



# Hawaii & Pacific Basin NEWSLETTER

May 2014



Your Farm Service Agency Online Monthly Newsletter Covering the Latest Topics

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## Livestock Disaster Assistance Sign-Up Underway

On April 15, 2014, three (3) significant programs relating to livestock disaster assistance opened for producer enrollment. Under the 2014 Farm Bill, these programs were made permanent and retroactive authority was granted to cover losses that occurred on or after October 1, 2011.

To expedite applications, all livestock, honeybee and farm-raised fish producers who experienced losses are encouraged to bring records documenting those losses to their local Farm Service Agency (FSA) County Office. Producers' records should include all pertinent information relating to the consequences of the natural disaster, including:

- Documentation of the kind and number of livestock that died, supplemented if possible by photographs or video records of ownership and losses;
- Dates of death supported by birth recordings or purchase receipts;
- Costs of transporting livestock to safer grounds or to move animals to new pastures;
- Feed purchases if supplies or grazing pastures were destroyed; and
- Crop records, including seed and fertilizer purchases, planting and production records.

Producers can sign-up for the following livestock disaster assistance programs:

- Livestock Forage Disaster Program (LFP) provides compensation to eligible livestock producers that have suffered grazing losses due to drought on privately owned or cash leased land or

fire on federally managed land. Producers who suffered eligible grazing losses should submit a completed CCC-853 and supporting documentation to their local FSA County Office by January 30, 2015.

- Livestock Indemnity Program (LIP) provides compensation to eligible livestock producers that have suffered livestock death losses in excess of normal mortality due to adverse weather. Producers who suffered livestock death losses should submit a notice of loss and an application for payment to their local FSA County Office by January 30, 2015.
- Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) provides emergency assistance to eligible producers of livestock, honeybees and farm-raised fish that have losses due to disease, adverse weather, or other conditions, such as wildfires. This program addresses losses not covered by LFP or LIP. Producers who suffered eligible losses during 2012 and 2013 program years must submit a notice of loss and application for payment to their local FSA County Office by August 1, 2014. For 2014 program year losses, the notice of loss and an application for payment must be submitted by November 1, 2014.

For more information, producers can review the LFP, LIP and ELAP Fact Sheets on the [Farm Bill webpage](#). Producers are encouraged to make an appointment with their local FSA County Office to apply for these programs.



FSA Offices will be closed Monday, May 26th in observance of Memorial Day

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737 Bishop St, Suite 2390 Honolulu, HI 96813 Ph: (808)441-2704 Fax: (855)356-9493	Diane Ley State Executive Director Steve Bazzell Farm Program Loan Chief
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154 Waiuanue Ave, Room 219 Hilo, HI 96720 Ph: (808)933-8381 x 1 Fax: (855)356-9492	Lester Ueda County Executive Director Miki Miyasato Farm Loan Manager
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99-193 Aiea Heights Dr, Room 114 Aiea, HI 96701 Ph: (808)483-8600 x 2 Fax: (855)356-9490	Jason Shitanishi County Executive Director Melissa Rodriques Farm Loan Manager
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<b>Office Hours: Monday—Friday from 8:00 am to 4:00 pm</b>	
<b>Next County Committee Meeting Dates:</b>	
<u>Hawaii County</u> - July 11 at 8:30 am	
<u>Honolulu County</u> - June 20 at 3:00 pm	
<u>Kauai County</u> - May 21 at 8:30 a.m.	
<u>Maui County</u> - June 19 at 9:00 a.m.	
<u>Guam County</u> - August 13 at 9:00 a.m.	
<u>CNMI County</u> - August 13 at 9:00 a.m.	
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:	
<a href="http://www.fsa.usda.gov/Internet/FSA_File/hi_cof_staff.pdf">http://www.fsa.usda.gov/Internet/FSA_File/hi_cof_staff.pdf</a>	

## Direct Loan Changes

Changes were made to the interest rate charged on loans where Farm Service Agency (FSA) provides 50 percent or less on jointly financed purchases of real estate also called Direct Farm Ownership Participation Loans. The interest rate will be the greater of 2.5 percent or the current interest rate for Direct Farm Ownership loans minus 2 percent, as a fixed rate for the duration of the loan. At present, the Direct Farm Ownership rate for May 2014 is 4.00 percent. Since the 2.5 percent floor is greater than subtracting 2 percent from the current Direct Farm Ownership Loan rate, the rate for Direct Farm Ownership Participation Loans in May is 2.50 percent.

