

Bitter Harvest: The Plight of America's Farmworkers.

The food that overflows our market shelves and fills our tables is harvested by men, women and children who often cannot satisfy their own hunger. -- Cesar Chavez

Introduction.

Migrant and seasonal farmworkers perform numerous tasks necessary for cultivating and harvesting a large share of our nation's food supply. But in spite of their back-breaking labor, the vast majority of agricultural workers do not enjoy the same rights and benefits that most of us take for granted.

According to author Daniel Rothenberg: "Farmworkers commonly suffer abuses that would be inconceivable in other industries. They are threatened, cheated out of their wages, housed and transported in dangerous conditions, and in the most extreme cases, held in debt peonage. Farmworkers have always been recruited from among the most vulnerable members of American society--recent immigrants, the homeless, the rural poor--and have consistently been denied the legal protections provided to other workers." (source: Daniel Rothenberg, "With These Hands: The Hidden World of Migrant Farmworkers Today." Harcourt Brace and Company; New York, San Diego, London. 1998.)

Here is a summary of the living, working and health conditions of our nation's approximately two million migrant and seasonal farm workers:

Below-Poverty Wages.

*** Farmworkers in the United States earn an average of \$8,000 per year. (source: National Farm Worker Ministry.)

*** According to the New York Times, farmworker wages have declined by 20% or more in the last twenty years; after accounting for inflation. (source: Steven Greenhouse, "U.S. Surveys Find Farm Worker Pay Down For 20 Years." New York Times, March 31, 1997.)

*** Farmworkers have the lowest annual family incomes of any U.S. wage and salary workers. (source: Charles D. Thompson Jr. and Melinda F. Wiggins, "The Human Cost of Food: Farmworkers' Lives, Labor and Advocacy." University of Texas Press; Austin; 2002.)

*** Two-thirds of our nation's migrant households, and seventy percent of our nation's migrant children, live below the federal poverty line. (source: Daniel Rothenberg, "With These Hands: The Hidden World of Migrant Farmworkers Today.")

*** Many farm workers are paid by the amount of the crop they harvest-by "piece rate." For example, cucumber pickers in North Carolina receive approximately 65 cents for each 33 pound bucket they harvest. This averages out to around \$3.90 per hour. (source: "Boycott Mt. Olive Pickles" circular. Farm Labor Organizing Committee, AFL-CIO. Toledo, Ohio.)

*** Foreign-born farmworkers are considerably more likely to be impoverished than those born in the United States; 65% vs. 42%. In 1997-1998, eighty-one percent of all farmworkers in the U.S. were foreign-born; with the vast majority being from Mexico. (source: Mehta, et. al. "Findings From The National Agricultural Workers Survey (NAWS) 1997-1998: A

Demographic and Employment Profile of United States Farmworkers." U.S. Department of Labor. March 2000.)

(Note: Seventy-seven percent of all farmworkers in the United States were born in Mexico. U.S.-born whites represent 7% of the farm labor workforce; while U.S.-born Latinos represent 9% and U.S.-born African Americans represent 1%. The average age of a farmworker is thirty-one. And eighty percent of all farmworkers in the United States are men.) (Ibid.)

*** In the state of Florida, many tomato pickers have not had a pay raise in over 20 years. They still earn between 40-50 cents for each 32-pound bucket they pick. (source: Coalition of Immokalee Workers; Immokalee, Florida.)

*** In the state of California, thousands of agricultural employers routinely violate federal and state labor laws by underpaying, sometimes entirely stiffing, tens of thousands of farm workers; according to the "Sacramento Bee" newspaper. The newspaper also reported that thirty-five percent of vineyard employers did not pay their workers the minimum wage. None of these employers were prosecuted for minimum wage violations. (source: Andy Furillo, "Toiling Under Abuse: Farmworkers' Struggle Goes On. A Sacramento Bee Special Report." Sacramento Bee; May 20, 2001.)

Malnutrition and Hunger.

*** As a group, farmworkers suffer a higher rate of malnutrition than any other sub-population in the country. (source: Alicia Bugarin and Elias Lopez, Ph.D. "Farmworkers in California." California State Library. California Research Bureau. July, 1998.)

*** Only ten percent of farmworkers receive Food Stamps. (source: "U.S. Department of Labor Report to Congress: The Agricultural Labor Market-Status and Recommendations." U.S. Department of Labor; December 2000.)

Hazardous and Unsanitary Working Conditions.

*** Farm work is one of the most hazardous occupations in the country. The death rate among agricultural workers nationwide was an estimated 20.9 per 100,000 workers in 1996; compared to the average for all industries of 3.9 per 100,000 workers. (source: Reeves, et. al.; "Fields of Poison: California Farmworkers and Pesticides." California Rural Legal Assistance Foundation; Pesticide Action Network North America, United Farm Workers of America, AFL-CIO. 1999.)

*** Between 1996 and 1999, there was a 33% increase in deaths among California farmworkers. During that same time period, there was a 9% decrease in industrial fatalities; in the state of California. (source: "California Farm Labor By The Numbers." Sacramento Bee. May 20, 2001.)

*** Our nation's farmworkers face a greater risk of pesticide exposure than any other segment of the population. Pesticide exposure can cause a variety of health problems, such as; nausea, vomiting, dizziness, rashes and burns. Long-term effects of pesticide exposure can include cancer, sterility, birth defects, and damage to the nervous system. (source: Reeves, et. al. "Fields of Poison: California Farm Workers and Pesticides."; Kegley, et. al. "Hooked on Poison: Pesticide Use in California, 1991-1998." Pesticide Action Network North

America. 2000; Thompson and Wiggins, "The Human Cost of Food: Farmworkers' Lives, Labor and Advocacy.")

