

ORIGINAL

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SALINAS COMMUNITY CENTER- SHERWOOD HALL
940 North Main Street
Salinas, CA 93906

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USDA CIVIL RIGHTS CUSTOMER)
LISTENING FORUM)

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6

January 16, 1997)
10:00 a.m.)

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APPEARANCES:

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Hershel Reid
Food and Agriculture
Council Chairman

Richard Rominger
USDA Deputy Secretary

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Sam Farr
Congressman

Pearlie S. Reed
Civil Rights Action
Team Leader, CRAT

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John G. Smythe
State Exec. Director
Farm Services
FAC Member

Michael M. Reyna
State Director,
Rural Development
FAC Member

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LISTENING PANEL

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Randy Weber
Farm & Foreign
Agricultural Service

Floyd Wheeler
Food, Nutrition &
Consumer Services

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Jerry Sesco
Natural Resources and
Environment

Leonard Hardy
Rural Development

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Robert Cole
CRAT Member

Joyce Willis
Marketing/Regulatory

22

23

Samuel Thornton
Special Assistant
to the Secretary

Karen Messmore
Food Safety &
Inspection Serv.

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Wilbur Peer
Rural Business Service

Mon Yee
At-Large Member

APPEARANCES (CONTINUED)

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Robert Whiting
Office of the Chief
Information Officer

Gary Barber
Office of the Chief
Financial Officer

SPANISH INTERPRETER:
LAOTIAN INTERPRETER
MYONG INTERPRETER

Marta Granados

COURT REPORTER:

Jacqueline J. Miller-Elkins, CSR 33480
Monterey Peninsula Court Reporters

1 MR. REID: I'm Hershel Reid, the State
2 Conservationist for the Natural Resources
3 Conservation Services and Chairman of the
4 California Food and Agriculture Council.

5 I want to welcome you to Salinas,
6 California to this Civil Rights Customer Listening
7 Session, and listening is a key word here. We
8 would like to thank you for taking time to be here
9 with us today and voice your concerns and your
10 comments to Deputy Secretary of Agriculture
11 Richard Rominger and Secretary Dan Glickman and
12 the Civil Rights Action Team.

13 Just as you are here today committed to
14 letting us know what changes need to happen, I'm
15 pleased to see the commitment from the Deputy
16 Secretary and the Civil Rights Action Team to make
17 these changes a reality.

18 We have several panel members here today
19 to initiate a dialogue with you and your
20 community. First I'd like to introduce Mike Reyna
21 on the far end of this table. He's the Director
22 of Rural Development. Next to him is John Smythe,
23 the State Executive Director for the Farm Service
24 Agency. And I have not seen any additional
25 members of the Food and Agriculture Council here

1 but if we have them, would you please stand.

2 Okay, thank you.

3 Next I would like to introduce the leader
4 of the Civil Rights Action Team, Pearlie Reed.

5 MR. REED: Thank you very much, Hershel.

6 For those of you who don't know, I served
7 here for a little over four years in the job that
8 Hershel is in now and it is really good to be back
9 here in California. So good morning and welcome
10 to all of you.

11 The first order of business is to ask the
12 Secretary and the Civil Rights Action Team members
13 to make self-introductions. I'd like to start
14 with Bob Cole.

15 MR. COLE: Robert Cole, former USDA
16 employee in Arkansas and Washington, D. C.

17 MS. WILLIS: Joyce Willis. I work for
18 Marketing and Regulatory Programs in Washington.

19 MR. WEBER: Good morning. My name is
20 Randy Weber. I'm the Associate Administrator of
21 the Farm Service Agency in Washington.

22 MR. WHEELER: Good morning. Floyd
23 Wheeler, Director of Human Resource Services Food
24 and Consumer Services.

25 MR. SESCO: Good morning. I'm Jerry

1 SESCO with the Forest Service, and I'm
2 representing the Natural Resources and Environment
3 Missionary.

4 MR. HARDY: Good morning. I'm Leonard
5 Hardy, Deputy Administrator for Operations and
6 Management. I'm with Rural Development under
7 Secretary Joe Long Thompson.

8 MR. THORNTON: Samuel Thornton, Office of
9 the Secretary.

10 MS. MESSMORE: Karen Messmore with the
11 Food and Safety and Inspection Service, Human
12 Resources in Washington.

13 MR. PEET: Good morning. Wilbur Peet,
14 Administrator Rural Business Services and Rural
15 Development Missionary, Washington, D. C.

16 MR. MAYA: I'm Stephen Maya, State
17 Director from New Mexico with Rural Development.

18 MR. YEE: Good morning. My name is Mon
19 Yee. I work for the Natural Resources
20 Conservation Service out of Portland, Oregon.

21 MR. WHITING: Good morning. My name is a
22 Robert Whiting. I represent the office of the
23 Chief of Information Office and Department of
24 Administration.

25 MR. BARBER: Good morning, everybody. My

1 name is Gary Barber. I'm the Director of
2 Executive Services in Washington, D. C.

3 MR. REID: Thank you very much.

4 The next order of business is to turn the
5 program over to The Honorable Sam Farr from the
6 great 17th Congressional District of California.
7 Mr. Farr.

8 CONGRESSMAN FARR: Thank you very much,
9 Chairman Reid.

10 I want to welcome Deputy Secretary Rich
11 Rominger, our former Secretary of Agriculture for
12 the State of California, back to Monterey County.
13 He was here during our floods; he's been here many
14 times visiting growers and listening to farm
15 workers, and it's nice to have you back.

16 With all of these introductions, is there
17 anybody left in Washington? I'm very pleased to
18 welcome you all to this session. As a member of
19 the House of Representatives Committee on
20 Agriculture and as an active member of that
21 committee, I'm very, very pleased to see that the
22 department is having these National Regional Civil
23 Rights Action Team Listening Sessions.

24 We talk a lot about bringing government
25 to the people. Oftentimes people feel that

1 Washington is so far away and the attitude within
2 the beltway, within the greater area of
3 Washington, isn't sensitive to the local needs and
4 particularly the rural needs of America. What's
5 interesting about this department is its history.
6 It has always been the Consumer Advocacy
7 Department. It's always been the department in
8 the federal government that has been closest to
9 rural needs of America. I think it's very
10 appropriate that now we are taking time to bring
11 the department to the communities and to listen to
12 the people.

13 We have an area here in the Central
14 Valley -- THAT the Central Coast like that of the
15 Central Valley. It is one of the most prosperous
16 regions of agriculture in the world, and I would
17 submit that the Salinas Valley is probably the
18 most productive agricultural valley in the world.
19 We have a great heritage in this region. If you
20 look at the walls around you, you can see that
21 heritage on the photographs that are here, so it's
22 indeed a pleasure as a member of congress to
23 welcome you to Salinas and that you chose this
24 community to have this listening session.

25 Most importantly, I'd like to introduce

1 you again to my constituents, to the people in the
2 audience here, to the people that have come from
3 all over California for this session, to a person
4 who probably doesn't need an introduction from
5 Washington because he's more of a Californian than
6 he is a Washingtonian.

7 I can tell you that at 1:30 a.m. last
8 night when I woke up and started looking at CSpan,
9 I saw him sitting at the National Press Club with
10 Secretary Glickman. So if you were at 1:30 a.m.
11 in Washington -- actually, that was a delayed but
12 it was yesterday's program -- and you're here in
13 Salinas, you're a remarkable person, Richard
14 Rominger, and I am very, very pleased that you are
15 this country's Deputy Secretary.

16 You will always be my secretary because
17 you were secretary when I served in the California
18 State legislature. You are very familiar with
19 California, with its geography, with its
20 agriculture, and very familiar with the Salinas
21 Valley and the San Joaquin Valley whom you're
22 going to hear from today. Most of all, I just
23 want to thank you for choosing to come to this
24 area.

25 We have had -- we've been an area that

1 has been hit probably more than any other region
2 in the United States with high risks. We were the
3 area that was the epicenter of the Loma Prieta
4 1989 earthquake that wiped out many of the
5 communities around here. We came off that
6 earthquake which really affected tourism more than
7 that it affected agriculture, although it had
8 disrupted a lot of the infrastructure for
9 agriculture, the well systems, water delivery
10 systems and rural electric systems. We got those
11 back and then we found out that the biggest
12 military base in the United States was being
13 closed which was Fort Ord. The national recession
14 came and the economy was in a bad state of
15 affairs. I can tell you that today -- those were
16 the early '90s -- if you look back, we have come
17 from a region of risk to a region of opportunity
18 and when you were here and seeing this valley
19 covered wall to wall with water, we thought
20 agriculture would be severely wiped out, your
21 department came to the aid. I think you'll hear
22 today that maybe we didn't hit everything but
23 remember at the time, we had to invent the law; we
24 had to write the law because Congress had just
25 enacted a new program regarding crop insurance and

1 very little, if any, of the crops in this region
2 had ever been insured. So under a program called
3 the Non-insured Agriculture Program now, we
4 were -- you were able to write the regulations in
5 record time and get them adopted so that you could
6 assist the people in this valley, and I want to
7 thank you publicly for that.

8 I look forward to hearing the comments
9 from the people. But most of all, I'm very
10 pleased to welcome you to the Salinas Valley and
11 I'm glad you have chosen to have this public
12 listening session. Thank you.

13 DEPUTY SECRETARY ROMINGER: Thank you,
14 Congressman Farr. I am pleased to be back here on
15 the Central Coast and to be here today to listen
16 to what our customers have to say about USDA
17 programs and about how we are serving our
18 customers.

19 Today at USDA, civil rights compliance
20 has shifted into overdrive because we believe
21 there is nothing more important than assuring that
22 we treat all people with dignity and with
23 civility. So we want to see this department
24 dedicated to creating an environment in which
25 every customer who comes to a USDA office is

1 treated fairly and effectively and efficiently,
2 and we also want to ensure that we provide that
3 same sort of treatment to our own employees. So
4 with the New Year, we intend to focus on how all
5 of USDA manages civil rights issues. And toward
6 accomplishing that goal, the Secretary established
7 this Civil Rights Action Team. And the first
8 action that that team took was to set up the
9 series of listening sessions all around the
10 country.

11 And at the same time, Secretary Glickman
12 announced a moratorium on any farm foreclosures
13 until they could be investigated to see if there
14 had been any discrimination in those foreclosures
15 or in the loan process. So this team, as you have
16 heard, consists of representatives of each of you,
17 USDA missionaries, and it is taking a close look
18 at at how things are working at all of the
19 organizational levels and is going to recommend
20 ways to solve those existing problems. During
21 January, this team is holding 13 Civil Rights
22 Listening Sessions all around the country, and
23 we're about two-thirds of the way through with
24 that series.

25 All of USDA's farm programs and farm

1 program agencies, including extension service at
2 the headquarters level, the state level and the
3 county level are involved in this discussion. So
4 these forums will serve as a national dialogue on
5 USDA service to minority communities and provide
6 an opportunity for minority socially disadvantaged
7 farmers to discuss their concerns about USDA
8 program delivery. We will also seek to identify
9 new ways that we can build partnerships and
10 improve the department's outreach and service.

11 Three of the listening sessions that
12 we're having will be devoted to hearing the
13 concerns of USDA employees because we have some of
14 the similar problems within the organization and
15 how our employees are treated. So this Civil
16 Rights Action Team is charged with preparing a
17 report including recommendations and that should
18 be done in the month of February. We are going to
19 hold senior staff responsible, and Secretary
20 Glickman has said that he will hold our senior
21 staff personally responsible for cooperating fully
22 with this effort, so the bottom line is that we
23 have a real opportunity to make some positive
24 change in the area of civil rights enforcement.

25 We can ensure that USDA is a diverse and

1 civil department to its employees and its
2 customers, so the Secretary and I are devoted to
3 solving the department's civil rights problems and
4 we're committed to bringing about the changes that
5 are necessary. So thank you for being here today
6 to help us in this job.

7 MR. REID: Thank you, Mr. Secretary.

8 I've just learned that our sound system
9 is not working quite the way it should be, so
10 let's pause for a moment until we make sure that
11 everything is working properly.

12 AUDIENCE MEMBER: Would you also get the
13 translation going, please?

14 MR. REID: Yes, we will. That will be
15 going as soon as we get the sound system working
16 properly.

17 (Brief recess.)

18 MR. REID: Let's resume. We still don't
19 have all compatibilities compatabilities worked
20 out but we will have a simultaneous translation
21 here for -- by a signer who's standing over here
22 in the beige sweater, and also the interpreter
23 will -- we'd ask people to pause during my
24 instructions here to allow us to make sure
25 everyone understands the ground rules. So I'll

1 try to pause at appropriate moments here.

2 Now I would mention also, because we are
3 here to listen, we want to make sure we hear what
4 you have to say and the panel is here to do that.
5 We have available -- besides the Spanish
6 translator, we have a Hmong translator for the
7 speakers, we also have a Laotian translator, a
8 Thai and a Vietnamese, and I mentioned already
9 that we have a signer who is working here at the
10 corner of the room.

11 (Translation)

12 MR. REID: Thank you. Let's go ahead
13 with the ground rules.

14 We'd like to have as many people be able
15 to speak today as we can. I would ask those who
16 are speaking to limit their comments to five
17 minutes. There will be ushers here and a
18 timekeeper to help you keep track of your time, so
19 if you have additional comments beyond the five
20 minutes, then there will an opportunity to provide
21 those comments to someone at the back of the
22 room.

23 (Translation)

24 MR. REID: We also will be recording your
25 comments. We have a court reporter up here at the

1 front of the room. As you can see, we have
2 television cameras here, so we're making a video
3 recording of this as well so that we can make sure
4 that we understand what you've said and be able to
5 take the appropriate actions.

6 (Translation)

7 MR. REID: Again, this is a meeting to
8 listen to you, so we won't be asking you questions
9 or making comments during your testimony.

10 (Translation)

11 MR. REID: We will now begin the
12 listening session, and you were asked to sign up
13 and we will be taking speakers in the order that
14 they were presented and that they signed up for
15 speaking.

16 (Translation)

17 MR. REID: So when each speaker's name is
18 called, please go to the microphone and please
19 stand close to the microphone so we make sure that
20 we get to hear what you want us to hear.

21 I would remind you that we would ask you
22 to limit your comments to five minutes or less.

23 (Translation)

24 MR. REID: Our first speaker is John
25 Gamboa. He's the Executive Director for the --

1 I'm sorry. I cannot make out the rest of the
2 association.

3 If you will give your affiliation,
4 please, and who you're speaking for, the
5 organization, or if you are speaking for yourself
6 or whatever.

7 MR. GAMBOA: Certainly.

8 The name of the organization I'm speaking
9 for is for the Greenlining Institute. I'll start
10 again. I'm the Executive Director of the
11 Greenlining Institute which is a multi-ethnic
12 advocacy oriented think tank composed of 38
13 community organizations across the state, composed
14 of the leaders of the African American community,
15 the Asian community and the Latino community. We
16 also have a component from the disabled community
17 working for us. One of the organizations that I'm
18 speaking for that's part of our coalition is the
19 Hmong Community Incorporated.

20 MR. REID: We ask the translator to
21 translate please.

22 (Translated.)

23 THE TRANSLATOR: If you could pause, then
24 I could translate.

25 MR. GAMBOA: I apologize.

1 MR. REID: Please.

2 MR. GAMBOA: First of all, I'd like to
3 commend USDA for holding these listenings. I have
4 had the opportunity to make presentations before
5 hearings before but I wasn't always sure that
6 people at the hearings were listening. I think
7 it's appropriate naming it a listening session, so
8 I congratulate you, and I also want to commend Mr.
9 Rominger for holding these hearings.

