June 2018



United States Department of Agriculture



Farm Service Agency Electronic News Service

NEWSLETTER

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Hawaii & Pacific Basin State FSA Newsletter

AL's Comments

Three Presidential Level Disaster Declarations: Feeding America and the World is tough business and it is even harder when nature doesn't cooperate. Hawaii and the Pacific Basin have had more than its share of natural disasters these past few months with tropical storm Gita, record rainfalls in Kauai and Honolulu Counties and now lava permanently destroying farmlands, infrastructure, equipment and even livestock. Our hearts go out to those effected and we are readily available to assist whenever and wherever we can.

Agriculture Crimes Investigator in Hawaii County: Farm thefts have been plaguing our producers and it seems to get worse by the year. I was pleasantly surprised to discover that the Hawaii County Prosecutor, Mitchell Roth has created a position and hired an Agriculture Crimes Investigator. This is the first, and hopefully not last, of its kind in the pacific region. I highly encourage Hawaii's other counties and the Territories of American Samoa, Guam and CNMI consider doing the same. Often, police are unable to assist with arrests or investigations when an agricultural crime occurs. Now in Hawaii County, police have someone that they can reach to report crimes and request investigations. This is a relatively new program, so affected producers in Hawaii County should let arriving officers know that the prosecutor's office now has someone to investigate reports of theft.

AL Frenzel, State Executive Director

USDA Farm Service Agency Hawaii & Pacific Basin

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Hawaii & Pacific Basin State Farm Service Agency

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State Executive Director: AL Frenzel

Acting Chief Program Specialist: Kristen Kiriu

Chief, Farm Loan Program: Theresa Correa

Upcoming County Meetings:

Hawaii County Committee July 13, 2018 at 8:30 am

Honolulu County Committee July 20, 2018 at 3:00 pm

Maui County Committee June 21, 2018 at 8:30 am

Kauai County Committee July 18, 2018 at 9:00 am

Guam County Committee July 11, 2018 at 9:00 am

CNMI County Committee July 11, 2018 at 11:00 am

Contact the County Office to

confirm meeting date and time, as budget constraints may limit the County Committee's ability to meet each month.

Website for Hawaii and Pacific Basin FSA:

www.fsa.usda.gov/hi

Secretary Perdue Names FSA Administrator

U.S. Secretary of Agriculture Sonny Perdue announced today the appointment of Richard Fordyce to serve as Administrator of the U.S. Department of Agriculture's (USDA) Farm Service Agency (FSA). In his role, Fordyce will provide leadership for FSA and its mission to support agricultural production across America through a network of over 2,100 county and 50 state offices.

Richard Fordyce, a fourth-generation farmer, most recently served as State Executive Director for FSA in Missouri. Prior to his appointment by the Trump Administration, Fordyce served as the director of the Missouri Department of Agriculture from 2013 to 2017. In 2015, Fordyce was awarded the Missouri Farm Bureau Distinguished Service Award and the Agricultural Leaders of Tomorrow Alumnus of the Year. He and his wife, Renee, have two children and grow soybeans, corn and beef cattle on the family farm.

For more information about the Farm Service Agency, please visit <u>www.fsa.usda.gov</u>.

Hawaii Farmer Needs Assessment Survey is now live!

The State of Hawaii has set goals to double local food production by $\underline{2020}$ and $\underline{2030}$.

The purpose of this survey is to understand the barriers and needs of farmers related to increasing food production in Hawaii. Survey responses will help define the kinds of support, extension, training, research, and public policy that may best meet the needs of growers across the state.

Click here to take the survey.

A summary of the findings will be posted to <u>hawaiifarmersurvey.com</u> in late 2018.

Announcing FY 2017 Payments for Reimbursement Transportation Cost Payment (RTCP-VIII) Program for Geographically Disadvantaged Farmers and Ranchers in Alaska, Hawaii, and Insular Areas

The Consolidated Appropriations Act of 2017 authorized \$1.996 million to offset transportation costs for geographically disadvantaged farmers and ranchers. Payments will be issued for agricultural producers enrolled in the RTCP-VIII for fiscal year 2017.

