

## **Exhibit 9**

**DECLARATION OF MARIA DE LOURDES GONZALEZ**

1. I am over eighteen years of age and a legal resident of the United States. My date of birth is September 30, 1957. My mailing address is 124 William Avenue, Watsonville, CA 95076.

2. My family has been farming in Santa Cruz County, CA, since 1964. My father began farming as a sharecropper and worked hard to buy a small farm of his own where he raised strawberries, and, later, raspberries.

3. From roughly 1978 – 1982, my family succeeded in obtaining operating loans from FSA. We fell behind on our payments because of low yields caused by bad weather, and tough marketing conditions. We asked FSA to restructure our loans so that we could keep up with the payments, as FSA routinely did for Anglo farmers. The plan FSA presented to us was unworkable from the start because the payments were too high. There was no way we could make it work, but we had no choice. As a result of this, by 1983, we had fallen too deeply into debt and had to resort to a write-down. FSA told us then that once we received the write-down, we were out of the FSA system and could never again apply for financing from FSA. We were given no alternative except to lose our farm.

4. We ran into financial difficulties with the family farm again in 1993, because of damage to our raspberry crop from a freeze. I called Vivian Soffa, the Executive Director at FSA in Salinas, CA, to inquire about assistance for disaster losses. (The Salinas office serviced Monterey County, Santa Cruz County, and San Moreno County). At that time, I had no understanding of how the FSA system worked. FSA responded that the application process would be extensive and difficult, that funds were extremely limited, and that there was no guarantee my family would ever qualify for disaster benefits. FSA made the process seem so overwhelming and impossible that we did not file an application for benefits.

5. Crop year 1994 brought more bad weather. Crop year 1995 was the worst ever. Crop losses were devastating. Many Hispanic farmers, like the other farmers in the area, were in serious trouble. FSA responded with a high volume of denials of applications submitted by Hispanics for loans and farm benefit programs, while approving loans and benefits for Anglos.

6. In 1995, my brothers – Rodolfo, Heriberto, Jorge and Manuel Gonzalez – applied for an emergency loan at FSA and were denied. FSA denied the emergency loan for the reason that my brothers qualified to recover disaster losses through the NAP program. My brothers waited almost two years to receive the NAP payment. FSA later reversed the approval for the NAP payment and demanded that my brothers pay the NAP money back to FSA. We disputed the FSA reversal, and the dispute has yet to be completely resolved.

7. For losses from the same disaster in 1995, an Anglo who farmed across the road from our family farm applied at FSA to recover disaster losses through the same NAP program. The Anglo farmer applied for a NAP payment at about the same time my brothers did. The Anglo farmer received his NAP payment in early 1996, while my brothers had to wait until the end of 1996 for their NAP payment.

8. In 1995, a number of Hispanic farmers and I formed the California Latino Agriculture Association ("CLAA") in an effort to pull together to confront the problems we had with FSA. We discovered that our individual experiences with FSA reflected a pattern of widespread exclusion of Hispanic farmers from FSA farm loans and benefit programs. We were systematically discouraged from seeking and denied access to financing for our farms. No one who worked with farm programs at FSA spoke Spanish. We never had adequate information regarding FSA benefit programs designed to permit farmers to recover from disaster losses. Our requests for assistance from USDA were brushed off: Hispanic farmers who inquired about disaster assistance at FSA were sent next door to the Conservation office, only to be referred back to the FSA office by Conservation and never ending up with any assistance from USDA. Hispanic growers were laughed out of the FSA office when they carried their farm documents in shoe boxes.

9. In my position as a leader of CLAA, I made an effort to learn all I could about USDA loan and benefit programs. I read the applicable USDA regulations and guidelines for applying for loans and farm benefit programs, and personally assisted about 300 Hispanic growers with their applications. I observed first hand that the discriminatory treatment toward Hispanic by FSA continued. A number of growers were approved for disaster benefits, only to be told later by FSA employees that they had to pay back all the disaster money to USDA. This discouraged many of the Hispanic farmers from applying for benefit programs because they feared that they would not be able to repay the money. We later learned that there was no requirement to repay money received as part of a benefit program.

10. I observed that FSA processed the loan applications of Hispanic farmers very slowly. FSA claimed that it was taking more time with the applications from Hispanic farmers because it wanted to get everything right. Actually, FSA was taking more time, searching for reasons to deny the applications.

11. There were no Hispanics on the County Committee. The Committee appeared to be ignorant of the problems faced by Hispanic growers who were trying to farm without essential financing, something which few, if any, Anglos ever had to do. In my experience, it appears that the County Committee approved applications for themselves and for their friends, and manipulated guidelines to exclude Hispanics.

12. I worked with hundreds of Hispanic farmers from 1995 to 1999, assisting them with FSA applications. Over and over and over again, I observed the same discriminatory pattern of qualified Hispanic farmers being denied loans and benefits, while less qualified Anglo farmers were approved for the same loans and benefits.

13. In 1995, I submitted about 80 applications, with extensive supporting documentation, for disaster assistance and emergency loans for Hispanic farmers. FSA delayed processing of the applications for about two years. I asked for copies of the files I had submitted, and FSA said "NO," because the files were all government property now.

14. While I worked with CLAA, it organized several meetings with the local FSA office to discuss the problems of Hispanic farmers who were excluded from FSA loans and benefit programs while Anglo farmers received appropriate service. My opinion is that our complaints were not taken seriously; nothing happened in response to them.

15. In September 1996, CLAA organized a town meeting in Watsonville, CA, at the Notre Dame school gymnasium. USDA sent representatives from Washington, DC, and USDA personnel from the State and County offices attended. About 400 Hispanic farmers traveled from several surrounding counties (including Monterey County, Santa Cruz County, and Santa Maria County) to voice their complaints at the meeting. Hispanic farmers complained that the Salinas FSA office did not provide adequate service for them and that they did not receive assistance from FSA in completing their applications. They complained that because FSA information was provided only in English, many Hispanic farmers had difficulty in understanding the complicated programs, thus making it all the more important to have assistance provided by FSA employees. They also complained that their applications were delayed in processing while their financial hardships were immediate and severe; and they were ignored at the FSA office while Anglos were served first. In sum, the Hispanic farmers had a clear-cut message for USDA: "Your system doesn't work for us. It works for Anglos. Reform it."

16. Twice Secretary of Agriculture Dan Glickman met with Hispanic farmers in Salinas and heard the same complaints of disparity between the service FSA provided for Anglo and Hispanic farmers.

17. On behalf of the Hispanic farmers and CLAA, I repeatedly complained – weekly, sometimes daily – to FSA, and to the USDA Office of Civil Rights, about USDA's discriminatory practices: that Hispanic farmers applications were not processed in the same manner as were the Anglo farmers' applications, that Hispanic farmers' applications were delayed in processing while Anglos' applications sailed through, that FSA habitually lost key information from Hispanic farmers' applications thereby slowing the process even more; and that the standards by which Hispanic farmers' applications were measured were tougher than those applied to Anglos.

18. FSA heard me out, in hopes of wearing me out and shutting me up, but they conducted no meaningful investigation of our discrimination complaints, and made no changes at FSA to address the Hispanic farmers' complaints.

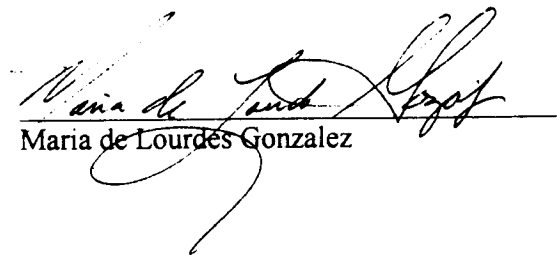
19. CLAA folded in 1999 because of lack of funding. We had worked very hard for two years with no pay in an attempt to provide the services for Hispanic farmers that FSA was supposed to provide. We could not keep it up.

20. I have seen first hand the devastating consequences of FSA discrimination against Hispanic growers. They can't get ahead. Some have lost their homes and land.

21. Like my own family, the Hispanic farmers I worked with started from scratch. They knew what it meant to work, and they worked hard. They just needed the same tools and assistance that FSA provided for Anglo farmers. That's all they asked for.

I declare under penalty of perjury that the foregoing is true and correct to the best of my personal knowledge.