10 This is a critical issue, I think a very
11 important issue not only to USDA but I think to a
12 growing part of our nation's population, the
13 minority population.

14 (Translation)

15 MR. GAMBOA: First of all, I don't
16 believe that it would be necessary to have
17 hearings like this to see if all of the
18 communities were participating in the programs of
19 USDA to see if their civil rights were being
20 implemented, if the agency itself was user
21 friendly or client friendly. I think the
22 bureaucratic processes has frozen out so many of
23 our community and in particular recent
24 immigrants. One of the groups I want to speak
25 about, recent immigrants, is the Hmong community.

1 (Translation)

2 MR. GAMBOA: As many of you here know,
3 the Hmong in Vietnam were our allies and because
4 they were our allies in Vietnam, they suffered
5 disproportionately because we abandoned them.
6 Those in Vietnam who were able to and survived and
7 fled (sp) from Vietnam and came to Thailand and
8 other countries, eventually of those few thousand
9 that were able to flee and survive the
10 repercussions from the Viet Cong and the North
11 Vietnamese, about 200,000 of them came to the
12 United States. About half of those reside here in
13 California; 70,000 of those reside in the Fresno
14 area.

15 The shocking thing is that of those
16 70,000 who reside in the Fresno area, 70 percent
17 of them are on public assistance. They are not on
18 public assistance because they want to be. They
19 are on public assistance because we have abandoned
20 them again. We brought them to this country and
21 put them out here and we've forgotten about them.
22 The unique thing is they want to be farmers. They
23 have centuries of tradition of being farmers and
24 being excellent farmers in the mountains of their
25 home countries. But they have a unique problem

1 here in California and the United States. They
2 don't know the regulations; they're not
3 competitive with the new farming methods that we
4 have here in this country. But in spite of this,
5 in the Fresno area, many of these families are
6 attempting to survive and to supplement their
7 incomes through small farmers. In fact, they are
8 known for having some of the sweetest, largest or
9 as Tou Xiong says, a leader of the Hmong
10 community, the best strawberries in the country.

11 There have been several attempts to bring
12 the Hmong community and provide them with
13 technical expertise but these attempts have
14 failed. They failed because the attempts have not
15 been culturally relevant, haven't been in their
16 language, hasn't been with the people they
17 understand, respect and have -- and would pay
18 attention to. I think the USDA now can do
19 something dramatic for these people and you don't
20 have to do it alone. Most of the work has already
21 been done by community agencies like the
22 organization I represent, and other organizations
23 in the Fresno area as well as the financial
24 institutions of California: Bank of America,
25 Wells Fargo, Union Bank, even Merrill Lynch and

1 others are prepared to provide the loans and the
2 assistance to the Hmong farmers after they have
3 obtained the technical expertise and are able to
4 be competitive with the other farmers in the
5 Fresno area. You can make the difference.

6 There's a program set up already. The
7 Hmong community, by the way in California, is made
8 up of 18 clans. The leaders of the clans are
9 usually called mayors. Thirteen of the clans have
10 collectively come together to provide that inner
11 phase to take the information we have here in
12 California that you have and make it available in
13 a way that the Hmong farmers could use. They're
14 ready to empower their own community. It's called
15 the Hmong Community Development Incorporated. I'm
16 speaking -- I'll have someone else come up for a
17 second right now. April Veneracion, can you come
18 up?

19 We're speaking for the Hmong community
20 Incorporated because they don't have the
21 resources, yet most of them have to work. The
22 leaders have to work, and so they asked us to
23 speak for them today. The project -- the details
24 of the project I'm going to turn over to April
25 Veneracion who's speaking specifically for the

1 Hmong Community Incorporated. April?

2 (Translated.)

3 MS. VENERACION: Good morning. My name
4 is April Veneracion.

5 I'm speaking today for Tou Xiong, the
6 Executive Director of the Hmong Community
7 Development Inc. in Fresno. I wanted to outline
8 this project that John has briefly described that
9 would help move the Hmong from public assistance
10 to self-sufficiency.

11 This project is very important because it
12 provides -- hopefully it will provide the missing
13 link. The Hmong have been very good farmers in
14 Fresno. However, they need technical assistance
15 in a language that's culturally relevant. The
16 Hmong are already active in farming in the San
17 Joaquin Valley. There are more than 600 farmers
18 on 3,000 acres in Fresno County. For agriculture
19 to become a significant source of income for the
20 Hmong community to move them to self-sufficiency,
21 they must overcome challenges in three main areas
22 of production, marketing and finance.

23 The Hmong are good farmers, yet they are
24 unable to follow all of the recommended production
25 practices because of lack of credit and therefore

1 their yields are relatively low. The average farm
2 sizes are five to ten acres, and this is not large
3 enough for them to be economically
4 self-sufficient, yet the farmers who have managed
5 to borrow production credit have excellent
6 repayment records because the Hmong have a
7 tradition of debt repayment, successful
8 agriculture experience and a history of
9 cooperation, we believe this is a unique project
10 that has an opportunity to help the Hmong off
11 welfare and make a sound investment in the
12 community.

13 The project shows great promise both as
14 an investment that will help the Hmong community
15 and as a model for community development and
16 decreasing welfare dependency. A program of this
17 nature is especially timely given the welfare
18 reform bill, and we hope that the USDA will assist
19 in making this possible. Thank you.

20 MR. REID: Thank you.

21 MR. GAMBOA: If I may, just one last
22 comment.

23 We figure that one-tenth of one percent
24 of the support for this project that has been
25 going in to mostly white farmers would make a

1 tremendous difference. The only difference you
2 have to make is to make sure that you're able to
3 interface with the Hmong community. Thank you.

4 MR. REID: Thank you for your comments.

5 We would ask Dr. Holly Price to come
6 forward. She's representing the Monterey Resource
7 Conservation District.

8 TRANSLATOR: Before we do that, may I
9 translate what the lady said?

10 (Translation.)

11 MR. REID: I believe one of the panel has
12 a question for Mr. Gamboa.

13 MR. COLE: What type of crops and what
14 was the name of the project again?

15 MR. REID: I'm sorry. I couldn't hear.

16 MR. COLE: What types of crops do they
17 grow?

18 MR. GAMBOA: I have handed out a -- what
19 we did is we hired Ag Land, one of the most
20 prestigious agricultural assistance organizations,
21 that does mostly programs in foreign countries.
22 In fact, most of their work right now is being
23 done in Russia with the Russian farmers. They
24 have done an intensive study of what the Hmong
25 farmers need.

1 I have given a copy of that -- most of
2 the stuff that they have been growing is cherry
3 tomatoes and strawberries. I don't know if that
4 answers your question, but the report that I just
5 handed out, and maybe you can reproduce it, it
6 goes into real detail.

7 MR. REID: Thank you.

8 MR. GAMBOA: I'm sorry that I was trying
9 to escape. I have another hearing to go to.

10 MR. REID: Thank you for taking time to
11 be here and providing us with your insights.

12 (Translation.)

13 MR. REID: Would Dr. Price please come
14 forward, representing the Monterey Resource
15 Conservation District.

16 DR. PRICE: Yes. As most of you have
17 probably noticed, I am not a minority farmer. I
18 am here representing the Resource Conservation
19 District. We are the local sponsor of the Natural
20 Resources Conservation Service or NRCS, Elkhorn
21 Slough watershed project here in Monterey County.

22 This project represents a positive use of
23 USDA resources for serving minority farmers,
24 protecting their economic interest and the natural
25 environment. However, we're concerned that

1 several aspects of USDA financial assistance
2 programs under the 1996 Farm Bill may threaten the
3 agency's ability to effectively serve minority
4 groups. The purpose of the Elkhorn Slough project
5 is to -- I should stop?

6 THE TRANSLATOR: No. I have just been
7 informed that I am now to interpret for the panel
8 when the Spanish speakers come to the microphone,
9 so you may continue.

10 DR. PRICE: Oh, okay.

11 The purpose of the Elkhorn Slough project
12 is to reduce annual transport of sediment into the
13 slough by 50 percent and prevent over an estimated
14 million dollars a year in erosion damage.

15 Hispanic and limited resource farmers
16 represent over 80 percent of the farmers in this
17 watershed, but the unique social and economic
18 conditions of those farmers makes them less likely
19 to hear about government assistance programs, to
20 accept or install structural conservation
21 practices. So during the first year of the
22 project, NRCS looked into why their previous
23 approaches hadn't been effectively serving these
24 growers and then modified them to better match the
25 social and economic conditions in the watershed.

1 The project team is now taking a
2 pro-active approach to contacting farmers and
3 offering conservation systems that are compatible
4 with constrained cash flows, short duration leases
5 and limited construction experience. As a result,
6 Hispanic farmers are requesting assistance in
7 unprecedented numbers. The project has been a
8 real success. Signups for cost shares have
9 increased 500 percent from 1995 to 1996. Staff,
10 all Spanish speaking, has translated materials
11 into Spanish and has a number of other initiatives
12 in technology innovation and permit streamlining
13 to assist minority growers, and I'm going to give
14 you some written details of that.

15 As a result, over 70 individuals and
16 organizations have received some form of technical
17 assistance on this project. 65 percent of those
18 are either Hispanic or Asian American; about a
19 thousand acres served and almost 3,000 tons of
20 estimated reduction in soil erosion.

21 Despite these successes, several
22 obstacles have recently come to our attention that
23 we believe will limit serving Hispanic farmers.
24 The USDA ACP program, cost share program, has been
25 replaced by the EQI program, Environmental Quality

1 Incentives. This program unfortunately asks
2 farmers to have control of their land for five
3 years. Most of the minority growers in this
4 region will have leases for three years at the
5 most, so this new program effectively will exclude
6 many of the minority groups from receiving
7 technical and cost share systems from USDA.

8 Similarly both existing and proposed USDA
9 cost share programs require that the growers put
10 the money up front and then will be reimbursed.
11 For limited resource farmers, this really doesn't
12 remove the economic barrier that prevented them
13 from adopting a conservation practice in the first
14 place, so we'd like to see that modified so that
15 minority farmers can be given money up front to
16 put in conservation practices rather than having
17 to wait.

18 We definitely appreciate USDA's technical
19 support for this project in the area but ask you
20 to recognize that excellent staff and the best
21 intentions in the world will not be effective
22 unless the government programs that those staff
23 use are effectively targeted for minority groups.

24 Thank you for this opportunity.

25 MR. REID: Are there questions? Thank

1 you, Dr. Price.

2 Our next speaker will be Mr. Arnezquito.
3 He is a farmer representing the Very Best
4 Growers. Would you come forth, please?

5 As you're coming forth, let me just
6 remind the listening panel that there may be
7 testimony at times in Spanish, and you do have a
8 headset. If you'll have that on when that occurs
9 so that you can listen, there will be a
10 simultaneous translation at that time.

11 MR. ARNEZQUITO: My name is Meracio
12 Arnezquito, and I represent Very Best Growers
13 Cooperative which is a cooperative that has 11
14 farmers. It's made up of just farmers that have
15 been growing strawberries and raspberries for
16 many, many years in Santa Cruz and Monterey.

17 Unfortunately, our co-op has filed
18 bankrupt, you know. On October 31st, we filed
19 bankrupt. One of our salesmen and our cooling
20 manager did some embezzlement. And this is about
21 three months that we submitted to the local police
22 all the evidence that we can, and there hasn't
23 been done anything about it. I don't know. How
24 long are we going to be able to still be in
25 Chapter 11? We may have to file Chapter 7 and

1 just get out of the business because there's no
2 funds available.

3 So the reason I came here is just to see
4 if any one of you can follow-up our thing over
5 here in the local police because it's very sad
6 that just by the greedy of two people here that
7 work for 11 farmers, and the greedy of their own
8 went in and invested money and just damaged about
9 11 families and about 250 farm employees plus all
10 the future for having that cooperative and have
11 better marketing for the product has been
12 destroyed. So if anyone over here would just --
13 can help us over here and the local police to
14 investigate and see that there's something to be
15 done, you know, to have some justice done.

16 That's all. Thank you.

17 DEPUTY SECRETARY ROMINGER: Thank you.
18 We will investigate to see if there's anything
19 that we can do to assist in this issue, yes.

20 MR. REID: Thank you for taking time to
21 come and share your comments, and we really do
22 wish to listen and we are listening to what you
23 have to say.

24 (Translation.)

25 MR. REID: Our next speaker is Mr. Warren

1 Bain. Has he arrived?

2 I do not believe he's here yet, so Mr.
3 Benigno, would you come forth, please,
4 representing CNT Farms.

5 MR. BAIN: I'm Warren Bain, and I want to
6 thank you for the opportunity of addressing you.
7 I was a little overwhelmed when I received notice
8 that we were holding a public forum. I had no
9 idea of the magnitude.

10 I represent my family, and I'll try not
11 to be emotional. But 13 years ago, an
12 organization under USDA Farming Administration was
13 found guilty by Reagan's administration and by
14 R. F. Sox (phonetic) Administrator of Farmers Home
15 Administration, of violating my family and my
16 civil rights many times. And I was offered the
17 option to sue or to settle with a small interest
18 loan over 30 years on our family farm. I optioned
19 to take the last and to take the loan and work it
20 out.

21 Since then, on several appeals, they have
22 been discovered that under county supervisors --
23 not all of them maliciously but because of their lack
24 of experience -- have violated our civil rights.
25 If I might read the last time? An appeal officer,

Iverson Chavez, writes he requested an appeal on the decision of Farmers Home Administration, and I'm going to read that chapter: The first issue I would like to address is the annual installment due on your farm ownership loan. You are correct. There was an error made by the County Officer when notifying the finance officer. He had notified the finance officer to foreclose on our ranch stating that though he had not been involved five years earlier, the forms were misswritten, and I was in fact in error and delinquent.

In this statement -- and I brought copies so you can look into it -- it was discovered that I wasn't in error. I had made the payments as agreed, and he was harassing me. Later she goes on to read that the reservicing package, she says, the second issue was whether or not you provided the application package to FMHA within the required 45-day time limit. In my review, I found in fact -- you did in fact provide the requested package to FMHA during this time period. FMHA did not act in accordance with FMHA's instructions.

1951 S.

Am sending you attachments 9 and 10 and

1 in overturning -- I am overturning the original
2 decision to allow FMHA to properly notify you as
3 to whether or not you are eligible for debt
4 restructuring.

5 The files have been returned to the Indio
6 County office.

7 To this day, they have never completed
8 one reservicing package, denying me the right to
9 it or not denying it. If I might, and I don't
10 want to take a lot of your time because I can see
11 that you have -- some of the violations that have
12 been brought upon us was when they took our
13 interest and they had between a Mormon Bishop,
14 which was our CPA, and my wife and I was present
15 at a reservicing meeting, and he had me fill out a
16 blank financial document, loan form. And at that
17 point, he took my interest and raised it two
18 and-a-half percent when he filled it in later.

19 We complained of that and complained on
20 it and we've been complaining for five years about
21 this.

22 The other was -- and the reason I'm
23 addressing USDA is there are several other
24 violations. During appeals, Mr. Stope (phonetic)
25 withheld finances for my -- for our loan which we

1 weren't able to buy cattle in desperate attempts
2 to save the farm. And believe me, there were
3 people within FMHA and in this administration and
4 others that have tried to help us; we know this.

5 But when we object to no -- it's
6 impossible to bring investors in, which we have
7 done four different times, with hundreds of
8 thousands of dollars and we start the program, put
9 the cattle in, 1600 cattle at one time, and
10 we're -- they simply will not address our
11 reservicing.

