



USDA Contract Freezes: Filing a NAD Appeal or Inquiry Letter

This resource is written for farmers and ranchers nationwide who have a signed contract with the USDA—including reimbursement contracts, cost-share contracts, and loans—and want more information on the mechanics of filing a National Appeals Division (NAD) appeal or sending an “Inquiry Letter” to get clarity on their contract status. This resource includes sample letters.

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** This resource is specific to farmers with existing **USDA contracts** (e.g., reimbursement contracts, cost-share contracts, and loans). For non-profits, institutions, or farms with terminated or frozen **USDA grants** (including REAP, RBDG, RME, VAPG programs and grant funding through AMS and NIFA), see our resource [USDA Contract Freezes & Terminations: Legal Action for Nonprofits with Signed Grant Agreements](#).*

Disclaimer: Farm Commons is offering this resource to provide farmers with educational resources as they make their own decisions about how to respond to USDA’s funding freeze. This resource does not provide legal advice and is not an offer to provide legal services. No attorney-client relationship is formed by the reading of this document or taking action as a result.

Farm Commons is not currently involved in any litigation on the USDA’s funding freezes. Unprecedented executive actions are occurring at unprecedented speed. The legal issues involved are complex, everchanging, and uncertain. The information we provide here is based on our current knowledge and understanding as well as ongoing conversations with lawyers and organizations. As the situation and our understanding continue to evolve, we will update this resource. Please seek the advice of a lawyer before deciding which action step is best for your situation.



No specific outcome is guaranteed as a result of filing a NAD appeal as described in this resource.

If you have received a written notification from the USDA terminating your contract, please contact us as soon as possible at info@farmcommons.org or 218 302 4030. Filing a NAD Appeal may be immediately necessary to preserve your right to be heard on appeal.

Common USDA farmer contracts that this resource addresses include:

**This is not an exhaustive list:*

Environmental Quality Incentives Program (EQIP)- NRCS

Conservation Stewardship Program (CSP) - NRCS

Regional Conservation Partnership Program (RCPP) - NRCS

Agriculture Conservation Easement Program (ACEP) - NRCS

Agricultural Risk Coverage & Price Loss Coverage (ARC & PLC) - FSA

Farm Loan Program (Direct and Guaranteed Loans) - FSA

Conservation Reserve Program (CRP) - FSA

Noninsured Crop Disaster Assistance Program (NAP) - FSA

Weighing your options

Challenging the USDA's decision to freeze a farmer's contract may be a powerful step in joining solidarity with other farmers and in resisting efforts to dismantle critical programs within the USDA. Another advantage is that farmers could gain clarity on the status of their contract and protect their legal rights to bring a future lawsuit, should it come to that. If farmers wait, they might be told it's too late. That's because farmers must file an appeal with the USDA's National Appeals Division (NAD) within "30 days" of receiving an "adverse decision." If farmers don't take this step, they may waive their rights to later file a lawsuit in court.

That said, this process requires time, paperwork, and stress. The outcome is not guaranteed. Farmers' requests might be denied. Farmers could be told that it's fine for the USDA to freeze the contract. Farmers could be told that they have yet to receive a concrete "adverse decision" and must wait to bring a challenge. If the NAD process provides this outcome, it is likely farmers would



still be able to challenge such decisions in court. But, it takes time and the outcome is uncertain.

Whether or not to file a NAD appeal is a big decision, and it's *each farmer's decision*. Either way, Farm Commons understands and is here to support producers during these challenging times.

For background and details about the "30-day" trigger and what "adverse decision" means, see our other resource, [**USDA Contract Freezes & Terminations: Legal Action Steps for Farmers with Signed Contracts.**](#)

Should farmers choose to move forward, here are pathways with a significant opportunity to gain clarity, *minimize legal risk, and preserve legal rights*

Pathway 1: File a NAD Appeal.

- **This pathway has the greatest impact if a farmer has received written notification from the USDA of a funding freeze on their contract.**
- **Farmers must act quickly.** You may only have 30 days to file a NAD appeal from the date you receive this written notice.
- This pathway outlines **steps for filing the NAD appeal** and includes a **Sample NAD Appeal letter**.

