SED's Comments

In August, the FSA State Committee for Hawaii and Pacific Basin held its recent business meeting in Hilo, Hawaii last month. The State Committee, consisting of Chair Teena Marie Rasmussen – Kula, Wilson Kenzo Koike – Waianae, Glenn Martinez – Waimanalo, Boyd J. Ready – Haleiwa, and Simon Russel – Makawao, visited several producers affected by lava and Volcanic Gas (VOG). The committee members also attended an assessment briefing on the impacts of lava and VOG on the County of Hawaii agricultural producers. Hawaii and Pacific Basin producers have had more than their share of natural disasters in 2018. Commercial producers are reminded and strongly encouraged to contact their local FSA Customer Service Center after sustaining any natural disaster caused crop damages or damaged lands as soon as possible after an event to determine if an FSA disaster assistance program might be able to provide relief.

Under the Federal Crop Insurance Program’s unique public-private partnership, there are currently 15 private companies authorized by the United States Department of Agriculture Risk Management Agency (USDA RMA) to write coverage policies. The RMA sets the rates that can be charged and determines which crops can be insured in different parts of the country. For Hawaii, crop insurance is available for Banana, Macadamia, Coffee, Papaya, Nursery (FG&C), and Whole Farm Revenue Program; currently over 150 of Hawaii’s producers have policies providing them with over $115 Million in protection coverage. For crops not covered by commercial insurance providers, producers in Hawaii, Guam, CNMI and American Samoa should take advantage of FSA’s Noninsured Crop Disaster Assistance Program (called NAP); information on crop protection is available from your local FSA Customer Service Center or www.Farmers.gov
Eligibility for Elections for the 2018 County Committee

Elections for USDA’s Farm Service Agency’s (FSA) Hawaii State and Pacific Basin’s 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 elections in Hawaii State and the Pacific Basin Counties will be conducted for the following representative Local Administrative Areas (LAA):

**Honolulu County**
Thoune Hongphao is nominated in LAA 3, Honolulu County, to serve as a committee member. Mr. Hongphao resides in Kapolei and has produced vegetable truck crops for over 10 years in Kunia and Kahuku. He operates a vegetable produce stall at the Kapi'olani Community College Farmer’s Market.

**Kauai County**
Dick I. Yoshii is nominated in LAA 3 / C, Kauai County, to serve as a committee member. Yoshii resides in Moloaa and produced banana’s and orchard crops for 44 years. He is an active member of Kauai County Farm Service Agency County Committee and serves as the Vice Chairperson. He is also on the Kauai County Farm Bureau as a regular member.

**Maui County**
Paul Lopes is nominated in LAA 1, Maui County, to serve as committee member. Lopes resides in Haiku and has been the owner and operator of a cattle, hog, sheep and goat operation for more than 30 years. He is the current Chairperson of the FSA Maui County Committee.

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](http://www.fsa.usda.gov/elections).

### USDA Launches Trade Mitigation Programs

USDA launched the trade mitigation package aimed at assisting farmers suffering from damage due to unjustified trade retaliation by foreign nations. Producers of certain commodities can now sign up for the Market Facilitation Program (MFP).

USDA provided details in August of the programs to be employed. USDA’s Farm Service Agency (FSA) will administer the Market Facilitation Program (MFP) to provide payments to corn, cotton, dairy, hog, sorghum, soybean, and wheat producers. An announcement about further payments will be made in the coming months, if warranted. USDA is currently working to determine how to address market disruptions for producers of almonds and sweet cherries.

The sign-up period for MFP is now open and runs through Jan. 15, 2019, with information and instructions provided at [www.farmers.gov/mfp](http://www.farmers.gov/mfp). MFP provides payments to cotton, corn, dairy, hog, sorghum, soybean, and wheat producers who have been significantly impacted by actions of foreign governments resulting in the loss of traditional exports. Eligible producers should apply after harvest is complete, as payments will only be issued once production is reported.

A payment will be issued on 50 percent of the producer’s total production, multiplied by the MFP rate for a specific commodity. A second payment period, if warranted, will be determined by the USDA.

#### Market Facilitation Program

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Est. Initial Payment**</th>
<th>Initial Payment Rate (in $1,000s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cotton</td>
<td>$0.06/lb.</td>
<td>$276,900</td>
</tr>
<tr>
<td>Corn</td>
<td>$0.01/bu.</td>
<td>$96,000</td>
</tr>
<tr>
<td>Dairy (milk)</td>
<td>$0.12/cwt.</td>
<td>$127,400</td>
</tr>
<tr>
<td>Pork (hogs)</td>
<td>$8.00/cwt.</td>
<td>$290,300</td>
</tr>
<tr>
<td>Soybeans</td>
<td>$1.65/bu.</td>
<td>$3,629,700</td>
</tr>
<tr>
<td>Sorghum</td>
<td>$0.86/bu.</td>
<td>$156,800</td>
</tr>
<tr>
<td>Wheat</td>
<td>$0.14/bu.</td>
<td>$119,200</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>$4,696,300</td>
</tr>
</tbody>
</table>

**Initial payment rate on 50% of production

MFP payments are limited to a combined $125,000 for corn, cotton, sorghum, soybeans, and wheat capped per person or legal entity. MFP payments are also limited to a combined $125,000 for dairy and hog producers. Applicants must also have an average adjusted gross income for tax years 2014, 2015, and 2016 of less than $900,000. Applicants must also comply with the provisions of the Highly Erodible Land and Wetland Conservation regulations.