Executed on: 3/26/02

  
\_\_\_\_\_  
Maria de Lourdes Gonzalez

# **Exhibit 10**

## DECLARATION OF WILLIAM HODGSON ARENS

1. I am over 18 years of age and a United States Citizen. My birthdate is 14 May 1942. My mailing address is 791 Country Road 1326, Maple, Texas 79346.

2. Since about 1984 I have assisted family farmers, as they are defined at 7 C.F.R., in dealing with the administrative requirements of the United States Department of Agriculture farm loan programs. I have assisted these farmers apply for direct and guaranteed farm ownership and farm operating loans. When I include those to restructure or settle delinquent debt, I have assisted in several hundred applications to the Farm Service Agency. Although most of the farmers I have assisted are white American farmers from the state of Texas, I have represented many Hispanic family farmers.

3. I have represented farmers during the administrative appeal of adverse Farm Service Agency decisions before the National Appeals Division of the USDA, including twenty or so Hispanic farmers. In almost all the appeals the agency's adverse decision was reversed. However, in the Hispanic cases, after the farmer prevails in the appeal the matter is referred back to the same FSA office which denied the loan in the first place, for implementation. Predictably, the local FSA office drags out the final approval process with the result that either the loan money arrives too late or the application is again denied.

4. During my work I have assisted 4-6 applicants file formal complaints of racial discrimination with the USDA. One, Mr. L.V. Anderson, is a black person. The others are Hispanic farmers. One of these was dismissed when the Agency protested that the complaint was not filed within specified time frames. Some were ignored. Others were accepted for investigation, allegedly. However, neither I nor the farmers who complained have been notified of the results or conclusions of these investigations. In addition I have assisted many Hispanic farmers and ranchers in preparing and presenting informal pleas for relief to members of Congress, the National Appeals Division and local, state and national offices of the Farm Service Agency, all with little or no result.

5. I have dealt with family farmers and the USDA's Farm Service Agency, (formerly the Farmers Home Administration) for almost 20 years. In those years I have seen Hispanic farmers treated markedly differently from Anglo farmers. From my personal experiences with the FSA, I believe that the FSA, in Texas at least, has on a consistent basis, discriminated against Hispanic farmers.

6. I have seen the Farm Service Agency discriminate against Hispanic farmers in its loan approval process. In particular, I have seen the FSA deny Hispanic farmers loans due to the farmer's alleged "lack of managerial ability." In all of my dealings with the FSA loan process, I have met only one young Anglo farmer who was denied a loan because of a so-called "lack of managerial ability." Technically the FSA "managerial ability" standard simply requires that a farmer applicant demonstrate that he has experience with one complete production cycle in the proposed operation. If the farmer applicant makes such a showing it is presumed that he has the requisite managerial experience to be successful in such a farming operation.

7. I believe that the Farm Service Agency personnel improperly used a "lack of managerial ability" as a reason to deny Hispanic farmers' loan applications. Anglo farmers typically experienced little if any difficulty in meeting this rather subjective standard, while equally qualified Hispanic farmers were found unqualified.

8. Based upon my experience, I have observed that the FSA discriminated against Hispanic farmers by, among other things, requiring them to submit excessive paperwork, more than was required of Anglo applicants. Many times the FSA used this tactic to humiliate the Hispanic farmer by forcing him to subject himself to multiple rejections by private banks. The prospect of having to repeat this humiliating experience several times often was sufficient to discourage the Hispanic farmer from pursuing a loan he desperately needed.

9. I have also observed situations in which the Farm Service Agency required those Hispanic farmers who successfully obtained FSA loans to maintain a supervised bank account. The supervised account gives the FSA veto authority over the Hispanic farmer's spending. Thus, although the loan proceeds have been deposited in the Hispanic farmer's bank account, the farmer cannot make any payments without first obtaining FSA approval. Anglo farmers typically are spared this humiliation. FSA rules require that a supervised account be required only in those limited situations where it is agreed to by the borrower and where the purpose is mainly to teach an agreeable borrower how to manage his accounts. The supervised accounts should not be in place any more than one year. I know of only a few instances where an Anglo borrower was required to use a supervised bank account, while almost all the Hispanic farmers I have worked with have been forced to accept supervised accounts. Many are forced to maintain those supervised accounts well over the one year limit; indeed, I know of cases where Hispanic farmers were required to maintain a supervised bank account for up to five years.

10. Even when an Hispanic farmer is finally able to qualify for a Farm Service Agency loan, loan closing is often delayed, thereby disadvantaging the farmer. FSA rules allow

the Agency sixty days within which to process a complete application, and require that the farmer receive loan proceeds within ten more days. However, I have almost never seen an Hispanic farmer's loan application processed and closed within this time. Many will not receive their loans until well into the planting or even the harvest season, which is much too late to be of any practical use. Anglo farmers, on the other hand, can usually depend on getting their loan proceeds within the prescribed time.

11. In my experience the United States Department of Agriculture, Office of Civil Rights, and its complaint process are totally irrelevant to resolving complaints of discriminatory conduct by FSA. I know of cases where that office has simply never responded to a complaint. Understandably many Hispanic farmers opt to simply not complain about discriminatory treatment by FSA because experience has shown that doing so is a frustrating waste of time and effort.

12. I have further observed that in many instances Hispanic farmers are improperly discouraged from even applying for Farm Service Agency loans. I have seen this happen in a number of ways. One is that farmers are simply told there is no loan money available when they come to apply for FSA assistance, so they are simply sent away without filing an application notwithstanding that FSA regulations that require the Agency to accept and process all applications. During my years of experience I have not seen the FSA run out of operating loan funds. In any event, the regulations require that the agency, should it run out of money, hold approved loan applications until new fund allocations are received, and then process those applications in the order in which they were received. I am not aware of any instance where an Anglo farmer was informed by FSA that all the money had already been loaned out, thus making it pointless to submit an application.

13. I have seen situations in which local FSA offices discourage Hispanic farmers from applying for FSA loans by accusing them of improperly applying for a relative when that was clearly untrue. In one instance, when the Hispanic farmer tried to apply for an operating loan, the Loan Manager said "you're really getting this for your father, aren't you" and he denied the farmer an opportunity to even apply for the loan. In my experience this would not happen to an Anglo farmer.

14. Many times an Hispanic farmer will complete a farm and home plan that projects the credit he needs in order to operate during that crop year. The FSA loan manager often delays the processing of the application so long that the applicant is forced into local trade debt to operate, then the loan officer will arbitrarily reduce the loan amount to a level below that for which the borrower had applied.

15. In such situations the FSA loan officer then tells the Hispanic farmer that because he has managed to obtain credit from seed, fuel and fertilizer dealers in order to permit him to

plant his crop while awaiting approval of his FSA loan, he obviously doesn't really need the full loan after all. In such circumstances the farmer must then defer repaying his creditors until after harvesting and selling his crop. However, the purpose of providing FSA operating loans, which most farmers (including most Anglos) depend upon to finance their upcoming season, is to provide farmers with the necessary operating funds before the planting season begins. Forcing Hispanic farmers, through long delays in the loan approval process, to scratch among their suppliers for the credit needed to plant their crop causes unnecessary and inappropriate financial distress and needless embarrassment.

16. In the same vein, in other instances the FSA loan officer improperly presumes to tell the Hispanic farmer that his projected family living and operating expenses are too high and thus cause an insufficient cash flow for the applicant's farm plan upon which FSA loan approval is based. The loan officer then proceeds to arbitrarily reduce the amounts allocated for those expenses, which means a lower loan payment. Although I have seen a few Anglo farmers treated in this way, it is only with Hispanic farmers that this is done routinely.

17. Yet another form of discrimination suffered by Hispanic farmers concerns the release of the Agency's liens on normal income security in order to permit the Hispanic family to pay its essential family living and farm operating expenses. Regulations require FSA to release its lien on normal income security (crop income, agricultural payments, certain livestock sales), to permit the farmer to pay his essential and crucial ongoing expenses.

18. Because the application process is complex and protracted, the USDA application form itself advises the applicant that it may be necessary to secure professional assistance from attorneys or farmers advocates. Thanks to such professional assistance a substantial number of appeals from FSA denials during 1989 and 1990 succeeded. This prompted USDA to recognize that payments of accounting, planning and representation fees by farmers are essential farm operating expenses, and FSA moneys were released to Anglo farmers to pay such fees. However, when it came to Hispanic farmers and other minorities such payments were not deemed to be essential farm operating expenses, thereby denying such farmers the money needed to secure such representation. The only rationale for this disparate treatment was national origin or race.