Pathway 2: Send an Inquiry Letter to your USDA contract administrator.

- **This pathway has the greatest impact if a farmer has not received written notice regarding the status of your contract.** Perhaps the farmer learned their contract is frozen through a phone call with a USDA employee or through word of mouth. Or, farmers may not have heard anything.
- **Sending an inquiry letter now allows farmers to take proactive steps to get written clarification on the status of their contract.** If you receive a written clarification or decision that is unfavorable (a freeze or a termination), you then have the option to file a NAD appeal within 30 days. If the USDA fails to respond to your letter within a reasonable time, you may also have the option to file a NAD appeal, as the USDA's failure to respond could itself be considered an "adverse decision."



- This pathway **outlines the steps for sending an inquiry letter** and provides a **Sample Inquiry Letter** and a **Sample Follow-Up NAD Appeal Letter** should you receive an adverse decision in response.

Choosing a Pathway

We have yet to hear of farmers receiving a formal “adverse decision” letter explicitly notifying them of their NAD appeal rights. Again, we do not know for certain whether simply receiving written notice from the USDA that your funds have been frozen will trigger the “30-day” clock for filing a NAD appeal.

For this reason, the Sample Letters we’ve designed are for farmers facing ambiguity regarding their funding status, particularly when and whether funds will be available and whether they need to fulfill their obligations on the contract in the meantime.

Let’s get into detail on these two pathways.

Pathway 1. File a NAD Appeal

Why? Filing a NAD appeal is a necessary first step in protecting your legal rights. You must bring a NAD appeal within 30 days of receiving an “adverse decision,” or you waive your right to appeal that decision and potentially any future legal challenge. Filing the NAD also forces the USDA to make a decision to provide you with clarity and assurance to move forward accordingly.

How? The [NAD website](#) provides information and instructions to support you in bringing a NAD appeal. Here’s a breakdown of the Steps.

Step 1. Confirm that your contract terms specify that you can file a NAD appeal. You will need to review your contract and find the “Rights to Appeal” section. **Does it directly refer to 7 CFR Part 11, National Appeals Division?** If so, you can file a NAD appeal once you receive an adverse decision.

For example, section 11 of an EQIP contract we’ve seen explicitly states: “The participant may appeal an adverse decision under this contract in accordance with the appeal procedures set forth at 7 CFR Part 11, National Appeals Division, Subpart A, and part 614, NRCS Appeal Procedures.”



The USDA National Appeals Division (NAD) oversees challenges to decisions and actions made by the following USDA agencies:

- Commodity Credit Corporation (CCC);
- Farm Service Agency (FSA^{***});
- Federal Crop Insurance Corporation (FCIC),
- Natural Resources Conservation Service (NRCS);
- Risk Management Agency (RMA);
- Rural Business-Cooperative Service (RBS);
- Rural Development (RD);
- Rural Housing Service (RHS); and
- Rural Utilities Service (RUS).

If you have a signed contract with the USDA with any of these agencies, and you've received written notification of a freeze or termination of your contract, you will likely need to file a NAD Appeal to protect your legal rights to bring a lawsuit.

***If you have a contract issued by FSA, take note that an exception applies.**

The NAD Regulations state that if you receive an adverse decision at the FSA field service office level that is unrelated to farm credit programs, you must file an informal review with them before filing a NAD appeal. If this is your situation, begin by requesting a review with your field service office. ***Follow Pathway 1 but use the "Sample FSA Informal Appeal Letter"*** and send it to the FSA County Committee that oversees your FSA field service office. If their response is adverse, or they fail to respond, you may then file a NAD appeal by following these steps and using the Sample NAD Appeal Letter.

Step 2. Gather your supporting documents, including the USDA contract, the written notification you received (e.g., email or letter), any other correspondence regarding the contract, including phone logs, and documents showing receipts for payment or other proof of any harm you've incurred from the funding freeze or will inevitably incur if it continues.

