

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

Dennard v. Rollins

Dennard · No. Civil Action No. 2025-0879 (ACR) · Decided March 23, 2026

SUMMARY

The United States District Court for the District of Columbia partially grants and partially denies the USDA defendants’ motion to dismiss claims brought by pro se Black farmers alleging discrimination in USDA lending and relief programs. The court dismisses without prejudice the plaintiffs’ claims under 42 U.S.C. § 1981, the ECOA loan-denial theory, the APA, and due process, while allowing ECOA loan-processing and disparate-impact claims and an equal protection claim to proceed. The court denies the plaintiffs’ motion to stay and remand to a USDA administrative law judge and grants leave to issue third-party subpoenas, subject to court approval of each subpoena.

CASE DETAILS

COURT	United States District Court for the District of Columbia
WRITING FOR THE COURT	Ana C. Reyes
JURISDICTION	United States District Court for the District of Columbia
DECIDED	March 23, 2026
DOCKET	Civil Action No. 2025-0879 (ACR)
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiffs brought an action alleging racial discrimination in the administration of USDA loan and relief programs and in the handling of civil-rights complaints. Plaintiffs moved to stay the case and remand it to a USDA administrative law judge and sought leave to issue third-party subpoenas. USDA moved to dismiss under Federal Rules of Civil Procedure 12(b)(1) and 12(b)(6).
STANDARD OF REVIEW	On a Rule 12(b)(1) motion, the Court considered whether Plaintiffs established subject-matter jurisdiction. On a Rule 12(b)(6) motion, the Court accepted factual allegations as true, construed the pro se complaint liberally in Plaintiffs' favor, and considered whether the complaint stated a plausible claim for relief. The Court also applied the Rule 8(d)(1) requirement that allegations be simple, concise, and direct.
PRECEDENTIAL VALUE	published

PARTIES

Charles Dennard, Corey Lea v. Brooke Rollins, Secretary of Agriculture, United States Department of Agriculture, Windsor Group, Midtown Group, Analytic Acquisition

TOPICS

motions to dismiss

civil procedure

section 1983

equal protection

administrative procedure act

PRACTICE AREAS

civil procedure

civil rights

administrative law

constitutional law

government liability

sovereign immunity

QUESTIONS PRESENTED

1. Whether sovereign immunity barred Plaintiffs' claim under 42 U.S.C. § 1981 against USDA and the Secretary of Agriculture.
2. Whether Plaintiffs plausibly pleaded disparate-treatment, loan-denial, loan-processing, and disparate-impact claims under the Equal Credit Opportunity Act.
3. Whether Plaintiffs stated a claim under the Administrative Procedure Act based on USDA's implementation of Inflation Reduction Act loan-relief programs.
4. Whether Plaintiffs identified a protected property or liberty interest sufficient to state a Due Process claim.
5. Whether Plaintiffs plausibly alleged discriminatory intent sufficient to state an Equal Protection claim.
6. Whether the case should be stayed and remanded to a USDA administrative law judge.
7. Whether Plaintiffs should receive leave to issue third-party subpoenas.

HOLDINGS

1. Sovereign immunity barred Plaintiffs' 42 U.S.C. § 1981 claim against USDA and the Secretary because Congress has not waived sovereign immunity for such claims against the federal government.
2. Plaintiffs failed to state an ECOA disparate-treatment loan-denial claim because they alleged only that they were members of a protected class and did not allege that they qualified for the loans, were rejected despite being qualified, or that similarly situated white farmers received more favorable treatment.
3. Plaintiffs' ECOA loan-processing claims could proceed because courts apply a standard other than the traditional four-part loan-denial test to ECOA claims concerning matters such as prospective denials, discriminatory lending terms, delays, or obstructions, and the parties had not fully briefed the applicable standard.
4. Plaintiffs' ECOA disparate-impact claim could proceed, except insofar as it was based on USDA's failure to investigate discrimination complaints.

5. Plaintiffs failed to state a viable APA claim because their allegations were unclear and did not satisfy Rule 8(d)(1), and their allegations did not plausibly show that USDA implemented the Distressed Borrower Program or Discrimination Financial Assistance Program arbitrarily or capriciously. The claims were dismissed without prejudice, with leave to amend.
6. Plaintiffs failed to state a Due Process claim because they did not identify a protected property or liberty interest, including a legitimate claim of entitlement to the USDA loans or benefits at issue.
7. Plaintiffs plausibly stated an Equal Protection claim because their allegations of historical background, statistical disparities, and USDA's knowledge of the disparate effects of its eligibility requirements permitted a reasonable inference of racially discriminatory intent.
8. To the extent Plaintiffs attempted to proceed under a class-of-one theory, the claim failed because they identified no similarly situated comparator who received more favorable treatment.
9. Plaintiffs could not maintain declaratory judgment as a separate cause of action, so that claim was dismissed.
10. The Court denied the motion to stay and remand because the statutory provision Plaintiffs invoked did not apply to them, the relevant Inflation Reduction Act provisions did not authorize APA hearings, and remand would be futile.
11. Plaintiffs were granted leave to issue third-party subpoenas, subject to the Court's approval of each subpoena before issuance.