19. Based upon my years of experience, I believe that the opportunity to discriminate based on race or any other factor remains widespread within the FSA credit system. The Farm Loan Manager continues to be able to discourage applications, alter applications, and deny applications with little if any effective oversight. He certainly has no fear that any clearly erroneous discriminatory decisions can be effectively corrected through the USDA appeal mechanism. All too often the Hispanic farmer continues to end up being humbled, damaged or even totally destroyed by this terribly flawed system.

20. In order to reverse this intolerable situation the Department's Office of Civil Rights must implement a complaint program that will respond in a timely fashion to the complaints by socially disadvantaged farmers that they are being treated unfairly. In devising such reforms it is imperative to keep in mind the sensitive and rigid timing of a crop production cycle.

21. Furthermore, the FSA must commit itself to timely processing applications. It must provide assistance to those applicants with limited ability to read or write English. It must implement in good faith and in a timely fashion those National Appeals Division decisions that reverse an adverse Agency decision. Its' basic commitment must be to keep our family farmers on their farms, farming.

I have reviewed the forgoing Declaration, and declare, under penalty of perjury that it is true and correct and to the best of my personal knowledge.



William H. Arens

2 APRIL 2002

Date

# **Exhibit 11**

**Declaration for Partnership of G.A. Garcia and Sons**

I, Gilbert Garcia, hereby state and declare the following:

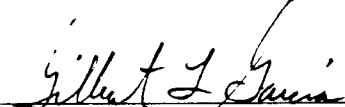
1. My date of birth is July 16, 1946 and I am over the age of 18. Hispanic, and a United States citizen. My mailing address is 9300 North Highway 85, Las Cruces, NM 88005.
2. I am a lifetime farmer, third generation. I am a New Mexico State University graduate with a B.A. in Agriculture Economics. I am also the Dona Ana FSA County Executive Director.
3. My father, brother and I farmed together as G.A. Garcia and Sons Farm. We produced chile, onions, lettuce, wheat, corn, cotton, pecans and alfalfa on our farm. We owned two farms in Dona Ana County, NM, one with approximately 550 acres and the other with 78 acres of land. We also leased land occasionally for our farm operation.
4. In 1986, we worked with Joe Gurule, Farmers Home Administration (FmHA) Loan Specialist/Appeals Hearing Officer, to develop a farm and home plan/application for guaranteed loans. Mr. Gurule recommended to Jim Walters, Dona Ana County Loan Officer and Winford Riley, Chief of Agriculture Loans for the State of New Mexico, that our farm be divided in three divisions among my father, brother and me. Dividing the farm into three sections would have allowed us to borrow \$350,000. Unfortunately, Mr. Walters and Mr. Riley rejected this home plan and denied our application without any explanation. We were never informed of this option until 8 years later when we requested a copy of our file from the FmHA.
5. In 1988, we applied for primary loan servicing but were denied this servicing after a two-year delay. Again, in 1994, Farm Service Agency (FSA), or its predecessor FmHA, refused to work with us on a farm restructuring with guaranteed loans. Later that year, we filed an appeal with the National Appeals Division. The hearing officer ruled in our favor, holding that we were entitled to loan servicing and long-term debt restructuring. Despite our victory, FSA refused to follow the decision and we never received any servicing assistance.
6. Also, in 1994/1995, we attended a mediation session with the FSA officials, U.S. Attorney, our lenders' attorneys, and our legal counsel. At that session, Mr. Riley stated to everyone present that he "would not approve anything that involved the Garcias" and he would not refinance our loans even if we had a million-dollar cash flow.
7. In 1998, we needed to sell part of the land to service delinquent debt. Our lenders informed us that the land had to be sold by February 1, to avoid foreclosure. We found a buyer for some of the farmland. The proceeds from the sale would have allowed us to pay-off the bank debt and with FSA's assistance, we could have refinanced the remaining debt. We applied for a refinancing loan with FSA in early January and informed FSA that we found a buyer and would submit a Letter of Intent once the parties completed

negotiations. We faxed this Letter of Intent to FSA on January 25, for their approval. FSA denied our application two months later, well past the February 1, deadline. As a result, we suffered severe economic losses and ultimately lost the farms to foreclosure.

8. In the 1980s, 1990s and in the year 2000 we filed several complaints to USDA about this discriminatory treatment. We also complained to Senator Dominici and other Congressional Representatives, however, these complaints were never acted on.
9. I believe that we were qualified for the loans that we sought from FSA, or its predecessor FmHA, and that the agency and its officials Jim Walters and Winford Riley discriminated against us on the basis of our Hispanic ethnicity. Once Mr. Riley had an unfavorable view against a distressed farmer, he would put you out of business. At that point there was no remedy to the problem and we were forced to look for financing elsewhere. Financial institutions we applied with would call Mr. Riley for a business reference and that reference was always unfavorable because every institution we applied with denied us credit.
10. In approximately 1984, on our rented farm --Homer Place, we farmed approximately 60 acres of chiles. This farm flooded and we lost the entire crop. That same year we applied for disaster relief. Mr. Grey of the Agriculture Stabilization Committee told us that we were eligible for the relief. We were however denied by Mr. James Frenzy because "we were bad farmers."
11. In approximately 1988 there was another flood which destroyed all the crops on our 550 acre farm. That same year, we applied to the USDA for disaster relief. Our application was denied and we appealed to the FSA County Office. The Committee members laughed at us, denied our application for relief – and that was the end of it.
12. Following both times we were denied disaster relief, we complained to the USDA regarding our treatment. Each time we applied for disaster relief, we were qualified.

We declare under penalty of perjury that the above statement is true and accurate to the best of our personal knowledge.


Executed on 3-27-02

  
Gilbert Garcia

Executed on 3-27-02

x.   
G.A. Garcia

Executed on 3-27-02

  
Lupe Garcia, Jr.

## **Exhibit 12**

DECLARATION OF LUPE L. GARCIA

I, Lupe L. Garcia, hereby states and declares the following:

1. My mailing address is 9303 North One and Rd., Las Cruces, New Mexico 88005. I am over 18 years of age and a U.S. citizen. I am a New Mexico State University graduate with a B.S. in Agronomy and an M.S. in Agronomy, specializing in biochemistry and physiology of pesticides.

2. I own 628 acres, which was foreclosed and sold in 1999. The appraised value of the land was 2.4 million dollars. It was sold for 1 million, 75 thousand dollars. The crops grown were chile, cotton, alfalfa, wheat, onions, lettuce, corn and pecans.

3. I applied for FSA or the FmHA operating loans 1981, 1982, 1983, 1984, 1985, 1986, 1987, 1988, 1989, 1993 and 1997.

4. In 1986, 1987, 1988, 1989, 1993 and 1997, I applied for FSA loans from USDA and New Mexico State FSA office in Albuquerque. The individuals I dealt with the USDA office were James Walters County supervisor, and Windfred Riley, the State Farm Loan chief.

5. James Walters and USDA office discouraged and prevented me and my family from applying for loans, refused to assist us in completing our application, took too long to process loan applications and required me to provide excessive collateral. In 1994 Mr. Walters at a hearing in the District Court of New Mexico openly stated in court that the Garcias were terrible farmers—this further slandered our name in the community. Windfred Riley stated that he did not care if we cash flowed by one million dollars he was not going to finance the Garcias. He also added interest onto my FSA loan without an executed promissory note.

6. Mr. Walters and Mr. Riley did not approve the last six FSA loan applications that I submitted, even though a FSA "Dalrs" program was run on all applications and the program indicated a feasible plan for each application.

7. Mr. Riley would not approve any applications for the Garcias. Mr. Riley went so far as to state that farmers who come to FmHA, were beyond help and were therefore categorized bad farmers. At a training conference in the summer of 2000 Manny Lucero, Assistant United States Attorney from New Mexico, stated that the USDA liked to force producers into bankruptcy to make them ineligible for FSA loans.

8. The USDA harmed my family and I, our livelihood was taken away, our credibility in the community was slandered. I developed health problems due to the stress from fighting with the USDA and the bank for over 13 years. My children's education was hindered, as they could not obtain student loans because of the bankruptcies we had filed in order to keep our farm. The foreclosure of the farm left outstanding debts unpaid; the foreclosure did not wipeout the outstanding FSA debt. My name is still on the delinquent farmer list that is generated each month at FSA.