Step 3. Prepare a detailed letter describing the reason for bringing the appeal. Explain why you disagree with the USDA's decision to freeze your funding and describe how you have been harmed as a result. You can use the **Sample NAD Appeal Letter** to provide a legal framework. We encourage you to



stick to these legal terms. However, providing specific details about the financial hardship or other harms you have or may incur as a direct result of the USDA's decision to freeze your contract will strengthen your case.

For example, explain how farming requires significant financial commitment in an unforgiving timeframe and why you need to initiate the contracted activities now to prepare for your upcoming season. Also, include details of any contracts or arrangements you have with others (employees, contractors) that are threatened as a direct result of the funding freeze. For example, if you are on the hook to make payments, explain how this leaves you financially vulnerable if you do not receive USDA payments within the time specified in your contract. Provide specific dollar amounts if you have them.

Step 4. Fill out the USDA National Appeals Division Appeal Request Form, available [here](#).

Step 5. Sign the letter and Request form and mail them to the regional office closest to you. Alternatively, you can e-file a NAD Appeal through the [NAD website](#). If you choose this option, prepare all the above materials beforehand. You will then need to set up a NAD e-file account application and simply follow the prompts to request an appeal through the online portal.

Step 6. Prepare for a hearing. Reach out to us if you are granted a hearing. We can connect you with resources and contacts to help you prepare.

NAD appeal process, what to expect:

While every case is different, here is a snapshot of what to expect.

- **NAD sends out a confirmation letter and assigns a hearing officer or Administrative Law Judge (ALJ)** (*within a few days to a week*). This officially acknowledges the appeal. The NAD also notifies the agency office (e.g., NRCS).
- **The agency office sends NAD its agency record** (*within 10 days of NAD accepting the appeal*). The record includes all the documents it has relating to the grant and its explanation for the decision.

- **The judge holds a pre-hearing conference call** (*typically within 2-3 weeks of filing*) to explain the process. The farmer and the agency then discuss whether a hearing is needed to include testimony from witnesses or whether the case can be resolved “on the record”—that is, based on written submissions only. At this time, the farmer can request additional documents from the USDA to strengthen its case.
- **Option 1: Hearing is held** (*within 45 days from when an appeal is filed*). If the farmer requests a hearing, it is typically granted. The hearing is usually held by phone or video conference. The judge may allow testimony from witnesses or the submission of additional evidence.
- **Option 2: The judge makes a decision on the record alone** (*faster resolution, but may not allow for as much direct argument*). If the farmer does not request a hearing, or if the judge believes the record is sufficient, the judge may make a decision based on written submissions alone.
- **The judge issues a decision** (*typically within 30 days of the hearing or record closing*). If the judge rules in favor of the farmer, the agency may be ordered to reinstate the grant or reconsider its decision. If the judge upholds the agency’s decision, the farmer can file an appeal to the NAD Director or challenge it in federal court.

Pathway 2. Send an Inquiry Letter to your USDA contract administrator.

Why? This proactively forces the USDA to issue a written decision. You could gain more clarity so you can make financial and other decisions regarding your obligations under the contract. If the USDA’s response is unfavorable, or they fail to respond within a reasonable time, you may then have the option to file a NAD appeal to challenge this “adverse decision.”

A word of caution: *Filing an inquiry letter may irritate or frustrate your grant administrator, as it can be received as contentious. Using respectful and careful wording can help alleviate this risk. If you have a good relationship with your grant administrator, and you’re concerned about souring it, you could always call them up or even email them and say “Look, by sending you this letter, it’s not a personal attack on you.*



We are appreciative of your support. But, we're really concerned our funding will be terminated, and that would put us in a critical financial situation. We're raising our concerns to the USDA now to protect our legal and financial interests. I trust you understand."

How? There isn't a formal process for an "inquiry letter" like the one we've designed. Here are some steps to guide you through the process.

Step 1. Gather your contract and supporting documents, including phone logs of conversations you've had with USDA employees about your contract, any other correspondence you've had with the USDA regarding the contract, and documents showing receipts for payment or other proof of any harm you've incurred from the funding freeze or will inevitably incur if it continues.

