

Declaration of Edward Provencio

I, Edward Provencio, hereby state and declare the following:

1. I am over 18 years of age and a U.S. citizen. My date of birth is November 9, 1945. My mailing address is P.O. Box 38, Chamberino, New Mexico 88027.
2. I have over 20 years of farming experience, which started when I took over the management of the family farm. I went to college at New Mexico State University for two years where I studied soils, horticulture, animal science, plant science, equipment repair, and economics.
3. In 1997, I was farming approximately 1,500 acres (1,200 of which was rented acreage). My crops included chili, cotton, alfalfa, corn, lettuce, onions, cabbage and pecans. In January of 1997, I submitted a loan application at the Dona Ana County Farm Service Agency (FSA) office in Las Cruces, New Mexico. Georgia Perry, the FSA loan officer, promised that I would receive an answer within 60 days. However, after 60 days, the FSA told me that there was no money available, and that I should try and get a loan from a private bank.
4. When I went to the bank to try and get a loan, I was told that the loan would have to be guaranteed by the FSA. In order to get a guaranteed loan, the bank forced me to hire a loan packager, which cost me \$5,000. The bank also charged me \$4,000 to process my loan. Despite paying these fees, it took almost a full year for the loan to be approved. It took several months for someone from the bank to appraise my farm equipment. Then the FSA told me that they had to wait for their committee to make a decision on whether to guarantee my loan. Finally, in December of 1997, my loan was approved.
5. During the time I was waiting for my loan to be approved, my landlord had agreed to wait for his rental monies until May of 1997. However, I did not receive my loan in time to pay the rent on my farm. Also, I was unable to buy fertilizer, seeds, fuel, and water, and as a result, I was forced to scale back my operation to 200 acres. This in turn created poor crops due to the lack of water and fertilizers, which resulted in poor production and yields. The following year I lost the farm, and my landlord sued me for the rent monies.
6. At the time I was waiting to be approved for a loan, I knew of two White

farmers in the area who received direct loans in a timely fashion. They were Willard Deerman and Bill Franzoy. I also knew of two White farmers, Ron Cosimoti and Rony Franzoy, who were able to restructure their loans with the FSA. In addition to receiving unequal treatment, I believe that there was a connection between the FSA, the bank, and the loan packager, which resulted in my having to pay additional fees.

7. In 2000, my crops had suffered from a bad freeze and I applied twice for a disaster loan from the Dona Ana County FSA office. I qualified for a disaster loan at this time, but the FSA said they could not find a bank to participate, and I never received a loan.
8. In 2001, I applied for help from the FSA's interest assistance program, and I also applied for a direct loan. The FSA denied my request for interest assistance, claiming that my request was never attached to the loan package. The FSA also denied my request for a direct loan, saying that there were no funds available, and also that I did not have enough collateral.
9. After the treatment I received, I made a written complaint to the Office of Civil Rights of the USDA. I also complained to Phillip Montes, a FSA district manager, and to the office of Pete Domenici. I have received no response from the government regarding my complaint.
10. I believe I was qualified for the loans and packages I sought from the FSA, or its predecessor Farmers Home Administration, and that the agency discriminated against me in processing my loan applications because I am Hispanic.

I have reviewed the foregoing Declaration, consisting of ten (10) numbered paragraphs, and declare, under penalty of perjury that it is true and correct to the best of my personal knowledge.


Edward Provencio

3-27-02
Date