9. In 1998 I wrote to Rosalind Gray, Director of Civil Rights Office to complain about the discriminatory treatment of my family and other Hispanic Farmers by the USDA office.

10. Anglo farmers were given help to purchase our farms (Leasbury & Garfield) at a special master's sale. Anglo farmers are given loans without any collateral. Anglo farmers are given loans even though they are delinquent on their FSA loans. Willard Deerenon, a white farmer, was delinquent over a million dollars and was given a \$500,000 loan that saved his operation. Said preferential treatment is not shown to minority farmers. Shane Franzory, a white farmer, was given assistance to purchase our farm with no collateral.

11. In 1997 I filed an appeal on my FSA note. The appeal was won through the National Appeals Division; FSA and USDA ignored the decision.


12. I was always qualified for the loans I sought from USDA office and I was discriminated against because I am Hispanic.

13. I also made 5 payments totaling \$28,000 to the FSA to pay down FSA's mortgage on my home (I had used my home as collateral for a 1981 FSA loan); I was never given credit for that \$28,000 on my FSA account. I currently owe \$53,000 to FSA.

14. In 2002, I asked FSA for \$10,000 operation loan and it was refused. I haven't heard from FSA yet regarding why my loan was refused.

I have reviewed the foregoing Declaration, and declare, under penalty of perjury that it is true and correct and to the best of my personal knowledge.

  
Lupe Garcia

  
Date

# **Exhibit 13**

**Declaration of Gilbert Garcia**

I, Gilbert Garcia, hereby state and declare the following:

1. I am over 18 years of age and a U.S. Citizen. My date of birth is July 16, 1946. My mailing address is 9300 North Highway 85, Las Cruces, NM, 88005.
2. I am a lifetime farmer, third generation. I am a New Mexico State University graduate with a B.A. in Agriculture Economics. I am also the Dona Ana County FSA County Executive Director.
3. I owned approximately 560 acres, which was foreclosed and sold in 1999. The crops grown were chile, cotton, alfalfa, wheat, onions, lettuce and corn.
4. I applied for Farm Service Agency (FSA), or its predecessor Farmers Home Administration (FmHA), operating loans in 1981, 1982, 1983, 1984, 1985, 1986, 1987, 1988, 1989, 1993 and 1997.
5. In 1986, 1987, 1988, 1989, 1993 and 1997, I applied for FSA loans from the USDA and the New Mexico State FSA office in Albuquerque. The individuals I dealt with at the USDA office were James Walter, County Supervisor, and Winfried Riley, the State Farm Loan Chief.
6. James Walter and the USDA office discouraged and prevented me and my family from applying for loans, refused to assist us in completing our applications, took too long to process loan applications and required us to provide excessive collateral. In 1999, Mr. Walters at a hearing in the District Court of New Mexico openly stated in court that the Garcias were terrible farmers, which further slandered our name in the community. Winfred Riley stated that he did not care if we cash flowed a million dollars, he was not going to provide any help to the Garcias. He also added interest onto my FSA loan with out an executed promissory note.
7. Mr. Walters and Mr. Riley did not approve the last six FSA loan applications that I submitted, even though a FSA "Dalrs" program was run on all our applications and the program indicated a feasible plan for each application.
8. Mr. Riley, (the State Farm Chief Loan Officer), would not approve any application for the Garcias. Mr. Riley went so far as to state that "farmers who come to the FmHA were beyond help", and were therefore categorized as bad farmers. At a training conference in the summer of 2000, the U.S. Attorney from New Mexico, Manny Lucero, stated that

USDA liked to force producers into bankruptcy to make them ineligible for FSA loans.

9. The USDA harmed my family and I. Our livelihood was taken away. Our credibility in the community was slandered. Health problems arose due to the stress from fighting with the USDA and the bank for over 13 years. My children's education was hindered due to the fact that they could not obtain student loans because of bankruptcies we had filed in order to keep our farm. The foreclosure of the farm left outstanding debts unpaid. Foreclosure did not wipeout the outstanding FSA debt, and my name is still on the delinquent farmer list that is generated each month at the FSA.
10. In 1998, I wrote to Rosalind Gray, the Director of Civil Rights Office to complain about the treatment of my family and Hispanic Farmers by the USDA office.
11. Anglo farmers were given help to purchase our farm at a special master sale. Anglo farmers are given loans without any collateral. Anglo farmers are given loans even though they are delinquent on their FSA loans. Willard Deerman, a White farmer of Dona Ana County, was delinquent over a million dollars and was given a \$500,000 loan that ultimately saved his operation. Such preferential treatment is not shown to minority farmers. Shane Franzo, another White farmer, was given assistance to purchase our farm with "no" collateral.
12. In 1997, I filed and won an appeal on my FSA note. The appeal was won through the National Appeals Division, but the FSA and the USDA ignored the decision of the appeals office. They have yet to do anything with the appeal. The Appeal process should have paid my attorney's fees, but the USDA has refused to pay them.
13. I believe that at all times I was qualified for the loans I sought from the USDA office and that I was discriminated against because I am Hispanic.

I have reviewed the foregoing Declaration, consisting of (13) thirteen numbered paragraphs, and declare, under penalty of perjury that it is true and correct and to the best of my personal knowledge.

  
Gilbert Garcia

3-27-02  
Date

# **Exhibit 14**

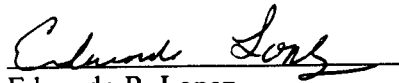
Declaration of Edwardo R. Lopez

I, Edwardo R. Lopez, 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 28, 1952. My mailing address is 10306 State Hwy. 104, Tucumcari, New Mexico, 88401.
2. I grew up on a family farm and had been a farmer for 25 years when I lost my 65-acre farm to foreclosure in 1988 or 1989. I grew corn and wheat on my farm, and had experience in all aspects of farm operations.
3. In 1981, I received a loan of approximately \$65,000 from the Farmers Home Administration (FmHA) at its Tucumcari, New Mexico office. The payments on the loan were \$12,000 per year, which I believe were excessive when compared to other farm loans in the area.
4. In 1988 or 1989, I, along with other farmers in the area, began to have difficulty making my monthly loan payments due to a poor crop yield. I learned that the FmHA office in the area was helping farmers to reduce their monthly loan payments by appraising their farms at lower values.
5. I went to the FmHA office in Tucumcari, New Mexico in order to ask about having my farm appraised, and to thereby reduce my monthly loan payments. The person at the FmHA office told me that I could not reduce my payments because I worked in town and made too much money to be eligible for a loan restructuring. I also asked about whether I could lease part of my farm in order to help me make my monthly payments. Again, the FmHA agent told me that I could not restructure my loan in this way. In 1988 or 1989, I complained that other people in the area had been able to restructure their loans, but I was told my case was different.
6. At this same time, there were White farmers in the area who were able to restructure their loans in order to keep their farms. One such farmer, Mike Latham, was able to have someone from the Tucumcari, New Mexico Farm Service Agency (FSA), or its predecessor FmHA, office appraise his land at a lower value and have his monthly payments reduced. Another White farmer, Larry Currant, was also having trouble making his loan payments to the FSA. The FSA allowed Mr. Currant to keep his farm by leasing a portion of it, and he was later able to sell his farm at a profit.

7. Since I was unable to restructure my loan, I could not make my monthly payments and the FSA foreclosed on my farm, selling it for less than its actual value. I believe that the FSA treated me differently from other farmers in the area because I was a Hispanic farmer.
8. I believe I was qualified for the loan restructuring I sought from the FSA, or its predecessor FmHA, and that the agency discriminated against me in processing my loan restructuring request because I am Hispanic.

I have reviewed the foregoing Declaration, consisting of eight (8) numbered paragraphs, and declare, under penalty of perjury that it is true and correct to the best of my personal knowledge.

  
Edwardo R. Lopez

3-29-02  
Date

# **Exhibit 15**

**Declaration of Adam P. Garza, Jr.**

I, Adam Garza, Jr., hereby state and declare the following.