*** Federal laws and regulations give farmworkers exposed to pesticides inadequate protection. The EPA estimates that farmworkers suffer up to 300,000 acute illnesses and injuries from pesticide exposure each year. (source: "Hired Farm Workers Health and Well-Being At Risk." United States General Accounting Office Report to Congressional Requesters." February, 1992.)

*** According to the United States General Accounting Office: "Many hired farmworkers are unprotected by federal regulations for field sanitation. The absence of drinking water, handwashing facilities and toilets in fields constitutes a serious health hazard to hundreds of thousands of hired farmworkers.....farms with 10 or fewer workers are exempt from OSHA field sanitation standards." (Ibid.)

*** According to the Wall Street Journal: "Despite their long hours and usually arduous toil, California farmworkers are often forced to do without clean toilets, toilet paper, soap, paper towels and fresh water for drinking and handwashing." Tens of thousands of farms throughout the state lack the most basic elements of workplace health and safety. (source: Marc Lifsher, "California's Farms Face Pressure to Improve Sanitary Conditions." Wall Street Journal. March 4, 1998.)

*** An investigative report by the "Miami Herald" newspaper found that many Florida farmworkers face sweatshop hours, slum housing, poverty pay, and criminal abuse at the hands of third-party contractors; who house and feed the workers "for fees that keep them destitute and in debt." (sources: Ronnie Greene, "Fields of Despair." A three-part series by the Miami Herald; August 31-September 2, 2003; "Florida's Fields of Despair." Miami Herald Editorial, September 4, 2003.)

Slavery in the Fields.

*** In five cases since 1996, a dozen Florida farm labor contractors, smugglers and their associates have been sent to prison for enslaving and exploiting farmworkers. (source: Ronnie Greene, "New Farmhand Abuse Claims Probed." Miami Herald. December 4, 2003.)

***In June of 2002, three citrus contractors were convicted in federal court on charges of conspiring to hold hundreds of workers as slaves, threatening them with violence and holding them hostage over alleged \$1,000 debts; according to the Associated Press. (source: Jill Barton, Associated Press writer. "Slavery Conviction Could Help Improve Farm Working Conditions." Naples Daily News. June 29, 2002.)

Child Labor.

*** Between 300,000 and 800,000 adolescent farmworkers are laboring under dangerous and grueling conditions in the United States. These children often work 12-hour days, and during peak season, may work 14 hours a day or more; seven days per week. One-third of those interviewed by Human Rights Watch (an international human rights organization) reported earning significantly less than the minimum wage. Some workers were paid as little as \$2.00 an hour." (source: "Fingers To The Bone: United States Failure To Protect Child Farmworkers." Human Rights Watch. New York. June 2000.)

*** Agriculture is the most dangerous occupation open to minors in the United States. Children working in agriculture in the U.S. represent only 8% of the population of working minors, yet account for 40% of work-related fatalities among minors. An estimated 100,000 children suffer agriculture-related injuries annually in the United States. (Ibid.)

*** Under existing U.S. law, adolescent farmworkers can work at younger ages, for longer hours, and under more hazardous conditions than children in other jobs. This double standard amounts to discrimination against child farmworkers, the majority of whom are Latino." (Ibid.)

*** Children of migrant farmworkers suffer high rates of parasitic infections, malnutrition, and dental disease. They are also less likely than other children to be fully immunized. (source: "United States Farmworker Fact Sheet." Student Action With Farmworkers. Durham, North Carolina.)

Migrant Education.

*** In order to help support their families, many farmworker children drop out of school and work alongside their parents in the field. The average migrant child may attend three different schools during one academic year. For many migrant children, it takes roughly three years to advance one grade level. (source: "United States Farmworker Fact Sheet." Student Action With Farmworkers.)

*** By the time they reach first grade, fifty percent of migrant children will have fallen below national scholastic averages. The majority of farmworker children will never graduate from high school. (source: Daniel Rothenberg, "With These Hands: The Hidden World of Migrant Farmworkers Today.")

Third-World Housing Conditions.

*** In a 1998 front-page article, the New York Times newspaper reported: "Three decades after Cesar Chavez made the shocking conditions of migrant workers a national cause, more farmworkers than ever are living in squalor." Approximately 800,000 farmworkers nationwide lack adequate shelter, according to the Housing Assistance Council; a Washington-based consulting group that studies rural housing. (source: Steven Greenhouse, "As U.S. Economy Booms, Housing For Migrant Workers Worsens." New York Times. May 31, 1998.)

*** The New York Times also reported that: "The housing shortage (for farmworkers) is so severe that in harvest time visits to farming communities up and down both coasts...workers were found packed 10-12 into trailers, and sleeping in garages, tool sheds, caves, fields and parking lots. Along the Columbia River in Mattawa, Washington, dozens of Mexicans up for the cherry harvest slept in crude tents and lean-tos. In Belle Glade, Florida, hundreds of decrepit shacks have been demolished, only to be replaced by ramshackle rooming houses." (Ibid.)

*** The same report stated: "Over the past decade, the federal and state governments, working with growers, have built tens of thousands of housing units for migrants. But those units usually go to families, citizens and legal immigrants, rarely benefitting several large groups facing the worst circumstances: single men and women, illegal immigrants and workers who move from harvest to harvest." (Ibid.)