Step 2. Prepare a detailed letter describing your situation. If you have received verbal notification that your contract has been frozen, refer to the conversation and explain why you disagree with the USDA's decision. If you have not heard anything, request clarification on the status of your contract. You can specifically ask when payments will resume, request a contract extension for the time period the funds are frozen, and request the USDA to waive any penalties if you are unable to fulfill your obligations under the contract while the funds are frozen (i.e., due to financial hardship and uncertainty of reimbursement). It's crucial that you provide a time period for them to respond. We suggest "7 days." This will force them to respond efficiently to provide you clarity as the farming season is approaching. Also, if you do not hear from them within this period, you may then have the option of submitting a NAD Appeal. Failure to respond within a reasonable time can be considered an "adverse decision" for purposes of a NAD Appeal.

You can use our **Sample Inquiry Letter** to provide a legal framework. We encourage you to stick to these legal terms. However, providing specific details about the financial hardship or other harms you have or may incur as a direct result of the USDA's decision to freeze your contract will strengthen your case. For example, explain how farming requires significant financial commitment in an unforgiving timeframe and why you need to initiate the contracted activities now to prepare for your upcoming season. Also, include details of any contracts or arrangements you have with others (employees, contractors) that are



threatened as a direct result of the funding freeze. For example, if you are on the hook to make payments, explain how this leaves you financially vulnerable if you do not receive USDA payments within the time specified in your contract. Provide specific dollar amounts if you have them.

Step 3. Send your inquiry letter. We suggest you send the letter to your contract administrator and a direct copy of the letter to the agency Director (e.g., State Conservationist for NRCS). While you may email the letter with the return receipt, we highly recommend you send it by certified mail to make it more official.

Step 4. Depending on the USDA's response, or failure to respond, consider filing a NAD appeal. If you receive an unfavorable response to your inquiry letter or you receive no response within the time period you specified, you have the option to file a NAD Appeal. Both situations could be considered an "adverse decision," which triggers the 30-day clock for filing a NAD Appeal. Therefore, you must file the NAD Appeal within "30 days" of receiving the response letter from the USDA or "30 days" from the date the 7-day period expires. If you reach this point, follow the steps in Pathway 1, Filing a NAD Appeal. However, use the **Sample Follow-Up NAD Appeal Letter** to guide you when you reach Step 3, *prepare a detailed letter*.

Initiating this comes with risks. To help you assess the risks, please refer to our resource, [USDA Contract Freezes & Terminations: Legal Action Steps for Farmers](#), or contact an attorney for advice.



Sample NAD Appeal Letter

[Farmer's Name]

[Farmer's Address]

[City, State, Zip]

[Email Address]

[Phone Number]

[Choose applicable region]:

National Appeals Division

Eastern Regional Office (ERO)

Post Office Box 68806

Indianapolis, Indiana 46268-0806

Email: SM.NAD.Eastern@usda.gov

(CT, DE, D.C, IL, IN, KY, ME, MD, MA, MI, NH, NJ, NY, NC, OH, PA, RI, SC, TN, VT, VA, WV, WI)

National Appeals Division

Southern Regional Office (SRO)

Post Office Box 1508

Cordova, Tennessee

Email: SM.NAD.Southern@usda.gov

(AL, AR, FL, GA, LA, MS, MO, OK, PR, TX, VI)

National Appeals Division

Western Regional Office (WRO)

13922 Denver West Parkway Suite 100-NAD

Lakewood, CO

Email: SM.NAD.Western@usda.gov

(AK, AZ, CA, CO, HI, ID, IA, KS, MN, MT, NE, NV, NM, ND, OR, SD, UT, WA, WY)

[DATE]

**Subject: Appeal of Adverse Decision Regarding [EQIP/CSP, etc.] Contract
[insert contract number and date if available]**

Dear Sir or Madam,

I am writing to formally appeal the USDA's adverse decision regarding my [EQIP/CSP/other] contract [insert contract number and date if available], as outlined in the written [letter or email] I received from [name, title, and office]



at USDA] on [insert date]. According to this written notice, the [describe the decision, e.g., funding for the contract has been frozen/terminated].

[Briefly explain what the written notice says, or directly quote relevant parts].

