

December 2019



Farm Service Agency **Electronic News Service**

NEWSLETTER

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Table of Contents

- [Environmental Review Required Before Project Implementation](#)
- [FSA Offers Joint Financing Option on Direct Farm Ownership Loans](#)
- [USDA Extends Deadlines for Market Facilitation Program to Dec. 20, 2019](#)
- [USDA Announced Opening Signup for Conservation Reserve Program on December 9, 2019](#)
- [Communication is Key in Lending](#)
- [December 2019 Interest Rates](#)
- [Dates to Remember](#)
- [Sign Up Today for Text Alerts from FSA](#)

SED's Comments

I want to take this opportunity to wish all our farmers, ranchers and agriculture producers across the Pacific a very Merry Christmas and a Happy New Year. May 2020 be the best year ever for increased production, reduced costs and perfect weather.

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

Hawaii & Pacific Basin FSA State Office

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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

State Executive Director:
AL Frenzel

Chief Program Specialist:
Patrick Lewis

Chief, Farm Loan Program:
Theresa Correa

**Upcoming County
Committee Meetings:**

Hawaii County Committee
January 10, 2020 at 8:30 am

Honolulu County Committee
December 20, 2019 at 3:00
pm

Maui County Committee
December 19, 2019 at 8:30
am

Kauai County Committee
December 18, 2019 at 9:00
am

Guam County Committee
December 18, 2019 at 9:00
am

CNMI County Committee
December 18, 2019 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.

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

[Click here for a list of County
Offices, contact numbers and
addresses.](#)

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.

FSA Offers Joint Financing Option on Direct Farm Ownership Loans

The USDA Farm Service Agency's (FSA) [Direct Farm Ownership loans](#) are a resource to help farmers and ranchers become owner-operators of family farms, improve and expand current operations, increase agricultural productivity, and assist with land tenure to save farmland for future generations.

Depending on the applicant's needs, there are three types of Direct Farm Ownership Loans: regular, down payment and joint financing. FSA also offers a [Direct Farm Ownership Microloan](#) option for smaller financial needs up to \$50,000.

Joint financing allows FSA to provide more farmers and ranchers with access to capital. FSA lends up to 50 percent of the total amount financed. A commercial lender, a State program or the seller of the property being purchased, provides the balance of loan funds, with or without an FSA guarantee. The maximum loan amount for a Joint Financing loan is \$600,000 and the repayment period for the loan is up to 40 years. Joint financing loans also allow for a discounted interest rate, which is currently offered at 2.500% fixed, in comparison to the normal Direct Farm Ownership loan interest rate currently offered at 3.125% fixed.

To be eligible, the operation must be an eligible farm enterprise. Farm Ownership loan funds cannot be used to finance nonfarm enterprises and all applicants must be able to meet general eligibility requirements. Loan applicants are also required to have participated in the business operations of a farm or ranch for at least three years out of the 10 years prior to the date the application is submitted. The applicant must show documentation that their participation in the business operation of the farm or ranch was not solely as a laborer.

For more information about FSA Loan programs, contact your local FSA office or visit www.fsa.usda.gov. To find your local FSA office, visit <http://offices.usda.gov>.

Website for Hawaii and Pacific Basin FSA:

www.fsa.usda.gov/hi

USDA Extends Deadlines for Market Facilitation Program to Dec. 20, 2019

USDA has announced a deadline extension for the Market Facilitation Program previously set for December 13. The new deadline to submit applications for the Market Facilitation Program is December 20, 2019.

2019 has challenged the country's ag sector – prevented or late planting followed by a delayed harvest has been further complicated by wet and cold weather. Because many producers are still in the field, time to conduct business at the local USDA office is at a premium. USDA hopes this deadline extension will allow producers the opportunity to participate in these important programs. The Market Facilitation Program is part of a relief strategy to support American agricultural producers while the Administration continues to work on free, fair, and reciprocal trade deals to open more markets to help American farmers compete globally. MFP payments are aimed at assisting farmers suffering from damage due to unjustified trade retaliation by foreign nations.

For more information, visit the DMC webpage, the MFP webpage or your local USDA service center. To locate your local FSA office, visit farmers.gov/service-locator.

USDA Announced Opening Signup for Conservation Reserve Program on December 9, 2019

USDA opened signup for the Conservation Reserve Program (CRP) on December 9, 2019. The deadline for agricultural producers to sign up for general CRP is February 28, 2020, while signup for continuous CRP is ongoing.