*** In San Diego County, there are approximately 7,000 homeless migrants and day laborers; according to the Regional Task Force on the Homeless. (source: Diane Lindquist, "Where Do Migrants Live?" San Diego Union-Tribune. July 10, 1998.)

*** There are also approximately 100-150 farmworker camps located throughout San Diego County. These encampments range in size from a few people to a few hundred and are frequently found in fields, hillsides, canyons, ravines and riverbeds. The camps are located primarily in the North County, along the coastal region, in the northern part of the city of San Diego; and adjacent to farming operations; where the workers regularly seek day labor. (sources: "Regional Housing Needs Statement-San Diego Region." San Diego Association of Governments. June, 1999; "San Diego County's Homeless Profile." Regional Task Force on the Homeless. San Diego, California.)

Farmworker Health Concerns.

*** Physicians treating farmworkers generally compare their health to that of residents of the developing world. Farmworkers suffer from chronic infections, advanced untreated diseases, and numerous problems resulting from limited access to medical care. (source: Daniel Rothenberg, "With These Hands: The Hidden World of Migrant Farmworkers Today.")

*** Infant mortality rates among farmworker children are double the national average. (Ibid.)

*** The average life expectancy of a farmworker in the United States is forty-nine years. (source: Bugarin and Lopez, "Farmworkers in California.")

*** Farmworkers suffer higher incidences of heat stress, dermatitis, influenza, pneumonia, tuberculosis, and pesticide-related illnesses than other occupational groups. Few, if any, farmworkers have health insurance; and very few are covered through Medicaid. (source: "United States Farmworker Fact Sheet." Student Action With Farmworkers.)

*** Depression is common among adult farmworkers, where it is often related to isolation, economic hardship, and weather conditions. In addition, poverty, stress, mobility and a lack of recreational opportunities make farmworkers especially vulnerable to substance abuse. (source: "Overview of America's Farmworkers." National Center For Farmworker Health.)

Lack of Social Benefits and Legal Protections.

*** Roughly one-third of the nation's farmworkers are employed on small farms that are not subject to federal law; with far higher percentages in some states. (source: Thompson and Wiggins, "The Human Cost of Food: Farmworkers' Lives, Labor and Advocacy.")

*** The current version of the federal "Fair Labor Standards Act" specifically denies farmworkers the right to overtime pay, excludes laborers on small farms from any protection (such as minimum wage and worker safety laws); and allows children as young as twelve to work in the fields. (sources: Daniel Rothenberg, "With These Hands: The Hidden World of Migrant Farmworkers Today."; "A Vision for the Future of Public Policy on Migrant

Farmworkers." National Council of La Raza and the Farmworker Justice Fund. Washington, D.C.)

** The "National Labor Relations Act" does not protect agricultural workers from retaliation against labor organizing, collective bargaining, and union membership. (source: "A Vision for the Future of Public Policy on Migrant Farmworkers." National Council of La Raza and the Farmworker Justice Fund.)

*** Only a few states (notably California) have enacted legislation protecting the organizing, collective bargaining and unionization rights of agricultural workers. (source: Thompson and Wiggins, "The Human Cost of Food: Farmworkers' Lives, Labor and Advocacy.")

*** According to the most recent "Findings From the National Agricultural Workers Survey," only 28% of all farmworkers reported that they would receive a payment from Workers' Compensation, if they became sick as a result of their work. Only twenty percent of all farmworkers reported that they, or someone in their family, received benefits from Unemployment Insurance within the past two years. Just one percent of all farmworkers utilized disability insurance or Social Security. (source: Mehta, et. al. "Findings From The National Agricultural Workers Survey (NAWS) 1997-1998." U.S. Department of Labor, March 2000.)

*** In 1997-1998, only seventeen percent of all farmworkers utilized needs-based services, such as; Temporary Assistance To Needy Families (TANF), Medicaid, public housing, and the nutritional program known as Women, Infants and Children, or WIC. In addition, very few farmworkers reported receiving support from churches, family, community organizations or friends. (Ibid.)

What You Can Do To Help Farmworkers:

*** Make an online donation to one of the following farmworker unions or labor organizations:

United Farm Workers of America, AFL-CIO (www.unitedfarmworkers.com);

Farm Labor Organizing Committee, AFL-CIO (www.floc.com)

Coalition of Immokalee Workers (www.ciw-online.org)

Northwest Treeplanters and Farmworkers United (www.pcun.org);

*** Visit the websites of the **National Farm Worker Ministry** (www.nfwm.org), and the **Farmworker Justice Fund** (www.fwjjustice.org); in order to stay informed about issues affecting the nation's migrant farmworkers.

*** Support the following farmworker-sponsored boycotts: **Pictsweet Mushrooms and Vegetable Products** (UFW); **Mt. Olive brand pickles** (FLOC); and **Taco Bell Restaurants** (Coalition of Immokalee Workers.) Details about these boycotts are available online at: www.nfwm.org. Click on the link that says "Current Boycotts."

*** Write to your state and federal legislators, and urge them to improve enforcement of farmworker-protection laws; and to enact legislation that will guarantee farmworkers the same labor and human rights afforded to most other workers in the United States.