1. I am over 18 years of age and a U.S. Citizen. My date of birth is October 10, 1960. My mailing address is 2652 Roughneck Road, Levelland, Texas, 79336.
2. I have been a farmer for 30 years. I grew up on a farm and learned how to farm from my father. I am a third generation farmer. For approximately 8 years I farmed together with my ex-wife Stella Garza.
3. We started farming about 200 acres of cotton in Hockley County. Over the years we rented and purchased additional land and in 1997 (the last year we farmed), we were farming approximately 520 acres.
4. We first applied for a FmHA operating loan from the Hockley County USDA office in 1990. At that time, I was dealing with Bobby Sparkman. We were rejected for a FmHA operating loan.
5. I contacted Bill Arens, who has served as a farmers advocate to many of the Hispanic Farmers in my community. Mr. Arens has a vast knowledge of the USDA/ FSA regulations and helped me to appeal my loan rejection. The appeal hearing was held in August of 1990. FmHA's decision to deny me was overturned and we received our loan funds after that.
6. In 1991 we were again turned down for a FmHA operating loan. We appealed in April of 1991. Again the FmHA's decision to deny me was overturned and we received our operating loan funds late in the year.
7. The planting season for cotton is April. I did not receive my FmHA/ FSA operating loan money until late in the planting season. Due to not getting my FmHA/ FSA loan on time, I was not able to properly plant my cotton crop.
8. Every year from 1990 to 1997, We applied for FmHA/ FSA operating loans. Every year from 1990 to 1997, we were rejected and had to appeal the decision or if we were approved we did not receive our funding until late in the season.
9. We always received our FmHA/ FSA loan funds late in the planting season. Donnie Polk and Mike Hewitt, friends that I grew up with and

went to school with that were White/Anglo farmers, always received their FmHA/ FSA operating loan money earlier than me and before the planting season began. The delay in funding our FSA loan money detrimentally effected my farm. If we could have received fair treatment from the USDA office and gotten our operating loan money on time like everyone else, I believe my farm would have survived.

10. When we received our operating loan funding, the money would be placed in a "supervised account". This meant that the USDA monitored exactly where all the funds would be spent. We had to get a check directly from the USDA office for every piece of equipment that we bought and every bill that we paid. They would micro-manage my account and tell us that we were spending too much. I knew of no other non-Hispanic farmer that had a "supervised account". USDA refused to release normal income security so that we could feed our family. In March of 1994, Rick (acting Hockley County supervisor) denied our request for the release of money and we filed an appeal. In April, Mr. Hayter withdrew the decision.
11. Mr. Arens lodged, on our behalf, several written complaints regarding our discriminatory treatment by the USDA.
12. In August of 1994, I requested in writing, assistance available to socially disadvantaged applicants. I was told that another written request was necessary then further cautioned that if this request was honored there would be a delay in the servicing of my FmHA/ FSA account.
13. At all times from 1990 to present I was qualified for and should not have been denied FSA operating loans. In my dealings with the USDA office, loans were made too late or not at all, and there were always long waits for the appeals and for the loans to be processed. I believe that I was treated unfairly by the USDA office and that if I were a White/Anglo farmer, I would not have had to endure all of the trouble that was inflicted upon me.
14. In the end, I lost my farm. I would have been a successful farmer if the USDA had just been willing to work with me and pay out my FSA operating loans on time and if they were willing to stay out of my day to day operations at my farm. I felt like I was constantly being scrutinized.
15. I always felt like the USDA office tried to make me fail at farming. I believe that I was discriminated against by the USDA because I am Hispanic.

I have reviewed the foregoing Declaration, consisting of (15) fifteen numbered paragraphs, and declare, under penalty of perjury that it is true and correct and to the best of my personal knowledge.

Adam Garza, Jr.  
Adam Garza, Jr.

4-1-2002  
Date

# **Exhibit 16**

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

# **Exhibit 17**

**Declaration of Erasmo Valdez**

I, Erasmo Valdez, hereby state and declare the following:

1. My name is Erasmo Valdez. I was born on January 20, 1941, and am a United States citizen. My mailing address is Mile 2 West and 9 North, Mercedes, Texas, 78570.
2. I have been a farmer all of my life; I learned to farm from my parents. From 1963 to 1965 I was the Ranch Foreman at the Rosenthal Farm Co. (Rosenthal) in Mercedes, Texas. From 1965 to 1967 I was the Ranch Manager there. Rosenthal cultivated corn, cotton, sorghum, and a variety of other vegetables.
3. I have farmed on my own since about 1968. I used to have approximately 50 heads of cattle but now I mainly focus on farming. I cultivate a variety of vegetables, cotton, and grains.
4. My farm is now approximately 700 acres. I had about 1400 acres before 2000 when I was forced into bankruptcy.
5. In late 1995, or early 1996 I applied to the Farm Service Agency (FSA) for a \$250,000 loan. I got the "run around" for approximately 4-5 months then finally received the loan in late April of 1996. The loan was for less than half of what I requested—approximately \$116,000. Additionally, by the time I got the loan, it was very late in the planting season and my crop production would be reduced. I repaid the entire amount of that loan in June or July of 1997.
6. In 1998, I applied for an FSA guaranteed loan from a local bank in Mercedes, Texas. Despite my having substantial collateral, and good credit, I was told that I did not qualify for this loan.
7. In April of 2000, I once again applied for an FSA loan. I was told by Arnulfo Lerma that since I had filed for bankruptcy protection, he couldn't "even look at my loan application." After he denied my loan request, he would not return my application paperwork as I had asked. I never received any written denial of this loan; I only received Arnulfo's verbal notification.
8. I was told by a reliable source of at least one white farmer, John Cannon, who was in bankruptcy and still got a loan through the FSA. I believe that each time I applied for FSA loans, I was qualified. Furthermore, I believe I was denied FSA loans because I am a Hispanic farmer.
9. In 2000 I complained to Juan Garcia, FSA District Manager in the Rio Grande Valley. Also, I met with Ruben Hinojosa, my congressperson, and discussed with him the discrimination I have faced in attempting to get FSA loans.

**Declaration of Erasmo Valdez (cont'd)**

Under the penalty of perjury, I declare that the foregoing is true and correct to the best of my personal knowledge.

Erasmus Valdez

Erasmus Valdez

4-2-02

Date

# **Exhibit 18**

**Declaration of Joe Contreras**

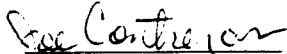
I, Joe Contreras, hereby state and declare the following:

1. I am over 18 years of age, Hispanic and a U.S. Citizen. My date of birth is April 26, 1944. My mailing address is P.O. Box 912, Childress, Texas 79201.
2. I grew up on a 250 acre farm in Memphis, Texas and since I could walk I learned from my father and grandfather how to plant and grow cotton and other crops. I come from a long line of farmers and cattleman. I am a fifth generation farmer.
3. I was in a partnership with my brother Alex Contreras and my father Louis Contreras in a Ranch. We grew cotton from 1970 to 1980 and after 1980 we ranched cattle. At the time that we were foreclosed upon we had 1027 heads of cattle on our ranch.
4. In 1984 and 1985, my family received Farmers Home Administration (FmHA) loan support from the Memphis Texas Hall County USDA office. Our contact was Molly Muffet. In 1984 and 1985, we were told by the director of the USDA office, Dale Burris, that we were financially in good shape and that he wished he had dealings with more people like us.
5. Mr. Burris's attitude towards us changed drastically in 1986 when we sought to receive another loan. Mr. Burris told us that we were so far in debt that we should not even bother applying for a loan. The partnership was forced to file bankruptcy. When we sought the help of Mr. Burris and the Memphis Texas Hall County USDA office we were told to "Get out of the office," that because we filed for bankruptcy, we could not get a loan. Mr. Burris stated "you don't qualify and you are out."
6. We had enough money in collateral to pay off our 1984 and 1985 loan in cattle. Mr. Burris did not believe our cattle count for the collateral of our debt and went ahead and foreclosed on our ranch. The trucks that were sent to our farm by Mr. Burris collected 1027 heads of cattle, more than enough cattle for collateral to pay off our existing debt.
7. Dale Burris and the USDA office were not interested in anything we had to say, nor were they willing to look at any documents to help support our loan application. It appeared from their words and actions that their main objective was to foreclose on our family ranch.
8. Dale Burris gave us a card of a bankruptcy attorney to consult if we thought that the farm had been wrongly foreclosed upon and to assist us

with bankruptcy matters. The attorney's name was Don Patterson. We had every reason to believe that Mr. Burris gave us the name of a reputable attorney who would look out for our interest. Sadly, this was not the case. Mr. Patterson was so unscrupulous that it eventually led to his disbarment.

