Equitable Relief from Ineligibility --- Key Points
December 2004

- **Statutory Authority and Regulation:** 7 U.S.C. 7996, Title I, Subpart F of the Farm Security and Rural Investment Act of 2002, Public Law 107-171. The regulation has been codified in the Federal Register at 7 CFR 635.

- **Provisions:** an NRCS conservation program participant may apply for equitable relief when a determination of non-compliance with a covered conservation program requirement has been issued. The authority for equitable relief applies to all cases for which the basis for the relief occurred after May 12, 2002.

- **Definitions:**
  - **Agricultural Commodity:** Any food, feed, fiber, or livestock that is subject to a covered program.
  - **Covered Program:** Any conservation program administered by NRCS.
  - **Participant:** A person or entity that has applied for and been accepted to participate in any covered program.
  - **Acting in Good Faith — Misaction/Misinformation:** Applying the required conservation system, practice, or operation and maintenance component incorrectly but consistent with instruction by an NRCS employee.
  - **Good Faith Effort — Failure to Fully Comply:** A covered program participant’s efforts at applying the required conservation system, practice, or operation and maintenance component, albeit incorrectly, but without an intent to defraud NRCS through a scheme or device, or other attempt to perform less than the requirements of the program.

- **Constructive Reason To Know:** Knowledge by way of a rule or provision that a person could or should have known such as, but not limited to, the following:
  - Statutes or public laws
  - Published regulations
  - Program applications, loan documents, or contracts
  - Letters or notices that the program participant has been sent
  - Press releases, newsletters, and Internet information

- **Basic Provisions:** The following table provides a comparative overview for the basis of relief under the Equitable Relief provisions:

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<th>Basis of Relief</th>
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<td>Misaction and/or Misinformation—(Acting in Good Faith):</td>
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<td>• An error was made by a program participant, but the error was the result of the detrimental, good faith reliance of the participant on an error made by NRCS.</td>
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<td>• There was no misrepresentation by the participant.</td>
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<td>• The participant had no reason to know there was an error.</td>
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<td>• The error caused a failure by the participant to meet the requirements of the applicable program.</td>
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<td>Failure to Fully Comply—(Good Faith Effort):</td>
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<td>• NRCS did not make an error that caused the failure of the participant to fully comply with the requirements of the applicable program.</td>
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<td>• An error was made by the participant so that he or she did not meet the requirements of the applicable program, but the participant made a good faith effort to fully comply.</td>
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• **Covered Conservation Program:**
  - Agricultural Management Assistance (AMA)
  - Conservation Security Program (CSP)
  - Emergency Watershed Protection Program (EWP)
  - Emergency Watershed Protection, Floodplain Easement Component (EWP-FPE)
  - Environmental Quality Incentives Program (EQIP), including active program contracts issued under the following de-authorized conservation programs:
    - Colorado River Salinity Control Program (CRSCP)
    - Great Plain Conservation Program (GPCP)
    - Interim Environmental Quality Incentives Program (IEQIP)
  - Farm and Ranch Lands Protection Program (FRPP)
  - Forestry Incentives Program (FIP) (2002 and prior year active contracts only)
  - Grassland Reserve Program (GRP)
  - Grazing Land Conservation Initiative (GLCI)
  - Resource Conservation and Development Program (RC&D)
  - Soil and Water Conservation Assistance (SWCA) (active contracts only)
  - Water Bank Program (WBP)
  - Watershed Protection and Flood Prevention Program, (WPFPP) (long-term contracts only)
  - Wetlands Reserve Program (WRP), including Emergency Wetlands Reserve Program (EWRP)
  - Wildlife Habitat Incentives Program (WHIP)

• **Limitations to Providing Equitable Relief:** The total amount of equitable relief for all loans, payments, and benefits for which relief may be provided to an NRCS conservation program participant shall not exceed $20,000. In addition, the following limitations apply:
  - A program participant who has already received $5,000 or more in relief for all loans, payments, and benefits for which relief has been requested is not eligible for any further relief.
  - Where equitable relief has been requested due to a particular action or advice that operates to the detriment of more than one participant, the total amount of loans, payments, and benefits for which relief is provided to the similarly situated participants shall not exceed $1 million.

• **Situations Not Subject to Misaction / Misinformation Relief:**
  - Programs not directly administered by NRCS.
  - Cases where the participant had sufficient reason to know that the action or information upon which he or she relied was improper or erroneous or where the participant acted in reliance on his or her own misunderstanding or misinterpretation of program provisions, notices.

• **Situations Not Subject to Failure to Fully Comply Relief:**
  - Areas where relief provisions are already provided under the specific program regulation or program manual provisions.
  - Conservation Program application deadlines.

• **Exclusions to the Equitable Relief Provisions:**
  - NRCS program participants are not eligible for any type of equitable relief from the following:
    - Payment Limitations — as set forth in the Food Security Act of 1985, as amended, Sections 1001 through 1001F (7 U.S.C. 1308 et seq.) for conservation programs administered by NRCS.

• **For More Information:**
  If you need more information about Equitable Relief from Violations, please contact your local USDA Service Center, listed in the telephone book under U.S. Department of Agriculture, or your local conservation district. Information also is available on the World Wide Web at the following web addresses:
  - [http://policy.nrcs.usda.gov/scripts/lpsiis.dll/M/M_440_509.htm](http://policy.nrcs.usda.gov/scripts/lpsiis.dll/M/M_440_509.htm)
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