*** When you go grocery shopping, ask the store manager to purchase fruits and vegetables that carry the union label. Tell the store manager that you will only buy goods that are harvested by farmworkers who earn a living wage, labor under safe working conditions, and are protected by union contracts. Also, ask the store manager to purchase pesticide-free fruits and vegetables.

*** Note: This report was researched and written by David G. Oddo, and is available online at: www.nfwm.org (click on the link that says "Farm Worker Conditions.")

*** For further information, you may contact me via telephone (858-560-5192); or by e-mail: daveoddo@yahoo.com

THE CONTINUING RACIAL DIVIDE

**1992 and 1999 Home-Lending Patterns
in San Diego County's Latino and
African American Communities**

By David Gilbert Oddo

March, 2001

Table of Contents

I.	Summary of Findings and Recommendations.....	1
	Chart 1.....	5
	Chart 2.....	6
II.	1992 and 1999 Conventional Home Purchase Lending (on 1-4 unit family dwellings) to Latinos and African Americans.....	7
	II-A. Aggregate Data.....	8
	II-B. Bank of America.....	10
	II-C. California Bank and Trust.....	11
	II-D. California Federal Bank.....	12
	II-E. San Diego National Bank.....	13
	II-F. Union Bank of California.....	14
	II-G. Washington Mutual Bank.....	15
	II-H. Wells Fargo Bank.....	16
III.	Supplemental Notes and Methodology.....	17

Section I.

Summary of Findings

This study looked at home-lending patterns in San Diego County's Latino and African-American communities in 1992 and 1999. Seven lending institutions were surveyed: Bank of America, California Bank and Trust, California Federal Bank, San Diego National Bank, Union Bank of California, Washington Mutual Bank and Wells Fargo Bank. Each of these lending institutions has entered into a local community reinvestment agreement with the San Diego City-County Reinvestment Task Force. The combined statistics of all conventional lenders in San Diego County were also included in this report.

The study only included conventional (non-government insured) home purchase loans on 1-4 unit family dwellings. 1999 is the most recent year for which lending data is available.

KEY FINDINGS OF THE STUDY INCLUDE:

*** In 1999, African American conventional home purchase loan applicants in San Diego County were turned down twice as often as their white counterparts. This represents a 10.5% increase over the disparity ratio of 1992, when African American applicants county-wide were 1.81 times more likely to be turned down than white applicants.

*** Also in 1999, Latino conventional home purchase loan applicants in San Diego County were turned down 1.7 times more often than their white counterparts. This represents about a 1% increase over the disparity ratio of 1992, when Latino applicants were turned down 1.69 times more frequently than white applicants.

*** Even when applicants' income levels were the same, Latino and African American conventional home loan applicants were still turned down more often than their white counterparts in 1999; although the disparity in denial rates was greater for African-Americans. For example, upper income Latinos (those with household incomes of 120% or more of the area median) were denied 1.45 times more frequently than upper income white applicants. Upper income African Americans were turned down 1.78 times more frequently than whites of the same income category.

*** Twenty-four years after the "San Diego Union-Tribune" first documented the practice of "redlining" locally, African Americans and Latinos still receive few home mortgage loans. For example, African Americans received just 1.4% of all conventional home purchase loans granted county-wide in 1999. Latinos received just 7.98% of all such loans during the same year. According to the San Diego Association of Governments, African Americans represent 6% of the county's total population and Latinos represent 25% of the county's population.

*** At Washington Mutual Bank in 1999, African Americans were turned down 3.4 times more frequently than white applicants. This was the highest disparity ratio of all seven lenders surveyed, and also much higher than the industry average-- in which African Americans were turned down twice as often as San Diego County whites in 1999. In addition, only 1% of its conventional home purchase loans county-wide were granted to African Americans in 1999.

*** Minority neighborhoods (those census tracts with a non-white population of 50% or greater) received only 9.2% of all conventional home purchase loans granted county-wide in 1999. According to 1990 census data, nearly 22.5% of the county's populations resides in these neighborhoods.

*** In terms of the dollar amount loaned by area lenders, African Americans received just 1.1% of the total in 1999 (\$96.48 million out of \$8.8 billion.) Latinos received only 5.8% of the total dollar amount loaned county-wide (\$514 million out of \$8.8 billion.) Minority census tracts received just 6.1% of the total dollar amount loaned county-wide in 1999 (\$538.75 million out of \$8.8 billion.) The figures are for conventional home purchase loans only.

Other key findings of the study include:

*** Union Bank of California had the best 1999 home-lending record in both the Latino and African American communities. Twenty-one percent of its conventional home purchase loans county-wide were granted to area Latinos. Two percent of such loans were granted to African-Americans county-wide.

*** California Bank and Trust had the worst 1999 home-lending record in the county's African American community. Of 71 total conventional home purchase loans granted county-wide, none were granted to African Americans. California Bank and Trust did not receive a single conventional home purchase loan application from area African Americans in 1999.

*** California Federal Bank had the worst 1999 home-lending record in San Diego County's Latino community. Only 4.5% of all its conventional home purchase loans county-wide were granted to area Latinos. African Americans received less than 1% (0.5%) of Cal Fed's conventional home purchase loans county-wide in 1999; a slight improvement over its 1992 total of zero conventional home purchase loans to this group.

*** At Wells Fargo Bank in 1999, Latinos were turned down 1.83 times more often than white applicants. This was the highest disparity ratio of all lenders surveyed. In addition, only 6.15% of its conventional home purchase loans county-wide were granted to area Latinos in 1999. This represents a decrease of 47% over the figures for 1992, when Latinos received 11.65% of all such loans county-wide.

