



Hawaii & Pacific Basin NEWSLETTER

September 2013



Your Farm Service Agency Online Monthly Newsletter Covering the Latest Topics

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Farm Service Agency Website:

www.fsa.usda.gov/hi

Lynn and Russell DeCoite's Sweet Molokai Purple

In Hawaii, when you think of sweet potato, you think of ...*luau*, ...*chips* and Molokai. Whether you like your sweet potato steamed, as a compliment to *kalua* pork, squid *luau*, and *poke*, or baked into a chip, Molokai is the place you think about.

Why are sweet potatoes so closely associated with Molokai? We can't say for sure, but some of the reasons include soil and weather conditions conducive to growing the crop and a tradition that goes back at least a few generations.

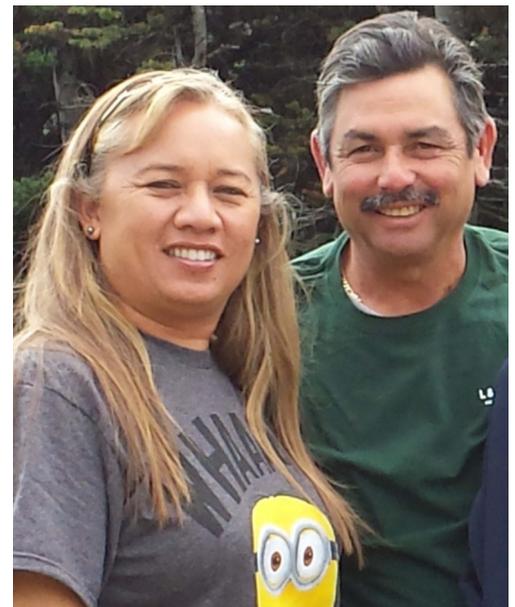
Lynn P. DeCoite perpetuates this tradition. Following in her family's footsteps, Lynn carries on the tradition of growing sweet potatoes started by her grandmother Becky Mokuau. Grandma taught the business to Lynn's father George Mokuau and now Lynn, her husband Russell and their three children grow sweet potatoes and raise cattle on Molokai.

In 2001, Lynn and Russell combined their various backgrounds, Russell's background is in livestock, and started L&R Farms on Department of Hawaiian Home Lands land in Hoolehua, Molokai. They grow the Molokai Purple, developed by Grandma Mokuau, and the common orange varieties of sweet potato, produce the Molokai Sweet Potato Chips and cattle.

The DeCoite's started participating in Farm Service Agency (FSA) programs when Russell applied for drought relief for their cattle operation in the 1990's.

When they needed capital to expand the sweet potato operation, they received an operating loan through FSA to purchase equipment and upgrade their processing facility. They also participate in the Noninsured Crop Disaster Assistance Program and the Reimbursement Transportation Cost Payment Program. Lynn says "FSA has always been there to support our small, family run operation. The drought relief programs and access to affordable capital has helped us to achieve our some of our goals."

Lynn has always been active in the community and is a member or past member of many local and statewide boards and organizations. She has been serving on the FSA County Committee since 2008 and is the current chairperson. She is a current member of the Hawaii Board of Agriculture and the Molokai Farmer's Alliance. She is also a past member of the Molokai Irrigation System board and Molokai Agricultural Country Fair.



Lynn and Russell DeCoite

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Office Hours: Monday—Friday from 8:00 am to 4:00 pm	
Next County Committee Meeting Dates:	
<u>Hawaii County</u> - October 11th at 8:30 a.m.	
<u>Honolulu County</u> - 3rd Friday of the month at 3:00 p.m.	
<u>Kauai County</u> - 3rd Wednesday of the month at 8:30 a.m.	
<u>Maui County</u> - 3rd Thursday of the month at 9:00 a.m.	
<u>Guam County</u> - October 9th at 9:00 a.m.	
<u>CNMI County</u> - October 16th at 9:00 a.m.	
Contact the County Office to confirm the 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: http://www.fsa.usda.gov/Internet/FSA_File/hi_cof_staff.pdf	

2013 County Committee Elections



The election of agricultural producers to the Farm Service Agency (FSA) county committees is important to all farmers and ranchers. It is crucial that every eligible producer participate in these elections because FSA county committees are a link between the agricultural community and the U.S. Department of Agriculture (USDA).

County Committee (COC) members are a critical component of FSA operations. The intent is to have the COC reflect the diversity of producers and represent all constituents. This means that minorities, women or lower income producers need to be on the committee to speak for underrepresented groups.

County Committee election ballots will be mailed to eligible voters on November 4, 2013. The last day to return completed ballots to the USDA Service Center is December 2, 2013.

NAP Loss Filing

The CCC-576, Notice of Loss, is used to report failed acreage and prevented planting and may be completed by any producer with an interest in the crop. Timely filing a Notice of Loss is required for all crops including grasses. For losses on crops covered by the Non-Insured Crop Disaster Assistance Program (NAP) and crop insurance, you must file a Notice of Loss in the Farm Service Agency County Office within 15 days of the occurrence of the disaster or when losses become apparent.

If filing for prevented planting, an acreage report and CCC-576 must be filed within 15 calendar days of the final crop planting date.

Disaster Assistance



The Farm Service Agency (FSA) would like to remind crop and livestock producers that have recently experienced severe damage from drought and vog that FSA programs exist to aid producers.

We encourage all who have suffered a disaster due to recent severe weather conditions to read the fact sheets and visit their local FSA county office so they get a quick start in the recovery process.