## Youth Loans

The Farm Service Agency (FSA) makes loans to youth to establish and operate agricultural income-producing projects in connection with 4-H clubs, Future Farmers of America (FFA) and other agricultural groups. Projects must be planned and operated with the help of the organization's 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 commonwealths and territories of the United States) or be 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; and
- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the youth loan applicant, along with providing adequate supervision.

Call your FSA County Office for an appointment and assistance in preparing and processing the application forms.

### **Need Information?**

**Find the information you are looking for at:**

[www.fsa.usda.gov/hi](http://www.fsa.usda.gov/hi)

## USDA Secretary Pledges Support for Hawaii Agriculture Programs

Recently, United States Department of Agriculture (USDA) Secretary Thomas J. Vilsack sent a letter to Hawaii State Governor Neil Abercrombie expressing his strong support of agricultural projects in Hawaii that will drive economic growth, self-sufficiency and innovation in rural communities. In the letter, Secretary Vilsack committed staff of the USDA to establish a partnership with the Hawaii Department of Agriculture (HDOA) to create and advance a variety of programs that will grow agriculture in the state.

“We are very pleased by Secretary Vilsack’s sincere commitment to Hawaii agriculture,” said Governor Abercrombie. “This strengthening of the partnership between USDA and state agriculture staff will provide a significant boost to many ag-related programs and help to expedite our activities and accomplishments.”

Secretary Vilsack has designated USDA’s Farm Service Agency State Executive Director, Diane Ley, to serve as convener of the partnership which will assist the state in identifying federal, state and private resource opportunities and sources of technical assistance to support new, minority and veteran farmers; increase the state’s food and energy security; and develop markets for locally grown produce.

“This is a tremendous opportunity for USDA agencies to collaborate directly with the State and further support the viability of our farmers, ranchers and rural communities through the Department’s numerous resources including grants, loans and technical assistance,” said Diane Ley. Partnering agencies include Rural Development and Natural Resources Conservation Service, among others.

“There are many agricultural programs that we are hoping to establish that will benefit from closer collaboration with our federal partners,” said Scott Enright, Chairperson of the Hawaii Board of Agriculture. “They include creating a stronger labor force, maintaining and developing new agriculture infrastructure, increasing energy efficiency and developing new energy industries.”

Some of the State’s new agricultural initiatives include:

- Waimea Nui Rural Community Agricultural Complex – An integrated set of facilities including an anaerobic digester, post-harvest processing plant, commercial kitchen, community agricultural park and

education center, farmers market and expansion of the successful “Veterans to Farmer” and “Farming for the Working Class” programs to train new farmers.

- Kulani Correctional Facility Agricultural Complex – A program similar to Waimea Nui, with the goal of transitioning inmates through training, experience and resources to begin careers in the agricultural industry.
- Molokai Veteran to Farmer Program – Expanding on the successful “Veterans to Farmer” program, the Department of Labor and Industrial Relations will work with the University of Hawaii to establish college credits and provide this training on Molokai, with the goal of establishing 15 more farms by 2015.
- Irrigation, Biomass and Biofuels – Other projects will include improvements to agricultural irrigation systems; renewable energy initiatives to reduce expenses for water pumping, production and processing; and biomass production for biofuels and livestock feed.

## USDA Farm Service Agency Offers Farm Bill Website and Online Overview of Farm Bill Programs

The Agricultural Act of 2014 (the Act), also known as the 2014 Farm Bill, was signed by President Obama on February 7, 2014. The Act repeals certain programs, continues some programs with modifications, and authorizes several new programs administered by the Farm Service Agency (FSA). Most of these programs are authorized and funded through 2018.

For the latest on 2014 Farm Bill programs administered by FSA, please visit the Farm Bill website at [www.fsa.usda.gov/farmbill](http://www.fsa.usda.gov/farmbill) or visit: [What’s in the 2014 Farm Bill for Farm Service Agency Customers?](#)

## Guaranteed Loan Program

The Farm Service Agency (FSA) loan limit for the Guaranteed Loan Program is \$1,355,000. The limit is adjusted annually based on data compiled by the National Agricultural Statistics Service.

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 FSA Hawaii State Office at 808-441-2704 with questions about guaranteed farm loans.

