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United States Department of Agriculture



Farm Service Agency Electronic News Service

NEWSLETTER

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SED's Comments

Aloha Producers and Agriculture Advocates,

With three recently declared Presidential Disaster Declarations (Gita, Honolulu and Kauai Flooding, and Hawaii County volcanic activity) times have been very difficult for a large number of our producers throughout Hawaii and Pacific Basin. We have also had a number of producers affected by smaller scale disasters that most people, including the press, never hear about. Our role in the Farm Service Agency is to serve all affected farmers, ranchers and agricultural partners through the delivery of effective and efficient agricultural disaster assistance programs. We are committed to providing the absolute best service possible and ensuring that producers receive all of the program assistance legally possible in a timely and professional manner. We are also readily available to assist when necessary with a variety of loan programs for emergency purposes, for operating requirements and for the purchase of farm lands. Our business is to keep producers in business whether mother nature strikes across a broad scale or a narrow one. All of our disaster programs are available even when only one producer is affected by a storm, except for emergency loans. Emergency loans is the only program that require a Secretarial or Presidential level disaster declaration. Otherwise, we routinely provide disaster assistance for producers affected by isolated thunderstorms, region specific droughts, high winds and even the adverse effects to plants, animals and equipment from Volcanic Gasses (VOG) such as Sulphur Dioxide. Producers that experience

losses from any size natural disaster of any type need to contact their local FSA office as soon a practically possible; this will get the process started on effective, timely and much needed assistance that is always available from the Farm Service Agency.

AL Frenzel, State Executive Director USDA Farm Service Agency Hawaii & Pacific Basin

Hawaii & Pacific Basin FSA State Office

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State Executive Director: AL Frenzel

Acting Chief Program Specialist: Kristen Kiriu

Chief, Farm Loan Program: Theresa Correa

Upcoming County Committee Meetings:

Hawaii County Committee October 12, 2018, 8:30 am

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

Maui County Committee August 16, 2018, 8:30 am

Kauai County Committee August 15, 2018, 9:00 am

Guam County Committee October 10, 2018 8:30 am

CNMI County Committee October 10, 2018, 11:00 am

USDA Announces Signup for the 2018 Reimbursement Transportation Program

Program Helps Offset Cost for Farmers and Ranchers Outside the Contiguous U.S.

The U.S. Department of Agriculture (USDA) Hawaii State and Pacific Basin Farm Service Agency (FSA) announced to farmers and ranchers residing outside the contiguous continental United States that the Reimbursement Transportation Cost Payment Program (RTCP) for fiscal year 2018 will begin on July 16, 2018, and end on Sept. 7, 2018.

The 2014 Farm Bill reauthorized RTCP, which offsets a portion of the costs of transporting agricultural products over long distances. The program allows farmers and ranchers in Alaska, Hawaii and insular areas including the Commonwealth of Puerto Rico, Guam, American Samoa, Commonwealth of Northern Mariana Islands, Virgin Islands of the United States, Federated States of Micronesia, Republic of the Marshall Islands and Republic of Palau, to recover any transportation costs.

RTCP payments are calculated based on the costs incurred for transportation of the agricultural commodity or inputs during a fiscal year, subject to an \$8,000 per producer cap per fiscal year. In the event that claims for payments exceed the funds available from the program for a fiscal year, payments will be reduced on a pro-rata basis.

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>.

Hawaii County Eligible for Emergency Loans Following Presidential Disaster Declaration

Hawaii County was declared a primary disaster due to Kilauea Volcanic Eruption and Earthquakes. Under this designation, producers with operations in any primary or contiguous county are eligible to apply for low interest emergency loans. Contact the County Office to confirm meeting date and time, as budget constraints may limit the County Committee's ability to meet each month.

<u>Click here for a list of County</u> <u>Offices, contact numbers and</u> <u>addresses</u>.

Website for Hawaii and Pacific Basin FSA:

Emergency loans help producers recover from production and physical losses due to drought, flooding and other natural disasters or quarantine.

Producers have eight months from the date of the declaration to apply for emergency loan assistance. FSA will consider each loan application on its own merits, taking into account the extent of losses, security available and repayment ability. Producers can borrow up to 100 percent of actual production or physical losses, to a maximum amount of \$500,000.

For more information about emergency loans, please contact your local FSA office or visit <u>www.fsa.usda.gov</u>.

www.fsa.usda.gov/hi

Eligibility for Elections for the 2018 County Committee

Elections for USDA's Farm Service Agency's (FSA) Hawaii and the Pacific Basin County Committees are underway.