Farmers and ranchers who enroll in CRP receive a yearly rental payment for voluntarily establishing long-term, resource-conserving plant species, such as approved grasses or trees (known as “covers”) to control soil erosion, improve water quality and develop wildlife habitat on marginally productive agricultural lands.

CRP has 22 million acres enrolled, but the 2018 Farm Bill lifted the cap to 27 million acres. This means farmers and ranchers have a chance to enroll in CRP for the first time or continue their participation for another term.

By enrolling in CRP, producers are improving water quality, reducing soil erosion, and restoring habitat for wildlife. This in turn spurs hunting, fishing, recreation, tourism, and other economic development across rural America.

CRP Enrollment Options

General Signup

CRP general signup will be held annually. The competitive general signup will now include increased opportunities for enrollment of wildlife habitat through the State Acres For Wildlife Enhancement (SAFE) initiative.

Continuous Signup

While some practices under SAFE will remain available through continuous signup, CRP continuous signup will focus primarily on water quality with the Clean Lakes, Estuaries, and Rivers (CLEAR) Initiative. The 2018 Farm Bill prioritizes water quality practices such as contour grass strips, filter strips, riparian buffers, wetlands and a new prairie strip.

USDA will also be working with Conservation Reserve Enhancement Program (CREP) partners to relaunch CREP continuous options in each state under new statutory provisions. CREP will continue to target high-priority local, state or regional conservation concerns.

Grasslands Signups

CRP Grasslands signup helps landowners and operators protect grassland, including rangeland, and pastureland and certain other lands while maintaining the areas as grazing lands. A separate CRP Grasslands signup will be offered each year following general signup.

Pilot Programs

Later in 2020, (FSA will roll out pilot programs within CRP: CLEAR 30, which allows contracts expiring with CLEAR practices to be reenrolled in 30-year contracts and in the Soil Health and Income Protection Program (SHIPP) in the prairie pothole region. More information on these programs will be announced in the new year.

Land Transition

The CRP Transition Incentives Program (TIP) is an option for producers interested in transitioning land to a beginning farmer or rancher or a member of a socially disadvantaged group to return land to production for sustainable grazing or crop production. CRP contract holders no longer need to be a retired or retiring owner or operator to transition their land. TIP participants may have a lease less than five years with an option to purchase, and they have two years before the end of the CRP contract to make conservation and land improvements.

Previously Expired Land

Land enrolled in CRP under a 15-year contract that expired in September 2017, 2018 or 2019, may be eligible for enrollment if there was no opportunity for re-enrollment and the practice under the expired contract has been maintained.

CRP Rates and Payments

FSA recently posted updated soil rental rates for CRP. County average rates are posted on the [CRP Statistics webpage](#). Soil rental rates are statutorily prorated at 90 percent for continuous signup and 85 percent for general signup. The rental rates will be assessed annually. Under continuous signup, producers also receive incentives, including a signup incentive payment and a practice incentive payment.

To enroll in CRP, contact your local FSA county office or visit fsa.usda.gov/crp. To locate your local FSA office, visit farmers.gov/service-locator.

Communication is Key in Lending

Farm Service Agency (FSA) is committed to providing our farm loan borrowers the tools necessary to be a success. A part of ensuring this success is providing guidance and counsel from the loan application process through the borrower's graduation to commercial lending institutions. While it is FSA's commitment to advise borrowers as they identify goals and evaluate progress, it is crucial for borrowers to communicate with their farm loan staff when changes occur. It is the borrower's responsibility to alert FSA to any of the following:

- Any proposed or significant changes in the farming operation;
- Any significant changes to family income or expenses;
- The development of problem situations;
- Any losses or proposed significant changes in security

In addition, if a farm loan borrower cannot make payments to suppliers, other creditors, or FSA on time, contact your farm loan staff immediately to discuss loan servicing options.

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

December 2019 Interest Rates

Farm Operating Loans 2.50%

Farm Operating Microloans 2.50%

Farm Ownership Loans 3.125%

Farm Ownership Microloans 3.125%

Farm Ownership Loans Direct Down Payment for Beginning Farmer or Rancher 1.500%

Emergency Loans 3.50%

Dates to Remember

December 20, 2019 – Deadline to sign up for the Market Facilitation Program

December 15, 2019 – Provide production evidence for NAP covered crops

Office Schedule

December 25, 2019 - Christmas, Office Closed

January 1, 2020 - New Years, Office Closed

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.

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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).