12 The last thing we did is -- I'm from
13 Riverside County, the Chino Valley, the largest
14 dairy community in this country and probably the
15 world, the largest cheese factory in Corona is
16 right there, the Golden -- California Golden
17 Cheese. The calves ranches are probably -- okay.
18 My time is up.

19 In any case, we got permits from the
20 local community; we work with the civil leaders,
21 the building permit; we've got the county
22 supervisors, all of them to get a USDA packing
23 house on that plant, and the engineer who helped
24 us put this all together -- and we had four
25 million dollars to fund it -- I understand.

1 MR. REID: Let me ask, are there any
2 questions from the panel here? And then I'll ask
3 the interpreter to summarize your comments. Are
4 there any questions from the panel?

5 If not, would you please summarize?

6 (Translation.)

7 MR. REID: I believe there's a question
8 from Deputy Secretary Rominger.

9 DEPUTY SECRETARY ROMINGER: I just wanted
10 to say that I will ask Randy Weber and John Smythe
11 to follow-up on your comments on your situation,
12 and I understand you did present written material;
13 is that correct? We have it? Okay, thank you.

14 MR. BAIN: Thank you, sir.

15 MR. REID: Thank you for coming and
16 spending this time and sharing with us.

17 (Translation.)

18 MR. REID: Mr. Mario Cabezas, who is a
19 farmer, is our next speaker. Would you please
20 come to the microphone.

21 MR. CABEZAS: Good morning. My name
22 Mario Cabezas. I'm a strawberry grower. I
23 belong -- I'm one of the growers with Very Best
24 Growers.

25 I'd like to emphasize that our

1 cooperative is all Latino growers, and I just
2 wanted to emphasis a little bit more on what
3 Meracio Arnezquito said. He's our manager, and
4 that we do please ask for that help and I
5 appreciate already the answer of looking into it.

6 Like I say, there's investigations being
7 made already of our embezzlement and it kind of
8 goes a little bit too slow for us. We're not
9 totally confident that things may be done right.
10 That's why we ask for your help, and it is very
11 true, we are suffering economically because it's
12 all our investments of these 11 families because
13 these 11 growers work -- we work in the field with
14 our families and all investments are pretty much
15 down the drain for that. So thank you very much.

16 MR. REID: Thank you.

17 (Translation.)

18 MR. REID: Are there comments or
19 questions for the panel?

20 Thank you for coming today. Our next
21 guest's testimony will be from Ms. Maria Catalan,
22 a farmer in the area.

23 TRANSLATOR: Could I ask the panel,
24 please, to put your headsets on so I can do a
25 simultaneous interpretation.

1 MS. CATALAN: (Through Spanish
2 interpreter)

3 Good morning. My name is Maria Catalan.
4 I'm an agriculture student this year. I'm
5 Mexican.

6 I apologize. I'm a little nervous.

7 I worked for 10 years in agriculture here
8 in the United States working for various companies
9 packing, harvesting but my ambition is to improve,
10 and not to end up working in the field made me to
11 go to the Development Center here in Salinas, and
12 I'm trying to improve in what I can do, what I'm
13 able to do which is agriculture. And I thank you
14 for coming here so that I can share an experience
15 with the agriculture department here in Salinas.

16 I studied for two years so that I could
17 do -- take care of a new project, working for 40
18 families, giving them everything and the
19 assistance in vegetables. I went to the
20 department. I said, I have a new project that I
21 want to do. I showed them my plan that I had
22 which was just with two acres and they said, No.
23 This isn't possible. You can't plant 15 or 20
24 varieties, and it can't be. You have to bring
25 another -- you have to plant more. And I said, It

1 is possible. I can do it, and I did it. I've
2 been doing it for a year. I've been working on
3 this project for this time.

4 Most of my customers are Anglos in
5 Monterey and Carmel but I still have barriers
6 because I can't support my family completely, and
7 the assistance I have received has only been from
8 the Center for Development.

9 Thank you for listening to me, and I hope
10 that we Mexicans or Latinos who want to improve
11 can get your support because we're helping the
12 world. I want my children to breathe a different
13 type of air than what is here in the fields.

14 If you have any questions for me?

15 DEPUTY SECRETARY ROMINGER: Which
16 government offices did you talk to; do you know?
17 Was there an extension service or the county ag
18 department or USDA?

19 MS. CATALAN: It was an employee who
20 works for the USDA. We just briefly talked
21 because he wasn't able to understand the project
22 which I was presenting to him. He said, It's
23 impossible that with two acres you can feed 40
24 families. That can't be. And I said, But if I
25 can't, I can't plant on 100 acres. I have to

1 start wherever I can.

2 So I don't know if there's a way that
3 there's more and more support for those of us who
4 want to be agriculturiers and improve that way. I
5 can't go to university; I can't aspire to get
6 education at university when I have four children
7 and I have a husband. I can't. I have to improve
8 in doing what I know what to do which is doing
9 working in agriculture.

10 DEPUTY SECRETARY ROMINGER: Thank you.

11 MR. REID: Thank you for coming and
12 sharing with us today.

13 Our next speaker will be Mrs. Vera
14 Chavez. Is Mrs. Chavez here?

15 All right. Our next speaker then will be
16 Gilbert and Anna Cox.

17 MRS. COX: Good morning. My name is Anna
18 Cox, and we are the ones that own the commercial
19 goat dairy in upper Carmel Valley in the Cachagua
20 area. We have been licensed by the Department Of
21 Food and Ag of the State of California since
22 1987.

23 We have in the last two years been
24 involved in a major battle with Monterey County
25 and two neighbors that have moved in or have filed

1 complaints against the dairy. We have spent
2 nearly \$150,000 in legal fees and every county
3 permit that the county has demanded that we file
4 for.

5 When this battle first started, we
6 contacted the Farm Bureau, Monterey County Farm
7 Bureau, who informed us that we were protected by
8 the Right to Farm Ordinance in Monterey County but
9 that we should go ahead and work with the county
10 in trying to do whatever it is that they felt
11 necessary that we needed to do at this time.

12 I need to make it clear that back in 1987
13 we went to Monterey County and met with Mr. Clark
14 who was the head of building at that time, asking
15 what it was necessary for us in order to build a
16 dairy barn, a milking barn. He asked us that we
17 must submit plans and apply for an ag exempt for
18 the building, which we did. This was granted.

19 We proceeded to contact the state to find
20 out what their requirements were and they gave us
21 the requirements, and we went ahead and built the
22 dairy milking barn. And the county did not
23 inspect it because within ag exempt they did not
24 need full building permits. They did come in and
25 inspected the structures as they were being built

1 from the beginning, including building, electrical
2 plumbing and all the milking equipment.

3 We have been in operation, like I said,
4 since 1987. We also produce goat cheese on the
5 property. I own 11.52 acres in the upper Cachagua
6 Valley. At that time when we started our
7 operation, it was a ten-acre minimum for goats --
8 for dairies actually - did not separate goat or
9 cows.

10 In 1992, Title 21 which is the Monterey
11 County ordinance came into effect which put
12 dairies at 40 acres, and this is what Monterey
13 County has used to close our facility or attempted
14 to close it. We have gone through all the process
15 from Zoning Administrator Dale Ellis to the
16 Planning Commission and which we have lost every
17 fight that we have had. We are now in the process
18 of taking this to the courts and asking them. We
19 do need some kind of a criteria. And since
20 Monterey County has made it a requirement, a 40
21 acre minimum for goat dairies, this is a new
22 industry, as you well know, as far as the milk and
23 cheese aspects of it.

24 Most of you that have worked with USDA
25 are aware that this is an industry that is

1 dominated by not only mostly women but minorities.
2 I happen to be a minority. I'm Cuban and Puerto
3 Rican. It is the kind of animal that women easily
4 can handle, and it is a growing industry. I am
5 and I personally own the Lasco Dairy in Monterey
6 county which the county absolutely does not want
7 us.

8 The USDA is trying to encourage
9 minorities and trying to encourage not just
10 minorities, the Latino, but women as well. We
11 need to see -- look into criterias that can help
12 both counties like Monterey County realize that
13 the requirements for small animal dairies like
14 goats, ten acres is more than adequate, not 40.
15 When you put a 40-acre minimum in a dairy, a goat
16 dairy especially, it right there limits the
17 capability of any kind of minority of ever ever
18 owning a dairy, especially in Monterey County,
19 because of the cost of property in this area.

20 When I bought my acreage in 1978 with the
21 prospects -- I brought my goats on that property
22 was with the prospects that I could afford the
23 land and that land was paid for for 18 years, and
24 I have had to mortgage everything I've got in
25 order to pay my legal fees and to fight for my

1 rights to continue to run my dairy.

2 I do thank you and I do ask the USDA for
3 any kind of help that you can give us. We have
4 contacted everyone that we could think of that
5 could give us some kind of help. I mean we
6 don't -- we're not asking for financial help but
7 we're asking for at least some input or some kind
8 of assistance because we don't know where else to
9 turn anymore. Thank you.

10 MR. REID: Thank you.

11 MR. COX: If I may, I'd just like to say
12 one thing or maybe two.

13 We have a little problem in this country
14 called urban sprawl, and what we are having
15 problems with and a lot of the people in this
16 room, I assume is having the same problems, is
17 that when people move out to the country next to a
18 farming operation, dairy operation, cooling plants
19 or whatever, they start complaining. Those
20 complaints cost the farmers and a lot of these
21 people a lot of money to fight in court.

22 They have state Right to Farm laws and
23 they have county Right to Farm laws. None of them
24 seem to be worth the paper they're written on.
25 I'm hoping USDA will come in and do something

1 about it.

2 Thank you very much.

3 DEPUTY SECRETARY ROMINGER: Thank you.

4 MR. REID: Thank you for coming and
5 sharing your insights and your comments.

6 Our next speaker will be -- excuse me.
7 Translation. I'm sorry.

8 (Translation.)

9 MR. REID: Thank you.

10 Our next speaker will be Dee Dermake, a
11 farmer, and following that person will be Felipe
12 Elias. I'll just mention this next person that
13 will be coming up.

14 Mr. Dermake.

15 Mr. Elias, and following Mr. Elias will
16 be Manuel Espinoza.

17 MR. ELIAS: (Through interpreter)

18 Good morning, everyone.

19 I'm not very good at speaking to a large
20 group, but I will try to do everything possible to
21 be clear.

22 I arrived in this country approximately
23 14 years ago. Twelve of those years I worked for
24 different companies, then a friend told me about a
25 place where they show you and help you prepare to

1 produce food clean, and I've been there for three
2 years. And in those three years, I have learned
3 more in agriculture than the previous years.

4 The lady who spoke before me, Maria Inez,
5 almost said everything that I wanted to say. What
6 I would like to say is also for my other farmers
7 who were not able to come. This center has given
8 us support and if I could ever go forward in
9 agriculture, this is the root. This is the
10 foundation where people who are interested in our
11 earth we could say, because in spite of the fact
12 that we are people who don't have the resources,
13 the financial resources, to continue and go
14 forward. In spite of that, sacrificing our own
15 family financially, we're trying to continue and
16 go forward, and this is for the good of our
17 country.

18 Thank you.

19 DEPUTY SECRETARY ROMINGER: Thank you.

20 MR. REID: Thank you for coming and
21 sharing.

22 I'd ask Mr. Manuel Espinoza to come
23 forth, and then following him will be Lupe
24 Flores.

25 MR. ESPINOZA: Good morning. My name is

1 Manuel Espinoza. I'm a small grower, farm worker/
2 grower. I'm here to give my comments regarding
3 the problems we have.

4 One of them is the problem we have with
5 Farmers Home because of the process that they use
6 for the loans that we request. It affects us so
7 much. It affects us too much. If this could
8 change a little bit, our situation would be
9 better. There would be better. It would be less
10 difficult with our problems.

11 Also we have a very good friend that we
12 see every day. And the sellers -- the sellers of
13 the products that we produce who keep everything
14 what does not belong to them, and that's the main
15 problem we have, that after what they do, after
16 the abuse, we end up with nothing.

17 Thank you.

18 MR. REID: Thank you for coming and
19 sharing with us.

20 And now Lupe Flores, please.

21 MS. FLORES: Good morning. I'm Lupe
22 Flores. I come from the Fresno County area,
23 Mendota, California, and I represent two
24 companies, the Ayala Corporation -- I'm the office
25 manager. It's a farm labor contracting service.

1 We run about 2,000 employees through that company
2 and today I'll be speaking on behalf of Ayala
3 Farms Incorporated which we just formed in '96.

4 Mr. Ayala, who is not presently here
5 today, I'm here to represent what he has sent me
6 with. The land that he's presently farming was
7 last used in production in 1983. Berenda Mesa
8 owned that in the Kern County area, and they went
9 bankrupt and an estimated 1,200 employees were let
10 go at that time. He was an employee of that
11 company.

12 An opportunity in '96 was open to him to
13 lease the same land that he initially farmed back
14 then as an employee, and now we're farming that
15 land. And due to the respect that we were not
16 knowledgeable with all of the applications or the
17 necessary documentation needed to complete those
18 USDA for subsidies, we had a management
19 professional group complete that application and
20 in the forming of them, completing the
21 application, we lost out on the wheat subsidy
22 because we plant wheat, watermelons and cotton.

23 So our recommendations today is that if
24 you can provide a hand out, a guide, I believe
25 that we're educated enough to complete those forms

1 ourselves, and we don't have to look for outside
2 services to do them. And that if there is an
3 error and we do lack something and we don't
4 achieve in getting that proper documentation -- we
5 know that we did the error, that we committed the
6 error and there's no one to blame.

7 Also the application that you provide is
8 very lengthy. And I went to two counties, Fresno
9 County, no help whatsoever from your staff. This
10 is the application, here it is, you complete it.
11 And I asked several other questions, and they were
12 not willing to assist. Individuals were not there
13 to provide that technical assistance that we
14 needed.

15 We went to Kern County, totally different
16 story. I must commend your staff over in Kern
17 County. They went from A to Z with every program
18 and that's where we found out we were not eligible
19 for the wheat program because of the file that was
20 submitted to them.

21 I have one other comment, and that's no
22 matter what the situation is or who it is
23 affecting, the individuals who are in the position
24 of authority, such as yourself, have that
25 obligation to each and every one of us in this

1 room, no matter what color we are or what race we
2 are. The education is to teach us and the model
3 I've always used in my livelihood is to teach is
4 to succeed, and I stand by it and I expect that
5 from you as the panel. Thank you.

6 Is there a question for me?

7 MR. REID: Are there any questions or
8 comments?

9 CONGRESSMAN FARR: I have a question, and
10 probably the secretary.

11 As a member of Congress, we get a lot of
12 people coming into our office who have problems
13 with several governments, and I'm very, very
14 interested when you have not been treated well by
15 public servants at whatever level, city, county,
16 state, federal. I know our office can call the
17 congressional liaison with the federal agency and
18 get special attention, but I would like to ask the
19 Secretary because it would be easier just to go
20 back to the department and say, Can we get a more
21 friendly attitude out of your department.

22 MS. FLORES: Yes, a user friendly
23 attitude. Exactly right. I don't think I look
24 that threatening anyways.

25 DEPUTY SECRETARY ROMINGER: Well, that's

1 why we're here, to learn the concerns that you
2 have where we are not treating you fairly,
3 efficiently or as you would like, so those are the
4 kinds of concerns that we want to hear about
5 because that's what we want to fix.

6 MS. FLORES: Like once again I said, if a
7 handout was created, a pamphlet of some form or
8 type that we can use as a guide of regulations and
9 record keeping.