KEY QUOTATIONS

“Absent a waiver, sovereign immunity shields the Federal Government and its agencies from suit.” (at 3)

“When an ECOA plaintiff claims something other than a discriminatory loan denial, courts have applied something other than the standard four-part test.” (at 5)

“Disparate impact alone, however, does not establish an equal protection violation.” (at 10)

FACTUAL BACKGROUND

Charles Dennard and Corey Lea are Black farmers who owned farms financed through USDA loan programs. They alleged that USDA discriminated against them in administering loan and relief programs, including by denying or restricting loans, foreclosing farms, denying financial assistance and debt relief, and processing civil-rights complaints differently from complaints by white farmers. They also alleged that USDA conspired with three private banks to discriminate against them.

PROCEDURAL HISTORY

The District Court previously denied Plaintiffs' motion for a temporary restraining order and preliminary injunction. In this opinion, the Court denied the motion to stay and remand, granted leave to issue third-party subpoenas subject to prior Court approval, and granted in part and denied in part USDA's motion to dismiss. The Court dismissed the § 1981, ECOA loan-denial, APA, and Due Process claims without prejudice, while allowing the ECOA loan-processing and disparate-impact claims and the Equal Protection claim to proceed.

DISPOSITION

other

REMAND INSTRUCTIONS

No remand was ordered. Plaintiffs may amend their complaint without prejudice as to the dismissed claims. Within 90 days of the Order, the parties must meet and confer and file a joint status report concerning the subpoenas and whether Plaintiffs intend to file an amended complaint. Each third-party subpoena must be approved by the Court before issuance.

CASES CITED

- Haase v. Sessions, 835 F.2d 902, 906 (D.C. Cir. 1987)
- American National Insurance Co. v. F.D.I.C., 642 F.3d 1137, 1139 (D.C. Cir. 2011)
- Lujan v. Defenders of Wildlife, 504 U.S. 555, 561 (1992)
- Ashcroft v. Iqbal, 556 U.S. 662, 678 (2009)
- Bell Atlantic Corp. v. Twombly, 550 U.S. 544, 555, 570 (2007)
- Erickson v. Pardus, 551 U.S. 89, 93 (2007)
- Atherton v. D.C. Office of Mayor, 567 F.3d 672, 681-82 (D.C. Cir. 2009)
- F.D.I.C. v. Meyer, 510 U.S. 471, 475 (1994)
- Benoit v. Department of Agriculture, 608 F.3d 17, 20 (D.C. Cir. 2010)
- Garcia v. Johanns, 444 F.3d 625, 629 n.4, 633 & n.9 (D.C. Cir. 2006)
- Rahmaan v. Federal National Mortgage Association, Civ. A. No. 02-1822, 2003 WL 21940044, at *2 (D.D.C. Mar. 20, 2003)
- Hildebrandt v. Vilsack, 102 F. Supp. 3d 318, 326 (D.D.C. 2015)
- Pride v. Department of Agriculture, Civ. A. No. 23-2292, 2024 WL 3924579, at *7-*8 (D.D.C. Aug. 23, 2024)
- Love v. Johanns, 439 F.3d 723, 732 (D.C. Cir. 2006)
- Jarrell v. Tisch, 656 F. Supp. 237, 239 (D.D.C. 1987)
- American Manufacturers Mutual Insurance Co. v. Sullivan, 526 U.S. 40, 59 (1999)
- Board of Regents of State Colleges v. Roth, 408 U.S. 564, 577 (1972)
- Village of Arlington Heights v. Metropolitan Housing Development Corp., 429 U.S. 252, 264-65 (1977)
- Kelley v. District of Columbia, 893 F. Supp. 2d 115, 122 (D.D.C. 2012)
- Kingman Park Civic Association v. Gray, 27 F. Supp. 3d 142, 159 (D.D.C. 2014)
- Washington v. Davis, 426 U.S. 229, 242 (1976)
- Smith v. Henderson, 982 F. Supp. 2d 32, 50 (D.D.C. 2013)
- Save Our Schools-Southeast & Northeast v. D.C. Board of Education, Civ. A. No. 04-01500, 2006 WL 1827654, at *9 (D.D.C. July 3, 2006)
- Malek v. Flagstar Bank, 70 F. Supp. 3d 23, 28 (D.D.C. 2014)

- C&E Services, Inc. of Washington v. D.C. Water & Sewer Authority, 310 F.3d 197, 201 (D.C. Cir. 2002)
- Garcia v. Vilsack, 563 F.3d 519, 521 (D.C. Cir. 2009)

Retrieved from lawtools.ai · <https://lawtools.ai/cases/federal/united-states-district-court-for-the-district-of-columbia/2026/dennard-v-rollins-sqe3z600>