*** At Bank of America in 1999, "upper income" Latinos (those with 120% or more of the area median income) were denied conventional home purchase loans 16.92% of the time while 8.16% of "low income" whites (those with less than 50% of the area median) were denied.

*** Bank of America also had a poor 1999 lending record in San Diego's African-American community. Only 1.17% of this lending institution's 1999 conventional home purchase loans county-wide were granted to area African Americans. This represents a decrease of 38.7% over the figures for 1992, when African Americans received 1.91% of all such loans county-wide.

More key findings of the study:

*** At Washington Mutual Bank in 1999, "upper income" African American applicants were denied more often (17.65%) than "low income" white applicants (14.97%.)

*** According to the California Budget Project, only 39% of African American households statewide own their homes. Forty-one percent of all Latino households statewide own their homes. The homeownership rate for white households in California is 65%.

*** All lending data used in this report was obtained from the lending institutions and the Federal Financial Institutions Examination Council, under terms of the federal "Home Mortgage Disclosure Act." This law requires lending institutions to publicly disclose detailed data on their mortgage lending activity every year; such as the number and type of housing loan applications by census tract, and the race, income and sex of the applicant. Lending institutions must indicate whether the applications taken in were approved or denied, and they must disclose the dollar amount of the loan.

Recommendations.

The San Diego City-County Reinvestment Task Force should initiate a county-wide campaign to increase the homeownership rates among Latinos and African Americans of all income levels.

The following steps should be taken to help achieve this goal:

- 1) Each lending institution with a San Diego-specific reinvestment plan should set the goal of having its conventional home-purchase loan production approximate the Latino (Hispanic) and African American proportion of the county's population.
- 2) The Reinvestment Task Force should investigate the possibility of implementing a local homeownership program similar in nature to the "Oakland Homeownership Assistance Alliance;" which is a public-private-nonprofit partnership that was created to increase homeownership opportunities in the city of Oakland.
- 3) The Reinvestment Task Force should study the successful homeownership programs of San Diego Neighborhood Housing Services in the City Heights neighborhood; and perhaps use them as a model for implementation in other low and moderate income areas of the county. This organization is also participating in the NeighborWorks "Campaign for Homeownership 2002"; a nationwide program whose goal is to create 40,000 new homeowners by the year 2002.
- 4) The Reinvestment Task should negotiate a San Diego-specific reinvestment plan with Countrywide Home Loans. This lending institution operates a program entitled "House America," and its purpose is to help minority and lower income borrowers become homeowners. Countrywide also offers two mortgage products that require no downpayment. Even though they are exempt from the "Community Reinvestment Act," it might be worthwhile pursuing a localized reinvestment agreement with this Countrywide Home Loans.

Other Recommendations.

- * The Reinvestment Task Force should add a new category to its reinvestment agreements with participating lending institutions; conventional home-purchase lending to individual minority applicants. This type of lender activity is not included in the current reinvestment categories.
- * The Reinvestment Task Force should investigate the practice of "subprime" home mortgage lending. Specifically, the Task Force should investigate whether lending institutions target low and moderate income (or minority) borrowers for these higher-cost loans, in the San Diego area.
- * The Reinvestment Task Force should endorse the proposed revisions to Regulation "C," which implements the federal "Home Mortgage Disclosure Act." In addition, the Task Force should submit written comments to the Federal Reserve Board in support of these revisions. One of the proposed changes would require lenders to report the annual percentage rate of their loans; thus making it easier to determine if the loan was of the "subprime" variety.

CHART 1

1999 Conventional Home Purchase Lending to Latinos and African-Americans in San Diego County.

	<u>Loan Originations</u>	<u>Dollar Amount</u>
<u>All Conventional Lenders</u>		
County-wide total	46,309	\$8,804,793,000
Latinos	3,694 (7.98%)	\$514,093,000 (5.84%)
African Americans	659 (1.42%)	\$96,484,000 (1.1%)
<u>Bank of America</u>		
County-wide total	2,809	\$719,733,000
Latinos	244 (8.69%)	\$32,793,000 (4.56%)
African Americans	33 (1.17%)	\$6,818,000 (0.95%)
<u>California Bank and Trust</u>		
County-wide total	71	\$15,405,000
Latinos	8 (11.27%)	\$928,000 (6.02%)
African Americans	0 (0%)	\$0 (0%)
<u>California Federal Bank</u>		
County-wide total	999	\$277,723,000
Latinos	45 (4.5%)	\$5,952,000 (2.14%)
African Americans	5 (0.5%)	\$832,000 (0.3%)
<u>Union Bank of California</u>		
County-wide total	344	\$71,972,000
Latinos	73 (21.22%)	\$8,287,000 (11.51%)
African Americans	7 (2.03%)	\$753,000 (1.05%)
<u>Washington Mutual Bank</u>		
County-wide total	4,356	\$954,256,000
Latinos	564 (12.95%)	\$91,130,000 (9.55%)
African Americans	44 (1.01%)	\$7,097,000 (0.74%)
<u>Wells Fargo Bank</u>		
County-wide total	2,066	\$497,370,000
Latinos	127 (6.15%)	\$23,435,000 (4.71%)
African Americans	34 (1.65%)	\$7,394,000 (1.49%)

Note: According to estimates of the San Diego Association of Governments, Latinos make up 25% of San Diego County's population. African Americans make up six percent.