The ambiguity of my contract's status makes me uncertain whether I am required to fulfill the obligations outlined in the contract. I fear that I will incur costs and will not be reimbursed, which will directly cause financial hardship and adversely impact my farm operation. These costs include [provide details of conservation measures you are obligated to take, the timeframe, and the costs involved].

If I am not able to fulfill the contract's requirements due to foreseeable financial hardship, the USDA's decision to freeze payments on my contract is the direct cause. I should not be held liable for non-performance due to circumstances beyond my control.

I respectfully request an evidentiary hearing on the USDA's adverse decision, including the freeze on payments, which I believe constitutes an arbitrary and unlawful agency action impeding my ability to comply with the contract.

I request that the payment be resumed immediately. I also request a contract extension for the time period in which the payments were frozen. In addition, I request that any non-performance penalties be waived, including the right for the USDA to terminate my contract based on non-performance.

Please find attached all relevant documentation supporting my appeal. Please let me know if you require any additional information. I look forward to your prompt response.

Sincerely,

[Farmer's Name]

[Signature]



Sample FSA Informal Appeal Letter

[Farmer's Name]

[Farmer's Address]

[City, State, Zip]

[Email Address]

[Phone Number]

[U.S. Department of Agriculture]

FSA County Committee [location]

Office Address]

U.S. Department of Agriculture

[DATE]

**Subject: Appeal of Adverse Decision Regarding [EQIP/CSP, etc.] Contract
[insert contract number and date if available]**

Dear [FSA County Committee Officials]

I am writing to request an informal appeal of the FSA's adverse decision regarding my [EQIP/CSP/other] contract [insert contract number and date if available], as outlined in the written [letter or email] I received from [name, title] on [insert date]. According to this written notice, the [describe the decision, e.g., funding for the contract has been frozen/terminated].

[Briefly explain what the written notice says, or directly quote relevant parts].

The ambiguity of my contract's status makes me uncertain whether I am required to fulfill the obligations outlined in the contract. I fear that I will incur costs and will not be reimbursed, which will directly cause financial hardship and adversely impact my farm operation. These costs include [provide details of conservation measures you are obligated to take, the timeframe, and the costs involved].

If I am not able to fulfill the contract's requirements due to foreseeable financial hardship, the USDA's decision to freeze payments on my contract is the direct cause. I should not be held liable for non-performance due to circumstances beyond my control.



I respectfully request a review of the FSA's decision to withhold payments, which I believe constitutes an arbitrary and unlawful agency action impeding my ability to comply with the contract. Please find attached all relevant documentation supporting my review request.

I respectfully request that the payment be resumed immediately. I also request a contract extension for the time period in which the payments were frozen. In addition, I request that any non-performance penalties be waived, including the right for the USDA to terminate my contract based on non-performance.

I would appreciate a written response within 7 days to allow me sufficient time to assess the situation for my farm operation and proceed accordingly. Should the freeze continue or a denial be issued, I may need to file an appeal to NAD.

I understand that USDA staff, including program administrators like yourself, are operating under evolving policies and directives. I sincerely appreciate the work you do and the commitment you have shown to supporting farm operations like ours and the communities we serve.

I thank you in advance for your time and assistance and look forward to your response. If there is any additional information I can provide to facilitate this process, please let me know.

Sincerely,

[Farmer's Name]

[Signature]



Sample Inquiry Letter

[Farmer's Name]

[Farmer's Address]

[City, State, Zip]

[Email Address]

[Phone Number]

U.S. Department of Agriculture

[Office of Contract Administrator]

[Address of Relevant Office]

[City, State, Zip]

U.S. Department of Agriculture

[Agency Director or State Conservationist]

[Address of your State Conservationists' Office]

[City, State, Zip]

[DATE]

Subject: Request for Written Explanation Regarding [Freeze or Status] of Payments on My [EQIP/CSP/ other] Contract [insert contract number and date if available]

Dear [Contact name of your administrator or "Sir or Madam" if you don't know],

I am writing to request a formal written explanation regarding [the freeze (i.e., if you've received verbal notification of freeze) OR the status (if you've received no communication) of payments on my [EQIP/CSP/ other] contract [insert contract number and date if available]. [Describe the phone conversation where you were notified about the freeze, including the name of contact, date, and summary of what you heard OR state, "I have not received any communication or notice regarding the status of my contract funds."]