For more further information or to locate and contact local FSA offices, interested producers can visit [www.farmers.gov](http://www.farmers.gov).

### Maintaining Good Credit History

Farm Service Agency (FSA) Farm Loan programs require that applicants have a satisfactory credit history. A credit report is requested for all FSA direct farm loan applicants. These reports are reviewed to verify outstanding debts, if bills are paid timely and to determine the impact on cash flow.
Information found on a customer’s credit report is strictly confidential and is used only as an aid in conducting FSA business.

Our farm loan staff will discuss options with you if you have an unfavorable credit report and will provide a copy of your report. If you dispute the accuracy of the information on the credit report, it is up to you to contact the issuing credit report company to resolve any errors or inaccuracies.

There are multiple ways to remedy an unfavorable credit score.

· Make sure to pay bills on time. Setting up automatic payments or automated reminders can be an effective way to remember payment due dates.
· Pay down existing debt.
· Keep your credit card balances low.
· Avoid suddenly opening or closing existing credit accounts.

FSA’s farm loan staff will guide you through the process, which may require you to reapply for a loan after improving or correcting your credit report.

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

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**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.

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 www.fsa.usda.gov.

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**September 2018 Interest Rates**

- Farm Operating Loans  3.750%
- Farm Operating Microloans  3.750%
- Farm Ownership Loans  4.00%
- Farm Ownership Microloans  4.00%
- Farm Ownership Loans Direct Down Payment for Beginning Farmer or Rancher 1.50%
- Emergency Loans 3.750%

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**December 1st—NAP Deadline**

With the recent substantial number of severe weather systems impacting Hawaii and Pacific Island producers, it has never been a better time to sign up for 2019 NonInsured Crop Disaster Assistance Program (NAP). The deadline for vegetable, fruit, honey and grass producers to sign up for coverage is December 1, 2018.

This program covers crop losses from natural adversities such as drought and excessive moisture. Coverage is available for production of vegetables, fruit, forage and grazing crops, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, bioenergy, and industrial crops.
NonInsured Crop Disaster Assistance Program (NAP) basic coverage is available at 55 percent of the average market price for crop losses that exceed 50 percent of expected production. Optional NAP Buy-Up offers higher levels of coverage, up to 65 percent of expected production at 100 percent of the averagemarket price, including coverage for organics and crops marketed directly to consumers.

The 2014 Farm Bill expanded NAP to include higher levels of protection. Beginning, underserved and limited resource farmers are now eligible for free catastrophic level coverage, as well as discounted premiums for additional levels of protection.

To learn more about NAP and NAP Buy-Up plan visit ww.fsa.usda.gov/nap or contact your local FSA County Office.

FSA Hawaii & Pacific Basin State Committee
Teena Marie Rasmussen, Chairperson
Wilson Kenzo Koike
Glenn Martinez
Boyd J. Ready
Simon Russell

Sign Up Today for Text Alerts from FSA
Subscribers Can Receive Important Program Reminders and Updates

USDA Farm Service Agency (FSA) farmers and ranchers now can receive notifications from their county office through text messages on their cell phone.

Whether producers are in the field, on a tractor or even on horseback, this service enables FSA customers and stakeholders to receive notifications while on the go. Producers will receive text messages regarding important program deadlines, reporting requirements, outreach events and updates.

Producers can text the short codes below to FSANOW (372-669) to subscribe to text message alerts from their respective counties. Standard text messaging rates apply. Contact your wireless carrier for details associated with your particular data plan. Participants may unsubscribe at any time.

Hawaii County: HPBHawaii
Honolulu County: HPBHonolulu
Kauai County: HPBKauai
Maui County: HPBMaui

Please contact your local FSA office if you have questions regarding FSA’s email news service or the text message option.

USDA Farm Service Agency (FSA) farmers and ranchers now can receive notifications from their county office through text messages on their cell phone.

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Please contact your local FSA office if you have questions regarding FSA’s email news service or the text message option.

Hawaii County Mailing Address Update

Please send correspondence to the following address:

Hawaii County FSA
P O Box 845
Hilo, HI 96721

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).