San Diego National Bank originated 4 conventional home purchase loans in 1999. None were granted either to Latinos or African Americans in San Diego County.

Sources of lending data: Table 4-2 of each lender's 1999 "Home Mortgage Disclosure Act" (HMDA) statement for San Diego County, and the Federal Financial Institutions Examination Council (FFIEC.) 1999 is the most recent year for which lending data is available. All loans are for 1-4 unit family dwellings.

CHART 2

1999 Conventional Home Purchase Lending in 50-100% Minority Population Census Tracts in San Diego County.

	<u>Loan Originations</u>	<u>Dollar Amount</u>
<u>All Conventional Lenders</u>		
County-wide total	46,309	\$8,804,793,000
50-100% minority tracts	4,275 (9.23%)	\$538,750,000 (6.12%)
<u>Bank of America</u>		
County-wide total	2,809	\$719,733,000
50-100% minority tracts	239 (8.51%)	\$35,416,000 (4.92%)
<u>California Bank and Trust</u>		
County-wide total	71	\$15,405,000
50-100% minority tracts	8 (11.27%)	\$817,000 (5.3%)
<u>California Federal Bank</u>		
County-wide total	999	\$277,723,000
50-100% minority tracts	32 (3.2%)	\$4,896,000 (1.76%)
<u>Union Bank of California</u>		
County-wide total	344	\$71,972,000
50-100% minority tracts	87 (25.29%)	\$8,383,000 (11.65%)
<u>Washington Mutual Bank</u>		
County-wide total	4,356	\$954,256,000
50-100% minority tracts	459 (10.54%)	\$53,937,000 (5.65%)
<u>Wells Fargo Bank</u>		
County-wide total	2,066	\$497,370,000
50-100% minority tracts	125 (6.05%)	\$23,037 (4.63%)

Note: According to 1990 census data, 22.46% of the county's population resides in census tracts where the minority population is between 50 and 100%.

San Diego National Bank originated 4 conventional home purchase loans in 1999. Two of those loans were granted in 50-100% minority population census tracts.

Sources of lending data: Table 7-2 of each lender's 1999 "HMDA" statement for San Diego County, and the FFIEC. All loans are for 1-4 unit family dwellings.

Section II.

1992 and 1999 Conventional Home Purchase Lending to Latinos and African Americans in San Diego County: 1-4 unit family dwellings.

*** Loan Applications**

*** Loan Originations
(number of loans granted)**

*** Loan Denial Rates**

II-A. Aggregate Data: Combined Statistics For All Conventional Lenders in San Diego County.

Conventional Home Purchase Lending to Latinos and African Americans.

	<u>1992</u>	<u>1999</u>	
<u>Loan Applications</u>			<u>change in % of loan applications</u>
County-wide total	30,335	72,476	
Latinos	3,157	6,520	
% of total	10.41%	9%	-13.54%
African Americans	470	1,276	
% of total	1.55%	1.76%	+13.55%
<u>Loan Originations</u>			<u>change in % of loan originations</u>
County-wide total	19,336	46,309	
Latinos	1,850	3,694	
% of total	9.57%	7.98%	-16.61%
African Americans	247	659	
% of total	1.28%	1.42%	+10.94%
(Note: the term "loan originations" means the number of loans that were actually granted.)			
<u>Loan Denial Rates all income levels*</u>			<u>% change in disparity ratios</u>
Whites	16%	11.98%	
Latinos	27%	20.49%	
disparity ratio	1.69:1	1.71:1	+ 1.18%
African Americans	29%	24.06%	
disparity ratio	1.81:1	2:1	+ 10.5%

* minimum 10 applications. Note: A disparity ratio of 2:1 means that African American applicants were turned down twice as often as white applicants. Loans are for 1-4 unit family dwellings. According to the San Diego Association of Governments, African Americans represent 6% of the county's population and Latinos represent 25%.

Aggregate Data-continued

1999 Loan Denial Rates When Applicant Income Levels Are The Same--San Diego County.

Low Income Applicants

(< 50% of area median)

Whites	27.25%
Latinos	33.99%
disparity ratio	(1.25:1)
African Americans	40.7%
disparity ratio	(1.49:1)

Middle Income Applicants

(80-119% of area median)

Whites	13.64%
Latinos	18.84%
disparity ratio	(1.38:1)
African Americans	23.56%
disparity ratio	(1.73:1)

Moderate Income Applicants

(50-79% of area median)

Whites	19.62%
Latinos	27.14%
disparity ratio	(1.38:1)
African Americans	35.77%
disparity ratio	(1.82:1)

Upper Income Applicants

(120% or more of area median)

Whites	9.64%
Latinos	13.96%
disparity	(1.45:1)
African Americans	17.19%
disparity ratio	(1.78:1)

Note: According to the San Diego Association of Governments, the 1999 median household for the San Diego region was \$43,616. The term "median" means that 50% are above that level and 50% are below that level.

1999 Conventional Home Purchase Loan Denial Rates for Whites, Latinos and African Americans--Nationwide and in San Diego County.

Nationwide

Whites	25.49%
Latinos	35%
disparity ratio	(1.37:1)
African Americans	48.95%
disparity ratio	(1.92:1)

San Diego County

Whites	11.98%
Latinos	20.49%
disparity ratio	(1.71:1)
African Americans	24.06%
disparity ratio	(2:1)

Note: The denial rates are for applicants of all income levels.

