



Hawaii & Pacific Basin NEWSLETTER

April 2015



Your Farm Service Agency Online Monthly Newsletter Covering the Latest Topics

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USDA Deputy Secretary Visits with Farmers and Ranchers

At the invitation of United States Senator Mazie Hirono, United States Department of Agriculture (USDA) Deputy Secretary Krysta Harden visited Hawaii April 8-10 to meet with producers, environmental advocates and government leaders to get a first-hand look and understand the challenges and opportunities in the islands.



USDA Deputy Secretary Krysta Harden (center right) inquires with Jon Tanouye, a third generation anthurium and tropical flower producer, about where he would like to see the family business, Green Point Nursery, in the next several decades. U.S. Senator Mazie Hirono (center left) speaks to Jon's father, Eric Tanouye about day to day challenges with production and staying ahead of foreign competition. Photo Credit: U.S. Senator Hirono

Senator Hirono led Deputy Secretary through an itinerary that included East and West Hawaii Island and Oahu. Deputy Secretary Harden noted, "There is no substitute for being here. It is very different in that one can grow just about anything due to the [year round] growing season." She went on to acknowledge, "Growers are dealing with very tough issues – a lot of pests and invasive species."

Topics of focus during the visit included the impacts of low cost imports and Hawaii's ability to be competitive requires continued research and development of new cultivars and markets. Invasive species and its impact on Hawaii's crops, animals and the environment were threaded throughout the visit, including an overview of the stringent quarantine requirements for exports to the continental U.S. and foreign countries. The Deputy Secretary heard about high energy and transportation costs and about opportunities for agriculture to adopt renewable energy systems and to produce power through biofuels and bi-products such as papaya waste.



Michael Kohn, President of Paina Hawaii, discusses with USDA Deputy Secretary Krysta Harden and U.S. Senator Mazie Hirono the opportunities that his company's irradiator opened up for Hawaii's producers to effectively meet export quarantine protocol for papaya, tropical fruits and sweet potato and allow their export to the U.S. mainland, Canada and other countries. Photo Credit: U.S. Senator Hirono

Farm Bill Website

For the latest on 2014 Farm Bill Programs administered by the Farm Service Agency, visit www.fsa.usda.gov/farmbill

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Office Hours: Monday—Friday from 8:00 am to 4:00 pm	
<p>Next County Committee Meeting Dates:</p> <p><u>Hawaii County</u> - July 10 at 8:30 am</p> <p><u>Honolulu County</u> - May 24 at 3:00 pm</p> <p><u>Kauai County</u> - May 20 at 8:30 am</p> <p><u>Maui County</u> - May 21 at 9:30 am</p> <p><u>Guam County</u> - May 13 at 9:00 am</p> <p><u>CNMI County</u> - May 13 at 9:00 am</p> <p>Contact the County Office to confirm meeting date and time, as budget constraints may limit the County Committee's ability to meet each month. A list of County Offices, contact numbers and addresses may be found at:</p> <p>http://www.fsa.usda.gov/Internet/FSA_File/hi_cof_staff.pdf</p>	

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The Deputy Secretary visited with immigrants, Native Hawaiian homesteaders and veterans who are growing food for local markets thanks to the assistance of training programs supported by the USDA. She spoke with coffee growers battling the coffee berry borer through an integrated system approach developed by the USDA and flower, vegetable and tomato producers who are transitioning to the next generation.

Senator Hirono noted, “USDA presence is really critical to support agriculture and rural communities.” Deputy Secretary agreed noting, “We want farmers to stay on the farm and young people to come back to the farm. This trip will allow me to consider how USDA policies might be adjusted to help producers in Hawaii and beyond.”

Loans Available Following Multiple Disasters

Producers facing economic hardship or challenges in rebuilding or replanting due to any of the numerous storms that took place in Hawaii or the Pacific Basin or recent lava flows since last summer may want to visit with a Farm Service Agency (FSA) loan officer to learn more about what Emergency Loans are available. Key deadlines to apply for Emergency Loans are:

- May 11, 2015 – Cyclone Halong in Guam
- May 11, 2015 – Rains, flooding and landslides which occurred in July 2014 in American Samoa
- May 12, 2015 – Hurricane Iselle in Hawaii and Maui counties
- September 30, 2015 – High winds and flooding which occurred in January 2015 in Hawaii, Maui and Honolulu counties
- November 4, 2015 – Lava flows in Hawaii County

Interest Rates for April 2015	
Farm Operating Loans	2.375 %
MicroLoans	2.375 %
Farm Ownership Loans	3.375 %
Farm Ownership Loans Direct Down Payment, Beginning Farmer or Rancher	1.50 %
Emergency Loans	3.375 %

Loans – Large, Small, Micro and More

Farm Service Agency offers a wide range of low-interest loans to meet a wide range of producers' needs. Learn more by clicking on the links below:

- [Microloans](#) – Providing eligible producers with credit up to \$50,000, through a streamlined application process. Loans can be used for green houses, tools, irrigation and annual expenses such as seed, fertilizer, utilities, land rental, marketing, and distribution expenses.
- [Direct Operating Loans](#) – Eligible producers may qualify to finance purchase of livestock, equipment, seed, farm equipment, farm chemicals and other inputs, supplies, soil and water conservation and refinancing of debts with certain limitations.
- [Farm Storage and Facility Loans](#) – Low-interest financing for fruit and vegetable producers for a variety of purposes including storage facilities, sorting bins, wash stations and other food safety-related equipment. Maximum financing is \$100,000.
- [Farm Ownership Loans](#) – Eligible producers can borrow up to \$300,000 to buy or enlarge a farm, construct new farm buildings or improve structures, pay closing costs or promote soil and water conservation and protection. The interest rate on select loans can be as low as 1.5 percent with up to 40 years to repay.
- [Guaranteed Loans](#) – With reduced risk to commercial lenders, producers may qualify for loans up to \$1.33 million for farm or ranch ownership, operating capital and conservation practices.
- [Youth Loans](#) – Students ages 10-20 years of age engaged in 4-H clubs, FFA and other agricultural groups may qualify for loans up to \$5,000 to establish and operate agricultural income-producing projects. Urban students are also eligible to apply.
- [Land Contract Guarantee](#) – Supports the transfer of farm real estate to the next generation of farm-ers and ranchers while reducing the financial risk to the seller.

Loans – continued...

- [Beginning Farmers and Minorities](#) – Financing is provided to eligible beginning and minority applicants through Micro, Direct Operating or Guaranteed Loans (see loan options for details). Minorities include women, Asian Americans, Pacific Islanders, African Americans, American Indians, Alaskan Natives and Hispanics.

2014 Farm Bill Conservation Compliance Changes

Changes mandated through the 2014 Farm Bill require producers to have a Highly Erodible Land Conservation and Wetland Conservation Certification (AD-1026) on file.

For farmers to be eligible for premium support on their federal crop insurance, a completed and signed AD-1026 form must be on file with the Farm Service Agency (FSA). Since many FSA, Natural Resource Conservation Service (NRCS) and Risk Management Agency (RMA) programs have this requirement; most producers should already have an AD-1026 on file. If producers have not filed, they must do so by June 1, 2015. When a farmer completes the AD-1026, FSA and NRCS staff will outline any additional actions that may be required for compliance with the provisions.

Since enactment of the 1985 Farm Bill, eligibility for most commodity, disaster, and conservation programs has been linked to compliance with the highly erodible land conservation and wetland conservation provisions. The 2014 Farm Bill continues this requirement that producers adhere to conservation compliance guidelines to be eligible for most programs administered by FSA, NRCS and RMA. This includes the Livestock Disaster Assistance programs and conservation programs, as well as the Environmental Quality Incentives Program and other programs.

Farm Service Agency recently released a revised form AD-1026, which is available at United States Department of Agriculture (USDA) Service Centers and online at: www.fsa.usda.gov. The Department will publish a rule outlining the linkage of conservation compliance with federal crop insurance premium support. Go to <http://go.usa.gov/3Wy5J> to view a copy of the rule. Producers can also contact their local USDA Service Center for information.

Acreage Reporting Dates

In order to comply with Farm Service Agency (FSA) program eligibility requirements, all producers are encouraged to make an appointment with their FSA County Office to file an accurate crop certification report by the following deadlines:

May 31	Nursery for the ensuing crop year
July 15	Banana, Papaya, Conservation Reserve Enhancement Program (CREP)
September 30	Aquaculture, Floriculture, Ginseng, Mushrooms, Turfgrass Sod for the ensuing year
December 16	Grazed Forage – 15 days before the onset of grazing
January 2	Honey – for crop year 2016
March 15	Coffee – for 2016
March 31	All other non-insurable crops covered by Non-Insured Crop Disaster Assistance Program not listed on this table. Acreage reporting date is by March 31 of the subsequent crop year.

If a producer acquires additional acreage after the above acreage reporting date, then the acreage must be reported no later than 30 calendar days after purchase or acquiring the lease. Appropriate documentation must be provided to the county office. For questions regarding crop certification and crop loss reports, please contact your local FSA County Office.

Dates to Remember	
May 11, 2015	Deadline for American Samoa & Guam producers to apply for Emergency Loans due to flooding and Tropical Storm Halong
May 12, 2015	Deadline for Hawaii & Maui County producers to apply for Emergency Loans due to impacts of Hurricane Iselle
September 30, 2015	Deadline for Hawaii, Maui and Honolulu producers to apply for an Emergency Physical Loss Loan due to high winds and flooding in January 2015
November 4, 2015	Deadline for Hawaii County producers to apply for Emergency Loans due to impact from lava flows
Continuous	Hawaii Conservation Reserve Enhancement Program sign-up

Beginning Farmer Loans

Farm Service Agency (FSA) assists beginning farmers to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. Farm Service Agency defines a beginning farmer as a person who:

- Has operated a farm for not more than 10 years;
- Will materially and substantially participate in the operation of the farm;
- Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA; and
- Does not own a farm in excess of 30 percent of the county's average size farm.

Additional program information, loan applications, and other materials are available at FSA County Offices. You may also visit www.fsa.usda.gov.

Upcoming 2015 County Committee Elections

The 2015 County Committee (COC) Elections are coming up. It's an opportunity for farmers and ranchers to run for and be elected to represent producers in their community as an elected member on their local Farm Service Agency (FSA) County Committee (COC).

Significant emphasis continues to be placed on improving COC diversity. FSA is working diligently to increase the number of underserved (minorities and women) farmers and ranchers nominated for COC's.

Nomination forms (FSA-669A's) are available:

- at <http://www.fsa.usda.gov/elections>, scroll down to the links under "Election Materials" and CLICK "2015 Nomination Form"
- by picking up FSA-669A at your local FSA office
- by calling your local office and requesting FSA-669A be sent to you.

USDA is an equal opportunity provider and employer. 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).