10 I know you ask for a budget; I know you
11 ask for income; I know you ask for background in
12 farming. It's extensive, but if we had a guide A
13 to Z on, you know, to complete it, it could be
14 done. It could be done by anyone, anyone that has
15 knowledge and education to complete a form. We
16 can do it.

17 DEPUTY SECRETARY ROMINGER: Thank you.

18 MR. REID: Thank you, and I would ask the
19 interpreter to please summarize.

20 (Translation)

21 MR. REID: Thank you. It's time to take
22 a break. Let's take about a ten-minute break and
23 then return after a break.

24 (Recess.)

25 (Translation)

1 MR. REID: Please take your places.
2 Would the panel members please take your places?
3 Let's resume our listening forum. It's extremely
4 important that we all have a seat so that speakers
5 can be heard.

6 Secretary Rominger has an announcement
7 for us.

8 DEPUTY SECRETARY ROMINGER: Thank you.

9 We do have a long list of speakers today
10 so what we've decided to do is to extend our
11 listening session for another hour so instead of
12 completing at 1 o'clock, we're going to go until
13 2:00 o'clock. But in order to complete it at
14 2 o'clock, we would ask that any of you who would
15 like, to submit your comments in writing so that
16 we can get to as many people as possible. We do
17 have forms out on the table outside where you can
18 write down anything you want if you don't already
19 have it in written form.

20 We also have a 1-800 telephone number
21 where you can call in and give us your
22 information, and that information is available
23 also out at the table in the hallway out there.

24 So we'd like to move on now and get as
25 many people as possible so that we can hear your

1 concerns.

2 (Translation)

3 MR. REID: All right. As we start with
4 the -- ask the next speakers to come forth, and
5 let me give you the next two in order. The first
6 one will be Strown Martin and then after him
7 Lourdes Gonzalez.

8 As he's coming forth, let me again remind
9 everyone of the guidelines here, that we have a
10 maximum of five minutes. The interpreter will
11 provide a summary of the comments if they're in
12 Spanish, and we'd ask you again to remember to
13 provide written comments to us because we want to
14 hear from everyone.

15 MR. MARTIN: I am Stown Martin and I'm
16 with Mr. John Boyd of Black Farmers Association.

17 And to start with and the problems we've
18 been having, my first concern would be
19 responsibility, accountability and who takes care
20 of enforcement, and I'll come to that in a very
21 few minutes.

22 Now in 1994, we applied for a loan with
23 the San Diego, Riverside County, Farm Agency. We
24 went through the process and in so doing we had
25 what we thought was an 18-month plan. We were

1 able to start in August. However, the contract
2 was such that we would also extend through 1995.
3 The thing that was kind of peculiar because at the
4 beginning of 1995, we were asked to fill out what
5 we thought was an update of the plan that we
6 already had but we discovered later that it was an
7 application for another loan which we already had
8 a loan, now we're applying for another loan.

9 As you know, in 1995 we had the storms
10 and crop loss and we lost the crop that we had.
11 So in working with the county agency, we worked up
12 to a point where we were supposed to get a plan to
13 repay the money that we had borrowed. And what
14 was said in relation to the crop loss, we had a
15 declaration of disaster for Riverside County and a
16 number of counties in California but to the local
17 office, there was no such declaration of loss for
18 Riverside County. And the office gave me the
19 document certifying that the President had also
20 declared Riverside County for assistance because
21 of the loss. And since this was done in this way,
22 I had to appeal through the western region for
23 assistance. Of course we appealed; it is now in
24 the appeal process.

25 But getting back to the loan, the loan

1 was delayed and delayed and now we have a
2 peculiar. We have three -- we have a decision, an
3 administrative decision, but we also have two more
4 applications for loans, and I haven't been able to
5 figure this out still because each time we
6 supposedly did an update, we were making an
7 application for another loan.

8 Then we worked up to a point where we
9 were trying to work out some way to repay the
10 money that we had. This was denied. And since it
11 was denied, two days later we're getting
12 foreclosures, and we -- I'll try to get through
13 this as fast as I can.

14 And of course we had the appeal, and the
15 decision came back, Reverse your decision of
16 foreclosure and process the loan. Now a lot
17 happened after that because I contacted a lot of
18 people. Some of you people in this room, I wrote
19 letters and letters to, and we were trying to get
20 enforcement.

21 That's what I'm saying here,
22 responsibility, accountability and enforcement.
23 And we still have not gotten enforcement for that
24 decision, and they -- I'm speaking of the
25 agency -- they do not even address it. They say,

1 You must become eligible again. In other words,
2 double standard. We have been treated differently
3 in this whole matter.

4 I sent a copy of this matter of not being
5 a disaster, and some of the people responded and
6 they just couldn't understand why you have this
7 declaration from the President and you have
8 somebody who gets down the line who is supposed to
9 be responsive to what the superior as of that
10 person and instead they're telling me now, You
11 must become eligible again, but that is no
12 assurance. Even though I have a contract, I have
13 a decision, but now I must become -- and at the
14 same time, there's no assurance that you're going
15 to be made eligible.

16 I also have these documents and I'll give
17 them to the panel. Thank you.

18 DEPUTY SECRETARY ROMINGER: Thank you.

19 (Translation.)

20 MR. REID: Thank you. Lourdes Gonzalez,
21 then following will be Dan Williams.

22 MR. GONZALEZ: Hello. Good morning. My
23 name is Lourdes Gonzalez. I live in Watsonville,
24 California. My father and brothers have farmed in
25 this area since the early 1970s.

1 I'm addressing you as president of the
2 California Latino Agriculture Association, the
3 state-wide organization of Latino family farmers.
4 There are over 400 Latino growers farming more
5 than 8,000 acres, primarily strawberries, in
6 California Central Coast counties. We formed our
7 association in 1995 because the Department of
8 Agriculture systematically excluded us from their
9 programs. Specifically after the January, March
10 1995 floods, virtually no Latino growers along the
11 coast were able to access grants from your
12 non-insured crop program to reimburse flood damage
13 nor crop loans so they could pre-plant.

14 Working with Cooperativa Compesina de
15 California, a state-wide non-profit and the 14
16 member California Latino legislative caucus under
17 the leadership of State Senator Richard Palonko, a
18 meeting was convened with the state directors and
19 executive directors of your Consolidated Farm
20 Service agency, Rural Development and Natural
21 Resources Conservation Service.

22 These men agreed that changes needed to
23 be made in our county so that Latino growers could
24 receive the services and benefits your department
25 have long made available to Anglo growers. They

1 not only agreed to make improvements, they did.
2 Mike Reyna, State Director of Rural Development,
3 helped arrange a large scale study of how our
4 Latino growers could develop strategies to market
5 the strawberries in a more profitable way.

6 Dr. Hershel Reid, State Conservationist,
7 encouraged the expansion of the Elkhorn Slough
8 project so that many Latino growers could
9 participate in its soil erosion control programs.

10 John Smythe, State Executive Director of
11 the Consolidated Farm Service Agency, arranged for
12 a team of able bilingual staff to process the
13 applications and added local staff to help with
14 working capital loans.

15 The bottom line is that where two years
16 ago, virtually no Latino growers could access USDA
17 programs, currently nearly 100 growers have
18 received grants, CFSA loans or loan guarantees or
19 matching funds for soil erosion efforts. Although
20 very low amounts have been disbursed to them, but
21 the effort has started.

22 We applaud these efforts but many more
23 problems need to be worked out before members of
24 our community can survive in farming. There are
25 systematic changes you need to make in the working

1 capital and programs. Some local staff need more
2 encouragement to change their attitudes toward
3 members of our community. I feel that everyone
4 that's present here that has testified reenforces
5 this statement.

6 We believe your Staff CFSA Executive
7 Director had it right when he requested senior
8 legal staff decision to help make members of our
9 community customers of your agency. Review what
10 changes in the system were required to better
11 serve our farmers and to oversee local staff as
12 they adjusted to serving Latino growers in
13 addition to Anglo growers. We thank John Smythe,
14 Dr. Hershel Reid and Mike Reyna and their staffs
15 for helping us discern what programs you have and
16 where your offices are located. We do not need
17 any additional help in reaching USDA.

18 What we need is continued internal change
19 and improvement in your programs so that they can
20 better meet our needs. These are: Timely review
21 of our application for working capital loans,
22 accurate assessments of weather related damages
23 when they occur to our farms, making available
24 terminals for capital improvements to our growers,
25 expanding erosion control programs to the Santa

1 Cruz County, and a review of the non-insured crop
2 program to meet the specific needs of the local
3 stawberry industry.

4 The USDA budget for staff positions has
5 long ignored the needs of the Latino growers along
6 the Central Coast. Forget the old policies that
7 cause you to exclude us and make the necessary
8 changes to now include us in your priorities.

9 I would like my membership to our
10 association to please stand up, so you can review
11 and analyze how many members we have in our
12 association. Would you please stand up?

13 (Translation)

14 DEPUTY SECRETARY ROMINGER: Thank you.

15 MR. GONZALEZ: Any questions? Thank
16 you.

17 (Translation)

18 MR. REID: Our next speaker is Don
19 Williams, and following will be Federico Melgosa.

20 MR. WILLIAMS: Hello, Mr. Secretary. My
21 name is Dan Williams. I'm here representing
22 Williams and Fickett, of which I farm with my
23 brother Frank Williams and his family and Mark
24 Fickett and his family, my brother-in-law.

25 In 1996 we were told by the Farm Service

1 Agency office of Russell County where we farm the
2 west side of Fresno County that because of the
3 disaster of 1995 and the May rains that destroyed
4 our cotton crop, that we qualified for a disaster
5 loan, and that's where we started our process of
6 applying for a disaster loan. As soon as the loan
7 officer told us that we were candidates for the
8 disaster loan and we could apply for it, we
9 started the application process.

10 When we started applying for the process,
11 they gave us the documents and we applied in a
12 timely manner. When we turned in all of our
13 application process and everything was completed,
14 a second loan officer then got involved and told
15 us that we had more papers we were needing to turn
16 in, and so gave us a list of these and gave us 20
17 days to get them turned in or the loan would be
18 denied.

19 At that point, we were unclear as to what
20 he was asking for. There was not a clear
21 understanding of what documents he was needing,
22 and so at that time we asked for an extension
23 beyond the 20 days and also we asked if we could
24 have a meeting with them to find out exactly what
25 it is that they were needing. At that time when

1 we turned in -- we turned in the application and
2 then set up a meeting.

3 We had a meeting with the first loan
4 officer which told us that we were candidates for
5 the loan, and the second loan officer that became
6 involved later on and also the District Manager at
7 the state office. In that meeting, the second
8 loan officer was the one that was in charge of the
9 first loan officer; he basically did all of the
10 speaking. And so at that meeting he basically
11 told us that our extension was denied. He said --
12 at first he said he did not receive it but when we
13 turned in the extension, we had it date stamped
14 when we turned it in. He was not in town at the
15 time, but he claimed he didn't receive it. His
16 office did receive it. We have a date stamped
17 copy. Then so he said, Even if your -- I did
18 approve your extension, he said, I would not even
19 give your loan -- your request to the committee.
20 He says, I have that power. I don't even have to
21 give your request to the committee.

22 Well, then we asked for the possibility
23 then would we have the right for appeal since you
24 did not approve our extension. He said, no. The
25 right to an appeal lies with me. I have the right

1 to either approve your appeal or deny your appeal
2 or to approve your right to appeal or deny your
3 right to appeal and he said, I'm not going to give
4 you a right to appeal. Then we asked, Well, then
5 could we please have a letter stating the status
6 of our loan and what needs to be done or where
7 things fall out or even just give us a loan
8 denial; that would even be good, something we
9 could work with to know what we have. And he
10 said, No, I will not give you a status on your
11 loan and I will not give you a loan denial.
12 Basically we were in a situation where we had a
13 person there that had a lot of power that we did
14 not know how to deal with or any way that we could
15 deal with.

16 He left the room, and the first loan
17 officer left the room and the FSA District Manager
18 was still behind and she herself was almost in
19 tears at this time and apologetic to us in saying,
20 I am so sorry for the treatment that you got. She
21 was even amazed.

22 And so I guess the thing that we would
23 ask is is there any possible way to have a check
24 and balance on someone like that to where there's
25 a check and balance to where we can still have the

1 right to an appeal? We still have the right to go
2 somewhere in that we're not just thrown out the
3 door just on something -- one person makes the
4 decision and we're thrown out the door and that
5 same person that throws us out the door says that
6 he has the right to whether we are granted an
7 appeal right and so we lose both ways.

8 So basically that's just what we wanted
9 to present today is just the difficulties that we
10 had in dealing for a disaster loan. We truly had
11 a disaster. We lost a big part of our whole
12 operation on it, and we're still trying to feed
13 three families with this operation and we're doing
14 our best to get ourselves back on our feet and I
15 think we can do it. We're a viable operation;
16 we're good farmers, and we just wanted a chance to
17 restart and that's why we applied for the disaster
18 loan.

19 The first loan officer said, Yes, we were
20 candidates. So just if there's any way that we
21 could get it reviewed or any help we could get, we
22 would just much appreciate it. Thank you for your
23 time.

24 (Translation)

25 DEPUTY SECRETARY ROMINGER: Thank you.

1 John Smythe and the state office will investigate
2 this case because we do have an appeals process.

3 (Translation.)

4 MR. REID: Federico Melgosa is our next
5 speaker and following will be Jose Montenegro.

6 MR. MELGOSA: (Through interpreter)

7 THE TRANSLATOR: Could the panel
8 please --

9 MR. MELGOSA: Good afternoon. My name is
10 Federico Melgosa. I'm here representing Pajaro
11 County.

12 Since we've talked about all the
13 disasters that happened in '95 and comments that
14 have been made about all this that I have heard,
15 it's true. Everything that has been said is
16 true. The recent that I want to know -- I want to
17 know if there is someone who is supervising or a
18 committee that is formed, someone that will point
19 and make things straight where they're supposed to
20 be. So that workers, farm workers -- I'm a farm
21 worker myself. But we depend on the development
22 of the country, on things that just -- on the
23 land, the farm, because if you don't involve
24 minorities and ranchers and small growers who are
25 trying to improve and get better, we're going to

1 be hit the hardest. We are trying to develop and
2 do something to help the community and the
3 country.

4 The reason that I see that they're not
5 focusing on minorities, there's always help coming
6 from one place or another but those of us who are
7 poor can only say, Well, there was help but we're
8 promised so many things that sometimes it's
9 just -- it is too bad that all those promises
10 never get to those of us who are really in need.

11 I had -- well, I've had several
12 experiences but several promises have been made
13 but nothing has really gone through. That's why I
14 am saying that there should be a committee formed
15 that will dedicate itself to see that the poor
16 people, people who are just trying to start, those
17 who are just trying to take off and their wings
18 are cut off, why? Because those people -- if we
19 should be paid one more dollar or one more quarter
20 so that we can feed our family. We're workers who
21 are harvesting, picking up the product. We're
22 taking it, yes. It's very difficult but we don't
23 have everything that's necessary. We don't have
24 it because the boss can't give it to us, because
25 since they're small growers they can't give us an

1 increase in our wages. Sometimes they can't even
2 pay us what we've already worked because they're
3 broke. Why? Because the flooding came or a
4 disaster or something else. I don't know what the
5 reasons are; they're different reasons.

6 But I know there are promises but they're
7 just promises but if you really would help those
8 people, possibly they would give us one more
9 quarter or one more dollar and they would hire
10 more people. Why? Because they are the ones who
11 are just starting and they want to take off. They
12 want to help the community, and I believe that the
13 progress of the community is also the progression
14 of the country. But I believe that's what is
15 needed because as the saying goes, if you really
16 give help, maybe somebody else is staying with it
17 because like they say, maybe the bigger fish are
18 eating the little fish, and so those are my
19 comments.