Fact sheets for all of these programs can be found at the disaster program page: <http://www.fsa.usda.gov/FSA/webapp?area=home&subject=diap&topic=landing>.

Conservation Reserve Enhancement Program

The Conservation Reserve Enhancement Program (CREP) allows farmers and ranchers to voluntarily enroll environmentally sensitive land into a program that decreases erosion, restores wildlife habitat and safeguards ground and surface water. Hawaii Conservation Reserve Enhancement Program is a partnership between the federal and state government and is limited to specific geographic areas.



Landowners or lessees with environmentally sensitive acreage qualifying for CREP will be eligible for annual rental payments and cost-share of up to 50 percent on approved practices. These programs remain funded, and continue to provide heightened environmental benefits on select areas.

Microloan Program

The Farm Service Agency (FSA) developed the Microloan Program to better serve the unique financial operating needs of beginning, niche and small family farm operations.

Farm Service Agency offers applicants a Microloan designed to help farmers with credit needs of \$35,000 or less. The loan features a streamlined application process built to fit the needs of new and smaller producers. This loan program will also be useful to specialty crop producers and operators of community supported agriculture (CSA).

Eligible applicants can apply for a maximum amount of \$35,000 to pay for initial start-up expenses such as hoop houses, essential tools, irrigation and annual expenses such as seed, fertilizer, utilities, land rents, marketing, and distribution expenses. As financing needs increase, applicants can apply for a regular operating loan up to the maximum amount of \$300,000 or obtain financing from a commercial lender under FSA's Guaranteed Loan Program.

Individuals interested in applying for a microloan or would like to discuss other farm loan programs available, should contact the local FSA office to setup an appointment with a loan approval official.

Guaranteed Loan Program

The Farm Service Agency (FSA) loan limit for the Guaranteed Loan Program has increased to \$1,302,000. The National Agricultural Statistics Service adjusts the lending limit every year according to an inflation index. The maximum combined guaranteed and direct farm loan indebtedness is now \$1,602,000.

As a reminder, the one-time loan origination fee charged on FSA guaranteed farm ownership and operating loans is 1.5 percent of the guaranteed portion of the loan. Producers should contact the local FSA Office with questions about farm loans.

Targeted Funding for Women and Minorities

The Farm Service Agency (FSA) has a number of loan programs available to assist applicants to begin or continue in agriculture production. Farm operating loans are available as well as loans to purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, FSA has provided targeted funding for women and minorities. Eligible minority groups include American Indians, Alaskan Natives, Asians, Blacks or African Americans, Native Hawaiians or other Pacific Islanders, Hispanics, and women.

FSA loans are available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

If producers or their spouses believe they would qualify for these targeted funds, they should contact their local FSA office for details.



Farm Loan Programs Interest Rates

Farm Operating - Direct	1.875%
Farm Ownership - Direct	4.000%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency	2.875%
Microloan	1.875%

Land Contract (LC) Guarantees

The Land Contract (LC) Guarantee Program is a valuable tool to transfer farm real estate to the next generation of farmers and ranchers. Guarantees will be offered to the owner of a farm who wishes to sell real estate through a land contract to a beginning or minority farmer or rancher. The guarantee reduces the financial risk to the seller.

FSA offers two types of guarantees:

- Prompt Payment Guarantee - A guarantee up to the amount of three amortized annual installments plus the cost of any related real estate taxes and insurance.
- Standard Guarantee - A guarantee of 90 percent of the outstanding principal balance under the land contract.

The guarantee period is 10 years and the contract payments must be amortized for a minimum of 20 years. The purchase price of the farm cannot exceed the lesser of \$500,000 or the market value of the property.



For additional information read the [Land Contract Guarantee Program Fact Sheet](#) on the website www.fsa.usda.gov.

Foreign Owners Reporting

Any foreign person who acquires, transfers or holds any interest, other than a security interest, in agricultural land in the United States is required by law to report the transaction no later than 90 days after the date of the transaction. They must file Agricultural Foreign Investment Disclosure Act (AFIDA) reports with the Farm Service Agency (FSA) county office that maintains reports for the county where the land is located.

For AFIDA purposes, agricultural land is defined as any land used for farming, ranching or timber production, if the tracts total 10 acres or more. Contact FSA for more information.

Preventing Fraud

The Farm Service Agency (FSA) supports the Risk Management Agency (RMA) in the prevention of fraud, waste and abuse of the Fed-



eral Crop Insurance Program. Farm Service Agency has been, and will continue to, assist RMA and insurance providers by monitoring crop conditions throughout the growing season. All suspected cases of fraud, waste and abuse will be referred directly to RMA.

Producers can report suspected cases to the FSA office, RMA, or the Office of the Inspector General.

Dates to Remember

Sept. 30	Successor in Interest Report Deadline
Nov. 4	COC Ballots Mailed to Eligible Voters
Nov. 28	Thanksgiving Federal Holiday
Dec. 1	Non-Insured Crop Disaster Assistance Program (NAP) Application for Coverage Deadline for Fruits, Vegetables, and Grazing Grass for the 2014 Crop Year
Dec. 2	Last Day to Return COC Ballots
Continues	Hawaii Conservation Reserve Program

Need Information

The Hawaii and Pacific Basin Farm Service Agency (FSA) internet site contains news and information on FSA programs, an FSA calendar, and hot links to other agriculture related sites.

Find the information you are looking for at:
www.fsa.usda.gov/hi

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