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Fight against the U.S. Department of Agriculture

Obama Administration Offers Compensation to Hispanic Farmers

A multimillion dollar payout to hundreds of Hispanic farmers who say they've faced discrimination

by:

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Agriculture Secretary Tom Vilsack is about to offer \$1.33 billion to settle all grievances against the U.S. Department of Agriculture by Hispanic and women farmers who say they're victims of discrimination. Each farmer with a valid claim could receive as much as \$50,000.

"Secretary Vilsack is committed to resolving cases involving allegations of past discrimination by individuals, including Hispanic and women farmers, as well as ensuring that every farmer and rancher is treated equally and fairly," says USDA spokesman Justin DeJong. The USDA has, he says, "made significant progress on addressing USDA's civil rights record and looks forward to providing substantial relief to Hispanic and women farmers in an expedited manner."

But Guadalupe Garcia Jr. and other Hispanic farmers who sued the USDA claiming mistreatment say the Obama administration's offer of compensation for past wrongs falls short.

"We went through a lot of struggle and this just isn't good enough," Garcia says. His Washington, D.C.-based lawyer, Steven Hill, says he represents about 1,000 Hispanic farmers who have allegedly suffered discrimination. Hill called Vilsack's offer "a cynical ploy aimed at rushing my clients into a bad deal."

His clients tell stories of persistent bad treatment by officials of the local USDA, the last recourse for farmers who need to borrow money. The plaintiffs say they were also shut out of other USDA programs that helped their non-Hispanic farm neighbors. Many were unable to lodge a discrimination complaint against the USDA because it shut down its civil rights enforcement office in the early 1980s. Hill says there are potentially tens of thousands of Hispanic farmers who have claims against the USDA.

"Some people will be getting more than they deserve, and some people will be getting less." — Brett Melone, executive director of the Agriculture and Land-Based Training Association
In 1999 the federal government settled a similar lawsuit brought by black farmers. In that historic case, the government made tax-free compensation payments of \$50,000 each to about 16,000 black farmers and forgave their

debts to the USDA. Tens of thousands more black farmers still hope to benefit from a similar settlement if Congress approves additional money for that program.

The administration's offer to Hispanic and women farmers is much like the settlement the USDA reached with black farmers — with a few notable exceptions. If more claimants than expected come forward, the compensation amount to the current group of farmers would be less than \$50,000. In addition, black farmers were given the option to decline the settlement amount and seek more money in damages through an arbitration process, but Hispanic and women farmers won't have that option, a more complex and expensive process. They will, however, maintain the right to reject the settlement offer and continue to pursue their lawsuits against the USDA.

In a court filing, the Justice Department said that on October 1 it would begin posting information on the claims process in USDA field offices and meeting with Hispanic farmers, launch a website containing information about the process and activate a call center to gather the names of people interested in receiving claims packages.

Garcia, 67, the original claimant, says he's disappointed that Hispanic farmers aren't being treated the same as the black farmers.

Garcia owned two family farms totaling 628 acres just north of Las Cruces, New Mexico, both of which were lost to foreclosure in 1998. Now he must be satisfied to raise a little cotton, pecans and alfalfa on six acres of land that represent what's left of the family holdings. Garcia blames systemic discrimination by the USDA, which repeatedly rejected Garcia's loan applications but helped non-Hispanic whites buy his farms in a foreclosure sale.

He's angry that he's unable to continue the family's farming legacy by leaving the farms to his 37-year-old son, Joe David Garcia, who decided to earn his living as a trucker instead. Other Hispanics, too, are unhappy. Modesta Salazar, 66, whose family owns a 523-acre farm near Devine, Texas, told Vilsack during a visit by the secretary in August what he's offering isn't enough. "That won't get me anywhere," she says.

Foreclosure proceedings against Salazar's family farm have been stayed pending the result of the Hispanic farmer lawsuit, which was filed 10 years ago. One of 13 children, Salazar says most of her siblings were forced to leave the ranch to survive. Her brother Modesto, 68, stayed on, trying to make a go of raising cotton and cattle. But he suffered strokes in 1997 and 1998, and Modesta Salazar has been caring for him since.

Modesta Salazar says she's concerned that many Hispanic farmers have died without seeing justice, and more will go to their graves without proper compensation.

But Justice Department officials counter the criticism, saying Vilsack's settlement is more than generous. Some have even argued against making that offer. Unlike the black farmers' lawsuit,

they argue, the Hispanic farmer lawsuit failed to win class-action certification from a U.S. District Court in Washington, D.C., or, on appeal, from the U.S. Supreme Court.

Still, the blanket nature of the settlement bothers Brett Melone, executive director of the Agriculture and Land-Based Training Association, a nonprofit that helps small farmers. "Some people will be getting more than they deserve, and some people will be getting less," he says. The USDA has taken steps to eliminate the bad practices that provoked discrimination suits from minority and women farmers by implementing outreach programs and beefing up its civil rights department.

Melone says that discrimination is real, and complaints against the USDA by Hispanic farmers still exist, but conditions are getting better. "It's important that the institutional policy now is that it's not going to be tolerated," he says. "There's obviously a lot of energy at the USDA and willingness to put the past behind them."

That's good news for Latinos because farming is a profession that's attracting more of them. According to a USDA census of Hispanic farmers, in 2007 some 82,462 Hispanic farmers operated 66,671 farms and ranches across the United States. That's an increase in Latino farmers of 14 percent from 2002.