20 So if you would form a committee and that
21 committee would point the arrow to those people
22 that are really affected, those that really need
23 the help and not somebody else who doesn't have
24 the rights because, according to me, that's what I
25 understand. I have a lot of experience. I have

1 been here, my country. I am just a poor farm
2 worker. I want to say a saying but I don't know
3 the saying. Anyway, we're really broke. We can't
4 have our own home; we can't have -- we have a car
5 but it's a car that barely gets here and there.
6 Now we have to pay insurance, we have to pay all
7 this, and the family is suffering, all the
8 families. Thank you very much.

9 DEPUTY SECRETARY ROMINGER: Thank you for
10 your suggestions.

11 MR. REID: Jose Montenegro and then after
12 him, Bernave Mota.

13 MR. MONTENEGRO: Thanks for the
14 opportunity. I am Jose Montenegro, Director of
15 the Rural Development Center in Salinas, of
16 Training and Resource Center dedicated to provide
17 meaningful and innovative opportunities of
18 training, education and assistance to farm
19 workers, minority families -- minority farmers and
20 their families.

21 We have 112 acres of land, farm
22 machinery, irrigation supplies, a classroom
23 facility, et cetera. We have various programs.
24 We have a small farm education program which has
25 two phases. Phase one is an intensive course and

1 the second phase is a three-year training program,
2 hands-on practical program where the participants
3 apply their learnings obtained in the small farm
4 education program.

5 We have a community garden, emphasized
6 for women, and a junior agriculture program and
7 community supported agriculture program which is
8 run by Maria Inez Catalan, the woman who spoke a
9 while ago.

10 We work from 30 to 60 families in our
11 small farm education five-month intensive course,
12 work with 25 farmers in the regular three year
13 training program, and this does not include the
14 dozens of minority established farmers who come to
15 request technical assistance on an on-going
16 basis. In the garden program, we have 15 women,
17 youth in agriculture, several children; we're
18 working with elementary schools in the community.

19 In our more than 10 years of existence,
20 more than 200 families and individuals have
21 graduated. In a recent survey that we conducted,
22 we found that 74 percent of our graduates have
23 actually gone to work as independent workers. I
24 can assure you that without the agency's help,
25 there would have been no hopes for these people to

1 achieve the dreams of becoming farmers. We not
2 only produce farmers, we produce resourceful and
3 innovative farmers. Minority farmers come to the
4 center because they know that here they are not
5 alone and that they are valued members of their
6 communities. These farmers come knowing that this
7 is a place where they can be offered accessible
8 and valuable information and technical
9 assistance. They come because we are the bridge
10 that helps them reach other programs and
11 services.

12 Through our programs, we improve the
13 capacity of socially disadvantaged farmers in the
14 Salinas Valley by enhancing their ability to
15 effectively participate in and take advantage of
16 our agriculture programs. At this point in time,
17 those USDA programs designed to assist minority
18 farmers are not looking at the causes of the
19 problem but rather at the effects of these
20 problems. USDA programs and services are not
21 effective and do not offer long-term solutions
22 because they don't place the minority farmers at
23 the center and forefront.

24 USDA should also have more people that
25 really understand and can relate to these

1 constituencies. USDA should have people going out
2 to the fields where the real problems and
3 solutions can be found. Minority farmers don't
4 feel valued by the USDA programs and services.
5 USDA sees these farmers as people with a set of
6 problems and not as farmers with a set of tools
7 and wisdom. Farmers come to us, the Rural
8 Development Center, because we provide a
9 comfortable setting, a place to harvest families.

10 In my experience in working with most
11 agencies that help or are out looking at doing
12 things to improve the minority and socially
13 disadvantaged farmers' conditions, I have come to
14 learn that these agencies have developed a
15 deficiency model that is based on the limitations
16 and barriers rather than on the possibilities and
17 resources these farmers may offer. We at the RDC
18 do not look or do not pay attention to the
19 limitations. We look at the possibilities.

20 The RDC is also bringing to these farmers
21 the following: Information about USDA programs
22 that is understandable and will meet their needs;
23 assistance in using USDA programs; assistance in
24 growing and marketing; the RDC brings university
25 and extension expertise for research, teaching and

1 information dissemination. We act as a bridge to
2 those institutions.

3 The RDC plays a very important role but
4 we are not recognized by the Department of
5 Agriculture. With one exception, we have never
6 received support from the department. The
7 exception was a small planting ground from the
8 Farmers Home Administration under the minority and
9 socially disadvantaged farmers and ranchers
10 program. The RDC was one of the 21 associations
11 selected to prepare a five-year plan. We were
12 told that only these 21 group would be invited to
13 apply for the support and implementation phase.
14 We developed a very good proposal that received
15 good reviews and was recommended for funding, but
16 although we were only one of perhaps two with a
17 Latino constituency, we were not funded. And of
18 the list of successful applicants, there were new
19 groups that were not in the group of the original
20 21, including some with very limited experience of
21 working with minority farmers. It also seems that
22 the RDC was described at one point in the review
23 of our proposal as a location located in the south
24 in African Americans.

25 We recommend full funding of the minority

1 and socially disadvantaged farmers and ranchers
2 program and we recommend that the program support
3 organizations, especially community based
4 organizations such as the Rural Development Center
5 (unintelligible) to minority farmers and finally
6 providing access to loans and relief programs is
7 very important but it is not enough to alleviate
8 the socially disadvantaged farmers' conditions.
9 We are interested in developing a long range plan
10 that would offer long term solutions to the
11 various phases faced by these farmers. We deal
12 with decisions every day. We could help. Thank
13 you.

14 (Translation.)

15 MR. REID: Thank you.

16 Following Mr. Mora will be Maria
17 Ramirez.

18 MR. MORA: (Through interpreter)

19 My name is Mora, and I am a small grower
20 from the Watsonville area and I suffer the
21 consequences of 1995.

22 I went to fill out the forms according to
23 the law, and I was promised that I would soon get
24 help. That help, I got very little, almost
25 nothing. And as a consequence to all that, I have

1 gone through bankruptcy. I have gone to
2 bankruptcy because I couldn't continue the plants
3 that -- I have berries, and what was left was
4 damaged. And there were very little harvesting
5 done this past year. Now I'm in bankruptcy and
6 it's two ranches, three houses. I'm not talking
7 about \$100 or a thousand. I'm talking about
8 millions that I had earned through many years when
9 I first started working making 75 cents an hour in
10 order to get what I have. What I have didn't come
11 from cocaine or marijuana, nothing like that.
12 It's an honest job which now I am about to end up
13 with nothing, ending up under a tree. Please
14 listen to me and pay attention to my problems.
15 And I need something, something so that I can
16 continue because otherwise I'm going to end up
17 living under a tree. Thank you very much.

18 DEPUTY SECRETARY ROMINGER: Thank you.

19 MR. REID: Our next speaker is Maria
20 Ramirez and then following will be Steve Samra.

21 MS. RAMIREZ: (Through interpreter)

22 Good afternoon. My name is Maria
23 Ramirez. I live in Pajaro.

24 In 1995 when we had the flooding, we also
25 suffered -- well, everything that we had at home

1 and also we also grow strawberries. We lost
2 everything.

3 Regarding the house, we did get help but
4 over here in the farm strawberries, fertilizers,
5 all we were told was that we were going to get
6 help but as of right now, we have gotten no help.
7 We always talk, we always call, and they would
8 tell us that they would send us some applications
9 so that we could fill them out and send them back
10 but as of right now, we haven't received
11 anything.

12 A year went by; we called them again, and
13 they said, Well, since a year has already gone by,
14 we have already lost that case.

15 So that's why I'm here to see if someone
16 can give us some orientation because just like
17 myself, there are other people like that. We
18 don't know what to do.

19 Right now we also had to declare
20 ourselves in bankruptcy because when we had the
21 funding, we also lost two trucks during the
22 flooding and we never got any assistance either.
23 Now we are just getting fined for those trucks
24 that were damaged. That's what we want to know,
25 what can we do? Thank you.

1 DEPUTY SECRETARY ROMINGER: Thank you.

2 MR. REID: Steve Samra, and then
3 following will be Keith Freitas.

4 Mr. Freitas, are you ready?

5 MR. FREITAS: Good afternoon, panel.
6 Thank you for allowing me a chance to address you
7 this afternoon.

8 My name is Keith Freitas. I'm a farmer
9 in Fresno County. Well, you guys are like sitting
10 ducks up there, aren't you? Real easy to shoot
11 at.

12 I think there's a big discrepancy between
13 the have and have nots in this country and I think
14 our family and our children are going to have --
15 in the next 50 years are going to have a lot to
16 talk about and debate about these dilemmas we face
17 today.

18 I just came here to offer specific
19 solutions. I could stand here and complain. I
20 had a lot to complain about but I just struck
21 (sp) it off my list so I'll go straight to the
22 solutions.

23 I have some suggestions to the committee
24 of how they can start creating a chance at facing
25 these dilemma and coming up with solutions for

1 it.

2 Number one: Take the wealthy corporate
3 farmers out of the lobby business. They don't
4 belong there. They get government subsidies.
5 They don't need to be lobbying with the money.

6 Number two: Take the complacent and the
7 semi retired farmers out of the FSA County
8 Committee. They hold too many selfish interests
9 for the decisions that they must make. The CCC
10 group at the local FSA offices must be a balanced
11 association of the people that they are serving,
12 not the agenda which serves them best.

13 Number three: Offer grants and public --
14 and promote public policy lobby forums, such as
15 this one, so that the economically disadvantaged
16 groups have equal access to Washington, D. C. and
17 policy makers.

18 Number four: Balance out the power of
19 the Supreme Court. Do not allow judges which are
20 robed attorneys to dictate to this country their
21 self-formulated interpretive decisions of what the
22 constitution says or should say. Leave the
23 interpretation up to the people of America.

24 Number five: Engage in programs. Don't
25 just debate it to death. Put action requirements

1 and performance tied constraint models to the
2 process.

3 Number six: Reverse growth apathy in the
4 United States. We must all see the logic and
5 physical nature of the damaging effects of apathy
6 regarding the growth and future of America and the
7 American people. The American people can create
8 solutions but they must be heard.

9 Now I have a specific plan of attack that
10 I've created, just real small. It's not in depth
11 because of the time constraints here but it's just
12 something off the top. I coin it USDA small
13 farmer joint venture, slash, government issued
14 crop share lease, growth model concept.

15 Number one: Assess the utility value of
16 all government held lands and determine the
17 category for placement into a joint venture crop
18 lease program; tie the percentage of production
19 and profits to government agency programs to make
20 them self-sufficient and not dependent upon
21 grants, loans and hand outs.

22 Number two: Develop target goals within
23 the growth model that are tied to specific
24 engagement of process action formulas. The model
25 must maintain short duration, action impact,

1 qualifying standards phased throughout the life of
2 the project. The model would develop action
3 impact qualifying units so that a measurement of
4 growth can be monitored. The monitoring system
5 would create a dual form of checks and balances.

6 Number three: The model could contain a
7 number of variable options for funding sources and
8 could have a multiple purpose venue.

9 Example: A. The model would create a
10 competitive forces and allow for creativity to
11 grow. As a joint venture partner develops funding
12 sources by utilizing the bargaining power of the
13 value added crop share leases to the business
14 plan.

15 B. The model would help with the
16 government collection of tax dollars by allowing
17 for participation incentives to the private sector
18 who would normally look to offset tax liability by
19 either looking to foreign investment or by
20 reinvesting into untimely equipment purchases, et
21 cetera.

22 C. The model would allow for
23 privatization sampling formulas to develop at
24 little to no risk to the government, and

25 D. The model would offset government

1 expense and maintenance and upkeep of the target
2 lands participating in the program. The incentive
3 for the joint venture partner to develop and
4 maintain crops and the incentive to beautify the
5 ag operation would be very high.

6 I guess that's the end of it but -- okay,
7 one more minute.

8 I'll list -- I'll just name off seven or
9 eight different joint venture partnership ideas
10 that I had and I won't go into detail: Fish
11 hatcheries which could tie the percentage of
12 production to homeless shelters; alfalfa crops
13 which could be grown in the medians of target
14 highways; wild grass seed crops. These crops
15 could be grown on unused government held
16 properties, and the model would provide a joint
17 venture partner to produce X amount for the
18 Department of Forestry for reseeding the forest
19 fire ravaged BLM lands with the natural habitat
20 varieties of grass seed.

21 4. Inner city organic gardens. These
22 could become very productive and profitable
23 pockets of revenue and benefit. The model could
24 have incentive units tied to the partner, joint
25 venture partner, and the partner would help the

1 model utilize welfare labor to offset the strain
2 on the government and welfare system. Thank you.

3 DEPUTY SECRETARY ROMINGER: Thank you.
4 Please make sure we have that in writing.

5 (Translation.)

6 MR. REID: Our next speaker is James
7 Westfall and following will be Thomas Higgins.

8 MR. WESTFALL: Good day, Ladies and
9 Gentlemen. I appreciate the opportunity to
10 address you on my problem that I've had with the
11 local agency and the national appeals division.

12 For three years I have been in the
13 appeals process, what I call a revolving door, and
14 receiving favorable decisions and once they're
15 returned to the local office, the local office
16 fails to give me my right to the decision that was
17 awarded to me by the appeal agency.

18 I entered a lease buy back right in 1989,
19 and at that time I was renting my property at a
20 fair market value but suddenly when I exercised my
21 lease buy back agreement, I suddenly am renting at
22 a token rent. What I'm saying, without being
23 facetious, is that because I have a right to buy
24 it back at a capitalization value, I'm suddenly
25 renting at a token rent whereby that increases the

1 inflated value, market and capitalization value
2 for my property.

3 Without going into every detail of my
4 personal plight with them, basically it's one like
5 similar growers or borrowers or customers of the
6 agency is accountability. And I think that that
7 is the heart of the problem, is that when you
8 receive a decision from the National Appeals
9 office and it goes back to the local agency, it's
10 not what they want to hear, then they make a new
11 decision that they don't want to agree with and
12 justify it by other reasons and meetings.

13 I am at wits end, frustration as to what
14 my rights are because they ended as of December
15 31st, because that's when my appeals right from
16 the national review office in Washington has
17 ended. And of course Mr. Larry Jordan from the --
18 when I expressed my displeasure and the lack of
19 cooperation with the agency, I asked Mr. Larry
20 Jordan from the National Appeals office, regional
21 office in Denver Colorado, stated that my only
22 alternative would be suit with the government. As
23 a small grower, that's impossible with today's
24 legal costs, and I've been quoted 50 to 100,000 to
25 take the agency or the government. That's not my

1 desire. My desire would be to work out a solution
2 but that has not been possible. When you get the
3 decisions back, the truth is made into -- the lie
4 is made into a truth. It looks like a twisted
5 pretzel.

6 I am just frustrated with the fact that
7 we can't as growers depend upon a self-regulating
8 agency, regulating another agency. There's no
9 accountability; there's no enforcement of the
10 National Appeals office to render these decisions
11 and seeing that they are being implemented.

12 I'd like to ask -- I'd be willing to
13 answer any of your questions, if I may, if you
14 have any.

15 I can tell you that the system is not
16 working. I share the same problems with men that
17 go before me of the farm agency.

18 MR. SESCO: What county are you speaking
19 from?

20 MR. WESTFALL: I'm from Madera County,
21 and I've been serviced by the farm agency in
22 Merced but when there was a reorganization, our
23 package for property was transferred to Fresno
24 County.