The ambiguity of whether and when payments on my contract will be available makes me uncertain as to whether I am required to fulfill the contractual obligations outlined in the agreement. I fear that I will incur costs and will not



be reimbursed, which will adversely impact my farm operation. These costs include [provide details of conservation measures you are obligated to take, the timeframe, as well as the costs involved].

Please provide a clear explanation of whether the contract is still in effect, and if so, when I can expect the funding to be reinstated or any further instructions for continuing with the contract. I request a contract extension for the period of time that the funds on my contract are frozen. I further request that any non-performance penalties be waived.

I would appreciate a written response within 7 days to allow me sufficient time to assess the situation for my farm operation and proceed accordingly. Should the freeze continue or a denial be issued, I may need to file an appeal to NAD.

Please find attached all relevant documentation supporting my appeal. Please let me know if you require any additional information. I look forward to your prompt response.

I understand that USDA staff, including program administrators like yourself, are operating under evolving policies and directives. I sincerely appreciate the work you do and the commitment you have shown to supporting farm operations like ours and the communities we serve.

I thank you in advance for your time and assistance and look forward to your response. If there is any additional information I can provide to facilitate this process, please let me know.

Sincerely,

[Farmer's Name]

[Signature]



Sample Follow-Up NAD Appeal Letter

[Farmer's Name]

[Farmer's Address]

[City, State, Zip]

[Email Address]

[Phone Number]

[Choose applicable region]:

National Appeals Division

Eastern Regional Office (ERO)

Post Office Box 68806

Indianapolis, Indiana 46268-0806

Email: SM.NAD.Eastern@usda.gov

(CT, DE, D.C, IL, IN, KY, ME, MD, MA, MI, NH, NJ, NY, NC, OH, PA, RI, SC, TN, VT, VA, WV, WI)

National Appeals Division

Southern Regional Office (SRO)

Post Office Box 1508

Cordova, Tennessee

Email: SM.NAD.Southern@usda.gov

(AL, AR, FL, GA, LA, MS, MO, OK, PR, TX, VI)

National Appeals Division

Western Regional Office (WRO)

13922 Denver West Parkway Suite 100-NAD

Lakewood, CO

Email: SM.NAD.Western@usda.gov

(AK, AZ, CA, CO, HI, ID, IA, KS, MN, MT, NE, NV, NM, ND, OR, SD, UT, WA, WY)

[Date]

Subject: Appeal to NAD Regarding Freeze on [EQIP/CSP/other] Contract

[insert contract number and date if available]

Dear Sir or Madam,

I am appealing the USDA's **adverse decision** regarding the freeze on my **[EQIP/CSP/other]** contract dated [date of response you received from USDA or expiration date of 7 days from sending your letter]. I detailed my hardships and



requests regarding the ambiguity of the freeze on my contract in my prior correspondence with USDA [contact name and office where you sent your letter] on [insert date]. [Describe what the letter said that is unfavorable OR state that "It has been 7 days since I sent the letter and the USDA has failed to respond. This is an unreasonable delay as I need clarity now on whether the funding will be available if I perform my obligations on the contract."]

As I expressed in my prior correspondence, the USDA's decision to freeze the funding for my contract is causing direct financial harm and adversely impacting my farm operation. The ambiguity of my contract's status makes me uncertain whether I am required to fulfill the obligations outlined in the contract. I fear that I will incur costs and will not be reimbursed, which will directly cause financial hardship and adversely impact my farm operation. These costs include [provide details of conservation measures you are obligated to take, the timeframe, and the costs involved].

I respectfully request an evidentiary hearing on the USDA's adverse decision, including the freeze on payments, which I believe constitutes an arbitrary and unlawful agency action impeding my ability to comply with the contract. I request that the payment be resumed immediately. I also request a contract extension for the time period in which the payments were frozen. In addition, I request that any non-performance penalties be waived, including the right for the USDA to terminate my contract based on non-performance.

Attached are all relevant documents supporting my appeal. Please let me know if you require any additional information.

Sincerely,

[Farmer's Name]

[Signature]