It is important that every eligible producer participate in these elections because FSA county committees are a link between the agricultural community and the USDA. The 2018 election will be conducted for the following representative Local Administrative Areas (LAA):

Hawaii County, LAA #2 All ranches and farms located in Kona and Mauna Kea; Tax Map Zones 5, 6, 7, and 8

Maui County, LAA #1 All ranches and farms located on the island of Maui, north, northwest and northeast of Kuihelani Hwy, Hana Hwy, and Haleakala Hwy. This includes the communities of Hana, Keanae, Haiku, Makawao, Paia, Kahului, Wailuku, Kahakuloa and Lahaina.

Honolulu County, LAA #3 All ranches and farms on the West and Northshore of Oahu. This includes the communities of Waipahu, Ewa, Kunia, Wahiawa, Makakilo, Nanakuli, Waianae, Waialua and Mokuleia.

Kauai County, LAA #3 Anahola, Aliomanu, Papaa, Moloaa and all of the Hanalei District.

Guam County, LAA #1 Anderson AFB, Yigo and parts of Dededo (Ysengsong) and the Commonwealth of the Northern Mariana Islands, LAA #1 Island of Rota.

To be eligible to vote in the elections, a person must:

Meet requirement one (see explanation below) **or** meet requirement two, **and** requirement three (see explanation below).

Requirement One: Be of legal voting age and have an interest in a farm or ranch as either: an individual who meets one or more of the following; (a) is eligible to vote in one's own right, (b) is a partner of a general partnership, (c) is a member of a joint venture **OR** an authorized representative of a legal entity, such as: (a) a corporation, estate, trust, limited partnership or other business enterprise, excluding general partnership and joint ventures or (b) a state, political subdivision of a state or any state agency (only the designated representative may cast a vote for the entity).

Requirement Two: Not of legal voting age, but supervises and conducts the farming operations of an entire farm.

Requirement Three: Participates or cooperates in an FSA program that is provided by law.

County committee election ballots will be mailed to eligible voters on Nov. 5, 2018. The last day to return completed ballots to the USDA service center is Dec. 3, 2018.

For more information on eligibility to serve on FSA county committees, visit: www.fsa.usda.gov/elections.

Youth Loans

The Farm Service Agency makes loans to youth to establish and operate agricultural incomeproducing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5000.

Youth Loan Eligibility Requirements:

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- Be 10 years to 20 years of age
- Comply with FSA's general eligibility requirements
- Be unable to get a loan from other sources
- Conduct a modest income-producing project in a supervised program of work as outlined above
- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project adviser. The project supervisor must recommend the youth loan applicant, along with providing adequate supervision.

Stop by the county office for help preparing and processing the application forms.

Livestock Losses

The Livestock Indemnity Program (LIP) provides assistance to eligible producers for livestock deaths in excess of normal mortality caused by adverse weather, disease and attacks by animals reintroduced into the wild by the federal government or protected by federal law.

LIP compensates livestock owners and contract growers for livestock death losses in excess of normal mortality due to adverse weather, including losses due to hurricanes, floods, blizzards, wildfires, extreme heat or extreme cold.

For disease losses, FSA county committees can accept veterinarian certifications that livestock deaths were directly related to adverse weather and unpreventable through good animal husbandry and management.

Due to an amendment in the Bipartisan Budget Act (BBA), for 2017, 2018 and subsequent livestock losses, eligible livestock owners must file a notice of loss by the later of:

30 calendar days of when the loss is first apparent; or

• 60 days after the regulations governing LIP, including BBA provisions, are published in the Federal Register.

Participants must provide the following supporting documentation to their local FSA office no later than 90 calendar days after the end of the calendar year in which the eligible loss condition occurred.

- Proof of death documentation
- Copy of growers contracts
- Proof of normal mortality documentation

USDA has established normal mortality rates for each type and weight range of eligible livestock, i.e. Adult Beef Cow = 1.5% and Non-Adult Beef Cattle (less than 400 pounds) = 5%. These established percentages reflect losses that are considered expected or typical under "normal" conditions.

In addition to filing a notice of loss, producers must also submit an application for payment by March 31, 2019.

Additional Information about LIP is available at your local FSA office or online at: www.fsa.usda.gov.

Supervised Credit

Farm Service Agency (FSA) Farm Loan programs are considered supervised credit. Unlike loans from a commercial lender, FSA loans are intended to be temporary in nature. Therefore, it is our goal to help you graduate to commercial credit, and our farm loan staff is available to help borrowers through training and credit counseling.

The FSA team will help borrowers identify their goals to ensure financial success. Through this process, FSA staff will advise borrowers in developing strategies and a plan to meet your operation's goals and graduate to commercial credit. Ultimately, the borrower is responsible for the success of the farming operation, but FSA's staff will help in an advisory role to provide the tools necessary to help you achieve your operational goals and manage your finances.

For more information on FSA farm loan programs, visit www.fsa.usda.gov.

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%

FSA Hawaii & Pacific Basin State Committee

Teena Marie Rasmussen, Chairperson Wilson Kenzo Koike Glenn Martinez Boyd J. Ready Simon Russell

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).





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