been unable to reconcile some records. But in many cases, because employees and customers have filed more than one case, if the department handles one case, 5 or 6 cases may be settled.

The new civil rights division officials are working to streamline the basic complaint process. When the new process is in place, all civil rights information will be merged into a centralized data base. This will help the department respond and resolve any future civil rights complaints in a more timely manner. The goal is to have the new system in place by August 1.

SETTLEMENTS

The department has settled three major complaints from farmers who were discriminated against by the former Farmers Home Administration, including the

case of the president of the National Black Farmers Association. These settlements total \$1,195,000 in payments and \$442,000 in debt write-offs. The settlements underscore USDA's commitment to quickly and fairly resolve legitimate civil rights complaints. I hope there will be more settlements in the future.

In summary, I have made the civil rights issues at USDA my top priority. We have many dedicated employees who are working diligently to address the long-standing and entrenched problems here at USDA. In addition to addressing the root causes of these problems and instituting long-lasting organizational change, I have stressed diversity and commitment to civil rights in my recommendations to fill the openings in top leadership positions.

I appreciate your continued interest and ask for your continued support.

attachments:

Civil Rights at the United States Department of Agriculture: A Report by the Civil Rights Action Team, February, 1997.

Civil Rights at the United States Department of Agriculture: Civil Rights Implementation Team Progress Report Number 4, May 16, 1997.

cc:

Ersine Bowles, Chief of Staff to the President
Sylvia Mathews, Assistant to the President and Deputy Chief of Staff
Rahm Emanuel, Senior Advisor to the President
Kitty Higgins, Cabinet Secretary
Maria Echaveste, Director of Public Liaison

Mr. President - The challenges confronting USDA on this issue are great, but the opportunities are even greater for us and the Administration if we can continue to make substantial progress on our commitments. To date, employees at USDA and our customers trust that we are acting in good faith.
Dan

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. fax	Cell Phone No. (Partial) (1 page)	07/16/1997	P6/b(6)

COLLECTION:

Clinton Presidential Records
Domestic Policy Council
Elena Kagan
OA/Box Number: 14369

FOLDER TITLE:

Race - Race Initiative Policy: Rural Issues/USDA [1]

2009-1006-F
db1540

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

*Rac init p'ficy - uncap
issues*

PRESS RELEASE

Law Offices Of James W. Myart, Jr. & Assoc. • 306 Preston Avenue • San Antonio, TX 78210 • (210) 537-6160 • Fax: (210) 537-8456

For Immediate Release

Date: July 16, 1997
Contact: James W. Myart, Jr.
Phone: (202) 298-7800 (Guest, Georgetown Suites)
Cell Phone: P6/(b)(6)
Fax: (202) 333-5792

ANNOUNCING PRESS CONFERENCE

TODAY!!!

DATE: July 17, 1997
PLACE: Longworth House Office BLDG, Rm. 1306
Independence Ave Entrance, Across from the U.S. Capitol
TIME: 1:00 P.M.

BLACK FARMERS DEMAND SUBSTANCE NOT WORDS FROM SECRETARY DAN GLICKMAN Plead President Clinton to Intervene

Washington, D.C.—Angered by what they say is “political lip service” from Agriculture Secretary Dan Glickman, black farmers from across the United States will converge on Washington this Thursday to stage a protest against the discriminatory practices of the Agriculture Department and to attend the House AG. Committee hearing at which Secretary Glickman will testify, according to Attorney James W. Myart, Jr. of Texas.

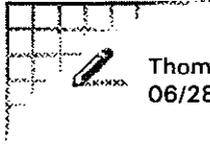
Secretary Glickman, for months, has made highly publicized admissions that the

USDA has discriminated against black farmers. He has created a Civil Rights program designed to address the issue and to provide a process by which to compensate farmers where discrimination and damages have been found. The Secretary has pronounced that there is a "new USDA". Black Farmers, however, say that Glickman's efforts are merely a show with no substance. Pointing to the mysterious disappearance of \$11.7 million dollars earmarked for USDA minority outreach and civil rights, continued foreclosures on farms owned by minority farmers, delays in investigations of farmer discrimination complaints, lack of minority lawyers in the Office of General Counsel, internal gridlock between the Office of General Counsel and the newly created Office of Civil Rights and Glickman's lack of leadership, the farmers are demanding President Clinton's intervention.

The Texas and Virginia-based national black farmers groups are joining in the protest effort. John Boyd, Va., and Walter Powell, La. both say that the Agriculture Department has not changed its discriminatory practices, continues to stonewall eradication of discrimination and fight farmers who have filed lawsuits in cases where the USDA confirmed that it discriminated against them.

The farmers say that Glickman is sabotaging his own Civil Rights efforts by sitting idly by and allowing James Gilliland, USDA General Counsel, to erode the Civil Rights program being implemented by Perlie Reed, Assistant Secretary for Administration. According to Myart, "Glickman is encouraging further racism within the department by allowing the OGC/Civil Rights feud." Myart said, "Farmers simply have no confidence in Mr. Glickman because he talks good, but does not deliver on a fundamental principle-enforcement of the law".

Race initiative - policy -
~~agri~~ rural issues



Thomas L. Freedman
06/28/97 06:10:18 PM

Record Type: Record

To: Elena Kagan/OPD/EOP, Jose Cerda III/OPD/EOP

cc:

Subject: Agriculture and civil rights

in some work with USDA, we've been running into the strong work Glickman has been doing on race and USDA. They've put out an interesting report with 98 recommendations and evidently the POTUS enjoyed their memo on it very much... i've got the materials, etc. but likely i'm old news...anyway, they were suggesting a POTUS black famers/rural plural America event...happy trails.

Greg Frazier

TUESDAY, THE 3RD

ELENA -

BASED ON YOUR PRESENTATION
AT THE CHIEFS OF STAFF BREAKFAST
THIS MORNING, I THINK THESE
MATERIALS ON WHAT WE ARE
DOING AT OSDA WILL BE OF
INTEREST. LET ME KNOW IF
WE CAN HELP.

GREG FRAZIER.



Race - USDA initiative

THE SECRETARY OF AGRICULTURE
WASHINGTON, D. C.
20250-0100

May 20, 1997

MEMORANDUM FOR THE PRESIDENT

From: Secretary Dan Glickman

Subject: Progress on Civil Rights at the Department of Agriculture

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Erskine Bowles, Chief of Staff to the President
Sylvia Mathews, Assistant to the President and Deputy Chief of Staff
Rahm Emanuel, Senior Advisor to the President
Kitty Higgins, Cabinet Secretary
Maria Echaveste, Director of Public Liaison

Mr. President - The challenges confronting USDA on this issue are great, but the opportunities are even greater for us and the Administration if we can continue to make substantial progress on our commitments. To date, employees at USDA and our customers trust that we are acting in good faith.