25 I give you two -- another inference.

1 When I went to apply, exercising my option to
2 purchase, I was told by the farm -- the credit
3 manager of the farm agency that I wouldn't even
4 qualify for a loan because of previous
5 bankruptcy. That was ten years ago. I didn't
6 even have the opportunity to establish -- to
7 present my credit application package, before I
8 was denied. I was denied by his -- that he was
9 prejudiced against my case.

10 DEPUTY SECRETARY ROMINGER: Thank you.

11 The appeals process is one that the
12 committee is looking at and the accountability
13 that goes along with that. So we are looking at
14 that.

15 MR. WESTFALL: But I have no rights now
16 and that's why I'm here.

17 DEPUTY SECRETARY ROMINGER: Thank you.

18 CONGRESSMAN FARR: Mr. Secretary, if I
19 may intervene, I remember a year today was the
20 administrative branch of government, there's also
21 a legislative branch.

22 And if you really feel that you're not
23 getting well served by government, then go see
24 your elected congress member. At least what we do
25 is we can get some more attention to your case and

1 we don't turn things wrong. The law is the law
2 but we can be helpful in getting some attention,
3 so I'D just say if your frustration is as strong
4 as I heard today and you feel you're not getting
5 heard by USDA, by the offices in Fresno, then see
6 your member of congress.

7 MR. WESTFALL: Right.

8 May I mention one other problem? For ten
9 years I had a verified local county health
10 department (saying) that I was living in a
11 substandard house. It did not have drinking
12 water, potable drinking water, and because of the
13 process and the methodology of the appraisal, now
14 supposedly they can use a cost to cure it and it
15 brings my house up to, there again, an inflated
16 value. I had a state mandated letter from Daryl
17 Zerger (phonetic) stating that I would be able to
18 buy my property back at the capitalization value
19 at the -- in an as-is condition, and it's an
20 inflated value that they're using. Thank you.

21 DEPUTY SECRETARY ROMINGER: Thank you.

22 (Translation)

23 MR. REID: Thomas Higgins is the next,
24 speaker and following will be Gail Lennon.

25 MR. HIGGINS: Good afternoon and thank

1 you, members of the panel. I'd like to start this
2 afternoon by thanking Secretary Glickman for
3 intensifying the efforts and also Deputy Secretary
4 Rominger, Mr. Farr and other members of the
5 panel.

6 My name is Tom Higgins. I'd like to give
7 you a little background to let you know where I'm
8 coming from. My family is one of cattle ranching
9 in northeast Stanislaus County. That's where my
10 origins and my roots are through ten years of 4H
11 and five years of FFA, served in the Department of
12 Food and Agriculture for three years as a
13 biologist and currently am serving state assembly
14 member Cruz Bruce Demonte (phonetic) as a
15 legislative aid regarding agriculture and
16 education issues. So that's just to let you know
17 where exactly I'm coming from today.

18 I looked at this as an opportunity to
19 present some positive things, some things that we
20 view the USDA as incorporating currently, and
21 things we'd like to see them moving forward with.
22 One of things I personally like to stress is the
23 early intervention and the inclusion of socially
24 disadvantaged, economically disadvantaged and
25 under represented groups at an early age.

1 Specifically I'm speaking of the 4H outreach
2 programs. That's an opportunity where we can
3 really reach out to those affected groups and
4 bring them in at an early age, show them what the
5 opportunities are for a career and a lifetime
6 making a living in the number one industry in the
7 United States. I'd like to see those continually
8 be broadened.

9 And one of the other things that the
10 department may look at doing is intensifying its
11 efforts as far as outreach and training of the --
12 many of the immigrants that we have and people
13 that are moving into becoming self-sustaining
14 farmers. We've heard some people speaking of the
15 Hmong community in Fresno County where we know
16 those people to be tremendous farmers in the
17 practices that they currently have. Just imagine
18 what those farmers could do if we transition them
19 to even more modern practices, and some programs
20 are being implemented in Fresno County currently
21 are very promising and we would hope that the
22 department would embrace and encourage those even
23 further.

24 This time where we're seeing the welfare
25 reform acts initiated in albeit a very difficult

1 issue here in the state of California as to how we
2 transition. I believe it's also a unique
3 opportunity for state and federal agencies to see
4 where they can intensify their efforts in helping
5 people become more self-sustaining; I'd encourage
6 those efforts as well.

7 Currently one of the issues that we're
8 dealing with, both in the state capital and
9 throughout the state of California, are the floods
10 that we were ravaged with over the New Years. In
11 particular, we've been working with the USDA and
12 emergency loan assistant programs, such like that.
13 We'd like to encourage, and some of the comments
14 that we've heard are how lengthy and tedious those
15 can be. In a time of emergency, the bureacracy
16 can only be -- can cause further frustration.

17 We would like to encourage a streamlining
18 of those applications, but much to the compliment
19 of the department and those people you've had on
20 the ground at this point, the workings between
21 FEMA and USDA and all the various agencies are to
22 be commended, and we thank you for those efforts.

23 We continue to see that people throughout
24 this country are wanting people to transition away
25 from the government assistance and I think one of

1 the ways that we do that is streamlining
2 government to operate more like a business so that
3 the transition for those receiving assistance from
4 the government can be a smoother and easier one
5 into more of a commercial setting, and some of
6 those things I know the Clinton administration has
7 been working towards.

8 One last thing I'd like to address is
9 Fresno County, as you're all aware, is the number
10 one gross producing agricultural county in the
11 nation, and I have to admit that it's a little
12 troubling hearing some of the problems being
13 encountered by various members of the staff. I'm
14 not sure what exactly that cause is but I would
15 hope that you would focus not only on that county
16 but in other counties in intensifying that working
17 relationship between the people we serve in public
18 service and those who work for and with us.

19 And one last thing I'd like to do is once
20 again thank the panel for this opportunity. I
21 think the very fact that all of you are sitting in
22 this room today shows you're willingness and true
23 sincere interest in hearing from the people that
24 we do indeed serve. And once again, thank you for
25 your time.

1 (Translation)

2 DEPUTY SECRETARY ROMINGER: Thank you for
3 being here and please express our thanks to
4 Speaker Bruce De Monte for your participation and
5 your suggestions.

6 (Translation)

7 MR. REID: Gail Lennon is next, following
8 will be Paul Sing. Following Mr. Sing will be
9 Vincent Soto.

10 Gail Lennon?

11 Is Mr Soto still here, Vincent Soto?

12 Then Elaine Trevino will be the next
13 speaker.

14 AUDIENCE MEMBER: Excuse me, sir. May I
15 talk, because I come here? I left home at 3
16 o'clock in the morning. My husband is 100 percent
17 disabled veteran and I need to go home soon, so
18 may I talk here?

19 MR. REID: Yes. Please proceed.

20 AUDIENCE MEMBER: May I have some more
21 time because of my English problem so would you
22 please be patient and give me a couple of
23 minutes. Okay? Thank you.

24 My name is Thai Vetman (phonetic). I am
25 Vietnamese, and I farm in Fresno County. I own

1 about 300 acre between cotton, raisin and
2 alfalfa. My husband is veteran for 16 years now
3 and I need to run business by myself.

4 I have a problem with USDA in the past.
5 Mr. Bob Brasnee (phonetic), who is the director of
6 USDA SACS, when I ask -- I have 160 acre in
7 cotton, and I come over and I ask him but he only
8 give me 115 acre on the PIT program and I cannot
9 do nothing. And I wish -- like very much to
10 request you please help me to get back all my 160
11 acre back to my program, the PIT program.

12 And I have crop share for my irrigation,
13 and he denied me, and I need to go to Sacramento.
14 I went to Sacramento for 30 minutes and I get
15 prove it because I prove it, and -- just a second.

16 And in 1984 -- no, 1994, '95 because
17 we -- in Fresno County we have drought, and we
18 have three pump but because we don't have enough
19 water and I cannot -- I don't understand first
20 place, my husband couldn't farming and I don't
21 understand irrigation because we do not have
22 enough water. So then, the battery is very small,
23 and I lost 50 percent. And when I go to USDA, Mr.
24 Brasnee denied me. First he gave me 50 percent of
25 what I lost. Two weeks later he gave me only few

1 thousand dollars and not enough for me to pay for
2 the paper tray.

3 In 1980 -- please -- in 1993, '94 and
4 '95, I have problem. Then I don't go because any
5 time I go to the bank, they deny me. I don't
6 borrow money to farm. I need to borrow credit
7 card. Then a couple of years now, I request of
8 friend of county to allow me to subdivide my
9 house, subdivide, because I have a loan from --
10 disaster loan from USDA. Then they tie three farm
11 together, and it tie me and I cannot move. My
12 husband cannot help me. My husband could not help
13 me; I could not help myself because I don't know
14 no program like this. Now I know.

15 That's why I come to ask you, please,
16 give me a chance to separate my house, only
17 separate 93 acre to be homestead. Okay? So I can
18 refinancing, so I can consolidate my credit card I
19 use for family. I usually have 20 people working
20 around, but since I lost the crop I cannot -- in
21 crop time I have 80, 90 people come and help work
22 for me and I hire a lot of people. But since I
23 lost the crop and I need to borrow high interest,
24 I cannot hire no more. I do myself.

25 And by the way, so would you please help

1 me on that? And another thing I ask you. This is
2 for my husband. I come here first for my
3 husband. My husband is U.S Air Force major. The
4 government sent him go to Vietnam in 1968 and '69,
5 my husband in (unintelligible). I don't know what
6 that program mean, so they sent him to outside of
7 Saigon to go and check up on battlefield. The
8 night -- the day before my husband go, they spray
9 the Agent Orange. Then 10 year later, 9 year
10 later my husband come home and he get cancer. He
11 even have big surgery at Stanford. We spent all
12 money, what we have.

13 I know. I would like to have some more
14 time because that is special for my husband.

15 When that government asked my husband, my
16 husband don't deny it, but when my husband ask the
17 government, they deny it. I wrote to the judge in
18 New York and he told me V.A. denied him. My
19 husband get promotion, be a colonel, but the one
20 who supervised my husband couple of days ask my
21 husband, give back the paper, and he disappear.
22 He went back to Mex -- to Fresno -- to United
23 States, and my husband still never hear from that
24 promotion. And I think U.S Government owe my
25 husband that because now my husband 100 percent

1 disabled. My husband not only one -- did not
2 serve one war. My husband four war veteran.

3 So now I ask you people, please help me.
4 Give it to him. Give back to him what he earned
5 and please help me with the ASCS, correct and
6 justify what they did to me. And I almost lose my
7 farm because they did not pay for me what they
8 should because I have a right on that but because
9 I am different color, so that why they turn me
10 out. But you know I pay off my bills to date
11 including taxes, everything. I don't owe
12 nothing. Right now I own U.S. Farm Home -- just
13 one teeny part of what my asset is.

14 So please take a look at that and help me
15 to get my homestead so I can get the loan so I can
16 pay my hire.

17 Please let me talk. I understand. I
18 understand. This is special case. You don't have
19 a case like I do.

20 So please help me about that, you know,
21 because I never have a chance. For 21 years I in
22 business; I never have a chance. They throw me,
23 kick me, spit in my face. I put my head down and
24 walk away. That's all. Please help me. Thank
25 you.

1 DEPUTY SECRETARY ROMINGER: Thank you.
2 The state office will investigate your case.

3 (Translation)

4 MR. REID: Is Elaine Trevino here? If
5 not, Chris Zachariadis, then following will be
6 William Booker. Chris Zachariadis.

7 MR. ZACHARIADIS: Thank you. My name is
8 Christoper Zachariadis, here representing the
9 Rural Coalition which is a national organization
10 serving world communities and also my own
11 organization, the Association for Community Based
12 Education. We are also a national organization
13 that includes local groups that have been
14 established by primarily poor people in
15 communities around the country, including African
16 American farmers in the south, The Federation of
17 Southern Cooperatives that you all know is a
18 funding member of my organization; groups in the
19 midwest, in Appalachia; Native Americans in the
20 Great Plains and in the southwest, traffic (sp)
21 control colleges are members of our group and many
22 organizations in the west including the Rural
23 Development Center of which you have heard.

24 Our time is very limited and I won't take
25 time to describe issues and problems that I'm sure

1 you have all heard about, but I will try to answer
2 a question that Mr. Reid asked last month at a
3 meeting with Secretary Glickman, and the question
4 is what should be done, and I'll try to focus on
5 that.

6 The Department of Agriculture has been
7 clearly a very critical agency in this country and
8 has contributed powerfully to its development. In
9 many ways it has fulfilled President Lincoln's
10 wish which was to be the people's department. It
11 has done that. It has helped farmers to do well
12 and it has built agriculture in this country
13 tremendously so it's the envy of the world.
14 Nevertheless for many minority farmers, it is
15 simply not the people's department. It is not
16 accessible; its programs are not hospitable many
17 times and it is simply not there for them. Its
18 operating and delivery culture has come about in
19 response to the needs of a different time, the
20 needs of different people, and the needs of
21 different types of farmers. That is really what
22 needs to change.

23 Disinterest and discrimination are really
24 important reasons but these are problems that can
25 be taken care of if we all do what the Secretary

1 has committed himself to do, and this is to have
2 better oversight, to put the word down from the
3 top and to make sure things happen. If we stop
4 there, that would not be enough. What we need if
5 we are to truly serve these farmers is to make the
6 department more relevant, more familiar, more
7 hospitable, more open and more inviting. There
8 are many committees and very well meaning USDA
9 staff around; we work with many of them. They
10 need resources. The whole state of California has
11 five or six bilingual advisers. That is not
12 enough. They are working very hard and they can
13 simply not do the job.

14 But we also need to recognize
15 organizations such as the Federation of Southern
16 Cooperatives and the Rural Development Center for
17 the role that they play, a really very critical
18 role. They are a lifeline for many of those
19 farmers in making possible -- accessing programs
20 for them and making possible for them to build
21 their livelihood. So we have a few
22 recommendations that I'm going to try to go
23 through very fast.

24 First, rather than abolishing the farm
25 service agency, as some have suggested, improve

1 it. Tailor loan programs to the needs of
2 minority farmers in each region and make financing
3 more accessible; require meaningful outreach and
4 streamline paperwork and assure that the election
5 of county committees is more democratic and more
6 participatory. In this last area, this last
7 round, only six to twelve percent of eligible
8 farmers participated and voted and out of those
9 that did vote, as many as one-third were
10 disqualified.

11 Fully fund Section 2501 of the Food
12 Agriculture Conservation and Trade Act of 1990;
13 that is the outreach and assistance program for
14 socially disadvantaged farmers and ranchers. This
15 has been authorized at ten million dollars, which
16 we don't believe is enough, but nevertheless we
17 recommend that it be funded fully. If necessary,
18 let's get some money out of the fund for rural
19 america for it. I understand that this
20 recommendation to possibly fund it at four, four
21 and-a-half million; we hope you can do better than
22 that. This is a critical program. It has the
23 potential of building the capacity of community
24 based organizations that can in turn assure that
25 the minority farmers can use more effectively the

1 various USDA programs, and when you do that please
2 make sure that new organizations such as the Rural
3 Development Center are considered.

4 I think Jose mentioned what might be some
5 injustice done to this group, this last round.
6 Please take a look at it.

7 Strengthen and expand the support of
8 sustainable agriculture with an emphasis on
9 technology transfer to the field and on research
10 and demonstration appropriate to the interests and
11 the needs of the minority farmers; provide
12 minority farmers with assistance in marketing and
13 perhaps through the extension service, including
14 timely information; and finally, establish a
15 registry of minority farmers to provide a baseline
16 data for their status, interest and needs and to
17 guide you in your future programs. Thank you.

