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Lawmakers, farmers of color criticize USDA's new funding initiative

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Dozens of lawmakers called on the USDA on Thursday to clarify how it plans to fund a new initiative to benefit disadvantaged farmers after farmer advocates blasted the department over how it plans to fund the program.

Agriculture Secretary Sonny Perdue unveiled the initiative, called Centers of Community Prosperity (CPP), in October. Under the program, newly created local councils will host training and workshops, allowing farmers to take the lead in what USDA called a “bottom up approach” to funding. Last month, the department announced that $4 million would be directed to the program, half of the money coming from the popular 2501 program.

The response from farm advocates was swift — and negative. The department was accused of creating an opportunity that may not uniquely benefit farmers of color, given historic discrimination against farmers as they've sought USDA funds and the more urgent need to help farmers facing hardship caused by the coronavirus pandemic. The initiative, they said, also risks diverting attention from the 2501 program, which already provides funding to help disadvantaged farmers seeking loans and grants.

“While USDA's new Centers for Community Prosperity may have laudable goals, it should not be funded at the expense of critical technical assistance and support that is needed now more than ever for our nation's farmers of colors,” said Juli Obudzinski, deputy policy director with the National Sustainable Agriculture Coalition in a statement to POLITICO.

In a strongly worded letter dated Wednesday and signed by 42 members of Congress, lawmakers questioned the need to reallocate funds from the 2501 program.

"We were ... concerned to learn that instead of directing FY 2020 2501 appropriations to grants established through the 2018 Farm Bill, the Unites States Department of Agriculture (USDA) instead redirected this funding to a new initiative created by the Administration," the letter said. "[W]e understand this decision was made without a robust process for input and consultation with 2501 stakeholders and the communities of color and veterans that they serve."

The lawmakers called for full transparency of all grants awarded as part of the new initiative and they insisted that USDA provide details to Congress and the public about the awards, including recipients of funds, activities and services provided, and number of current and prospective socially disadvantaged farmers or ranchers served. The grant deadline is next week.

Farm advocates say historical and current discrimination from USDA and local Farm Service Agency (FSA) councils has created skepticism about the new initiative, which they say should avoid tapping into funds from the 2501 program.

The 2501 program was created through the 1990 Farm Bill to help fund socially disadvantaged and veteran farmers and ranchers, who have had limited access to USDA loans, grants, training and technical assistance. Since 1994, the program has awarded 452 grants totaling more than $103 million, according to the USDA.

The Community Prosperity grants also are considered 2501 grants, according to USDA, because half of the $4 million come from 2501.

“CCPs represent the partnerships between USDA and USDA stakeholders … to foster hope and opportunity, wealth creation and asset building in rural and underserved and persistent poverty communities,” a USDA spokesperson said in an email to POLITICO. “Of the existing CCPs at institutions of higher education, seven exist within persistent poverty counties.”

The new initiative is an effort to reach farmers and ranchers of color in persistent poverty counties with a strategy to match them with resources, USDA said.

There are over 267,000 farmers and producers of color, or 5 percent of the U.S. total, compared to 3.2 million who are white, according to the 2017 Agricultural Census.

USDA was the subject of a class action suit by over 40,000 Black farmers resulting in a $1.2 billion settlement to farmers who claimed they suffered racial discrimination in USDA farm loan programs. Farmers and producers apply for loan programs through their local FSA offices.

Margaret Krome-Lukens, a senior program manager at Rural Advancement Foundation International-USA, said her organization is concerned that the new funding opportunity is a poor use of resources in a pandemic. Krome-Lukens is also skeptical the funds will go to farmers of color.

“Given the harm done by the way county committees have operated, we are cautious and wary of local prosperity councils mirroring the same dynamics of existing power structures that haven't changed,” Krome-Lukens said. “This [2501] is too good of a program to put it at risk like that.”

Advocates said county committees do not often include input from farmers of color, causing the farmers to avoid using the committees.

“There are some good ol’ boy networks in a lot of rural southern counties where you have family members that are passing the role of county committee member to the next generation and holding power in specific ways,” said Tahz Walker, program manager and farmer liaison of RAFI-USA and a Black farmer. “We don't want to see it [CCP] mirror that.”

John Boyd, president of the National Black Farmers Association, said he opposes the Centers for Community Prosperity because he believes direct funding from 2501 is the best option to avoid recreating discriminatory local practices.

“You don't see a lot of Black farmers participating because the programs are rolled out through the county offices where you are asking the same people that discriminated against you in the first place,” Boyd said. “It's almost like the fox watching the hen house.”

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