## Fruits of the American Dream

Farm Service Agency (FSA) staff first met Mr. Sakda Meechol at a finance workshop held last year in conjunction with the Kauai Small Business Development Center. Sakda operates a mixed fruit farm and fruit stand on the island of Kauai, but his life in agriculture began when he worked on his family's farm in Thailand with his eight siblings and parents. There he gained valuable lessons cultivating crops that included taro, rice and sugar cane.

In the first of many difficult decisions for his family, Sakda relocated to Taiwan by himself at the age of 23. He made the move to earn a better living and to provide for his growing family and his parents. His wife Usa was expecting their first child, and in Thai culture children are expected to care for their aging parents. He explained that he was determined to make his parents' "life easier and let them relax." Working as a factory laborer for five years producing fabric for Levi Strauss & Co. provided Sakda the opportunity to establish himself financially. He was able to send support to his family even though he would miss the birth of his daughter during this time.

Sakda's next move to Israel brought him back to his farming roots. In Israel, he managed a mixed fruit and vegetable operation spanning over 100 acres for two years and gained the majority of his knowledge and expertise cultivating fruit trees. This experience proved valuable when he was offered an opportunity to work as a farm manager in Hawaii through a work visa. Again his family was faced with another difficult decision, as they would not be able to immigrate with Sakda. Ultimately the family decided that the opportunity was worth the sacrifice; the rest of the family could immigrate to Hawaii in the future. As a result, Sakda financed his way to Hawaii with a loan from a Thailand bank. In 2004, he began managing a fruit orchard on Kauai. Unfortunately, due to the timing of the move, he missed the birth of his son; but he did his best to visit his family in Thailand whenever possible. It was not until 2010, six years later, that Sakda was able to relocate his wife and children to Hawaii.

The family's sacrifices proved to be well worth it. Sakda started his own fruit farm on Kauai in 2011. He now operates on roughly 28 acres producing mangoes, bananas, longan and rambutan. He has his own fruit stand in Koloa, which his wife operates, and he also

sells his products through farmers markets, wholesalers and outer island export. Sakda's parents have since passed away, but he continues to share his success with his wife's parents by passing on what he can to support them in Thailand.

The Farm Service Agency recently assisted Sakda with a microloan to refinance equipment debt at a lower interest rate and to purchase additional equipment. He plans to further his relationship with FSA by applying for the Reimbursement Transportation Cost Payment Program, which provides financial support to geographically disadvantaged farmers and ranchers by reimbursing them for a portion of the cost for transporting their agricultural commodity or inputs used to produce their commodity. Because of his positive experience with FSA, Sakda kindly refers clients to the Agency from his network of farmers and friends.

Sakda's next step is expansion, as demand for his products has been very good. He hopes to expand by obtaining additional lease acreage in the near future; however, his long term goal is to eventually purchase property of his own. As FSA staff, we look forward to continuing a great working relationship with Sakda and wish him and his family the very best.



Sakda & Usa Meechol at their fruit stand in Koloa.

## Nominations for County Committee Members

The election of agricultural producers to 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 committee is a link between the agricultural community and the United States Department of Agriculture.



County committee members are a critical component of the operations of FSA. They help deliver FSA farm programs at the local level. Farmers and ranchers who serve on county committees help with the decisions necessary to administer the programs in their counties and ensure FSA agricultural programs serve the needs of local producers.

County committees operate within official regulations designed to carry out federal laws; applying their judgment and knowledge to make local decisions.

The county committee nomination period runs from June 15, 2014 through August 1, 2014. The nomination form is available at USDA Service Centers and online at <http://www.fsa.usda.gov/elections>.

For more information contact your local FSA office.

## 2014 County Committee Elections Local Administrative Areas and Boundaries

Every year in each county, an election takes place to select a representative to serve on the Farm Service Agency (FSA) County Committee (COC) for the next three years. The elections take place in rotation of specified Local Administrative Areas (LAA); thus, ensuring continuity of the COC while allowing for transition of new producer representation when determined by the electorate.

If you are a producer within an LAA with an upcoming election, now is the time to nominate yourself or another producer as a candidate for this year's FSA COC election.

The following is a list, by county, of Local Administrative Areas (LAA) up for election this year:

Hawaii County - LAA 1: Farm and ranch land located on the island of Hawaii in the districts of Puna and Kau.

Maui County - LAA 2: Farm and ranch land located on the island of Maui, south and southwest of Kuihelani Highway, Hana Highway, Haleakala Highway and Kekaulike Avenue, including the communities of Kula, Omaopio, Kihei, Pukalani, Ulupalakua, Kanaio, Kahikinui, Kaupo and Kipahulu.