II-B. Bank of America

Conventional Home Purchase Lending to Latinos and African Americans in San Diego County.

	<u>1992</u>	<u>1999</u>	
<u>Loan Applications</u>			
County-wide total	3,742	3,560	
Latinos	511	349	
% of total	13.66%	9.8%	-28.26%
African Americans	82	50	
% of total	2.19%	1.4%	-36.07%
<u>Loan Originations</u>			
County-wide total	2,458	2,809	
Latinos	285	244	
% of total	11.59%	8.69%	-25.02%
African Americans	47	33	
% of total	1.91%	1.17%	-38.74%
<u>Loan Denial Rates- all income levels*</u>			
Whites	22.98%	8.98%	
Latinos	37.77%	16.33%	
disparity ratio	1.64:1	1.82:1	+10.98%
African Americans	40.24%	18%	
disparity ratio	1.75:1	2:1	+ 14.29%

* minimum 10 applications.

II-C. California Bank and Trust

Conventional Home Purchase Lending to Latinos and African Americans in San Diego County.

	<u>1992</u>	<u>1999</u>	
<u>Loan Applications</u>			<u>change in % of loan applications</u>
County-wide total	59	111	
Latinos	22	12	
% of total	37.29%	10.81%	-71%
African Americans	0	0	
% of total	0%	0%	n/a
<u>Loan Originations</u>			<u>change in % of loan originations</u>
County-wide total	21	71	
Latinos	6	8	
% of total	28.57%	11.27%	-60.55%
African Americans	0	0	
% of total	0%	0%	n/a
<u>Loan Denial Rates- all income levels*</u>			<u>% change in disparity ratios</u>
Whites	52.94%	15.29%	
Latinos	59.09%	25%	
disparity ratio	1.12:1	1.64:1	+ 46.43%
African Americans	0 apps.	0 apps.	
disparity ratio	n/a	n/a	n/a

* minimum 10 applications. Note: the term "apps." means applications.

II-D. California Federal Bank

Conventional Home Purchase Lending to Latinos and African Americans in San Diego County.

	<u>1992</u>	<u>1999</u>	
<u>Loan Applications</u>			<u>change in % of loan applications</u>
County-wide total	97	1,486	
Latinos	5	76	
% of total	5.15%	5.11%	-0.78%
African Americans	0	13	
% of total	0%	0.87%	+ 100%
<u>Loan Originations</u>			<u>change in % of loan originations</u>
County-wide total	43	999	
Latinos	1	45	
% of total	2.33%	4.5%	+ 93.13%
African Americans	0	5	
% of total	0%	0.5%	+ 100%
<u>Loan Denial Rates all income levels*</u>			<u>% change in disparity ratios</u>
Whites	28.79%	18.63%	
Latinos	5 apps.	27.63%	
disparity ratio	n/a	1.48:1	n/a
African Americans	0 apps.	46.15%	
disparity ratio	n/a	2.48:1	n/a

* minimum 10 applications.

II-E. San Diego National Bank

Conventional Home Purchase Lending to Latinos and African Americans in San Diego County: 1995 through 1999.

Loan Applications

County-wide total	13
Latinos	1
% of total	7.69%
African Americans	0
% of total	0%

Loan Originations

County-wide total	8
Latinos	0
% of total	0%
African Americans	0
% of total	0%

Loan Denial Rates--all income levels*

Whites	n/a (8 apps.)
Latinos	n/a (1 app.)
African Americans	n/a (0 apps.)

* minimum 10 applications.

Note: Due to the small volume of home purchase loans originated by San Diego National Bank, its 1995 through 1999 statistics were combined. No lending data was available prior to 1995.

II-F. Union Bank of California

Conventional Home Purchase Lending to Latinos and African Americans in San Diego County.

	<u>1992</u>	<u>1999</u>	
<u>Loan Applications</u>			<u>change in % of loan applications</u>
County-wide total	168	440	
Latinos % of total	22 13.1%	95 21.59%	+ 64.81%
African Americans % of total	3 1.79%	12 2.73%	+ 52.51%
<u>Loan Originations</u>			<u>change in % of loan originations</u>
County-wide total	110	344	
Latinos % of total	12 10.91%	73 21.22%	+ 94.5%
African Americans % of total	1 0.91%	7 2.03%	+ 123.1%
<u>Loan Denial Rates all income levels*</u>			<u>% change in disparity ratios</u>
Whites	12.61%	8.73%	
Latinos disparity ratio	27.27% 2.16:1	15.79% 1.81:1	-16.2%
African Americans disparity ratio	3 apps. n/a	25% 2.86:1	n/a

* minimum 10 applications.

II-G. Washington Mutual Bank.

Conventional Home Purchase Lending to Latinos and African Americans in San Diego County.

	<u>1997</u>	<u>1999</u>	
<u>Loan Applications</u>			<u>change in % of loan applications</u>
County-wide total	3,996	5,675	
Latinos	351	755	
% of total	8.78%	13.3%	+ 51.48%
African Americans	46	66	
% of total	1.15%	1.16%	+ 0.87%
<u>Loan Originations</u>			<u>change in % of loan originations</u>
County-wide total	2,869	4,356	
Latinos	229	564	
% of total	7.98%	12.95%	+ 62.28%
African Americans	30	44	
% of total	1.05%	1.01%	-3.81%
<u>Loan Denial Rates all income levels*</u>			<u>% change in disparity ratios</u>
Whites	14.05%	7.13%	
Latinos	24.5%	11.26%	
disparity ratio	1.74:1	1.58:1	- 9.2%
African Americans	30.43%	24.24%	
disparity ratio	2.17:1	3.4:1	+ 56.68%

* minimum 10 applications. Note: Prior to 1997, Washington Mutual did not originate any home loans in San Diego County.

