

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

TIMOTHY C. PIGFORD, et al.,

Plaintiffs,

v.

EDWARD T. SCHAFER, Secretary,
The United States Department
of Agriculture,

Defendant.

Civil Action No. 97-1978 (PLF)

CECIL BREWINGTON, et al.,

Plaintiffs,

v.

EDWARD T. SCHAFER, Secretary,
The United States Department
of Agriculture,

Defendant.

Civil Action No. 98-1693 (PLF)

MONITOR'S FOURTH PROGRESS REPORT ON AMENDED DECISIONS

I. BACKGROUND

On August 7, 2006, the Court issued an Order directing the Monitor, under the authority conferred in paragraph 12(b)(ii) of the Consent Decree, to attempt to resolve with the parties any problems regarding:

1. Class members who received amended Adjudicator decisions that changed their cash relief;
2. Class members who received amended Adjudicator decisions that changed their debt relief; and
3. Claimants who received initial notification from the Facilitator that they were eligible to participate in the claims process, and then later received an

amended notification or notice of rejection from the Facilitator, resulting in the denial of their opportunity to participate in the claims process.

The Court directed the Monitor to report to the Court regarding the resolution of any problems in the above-described matters and the status of any unresolved matters.

The Monitor has filed several reports with the Court regarding these matters. The Monitor's Report and Recommendations on Amended Decisions, filed on July 9, 2007, provided detailed background about the Court orders regarding amended decisions and provided summaries of all prior reporting about amended decisions. That background will not be repeated here. The Monitor's Third Progress Report on Amended Decisions, filed on October 11, 2007, reported on the progress that had been made regarding certain implementation tasks identified by the Monitor and the parties regarding amended Adjudicator decisions. On October 22, 2007, the Court ordered the Monitor to report to the Court by February 8, 2008, regarding tasks that have been completed and the tasks, if any, that remain to be completed. This report is being filed to comply with that Order.

In this progress report on amended decisions, the Monitor reports that cash relief issues arising in the universe of amended decisions have been resolved, and that continued progress is being made regarding debt relief issues. Final reporting regarding eligibility issues was completed in the Monitor's July 9, 2007, report. This report recommends that the Court order the Monitor to report back about progress regarding debt relief issues by June 27, 2008.

II. CASH RELIEF ISSUES

The October 11, 2007, report noted that all cash payment issues stemming from the amended decisions universe were resolved, except that one claimant's \$3,000 non-credit

payment remained in process. This one claim has now been paid. All cash payment issues stemming from the amended decisions issues have been resolved.¹

III. DEBT RELIEF ISSUES

The Monitor's July 9, 2007, report explained in detail the key issues involved in completing the implementation of debt relief and ensuring that all prevailing claimants receive all of the debt relief to which they are entitled. That report and the Monitor's October 11, 2007, progress report explained the tasks that must be completed to ensure that debt relief is fully implemented. These tasks apply not only to the universe of amended decisions but to the entire *Pigford*-wide debt relief implementation system. The tasks are explained in detail in the Monitor's July 9, 2007, report. Briefly, they include completing implementation of systems for: (1) refunds of certain voluntary payments; (2) refunds of certain offsets; (3) determining the proper loan type for debt relief in certain cases; (4) managing the tax consequences of debt relief; and (5) giving county offices access to accurate information regarding *Pigford* debt forgiveness for each prevailing class member.

The United States Department of Agriculture (USDA) has informed the Monitor and Class Counsel that USDA is actively engaged in accomplishing these tasks. USDA has attempted to compile a list of all prevailing claimants who had any open USDA farm program debt during the class period, and USDA is augmenting the list as additional claimants who meet these criteria come to the attention of the parties or the Monitor. USDA reports to the Monitor

¹ This check involves an estate claim. USDA issued the check in the proper amount. Issues have arisen regarding the possible need to reissue this check to direct it to a personal representative of the estate. The remaining issues regarding this check are unrelated to amended decisions issues. For purposes of amended decisions reporting, USDA has fulfilled its obligation to issue a check in the proper amount to this claimant.

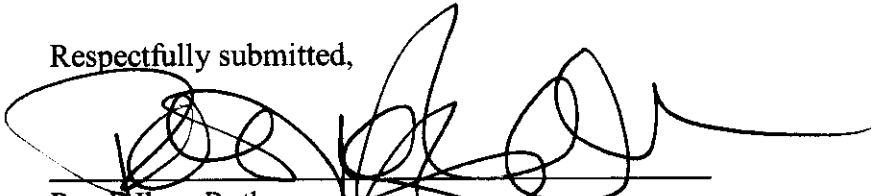
that USDA is reviewing the files of the borrowers on that list to determine: (1) that all debt required to be discharged has been discharged, including a determination that the proper loan type(s) have been discharged in all cases; (2) that any administrative or Treasury offsets on dischargeable debt have been terminated; and (3) that refunds on certain offsets and payments on dischargeable debt have been made. USDA intends to complete the analysis of borrower files by September 1, 2008. USDA plans to implement the results of the analysis on a rolling basis, and intends to complete implementation of the results of the analysis by December 31, 2008. USDA will send documents to the Monitor and to Class Counsel on a monthly, rolling basis, which will allow the Monitor and Class Counsel to verify the results for each borrower. And, finally, USDA is developing a system to ensure that county offices have access to accurate information regarding *Pigford* debt forgiveness for each prevailing class member.

IV. CONCLUSION

USDA continues to work in good faith to accomplish the debt relief implementation tasks outlined in this report and prior Monitor reports. The Monitor recommends that the Court order the Monitor to report to the Court on or before June 27, 2008, regarding USDA's continued efforts in completing those tasks.

Dated: February 8, 2008.

Respectfully submitted,



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