9. In 1989, my father and I became aware of and applied for a re-start program available from the USDA to individuals who had filed bankruptcy. My father and I sent in the loan applications to the USDA via certified mail. To this very day, we still have not received a response. During the same time that we applied for a "re-start" loan with the USDA, I am aware of three other white individuals in the same county who also applied for loan assistance. They were all granted assistance by the USDA.
10. I wrote to U.S. Senators Benton and Hutchinson and Representative Thornberry, to complain about our unfair treatment by Dale Burris and the USDA.
11. Mr. Burris has since killed his wife and taken his own life.
12. I believe that my family was qualified for the FSA loan we sought in 1986 and the re-start loan we sought in 1989. I believe that we were discriminated against because we are Hispanic.

I have reviewed the foregoing Declaration, consisting of (12) twelve numbered paragraphs, and declare, under penalty of perjury that it is true and correct and to the best of my personal knowledge.

  
Joe Contreras

March 22, 2002  
Date

# **Exhibit 19**

**Declaration of Tony & Patricia Jimenez**


We, Tony Jimenez and Patricia Jimenez, hereby state and declare the following:

1. My name is Tony Jimenez and my address is 3671 Old Toll Rd., Cathey's Valley, CA 95306. My date of birth is January 12, 1933, and I am over the age of 18, Hispanic, and a United States citizen. Patricia Jimenez is my wife.
2. My name is Patricia Jimenez and I reside with my husband, Tony Jimenez, in Cathey's Valley, CA. My date of birth is January 22, 1939, and I am over the age of 18, Hispanic, and a United States citizen.
3. We both have over sixty (60) years of farming experience. I, Tony Jimenez, have lived on a dairy and cattle ranch since I was nine (9) years old, and I have life-long experience operating dairy and beef cattle ranches. I, Patricia Jimenez, was raised on a farm and worked with my parents in all phases of the farm's operations. From 1963-69, I owned a cattle ranch. For a number of years, I also raised horses. We currently operate a 300-acre cattle ranch.
4. In February 1990, we applied to the then Farmers Home Administration (FmHA) for an ownership loan to purchase a cattle ranch; we also applied for an operating loan. We received a \$200,000 ownership loan, but FmHA denied our operating loan without any explanation. The operating credit was absolutely essential to enable us to operate the ranch at full and efficient capacity.
5. In December 1990/January 1991, we re-applied for the operating loan, but we were turned down once again. We were told by FmHA that we were not capable of operating a ranch despite the fact that less than a year earlier we were approved for an ownership loan. In that same year, we requested a 60-day extension on our loan because cattle prices were at a 20-year low and we needed to sell cattle to make our loan installments to FSA. This too was denied. Once more in 1991, we sought operating funds and servicing benefits, but were denied.
6. Also, in 1992, we applied for an "Emergency Loan" to cover losses by natural disasters such as droughts. We also applied for the "Economic Injury Disaster Relief" to provide relief as a result of droughts and economic hardships, but were turned down for both loans.
7. In December 1995, we paid Farm Service Agency (FSA) more than \$52,000 to bring the mortgage on the ranch up-to-date. At the same time, we asked for a loan deferral and an adjustment in the interest rate on the mortgage loan to reflect the substantial reduction in interest rates since 1990. Four months later, we finally received the application for the interest rate reduction. Then, after holding the application for two years, FSA denied the application in October 1998.

8. This extended pattern of denial of loans and services was a series of acts of willful and continuous racial/ethnic discrimination, and as a result of the discrimination, our ranch operation suffered severe economic losses and we are on the verge of losing the farm to foreclosure.
9. During the 1990s, we filed several civil rights complaints with the USDA and members of Congress, but these complaints have never been answered.
10. We believe that we were qualified for the loans that we sought from FSA, or its predecessor FmHA, and that the agency discriminated against us on the basis of our national origin.

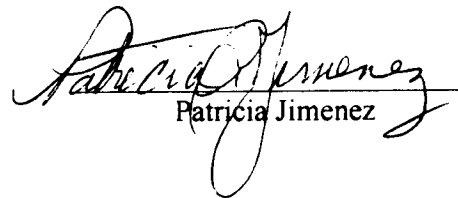
I declare under penalty of perjury that the above statement is true and accurate to the best of my personal knowledge.

Executed on March 25, 2002

  
\_\_\_\_\_  
Tony Jimenez

I declare under penalty of perjury that the above statement is true and accurate to the best of my personal knowledge.

Executed on March 25, 2002

  
\_\_\_\_\_  
Patricia Jimenez

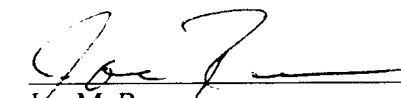
## **Exhibit 20**

Declaration of Joe M. Rascon

I, Joe M. Rascon, hereby state and declare the following:

1. I am over 18 years of age and a U.S. citizen. My date of birth is April 21, 1954. My mailing address is 17171 W. Nielsen, Kerman, CA, 93630.
2. I have been a farmer most of my life.
3. In 1989, I attempted to apply for a loan settlement or offer of compromise for my delinquent loan. I brought the application into the Fresno County Office and my application was rejected on the spot. I was told by a Farmers Home Administration employee that my application would not be accepted. I was not provided a reason for the denial.
4. In 1990, I lost a 100-acres of broccoli to frost. I applied for Disaster Relief benefits and was granted relief proceeds. Despite the fact I was approved for relief, I did not receive any funding. Instead, FmHA applied the proceeds from the disaster relief towards my delinquent loan. After applying the relief proceeds to the loan there still remained a balance. To satisfy the remaining balance, FmHA repossessed and sold my farm equipment at an auction.
5. In 1990, I applied for drought disaster relief, and was denied. The appeals board in Sacramento ruled in my favor and held that I should have received disaster relief in the amount of approximately \$36,000. After appealing in Sacramento, the Fresno County Office disregarded the appeals decision and only granted me approximately \$6,000. I complained to the USDA staff that White Anglo farmers were receiving their full requested amount, and was informed I was lucky to have received anything.
6. I believe I was qualified for the disaster relief I sought from Farm Service Agency, or its predecessor FmHA, and that the agency discriminated against me in processing my loan applications because I am Hispanic.

I have reviewed the foregoing Declaration, consisting of five (5) numbered paragraphs, and declare, under penalty of perjury that it is true and correct to the best of my personal knowledge.

  
\_\_\_\_\_  
Joe M. Rascon

3-25-02  
Date

# **Exhibit 21**

Declaration of Larry Chavarria and Robert Chavarria

We, Larry Chavarria and Robert Chavarria, hereby state and declare the following:

1. We are both over 18 years of age. Larry Chavarria's date of birth is August 9, 1954. Robert Chavarria's date of birth is November 12, 1951. Our mailing address is P.O. Box 386 Lemoore, California 93245.
2. Our family started farming in 1944. Our farm is 640 acres with irrigation. We are the third generation of farmers. We farmed together as a general partnership, Chavarria Farming Co., from 1987 until 2000. We grew wheat, cotton, cantaloupes and milo.
3. In 1995, our cotton crop suffered severe losses. In fact, the area was given a disaster designation by the California Governor's office due to losses caused by winter storms. I, Larry Chavarria, applied on behalf of the partnership to the Farm Service Agency (FSA) in Kings County, CA for a disaster loan, in January of 1997. Our application for a disaster loan was improperly rejected. We appealed the rejection to the National Appeals Division of the USDA.
4. The primary issue on appeal was our wheat lease. We signed a lease with our landlord, a white farmer, J.C. Washington for property where we grew wheat. Shortly thereafter, we began to have problems with Mr. Washington. Mr. Washington had borrowed money from Shanco Commodities Inc. [hereinafter Shanco]. Mr. Washington wanted us to sell our wheat to Shanco. When we refused to sell our wheat to Shanco, Mr. Washington went to Westside Farms, our money source, to try to collect the wheat sale funds as rent. Our lease with Mr. Washington did not contain any provisions for the use of the wheat crop as payment. This behavior by Mr. Washington was extremely inappropriate.
5. In fact, a hearing officer at The National Appeals Division of the USDA reversed the FSA decision finding in part that the FSA relied upon the testimony of our landlord, J.C. Washington, who "tells the truth, but not always all of it." Mr. Washington was in a financial bind and "desperate" to hold on to his farm.
6. Even though we won the appeal, the FSA continued to subject us to unfair and discriminatory treatment. We were subsequently denied Production Flexibility contract payments and an emergency loan.