II-H. Wells Fargo Bank

Conventional Home Purchase Lending to Latinos and African Americans in San Diego County.

	<u>1992</u>	<u>1999</u>	
<u>Loan Applications</u>			<u>change in % of loan applications</u>
County-wide total	278	2,880	
Latinos % of total	36 12.95%	186 6.46%	- 50.12%
African Americans % of total	9 3.24%	50 1.74%	- 46.3%
<u>Loan Originations</u>			<u>change in % of loan originations</u>
County-wide total	103	2,066	
Latinos % of total	12 11.65%	127 6.15%	- 47.21%
African Americans % of total	3 2.91%	34 1.65%	- 43.3%
<u>Loan Denial Rates- all income levels*</u>			<u>% change in disparity ratios</u>
Whites	52.53%	7.03%	
Latinos disparity ratio	61.1% 1.16:1	12.9% 1.83:1	+ 57.76%
African Americans disparity ratio	9 apps. n/a	16% 2.28:1	n/a

* minimum 10 applications.

Section III.

Supplemental Notes and Methodology

Sources of lending data: Table 4-2 of each lender's 1992 and 1999 "Home Mortgage Disclosure Act" (HMDA) statement for San Diego Metropolitan Statistical Area (MSA); the Federal Financial Institutions Examination Council (FFIEC); and the Right-to-Know Network", a nonprofit organization that has a downloadable copy of the FFIEC's "Home Mortgage Disclosure Act" database. Also, table 7-2 of each lender's 1999 HMDA statement for the San Diego MSA. 1999 is the most recent year for which lending data is available.

Additional sources of lending data: table 5-2 of Washington Mutual Bank's 1999 HMDA report for San Diego County, and table 5-2 of Bank of America's and Nationsbanc Mortgage Corporation's 1999 HMDA report for San Diego County.

The "Home Mortgage Disclosure Act" is a federal law that requires lending institutions to publicly disclose detailed data on their mortgage lending activity every year; such as the number and type of housing loan applications by census tract, and the race, income and sex of the applicant. By law, institutions must indicate whether the applications taken in were approved or denied. They must also list the dollar amount of the loan.

Only "conventional" (non-government insured) home-purchase loans on 1-4 unit family dwellings were included in this report. Home-purchase loans were looked at exclusively because they expand home ownership opportunities. Both the California Reinvestment Committee and the Greenlining Institute utilize a similar methodology in their home-lending reports.

The 1999 lending data for Bank of America contains the statistics of Nationsbanc Mortgage Corp., which was a subsidiary of Nationsbank. Nationsbank and Bank of America merged in 1998.

Regarding California Bank and Trust; the 1992 HMDA data is for Grossmont Bank; and the 1999 HMDA data is for California Bank and Trust. Grossmont Bank was the predecessor of California Bank and Trust. The latter financial institution was formed by the merger of Grossmont Bank and several other banks.

Regarding California Federal Bank; in 1997, this lender merged with First Nationwide Bank and its subsidiary--First Nationwide Mortgage Corp. Therefore, Cal Fed's HMDA data for 1999 also contains the statistics of First Nationwide Mortgage Corp.

Regarding San Diego National Bank; the sources of its lending data are the FFIEC and table 4-2 of the lender's 1995 through 1999 HMDA statements for the San Diego Metropolitan Statistical Area. Also, table 7-2 of San Diego National Bank's 1999 HMDA statement for the San Diego MSA.

Regarding Union Bank of California; the 1992 HMDA data is for Union Bank, and the 1999 HMDA data is for Union Bank of California. The latter financial institution was formed by the merger of Union Bank and the Bank of California

Regarding Washington Mutual Bank; 1997 was the first year in which this lending institution originated home loans in San Diego County.

Regarding Wells Fargo Bank; the 1999 data contains the statistics of Norwest Mortgage, which was a subsidiary of Norwest Corp. Wells Fargo and Norwest merged in 1998.

Sources of demographic data: The San Diego Association of Governments (SANDAG) and the U.S. Census Bureau. SANDAG is the regional planning agency for San Diego County.

Definitions of income categories:

"Low": less than 50% of the area median income.

"Moderate": 50-79% of the area median income.

"Middle": 80-119% of the area median income.

"Upper": 120% or more of area median income.

(Note: the term "median" means that 50% are above that level and 50% are below that level. According to SANDAG, the 1999 median household income for the San Diego region was \$43,616.

Source of income definitions: Federal Deposit Insurance Corporation "CRA" regulations.

For purposes of this study, the term "Latino" was used instead of the term "Hispanic."

The source of the statewide statistics on homeownership rates is the California Budget Project.

Methodology:

How the loan denial rates and denial disparity ratios were computed:

Example: If lender "A" receives 20 loan applications from African Americans, and denies 6 of those applications; 20 divided by 6 results in a 30% denial rate. If the same lender rejects 10 out of 100 loan applications from White applicants, the result is a 10% denial rate.

To compute the disparity ratio, the African American denial rate of 30% is divided by the White denial rate of 10%, which results in a 3:1 disparity ratio. This means that lender "A" denied African American loan applicants three times more often than it denied White loan applicant.