18 DEPUTY SECRETARY ROMINGER: Thank you for
19 those suggestions.

20 (Translation)

21 MR. REID: William Booker is next and
22 then following will be Eva Zarela.

23 Ms. Zarela, are you ready? And then
24 following will be Espolito Farula.

25 MR. FARULA: (Through Interpreter)

1 My name is Hispolito Farula. I'm a small
2 grower. I had a loan and now they want to take my
3 house away. They want me to sell it in six months
4 to a year, and I want you to tell me what can I
5 do? That's all I'm here to say.

6 MS. ZARELA: My name is Eva Zarela, and I
7 represent my husband.

8 In 1990 we asked for a loan from the
9 Farmers Home Administration and they loaned us
10 72,000 and we were making payments, \$6,000 a year,
11 and now for two years we haven't been able to pay
12 the loans because our crops have gone down and
13 down and now they're saying that if we don't pay
14 within half a year or a year, then we should sell
15 everything or they're going to take everything
16 from us, everything, the house, and we'll end up
17 in the street.

18 Thank you very much. I'm here to see if
19 you could give me some assistance or orientation
20 of where to go. Thank you very much.

21 DEPUTY SECRETARY ROMINGER: Thank you.
22 We'll follow up on your case.

23 (Translation)

24 MR. REID: Next Espolito Farula, then
25 following will be Juan Barreja.

1 All right. Is Laura Conle here, and
2 following would be Carlotta Woolcock.

3 MS. WOOLCOCK: I'm here.

4 MR. REID: And your name?

5 MS. WOOLCOCK: My name is Carlotta
6 Woolcock.

7 MR. REID: Thank you.

8 MS. WOOLCOCK: I'm speaking on behalf of
9 the Earthshock One committee, an independent
10 coalition of small growers, farm workers and small
11 business owners, organizations and other concerned
12 citizens who have been fighting to ensure that the
13 government funds allocated for disasters get to
14 the people who need them the most and that
15 recovery for the whole community is possible. I'm
16 here to speak specifically about the NAP Program
17 and the emergency operating loans that were
18 supposed to be available after the '95 floods.

19 We've now seen disastrous conditions hit
20 our communities four times in the past eight
21 years. First the Loma Prieta earthquake, the
22 freeze of 1990, the floods of '95 and now the
23 floods of '97. Each time the problems have been
24 the same, a penny-wise, pound-foolish approach to
25 governing that results in natural disasters

1 becoming man made nightmares and loss of property,
2 livelihoods and life itself is the result, as is
3 testified to by the other people today.

4 Each time we've seen the same policies
5 perpetrated by the Federal Emergency Management
6 Agency and the USDA funded by FEMA to administer
7 specific to agricultural needs has become a poor
8 joke. The USDA in many cases has not even come
9 through with cash assistance until at least a year
10 after the disaster. With the 1995 Pajaro Valley
11 floods, growers waited through the whole season
12 before being awarded NAP program grants when in
13 reality they needed cash at the beginning of the
14 season, right after the disaster, to replace lost
15 plants and to pay for labor for clean up.

16 Labor costs which are the bulk of a
17 normal season's production schedule are not even
18 considered in the loss ratios. It seems the
19 concept of assisting not only the farmers but
20 their workers by ensuring there's sufficient
21 funding up front to pay the kind of wages that
22 could really kick start the local economy seems
23 beyond the USDA's or FEMA's understanding.

24 Speaking as someone who has poured hours
25 into advocating on behalf of small growers to file

1 for disaster assistance, the NAP program itself is
2 completely backwards. It's completely under
3 funded and it's a confusing mess. Most small
4 growers, although desperate for assistance, don't
5 qualify initially and the rates of compensation
6 are so low that the actual assistance check does
7 little to relatively relieve the disastrous
8 conditions.

9 The local committees are a virtual
10 kangaroo court. Concerned farmers try to
11 accomplish their civic duty by serving on the
12 committees that could in theory benefit their own
13 production and the needs of their community but
14 the local committees do not have published rules
15 and do not follow legally precedented processes
16 for hearings. Criteria for grant and loan
17 eligibility is dictated by a handful of hired
18 administrators who have years of training in,
19 quote, unquote, interpretation of the
20 regulations.

21 Volumes of regulations are written in
22 codes unknown to anyone not carrying a
23 certification in USDA internal codes. When most
24 growers manage to wade past the seemingly
25 arbitrary denial process, growers come before the

1 committee with no method of recording the meeting,
2 no materials translated and a noncertified staff
3 member, if they're lucky, for a translator. Most
4 don't bother appealing the decisions because the
5 process of denial cites no precedent of laws.

6 In one case our committee has been
7 working on, it's been six months waiting for
8 mediation and two letters from the state
9 acknowledging the appeal and nothing else. Two
10 years later, that grower in particular is on the
11 verge of bankruptcy, about to lose his farmland
12 and his lifetime of work. If he had gotten
13 sufficient funds to replant half of his loss up
14 front, he would have made up all the money he lost
15 in that fatal 1995 season.

16 Another flower grower who lost all of his
17 crop spent over \$70,000 on the labor and seeds to
18 replant. Because of aggressive marketing and very
19 hard work, he was able to maintain the same sales
20 level but when he applied for NAP assistance was
21 told that the extra costs to recover the season
22 were not part of the program. He now has lost his
23 family home and all of their investments.

24 Even the small growers who do keep
25 meticulous records who can account for every

1 flower stem and every berry picked spend as much
2 as 18 months ironing out the NAP mess, never to
3 recover the lost production time.

4 And how many farm workers lose their
5 jobs? In Watsonville the unemployment rate has
6 not dropped below 20 percent for the past eight
7 years.

8 Okay. It is as high as 35-percent in the
9 winter. How many small businesses close because
10 the farmers and workers don't have enough money to
11 buy groceries or get their cars fixed? And then
12 in a rush to fix all of this, public officials
13 throw a little money into job programs which can
14 only go to qualified workers who can't use the
15 time working to collect their unemployment checks.
16 It doesn't make sense. Even if we could fix these
17 problems, the federal policy of offering trade
18 benefits to international corporations such that
19 products like flowers and vegetables produced in
20 other nations under use of pesticides long ruled
21 illegal and unsafe for human contact by workers
22 forced to live in conditions that have been viewed
23 barbaric and uncivilized in this country for years
24 must end.

25 It must be a priority of any civil rights

1 or human rights committee. It is irresponsible
2 business practices for the federal government to
3 allow products produced in these conditions to
4 come to this country at the expense of a ten
5 percent per year drop in the cut flower industry
6 and the small growers overall. As it stands, far
7 from assisting small producers, the federal
8 government has thrown away the cut flower industry
9 and is throwing away minority and small farmers in
10 general. Our answer is simple.

11 I have about one more minute.

12 This Civil Rights Action Team adopt a
13 policy of market enforcement regulations and
14 regulators require a minimum sales price set by
15 the actual costs of production in the United
16 States such that paying workers a living wage,
17 providing for decent working conditions become the
18 market standard, and no individual vendor,
19 domestic or foreign, can undermine U. S. producers
20 who adhere to these standards.

21 A commission must be set up immediately
22 to evaluate where the existing programs failed and
23 redesign the USDA disaster assistance programs
24 funded by FEMA such that the farmers who are
25 facing bankruptcy and a dissolution of their life

1 earnings and businesses can obtain immediate
2 assistance to get back on their feet.

3 At the same time, we must learn from the
4 '95 disaster such that the '97 disaster does not
5 leave the state into an overall deeper
6 depression.

7 3. Grants awarded to farmers must
8 contain sufficient allocation of funds such that
9 the farmers can pay their workers' wages to
10 compensate for the loss of work due to the
11 disaster cleanups and reconstruction of farms that
12 occurs after a disaster.

13 4. That the USDA should either change
14 their requirements for record keeping and
15 verification of crop loss or provide grants to
16 train and supply the small growers with tools
17 sufficient for keeping cut crop production
18 records. As it stands, it takes a degree in
19 advanced bureaucratism and hours for paperwork
20 that are simply not there for the farmer who's
21 struggling from before dawn until after dusk to
22 make sure the crops are growing.

23 It's not a matter of color of our skin,
24 gentlemen, or the social circles that we run in
25 that brings on this discrimination, although the

1 ticket of racism, cultural bias and gender
2 discrimination is used against all of us time and
3 again. We won't stand for it. We have united to
4 demand solid economic policies that benefit each
5 of us. We will not allow issues to divide us.
6 This time we have the whole community behind us
7 because this goes deeper than growers. It goes to
8 the core of whole communities' economic stability
9 and to the right of every small producer to set
10 the value of their product in the face of
11 government control and large international
12 combines and the right of every worker to set the
13 value of their labor. We ask that you join us in
14 this demand. Thank you.

15 (Translation.)

16 MR. REID: John Dunbar is our next
17 speaker and following will be Sonya Varga-Hammond
18 Are either of these two speakers here? If not,
19 the following speaker will be Juan Salinas.
20 Excuse me. Please give your name.

21 MS. CONLE: Laura Conle.

22 MR. REID: Thank you.

23 MS. CONLE: (Through interpreter)

24 Good afternoon. My name is Laura Conle.

25 I am president of a group of farm workers. It's a

1 group that was formed four years ago, and it was
2 done in order to ask ourselves and help
3 ourselves.

4 We're all small growers and small growers
5 who want to grow and it is very difficult for us
6 to grow. We know it is very difficult when we are
7 farm workers, especially small farm workers.

8 What happens is that the big companies
9 and big corporations during working season, they
10 hire a lot of workers for the next six months and
11 then the next six months, all the small companies
12 don't -- are not allowed to grow because the
13 bigger companies have the power; they have the
14 money and they have the help of the -- help from
15 government who gives them the opportunity and the
16 laws and the rights so that they can harvest right
17 away and then they can leave and take the money
18 and they don't lose like we do. Those of us who
19 have to use people who have less money to survive
20 and those that are affected are the small growers
21 and small businesses, and the workers who are here
22 and are unemployed for six months.

23 But we never wondered, Well, what are
24 people doing when they only work six months and
25 they don't work six months and they only get \$100

1 or \$80 for unemployment. Can you tell me how
2 those people survive with \$100? Now they are
3 cutting welfare to those people who are here,
4 residents who are not citizens, who can't get
5 assistance from welfare, who cannot get food
6 stamps and who have children, who are ill, who
7 have children, who do not get the assistance. Can
8 you tell me how those people are supposed to
9 survive when they don't work for six months? The
10 work ends in November and then it starts again in
11 April.

12 If it's easy to move from here to Arizona
13 and go work in Arizona and move all the people to
14 Arizona, there would be no housing over there. If
15 people from Arizona come over here, there wouldn't
16 be housing over here. There's a lot of programs,
17 there's a lot of assistance, there's a lot of
18 government agencies but everybody is just playing
19 games. That's what they do, they're playing
20 games. And the truth is that we need to try to be
21 more flexible, try to understand the problem that
22 always happens to small businesses and to the
23 people who are employees and who come here to work
24 and who have their family. Many of their children
25 are going to college. Many of them can no longer

1 go because with working only six months -- I make
2 \$7,000 a year and I get unemployment, and if my
3 husband also works \$7,000 -- now my house payment
4 is a thousand dollars so even though both of us
5 are working, we can't support our family. Can you
6 give us some solutions so that we can live better,
7 so that there can be less violence, so that there
8 can be less problems?

9 Why do we have so much violence? It's
10 because of all the things there are, because we
11 don't form a better system, so that we can have
12 projects, so that we can have groups, so that we
13 can have more work, so that people can live. We
14 can't be blaming people, immigrants who are here
15 to work or illegal people, because none of that is
16 true.

17 I went to the San Joaquin Valley. We
18 went over there -- I went over there, and they
19 need employees. So what is the truth? Do they
20 need more employees or do we have too many people
21 here? Thank you very much.

22 DEPUTY SECRETARY ROMINGER: Thank you.

23 MR. REID: Our next speaker is John
24 Dunbar and then Sonia Varga-Hammond.

25 Who do we have here?

1 MS. HAMMOND: My name is Sonia
2 Varga-Hammond.

3 MR. REID: Please proceed. Thank you.

4 MS. HAMMOND: Thank you. My name again
5 is Sonia Varga-Hammond.

6 I'm the County Director for University of
7 California Cooperative Extension for Monterey and
8 Santa Cruz counties.

9 First of all, I'd like to thank you all
10 very much for coming and for holding these
11 hearings. I think that by now you've seen that
12 they are very much worthwhile, your time in being
13 here.

14 I'm not necessarily speaking for these
15 particular people but I'd just like to let you
16 know that they're here representing the University
17 of California, Division of Agriculture and Natural
18 Resources because we're very much interested in
19 what's going on here today and are looking for
20 opportunities to listen and to possibly develop
21 programs based on what we hear today.

22 There are people here from the office of
23 the Vice President, the office of Affirmative
24 Action, the representatives from Fresno County
25 Cooperative Extension as well as Santa Cruz County

1 and Monterey County Cooperative Extension, the
2 Small Farms Center and the Center for
3 Cooperatives.

4 As you know, the mission of cooperative
5 extension is not regulatory but rather applied
6 research and extension to help everyone in
7 agriculture and that's definitely what we try to
8 do. I'd like to highlight a program that we've
9 conducted under the leadership of Cooperative
10 Extension in the last year to conduct what we call
11 joint -- quarterly joint agency meetings, and
12 we've have combined -- we meet together with all
13 the governmental regulation -- regulatory bodies
14 or bodies interested in helping agriculture.

15 We work with the World Development Center
16 who you've heard from today, CFS and RCS,
17 California Association of Family Farmers and
18 others that I'm sorry if I'm forgetting, but they
19 have been very successful meetings and as a result
20 of opportunities and challenges that have come out
21 of those meetings, we've developed some things I'd
22 like to tell you about.

23 We developed a bilingual video on
24 strawberry integrated pest management; we've
25 developed a bilingual resource guide for the

1 tri-county area to tell farmers where to go if
2 they have particular problems; we've held many,
3 numerous work shops: One preparing yourself to
4 farm for yourself; alternative places to market;
5 alternative crops to grow to strawberries; we've
6 had strawberry production meetings; we've
7 increased the number of translated resources and
8 we've increased the number of meetings that are
9 being held that are interpreted simultaneously;
10 we're sharing mailing lists so that we're making
11 sure that we reach as many people as possible.
12 Again, that's just a few of the things that we've
13 accomplished in the last year.

14 We are here, as I mentioned, to listen
15 and to take appropriate steps to see what we can
16 do within our identified mission.

17 I would just like to mention one more
18 thing to -- possibly for you to take away. One of
19 the areas where small farmers can find success is
20 in the niche markets. Unfortunately, most of the
21 USDA regulations, whether it's for disaster
22 relief, crop insurance, loans, pesticide
23 regulation, they're all -- the majority of them
24 are for the large midwestern crops, corn,
25 soybeans. So oftentimes the small farmer is at a

1 disadvantage when facing regulations, so I would
2 just ask that you look in that area where
3 regulations can be modified to help the small
4 farmers.

5 I'd like to commend Congressman Sam
6 Farr. After the regulations, he took -- he had a
7 real big role in helping get some waivers to those
8 regulations so that we could get some of the crop
9 remediation here.

10 And the last thing that I'd like to
11 mention to you is that as well as the production
12 grants for research that you give, that you take a
13 look also at some of the issues that have been
14 raised here more along the social aspects of
15 farming because grants for research in those areas
16 are very important as well in the areas of
17 marketing, record keeping and finance, orientation
18 to the whole -- our systems and the social aspects
19 of farming.