7. In 1998, we applied for loan servicing. Initially, we were denied. However, in October of 2000, the FSA overturned their denial because we were not properly notified of the Primary Servicing options available to us. Again and again, we experienced severe delays from the FSA. These delays have caused us financial harm and emotional distress.
8. In 1999, I, Larry Chavarria, filed a discrimination complaint with the Office of Civil Rights of the USDA. Incredibly, the USDA responded that the complaint did not raise an issue of discriminatory conduct so it was outside of their jurisdiction. Because my complaint was never investigated, the harms committed against us have never been addressed much less rectified.
9. The FSA also froze payments due to us on a farm subsidy. They did so based upon a letter of objection written to them by J.C. Washington with whom we have a longstanding dispute.
10. We tried to get debt forgiveness from the FSA. The FSA appraised our property at \$2,500 per acre. As a result, we were ineligible for debt forgiveness, because our equity was too high. White farmers own both of our neighboring farms. One farm was appraised at \$750 per acre, and the other farm was appraised at \$1300 per acre.
11. We discontinued farming our land in 2000. Instead, we sub-leased our farm. I, Larry Chavarria, work for the State of California as a canteen manager in a prison. I, Robert Chavarria, am self-employed, and I prepare taxes. We would not have given up on farming except for we couldn't acquire timely loans, loan servicing or debt forgiveness. Our problems are the result of willful and continuous racial discrimination by the FSA. Similarly situated white farmers easily got loans, loan servicing and debt forgiveness.
12. Each time we went to the FSA in Kings County, CA, to apply for a loan, we were qualified for the loan that we sought. We believe that the FSA discriminated against us because we are Hispanic.

We have reviewed the foregoing Declaration, consisting of twelve (12) numbered paragraphs, and declare under penalty that it is true and correct to the best of our personal knowledge.

Larry Chavarria R-C  
Larry Chavarria

2-25-02  
Date

Robert Chavarria  
Robert Chavarria

2-25-02  
Date

## **Exhibit 22**

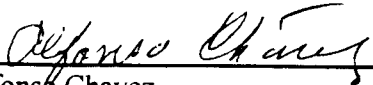
Declaration of Alfonso Chavez and Vera Chavez

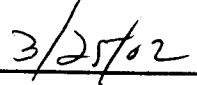
We, Alfonso Chavez and Vera Chavez, hereby state and declare the following:

1. We are both over 18 years of age and both U.S. citizens. Alfonso Chavez's date of birth is November 9, 1934. Vera Chavez's date of birth is January 18, 1943. Our mailing address is 281 North Reed, Reedley, CA 93654.
2. We have been farming together for the past 30 years. At the present time, our farm consists of 100 acres of land. We grow peaches, nectarines and plums.
3. We went to the Farm Service Agency (FSA), or its predecessor Farmers Home Administration (FmHA), in Fresno, CA on a couple of occasions. We had seen flyers from the FSA, or FmHA, stating that they had money available for first time buyers and for operational loans.
4. Our first visit to the FmHA took place towards the end of 1987 or the beginning of 1988. We got an application from a white woman employee who informed us that we wouldn't qualify and that they didn't have any funding. We took the application anyway and asked if anyone was available to help us fill it out. She said that we should do it ourselves. Because of the complex nature of the application, we hired a certified public accountant [hereinafter "CPA"] to assist us in completing the application. We submitted our application for an operational loan. We were rejected within 30 days supposedly due to a lack of funding.
5. Our second visit to the FSA took place in 1999. A white woman employee gave us an application, but she discouraged us from applying by stating that they didn't have any money. We took the application in spite of her discouraging comments and attitude. Again, we hired a CPA to assist us. We submitted our application for an operational loan. We were rejected again within 30 days supposedly because we didn't qualify financially.
6. Approximately ten years ago, our farm consisted of 400 acres. Our inability to obtain a loan from FSA directly resulted in the liquidation of 300 acres of our farm, around 1992. Currently, our farm consists only of 100 acres. Of course, our income from the farm has decreased dramatically since the liquidation. Overall, our inability to get a loan caused us severe financial effects that continue to impact our lives even now.

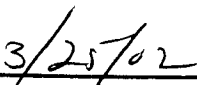
7. In 1987 or 1988, we complained to our Congressman Chip Pashayan after the first denial of our application. I, Vera Chavez, spoke to the Congressman's secretary almost everyday over a period of several months. As far as we know, no action was taken in response to our numerous complaints.
8. Each time we went to the FSA in Fresno, California to apply for a loan, we were qualified for the loan that we sought. We believe that the FSA discriminated against us because we are Hispanic.

We have reviewed the foregoing Declaration, consisting of eight (8) numbered paragraphs, and declare under penalty that it is true and correct to the best of our personal knowledge.

  
\_\_\_\_\_  
Alfonso Chavez

  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Vera Chavez

  
\_\_\_\_\_  
Date

# **Exhibit 23**


**Declaration of Ruben Chavera**

I. Ruben Chavera, hereby state and declare the following:

1. I am over 18 years of age, a U.S. citizen and a Hispanic American. My date of birth is February 6, 1956. My mailing address is P.O. Box 425, Zapata, Texas, 78076.
2. I farmed for twelve years. I learned farming from my father. I also worked on a number of farms when I was growing up.
3. From 1983 to 1988, I leased 300 acres of farmland to grow watermelons, spinach, squash and wheat.
4. From 1983 to 1988, I filled out approximately 50 Farmers Home Administration (FmHA) loan applications with the USDA. Of all of the applications I filled out and submitted, I was only approved for one six-month loan. I believe that the only reason that I was finally approved for a loan is because I had the one time assistance of Bill Arens, a farmer's advocate. Mr. Arens helped me to fill out the FSA loan application and he attended a meeting I had with Richard Morris, the Director of the Frio County USDA office.
5. Mr. Morris did everything possible to hamper my farming business during that six-month loan period. I felt like he was setting me up constantly to fail during that time period.
6. On one occasion during that six month period one of my tractors needed to be fixed. Mr. Morris told me to bring the tractor into the repair shop. When it came time to get my tractor back from the shop, Mr. Morris would not approve funding to pay for the repairs. On another occasion during this time when I was on the road selling my spinach crop, Mr. Morris demanded my return to my farm. I believe the only reason I was called back to my farm was because Mr. Morris knew I was successfully selling my spinach, and he wanted to harm my business.
7. The one time six-month loan that I was given in 1985 was for \$58,000, far less than my loan request amount. This barely covered my equipment and farming expenses. I was supposed to receive the loan money in July of 1985. Mr. Morris and the USDA office did not pay out the loan money until late in November. This caused a detrimental delay in planting my crop.

8. I have always been treated unfairly by the Frio County USDA office and its director Richard Morris and his replacement Dale Van. I felt like they continually talked down to me and required me to fill out needless applications and amended applications, only to ultimately deny me a loan.
9. I was once told by Dale Van, "How the hell do you make these applications . . . I am a college graduate and I can't even understand what you are saying". At no time did Mr. Van ever offer me the assistance of the USDA office in helping to fill out the loan applications. He only ridiculed my applications and made me fill out more paperwork.
10. I wrote to Mr. Van's superiors and lodged a discrimination complaint against Mr. Van and the Frio County USDA office in 1987. The USDA told me they found no evidence of discrimination.
11. I applied for a Minority Land Loan and learned that Mr. Van had given the Minority Land Loan to a White farmer, Mr. Calvin Bernam.
12. I am no longer a farmer, and now I support my family by being a truck driver. I lost all of my equipment, including my tractors, because I was not given loan assistance by the USDA office.
13. I believe that I was qualified for the loans I sought in 1983 through 1988 and that the USDA and its agents Mr. Morris and Mr. Van discriminated against me on the basis of my national origin.

I have reviewed the foregoing Declaration, consisting of (13) thirteen numbered paragraphs, and declare, under penalty of perjury that it is true and correct and to the best of my personal knowledge.