Payments are calculated based on the costs incurred from transportation of the agricultural commodity or inputs, subject to an \$8,000 limit per producer per federal fiscal year. Payments began processing on May 24, 2018. Because total FY 2017 claims exceeded available funds, payments to recipients will be reduced by a National payment factor of 0.6579433 percent.

For more information on RTCP, farmers and ranchers in the eligible areas can visit their administrative FSA county office or the FSA website at <u>www.fsa.usda.gov/pricesupport</u>. To find your local FSA county office, visit <u>http://offices.usda.gov</u>

Loan Servicing

There are options for Farm Service Agency loan customers during financial stress. If you are a borrower who is unable to make payments on a loan, contact your local FSA Farm Loan Manager to learn about the options available to you.

Filing CCC-941 Adjusted Gross Income (AGI) Certifications

Many producers have experienced delays in receiving Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) payments, Loan Deficiency Payments (LDPs) and Market Gains on Marketing Assistance Loans (MALs) because they have not filed form CCC-941, Adjusted Gross Income Certification. No program payment can be issued to an eligible producer, including landowners who share in the crop, without a valid CCC-941 on file in the county office.

Producers without a valid CCC-941 on file for the applicable crop year will not receive payments. All farm operator/tenants/owners who have not filed a CCC-941 and have pending payments should IMMEDIATELY file the form with their recording county FSA office. Farm operators and tenants are encouraged to ensure that their landowners have filed the form.

FSA can accept the CCC-941 for 2015, 2016, 2017 and 2018. Unlike the past, producers must have the CCC-941 certifying their AGI compliance before any payments can be issued.

Environmental Review Required Before Project Implementation

The National Environmental Policy Act (NEPA) requires Federal agencies to consider all potential environmental impacts for federally-funded projects before the project is approved.

For all Farm Service Agency (FSA) programs, an environmental review must be completed before actions are approved, such as site preparation or ground disturbance. These programs include, **but are not limited to**, the Emergency Conservation Program (ECP), Farm Storage Facility Loan (FSFL) program and farm loans. If project implementation begins before FSA has completed an environmental review, this will result in a denial of the request. There are exceptions regarding the Stafford Act and emergencies. It is important to wait until you receive written approval of your project proposal before starting any actions, including, but not limited to, vegetation clearing, site preparation or ground disturbance.

Remember to contact your local FSA office early in your planning process to determine what level of environmental review is required for your program application so that it can be completed timely.

Applications cannot be approved contingent upon the completion of an environmental review. FSA must have copies of all permits and plans before an application can be approved.

Direct Loans

FSA offers direct farm ownership and direct farm operating Loans to producers who want to establish, maintain or strengthen their farm or ranch. FSA loan officers process, approve and service direct loans.

Direct farm operating loans can be used to purchase livestock and feed, farm equipment, fuel, farm chemicals, insurance and other costs including family living expenses. Operating loans can also be used to finance minor improvements or repairs to buildings and to refinance some farm-related debts, excluding real estate.

Direct farm ownership loans can be used to purchase farmland, enlarge an existing farm, construct and repair buildings, and to make farm improvements.

The maximum loan amount for both direct farm ownership and operating loans is \$300,000 and a down payment is not required. Repayment terms vary depending on the type of loan, collateral and the producer's ability to repay the loan. Operating loans are normally repaid within seven years and farm ownership loans are not to exceed 40 years.

Please contact your local FSA office for more information or to apply for a direct farm ownership or operating loan.

July 2018 Interest Rates

Farm Operating Loans 3.875%
Farm Operating Microloans 3.875%
Farm Ownership Loans 4.125%
Farm Ownership Microloans 4.125%
Farm Ownership Loans Direct Down Payment for Beginning Farmer or Rancher 1.5%
Emergency Loans 3.75%

USDA is an equal opportunity provider, employer and lender. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).