20 That was all I had to say. Thank you
21 very much. Any questions?

22 CONGRESSMAN FARR: Appreciate your
23 comments and I would just say as a member of the
24 Ag committee where we're reviewing these programs,
25 your specific recommendations would be very

1 helpful to us. So if you could get --
2 particularly if you know of the regulations of
3 where they are -- where the laws, where it just
4 doesn't work --

5 MS. HAMMOND: Be happy to. We'll share
6 that with your office.

7 CONGRESSMAN FARR: -- give me those
8 examples?

9 MS. HAMMOND: Sure.

10 (Translation.)

11 MR. REID: Mr. Juan Salinas is our next
12 speaker followed by Richard Molinar.

13 Is Mr. Salinas here?

14 Then following Mr. Molinar, then Albert
15 Magellan.

16 MR. MOLINAR: (Through interpreter)

17 Thank you. My name is Richard Molinar.
18 I am a Farm Advisor or for those of you from other
19 states, an extension agent, and I'm with the
20 University of California Cooperative Extension in
21 Fresno County. I'm also a member of the state-
22 wide organization that Sonia mentioned, the Small
23 Farm Program, located on the Davis campus which
24 was started in 1979 to help small farmers, limited
25 resource farmers and minority farmers.

1 One of the things that I see as a very
2 beneficial result of this meeting is the
3 networking. We haven't had a chance yet to meet
4 with April, but we're going to when we get back to
5 Fresno. We're going to meet with Mr. Gamboa.
6 We've met with some of his people from Greenlining
7 already, with Thai, the Vietnamese woman who spoke
8 earlier; we've got her address. So the networking
9 that's going on is great, it's fantastic here.

10 California, you probably already know, is
11 the number one state in the nation. If the San
12 Joaquin Valley were a nation, it would be the
13 sixth largest nation as far as income and what's
14 produced in the San Joaquin Valley. California
15 has more small farms, many of those being minority
16 farms, than any other state in the nation. We
17 have about 77,000 small farms in California.

18 Fresno is the number one county in the
19 state. We have more income produced in Fresno.
20 We have more small farms in Fresno than any other
21 county in the state. We also have more
22 minorities. It was great to see the -- I don't
23 know if it was great. Maybe it shouldn't be great
24 to see all the representatives from Fresno County
25 here.

1 You've heard a lot of very difficult
2 times in the Fresno area. We have more Hispanics,
3 more Asians, more African/Americans than any other
4 county in the state. So that's just a little bit
5 of background.

6 And one recommendation, I think, to the
7 panel would be why have the meeting just in the
8 one location here in California? My
9 recommendation would be to have at least one more
10 meeting in the Central Valley somewhere since
11 California is so big and so important but, of
12 course, I'm prejudiced.

13 Cooperative Extension in Fresno actually
14 started working with southeast Asians and Hmong 15
15 to 18 years ago with my predecessor, Mr. Pedro
16 Illick, and he started working with the Hmong,
17 with the Hispanics as well as the Anglos in Fresno
18 County, and that started 15 years ago. He did a
19 survey in 1992 which indicated that there were
20 about 830 Southeast Asian farmers -- that's not
21 about; that is exact -- at that time Southeast
22 Asian farmers in Fresno County. 62 percent were
23 Hmong; 30 percent Laos; one and-a-half percent
24 Mein and 1.3 percent Vietnamese. So we're very
25 aware in Fresno County of the small farmers and of

1 the minority small farmers.

2 Several people have mentioned programs
3 that were planned for Fresno. Michael Yang, my
4 Hmong assistant, is with me here today and I,
5 along with Chew Yang (phonetic) from NRCS, are out
6 on a daily basis meeting with farmers, helping
7 them with their pest problems, with their cultural
8 practices and so on.

9 It kind of reminds me though of my Peace
10 Corps days where they told us, When you go into
11 Peace Corps for two years, don't expect to be
12 changing that community while you're there in that
13 two-year period. You're only just planting
14 seeds. And it's kind of the same thing here.
15 It's not that we're planting seeds but it takes --
16 it's a a long process, I'm sure as most of you are
17 aware.

18 Michael Yang has been very beneficial to
19 my program. He has allowed me to -- boy, time
20 goes fast. He has allowed me to work with the
21 Hmong and Southeast Asians much more effectively
22 and thus much more efficiently, but our hands are
23 somewhat tied. He's on soft money. We don't know
24 from one month to the next or one year to the next
25 whether we're going to be able to keep him, so

1 we're looking for resources. We've talked with
2 Charles Whittaker from Washington, D. C. trying to
3 get resources to keep Michael Yang on.

4 We worked with the Hmong New Year which
5 was just held in Fresno with the Hmong National
6 Council, the Laos Family Strawberry Cooperative in
7 Fresno which is 95-percent Hmong. All the small
8 farmers in Fresno County and throughout the state,
9 whether they're Hmong, Hispanic or African
10 American or whatever need help, and I'm not saying
11 that the cooperative extension is the only agency
12 there to help but we're certainly there at the
13 ground level, where rubber meets the road.

14 We are conducting farm visits, we are
15 holding meetings which are translated by Michael
16 and we've received two grants to help with
17 integrated pest management and fertilizer and
18 nutrition for southeast Asians geared specifically
19 to Southeast Asians.

20 In closing, I would say that I would
21 concur with Mr. Gamboa, who was your very first
22 speaker, that Fresno County does indeed have the
23 sweetest strawberries grown by the Hmong farmers
24 in Fresno County. Thank you.

25 MR. REID: Thank you.

1 (Translation)

2 MR. REID: Juan Salinas and then after
3 him, Albert Magellan.

4 MR. SALINAS: My name is Juan Salinas.

5 I'm from San Lorenzo, and we're teaching
6 people how to drive equipment in agriculture. We
7 also learn how to sell our product, how to develop
8 the teams and work with the equipment.

9 In order to sell my produce, I have a
10 buyer that I give him my produce but then he
11 doesn't pay me until a month later, and sometimes
12 I need money and I go out and start selling
13 directly to stores and restaurants. And one of
14 the reasons is that -- well, when I go to sell at
15 restaurants, they treat me as though I was just a
16 street vendor. They think that I'm there to --
17 that I'm there and I go and take -- steal the
18 produce from the fields, and I'm telling them
19 that, No, I don't, but I want you to know that I
20 know that there are a lot of people who take the
21 produce from other people but then there's those
22 of us who are farmers who are just starting and
23 want to do things right. And I know other people
24 do it the wrong way and they make the price of
25 produce go down. I want you to be aware of that.

1 Thank you.

2 DEPUTY SECRETARY ROMINGER: Thank you.

3 MR. REID: Thank you. Our next speaker
4 is Mr. Albert Magellan and then Al Smith.

5 MR. MAGELLAN: (Through interpreter)

6 I live in Greenfield. Mr. Sam Farr,
7 maybe you don't know me but every time you go over
8 there, you get 18 votes from my home.

9 I would like to ask you -- I would like
10 to ask the Department of Agriculture why don't
11 you -- why don't you have an office here in
12 Salinas or somewhere, even if it's just in a
13 garage because sometimes when you have the people
14 in an office where they're too comfortable, they
15 don't want to work.

16 You should see all the problems we have
17 to just get out information. I'm a farm worker,
18 you know. I have seven children who grew up here
19 in this valley. Right now my youngest is already
20 a junior in Cal Poly and very often they want to
21 throw her out because the men who's over there in
22 Sacramento is always looking for illegal people,
23 always against affirmative action, but he doesn't
24 pay attention to those of you who are really here
25 working, my daughter. Many times, you know, I'm

1 already retired but sometimes what I get, like
2 last year I was supporting her and paying her
3 housing but this year now, I have her in Hartnell
4 taking classes, but she's wasting time.

5 I made my sacrifices to pay my home and I
6 pay -- I have ten acres. Like I said before, the
7 banks will give you loans; they will give you the
8 loans but they right away want you to mortgage
9 your house. They'll say, I'll give you the loan
10 but mortgage your home. I need to -- I have those
11 acres and I need a pump for those ten acres, and I
12 want to let the people from Sacramento know that
13 I've never asked for welfare. I have always
14 supported my children with my hands and I will
15 continue supporting them. Thank you.

16 DEPUTY SECRETARY ROMINGER: I just wanted
17 to mention that we do have an office here in
18 Salinas, and we're working to get a new building
19 where the access will be even easier. Thank you.

20 (Translation.)

21 MR. SMITH: Good afternoon. My name is
22 Al Smith. I'm a small farmer in Fresno County. I
23 was born and raised on a farm. We farm about a
24 100 acres.

25 I'm pleased to see that there is -- this

1 listening environment for the dire needs of
2 minority farmers. However, I'm -- one might be
3 somewhat concerned about the forum's intent. For
4 example, I got a letter the other day, yesterday
5 to be exact, dated the 10th of January, postmarked
6 the 13th of January; it arrived at my house
7 yesterday with the wrong address, no map, so one
8 might wonder how sincere this is when I get it
9 yesterday to be here today. That's not much of a
10 warning.

11 However, going beyond that, I think that
12 one of the major concerns of minorities today is
13 the loan process, and I think we can all agree on
14 that. Is that not right? I think I've heard
15 everybody say loan is the problem.

16 One of the things -- I've applied for
17 loans with the Fresno office and the ton of
18 paperwork they give you. I could go to a regular
19 loan institution and get one-fourth the paperwork
20 and I'm sure it has to have the same content. I
21 went to a loan institution and I put a whole
22 packet together; I took and got rejected and I
23 took it to Farmers Home and turned it in. They
24 looked at the loan. They said, Okay. You need to
25 do this, this and this, this loan package, so I

1 did this, this and this. And I sent that
2 paperwork in, waited, waited about two, three
3 weeks later. I called and said, What's going on
4 with the loan? They said, Oh, this is
5 insufficient. This won't work. You need to do
6 our loan package. I said, Gee, it took them two
7 weeks to determine -- two or three weeks to
8 determine that that would not work. Then again,
9 I'm inundated with a ton of paperwork which I
10 think is just ridiculous.

11 Additionally, the interest rates, when
12 you apply for the loan, the interest rates are not
13 good. You know, they're exorbitant. You can get
14 better loan rates and here we are minorities
15 trying to get good interest rates because we need
16 this money with low interest, and the interest
17 rates are not good. That's not good.

18 The funding time. There was a Hispanic
19 gentleman that came to me and said, Yeah. I'm
20 trying to buy this piece of property. He went
21 into your office. The funding time was so
22 ridiculous that the people were being foreclosed
23 on. There was no way he could apply for the
24 loan. He didn't bother doing the paperwork.
25 Funding time. You've got to cut the funding time,

1 especially in rough situations.

2 I heard of a loan program that was
3 designed for minorities so that when land was
4 being foreclosed on, they would have a prior
5 opportunity -- a first opportunity to get a shot
6 at that land. I heard about it. That's all. I
7 can't find it. You know, I haven't had anybody
8 contact me and tell me, Hey, we've got land that's
9 being foreclosed on. Why don't you come and apply
10 for this, put in an application.

11 The AFC office, the Resource Conservation
12 office, I applied for a loan for putting a drip
13 system for my vineyard, and I put in part of my
14 drip system. I came back the following year. I
15 put in another application. They denied me. I
16 said, What's the problem? They said, Well, we've
17 changed the regulations this year. I found out
18 that had they told me the year before that I could
19 have applied for my whole piece of property and
20 done it in segments, I still would have qualified,
21 but they didn't bother to tell me that. So I got
22 a partial drip system in.

23 I think what we would like to see, what
24 minorities would like to see, is a central
25 information center, somewhere we can go and get

1 central information and easy to get.

2 We'd like to see the USC Research Center
3 provide and disseminate information, an
4 information hot line, that if we have loan
5 questions, if we have problems, if we have --
6 whatever programs are available. An information
7 hot line would make those things available to us.

8 Special loan programs without the book of
9 paperwork being thrown at us so that we can do
10 that in -- one minute, okay.

11 ASC program designed to assist people.

12 Technical assistance, and not the kind
13 that I've heard people say Fresno offers. Fresno
14 has -- I think they're terrible. They don't help
15 you. They just give you the paperwork and you're
16 on your own.

17 I think what's really important though,
18 if I can stress this right, is really important is
19 that if not you gentlemen sitting there and not
20 the county supervisor but they take in minority
21 farmers, give them paid -- compensate the
22 positions to help minority farmers conquer the
23 problems that we have because we know what our
24 problems are; we deal with them on a daily basis.
25 So if you want to conquer the problems that

1 minorities are having, you need to put minorities
2 in key positions, not so that when they go to the
3 county supervisor and say, Hey, this is a
4 problem. We've got minority farmer X having a
5 problem, that supervisor has to listen to them,
6 not just a token person, not just somebody that's
7 going to be there and say, Well, we think you need
8 to do this; somebody that's got some pull behind
9 them. That's what you need to do if you want to
10 see programs like this -- if you want to see what
11 you're talking about working. We know right now
12 what we've been doing and what you've been doing
13 over past years hasn't worked, so we need to do
14 something different. Thank you.

15 DEPUTY SECRETARY ROMINGER: Thank you.

16 MR. REID: We need to wrap this up and
17 even though we have some people that haven't had
18 time to speak here yet, we would ask you to submit
19 your comments in writing.

20 I would like to personally thank everyone
21 that came today. I know that your time is
22 valuable, and we appreciate your sharing your time
23 with us. Congressman Farr and Deputy Secretary
24 Rominger have some comments to conclude the
25 listening session.

1 CONGRESSMAN FARR: I'd like to thank
2 Secretary Glickman and Deputy Secretary Rominger
3 for coming to California, particularly to Salinas,
4 to have this forum on civil rights. I didn't
5 intend to stay for the whole forum but I found it
6 so interesting that I did and I took a note on
7 everybody that spoke.

8 I think you see that we need to do a lot
9 better networking. It's sort of -- there's a lot
10 of smart people in this room and a lot of good
11 outcome. I was particularly interested in Richard
12 Molinar's statement about what they're trying to
13 do to bring together people in the Fresno area and
14 yet we heard a lot of people from Fresno not aware
15 of the programs there, as well as Sonja
16 Varga-Hammond's work here in the Salinas Valley.
17 And I hope that we can solve these problems from
18 the bottoms up with some support from the
19 department in Washington.

20 A lot of things we heard today also are
21 beyond the control of the federal government. We
22 heard about local zoning issues where there were
23 concerns about that in the upper Carmel Valley.
24 We heard about people just not aware of the
25 programs or that the programs didn't -- they

1 Action Team that's here because they have been
2 spending evenings and weekends full time working
3 on this subject, and they've got a big job to do
4 in putting all your thoughts together and
5 developing a report and recommendations for
6 Secretary Glickman. So they've got a big job
7 ahead of them but they've been doing a lot of hard
8 work and I want to thank them for that.

9 I want to thank our recorder here for all
10 the good work. I want to thank our translator for
11 a great job in helping us out here today.

12 I want to thank all of you for being
13 here, for bringing your concern to us so that we
14 can figure out where we need to improve our
15 program, and Secretary Glickman has vowed that we
16 are going to make some changes. We are going to
17 address your concerns. There are a lot of
18 problems that -- they're not -- some of them may
19 not be easy to fix, but we are going to make sure
20 that everybody gets treated fairly when they come
21 to USDA to participate in our programs. Thank you
22 very much for being here.

23 (Time noted: 2:00 p.m.)

24

25