  
Ruben Chavera

4-1-02  
Date

# **Exhibit 24**

**Declaration of David Flores**

I, David Flores, hereby state and declare the following:

1. I am over 18 years of age, a Hispanic American, and a U.S. Citizen. My date of birth is July 22, 1942. My mailing address is 173 Chickasaw Road, Hagerman, NM, 88232.
2. I have been a farmer for 35 years. I was born and raised on a farm and learned farming from my father.
3. I leased 550 acres of farmland to grow cotton, corn, alfalfa, oats and sudan.
4. In early 1989, I filed an application in response to a farm (the Harshey farm) for sale "targeted for sale to socially disadvantaged farmers". This advertisement was in accordance with the Farmers Home Administration (FmHA) 1987 Farm Credit Act, 13 CFR 124.1. I spoke with Dick Floyd, the FmHA Supervisor for Roswell County, and he told me that I should lease the Harshey farm for 1989, and then sign the papers to purchase the farm in January 1990. Relying on Mr. Floyd's advice, I leased the Harshey farm and paid \$9360.00 to FmHA. Later in 1989, Mr. Floyd informed me that no problems appeared and that no one else had made a bid for the Harshey farm.
5. The Harshey farm had been abandoned, it was completely over-grown and was generally in bad shape. I moved onto this farm with my family, using my own money, and through hard work, we put the farm in good working order again. Even though we leased the farm late in the year, we were able to plant and produce a crop.
6. During June of 1989, Mr. Floyd was transferred to another county office. The new FmHA officials in Roswell County were Mike Hendricks and his assistant John Barncastle. Mr. Barncastle informed me in November of 1989, just prior to the January purchase date, that my deal that I had worked out with Mr. Floyd for the Harshey farm was no longer acceptable. Mr. Barncastle informed me that he wanted more bids on the farm and he re-advertised the sale of the farm. The farm was reclassified so that anyone could bid on it, and was no longer slated to "socially disadvantaged farmers".
7. In January of 1990, Michael Hendricks, the FHA County Supervisor, told me to vacate the Harshey farm because I was trespassing.

8. On January 14, 1990, a new farm for sale listing came out for the Harshey farm. This new listing made me ineligible to purchase the farm. Mr. Barncastle began soliciting bidders for the Harshey farm including a White neighbor of mine, Wayne Pilley.
9. I was informed by members of the FmHA committee that decide who would be awarded the Harshey farm, that Mr. Barncastle misrepresented facts and that these misrepresentations were detrimental to my chances of acquiring the farm. The committee selected Wayne Pilley as the buyer.
10. I appealed the Pilley award and on March 15, 1990, I won the appeal. On March 15, 1990, Mr. Pilley appealed the whole decision. Mr. Pilley lost four appeals. When Mr. Pilley finally bought the Hershey farm, he sold the water rights on it to the State, and never farmed the land. Mr. Pilley wanted the Harshey farm so that he could have a hay barn. I needed the farm so that I could make a living. Mr. Pilley never used the farm, or the barn.
11. I complained to the USDA that I was a victim of blatant discrimination. In June of 1990 the USDA sent Dan Abeyta to investigate the issue, but the results of the investigation remain a mystery. In the early 1990s, I filed written complaints regarding my mistreatment by the USDA office to Senator Jeff Bingman, Senator Pete Dominice, State Rep. Joe Skeen, State Rep. Barbara Casey, and to the State Director of the League of United Latin American Citizens-Jose Mario Salinas. I also filed complaints with the Secretary of Agriculture, the national, state and local Farm Service Agency (FSA) office, and to President Clinton.
12. In the end I had to sell all of my farming equipment at a loss. In 1989, I used my own money to lease the Hershey farm. I have suffered a number of health problems, including triple bypass heart surgery, due to the emotional stress of my ordeal with Mr. Barncastle and the USDA.
13. I believe that the USDA discriminated against me because I am Hispanic.

I have reviewed the foregoing Declaration, consisting of (13) thirteen numbered paragraphs, and declare, under penalty of perjury that it is true and correct and to the best of my personal knowledge.

  
David Flores

3/27/02  
Date

## **Exhibit 25**

**Declaration of Albert Garcia**

I, Albert Garcia, hereby state and declare the following:

1. I am over 18 years of age and a U.S. Citizen. My date of birth is April 23, 1941. My mailing address is 470 CR 44, Muleshoe, Texas, 79347.
2. I have been a farmer for 25 years. I worked on a farm, learning how to plant and grow cotton. I eventually leased land to start my own farm. I farmed cotton, corn, vegetables and hay.
3. I applied for a Farmers Home Administration (FmHA) operating loan from the Bailey County USDA office in 1988. This was the first and last time that I ever applied for a FmHA loan. At that time I was dealing with a loan officer named Jay McKay.
4. I was led to believe by Mr. McKay that I would be receiving a FmHA operating loan in April of 1988. Mr. McKay repeatedly assured me that I would be getting this loan. I went out and bought fertilizer and seeds on credit. I began to pre-water and prep the land, all the while believing that I would be awarded the FmHA operations loan in April in time to plant my crops.
5. I was shocked when I received a letter by the Baley County USDA office denying my loan request. I was told that due to my past history I was not eligible for a FmHA loan. This was my first time applying for a FmHA loan and I had no prior dealings or history with the USDA office.
6. I went to see Mr. McKay at the USDA office to see why I was rejected. I told him that I had not applied for previous loans and therefore could not have had a prior history with the USDA office. I was told that the only thing I could do was to appeal my decision, but that it would be a waste of time because the verdict would not change. I was told that the verdict would not change because the same panel that approves the loans, is the same panel that hears the appeals. I was also told that it was too late to appeal the decision and receive money for that growing year.
7. Since I bought everything on credit believing that I would be awarded a loan in April, I was forced to sell all of my equipment in order to pay off my debt. I lost everything because I did not get the FmHA loan money that I believe I was qualified to receive.
8. In 1988, when I went to the Baley County USDA office to complain of my

treatment and obtain a copy of my file so that I could pursue legal action, I was told that my records were destroyed.

9. I believe that I was unjustly denied my loan, and then discouraged from trying to appeal my loan rejection. I believe that I was discriminated against by the USDA because I am Hispanic.

I have reviewed the foregoing Declaration, consisting of (9) nine numbered paragraphs, and declare, under penalty of perjury that it is true and correct and to the best of my personal knowledge.

  
Albert Garcia

3-26-02  
Date

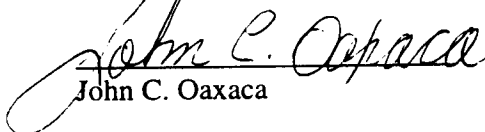
## **Exhibit 26**

Declaration of John C. Oaxaca

I, John C. Oaxaca, hereby state and declare the following:

1. I am over 18 years of age and a U.S. citizen. My date of birth is June 24, 1935. My mailing address is 629 N. College Ave., Fresno, CA 93728.
2. I have been a farmer all my life, growing a variety of products. Before losing my 145-acre ranch in 1993, I farmed grapes used for raisins, for 30 years.
3. After being turned down repeatedly for refinancing on my ranch, in 1990, I went to the USDA office located on "O" Street in Fresno, CA to apply for an emergency loan. The manager at the office informed me that loans were only available for farmers in eastern States. Nevertheless, I completed an application, but was informed that I would not receive a loan. I did not receive further notification regarding this application.
4. In 1991, I again went to the USDA office with my Certified Public Accountant who helped me file another application for a loan. The manager again informed us that my loan application would not be processed because loans were only available for farmers in eastern States. I did not receive further notification regarding this application.
5. Beginning in 1991, and continuing until today, I have written hundreds of letters to my Congressmen, Senators, and other officials complaining and documenting the treatment I received from the USDA. These letters include communications with George Radanovich, Cal Dooley, Steve Horn, Bill Archer, Jesse Helms, Barbara Boxer, Diane Feinstein, Lawrence Summers, Charles Rossotti, Michael M. Reyna, and Phil Sanchez.
6. In 1993, after several unsuccessful attempts to refinance my mortgage, my loan was foreclosed, and I lost my ranch. I have since experienced sleep disorders and anxiety for which I have obtained medical treatment.
7. Since losing my ranch, I have worked with Bill Rosconi, a garlic farmer, who I believe was granted a 7 million dollar loan to maintain his farm. Mr. Rosconi is not Hispanic.
8. I believe I was qualified for the loans I sought from Farm Service Agency, 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 eight (8) numbered paragraphs, and declare, under penalty of perjury that it is true and correct to the best of my personal knowledge.

  
John C. Oaxaca

03/25/02  
Date