

Declaration of Alfredo Alvarez

I, Alfredo Alvarez, hereby state and declare the following:

1. I am over 18 years of age, Hispanic and a U.S. resident. My date of birth is April 20, 1944. My mailing address is 9747 Southside Road, El Paso, Texas 79927.
2. I have over 20 years of experience in farm operations including land preparation, planting, harvesting and irrigation. I also have mechanical expertise and I am able to repair most of my own farm equipment. I currently own 87 acres, but at one time I leased an additional 540 acres on which I grew mostly cotton.
3. For every year from 1989 to 2001, I applied for farm loans from the Farm Service Agency (FSA), or its predecessor Farmers Home Administration (FmHA), at both its El Paso, Texas office and its Fort Stockton, Texas office. For the first few years, I had no trouble obtaining the loans, and I received the funds in a timely fashion.
4. Starting in 1991, I began to have problems with the loan process. It was at this time that I began dealing with a new loan officer because the previous loan officer (who spoke Spanish) had left the agency. I began to feel that the FSA employees treated me unfairly because I did not speak English. They started to continuously (almost every year) question my farming expertise, and often told me that I probably needed to take farm training courses, even though I had years of farming experience.
5. In every year from 1991 to 2000, my application was approved and I received a loan, but it was usually for less than the amount I requested. Usually, the loan I received was for 20% to 25% less than the amount I requested. When I asked the FSA about this, at first they told me I did not have enough land to support the requested loan amount. In later years, they told me my expenses were now too high to support the loan amount because I had acquired too much land.
6. In addition to receiving a smaller loan than I requested, in every year from 1991 to 2000, I experienced extensive delays and obstacles during the loan application process at the banks and with the FSA. During these years, I would usually file my applications in January or February, but I would not receive the proceeds until after the planting season. The FSA would almost always tell me I needed to supply more information when I submitted my application. I would often go in person to the El Paso, Texas FSA office with my application to make sure I had provided

all the required information. The loan officer would tell me that my application was complete, but then a few days later I would receive a telephone call stating that the main FSA office in Fort Stockton, Texas needed more information before the loan application process could continue. These delays would continue for months, and I would not receive the loan proceeds until well after the planting season.

7. Because I almost always received my loans after planting season, my production significantly decreased, I began to lose my leased lands and of course, owe more money. I did not have sufficient funds to purchase the necessary supplies for the planting seasons, and the landlords needed their rent money early in the year. As a result, I lost the last 215 acres of my leased land between 1999-2001.
8. In 2001, I submitted a loan application to the FSA which contained two proposals. The proposals were: 1) to plant pima cotton, which is more profitable; or 2) to plant upland cotton, which is less profitable, as a last resort. I received a written denial from the FSA which stated that my proposed plan would not be profitable enough to support a loan. However, by the time the loan application was processed, it was too late in the season to plant pima cotton. As a result, the FSA denied the application, saying that upland cotton was not a profitable crop.
9. Because of the delays I faced in the loan application process from 1989 to 2001, I made several written complaints to the FSA's main office in Fort Stockton, Texas. My letters were sent to Jaime Bustamante, Marlene Garber and Bill McAnally. I received no response to my unfair treatment complaints, and I was never told why it took so long for my loan applications to be processed.
10. I believe I was qualified for the loans I sought from the FSA or its predecessor FmHA, and that the agency discriminated against me in processing my loan applications on the basis of my national origin.

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.


Alfredo Alvarez

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Date