Honolulu County - LAA 2: Farm and ranch land located on the windward side of the island of Oahu starting from the north end of Waimanalo (Olomana Golf Course) up to the northern tip of Kahuku (Kawela Bay), including the communities of Kailua, Kaneohe, Kahaluu, Waiahole-Waikane, Hauula, Laie and Kahuku.

Kauai County - LAA 1: Farm and ranch land located on the island of Kauai in tax map key districts (4)-1, (4)-2 and (4)-3, including Niihau and the communities of Waimea, Koloa up to Lihue.

Guam County - LAA 3: Farm and ranch land on the island of Guam in parts of Yona (south of Route 17), including the communities of Santa Rita, Agat, Umatac, Merizo, Inarajan and Talofofo.

Commonwealth of the Northern Mariana Islands - LAA 3: Farm and ranch land on the island of Tinian.

## Soybean Referendum

Soybean Checkoff Program, was implemented July 9, 1991, as authorized by the Soybean Promotion, Research, and Consumer Information Act (Act), to maintain and expand existing markets and develop new markets for soybeans and soybean products. The Act required that the Secretary would conduct a referendum among eligible soybean producers to determine whether the Order should be continued.

Persons who were engaged in the production of soybeans and who provide documentation, such as a sales receipt or remittance form, showing that they paid an assessment on soybeans from January 1, 2012, through December 31, 2013, are eligible to request a referendum. Eligible producers may request a referendum at their local FSA County Office during a 4 week period May 5 through May 30, 2014. Only those eligible persons who want a referendum would need to request a referendum on the Order would participate.

## **Farm Service Agency Announces Tree Assistance Program Sign-Up**

Orchardists and nursery tree growers who experienced losses from natural disasters that occurred on or after October 1, 2011, can sign up for the Tree Assistance Program (TAP). This program was authorized by the Agricultural Act of 2014 as a permanent disaster program to provide financial assistance to qualifying orchardists and nursery tree growers to replant or rehabilitate eligible trees, bushes and vines damaged by natural disasters.

Eligible tree types include trees, bushes or vines that produce an annual crop for commercial purposes. Nursery trees include ornamental, fruit, nut and Christmas trees that are produced for commercial sale. Trees used for pulp or timber are ineligible.

To qualify for TAP, orchardists must suffer a qualifying loss in excess of 15 percent mortality from an eligible natural disaster. The eligible trees, bushes or vines must have been owned when the natural disaster occurred; however, eligible growers are not required to own the land on which the eligible trees, bushes and vines were planted.

If the TAP application is approved, the eligible trees, bushes and vines must be replaced within 12 months from the date the application is approved. The cumulative total quantity of acres planted, for which a producer can receive TAP payments, cannot exceed 500 acres annually.

## **Highly Erodible Land and Wetland Compliance**

Landowners and operators are reminded that in order to receive payments from the United States Department of Agriculture, they must be compliant with Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions. Farmers with HEL determined soils must apply tillage, crop residue and rotation requirements as specified in their conservation plan.

Producers should notify Farm Service Agency (FSA) prior to conducting land clearing or drainage projects to ensure compliance. If a producer intends to clear any trees to create new cropland, these areas will need to be reviewed to ensure any work will not jeopardize the producer's eligibility for benefits.

Landowners and operators can complete form AD-1026 Highly Erodible Land Conservation and Wetland

Conservation Certification at their local FSA County Office to determine whether a referral to Natural Resources Conservation Service is necessary.

For more information on Highly Erodible Land and Wetland Conservation provisions, contact a FSA County Office or visit the FSA website at [www.fsa.usda.gov](http://www.fsa.usda.gov).

## **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 including greenhouses, essential tools, irrigation and annual expenses such as seed, fertilizer, utilities, land rent, 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 who are interested in applying for a microloan or would like to discuss other farm loan programs available should contact their local FSA County Office to set up an appointment with a loan official.

## **GovDelivery Customers are NOT Impacted by the Heartbleed Bug**

GovDelivery customer subscriptions have not been affected by the Heartbleed Bug.

This bug has caused major security concerns among users of cloud technology. The Heartbleed Bug refers to a flaw in an encryption tool used on the Internet that can expose data that is meant to be hidden.

Your GovDelivery account and information is safe. Nothing in the GovDelivery network architecture has been affected by this bug.

You can find out more about the Heartbleed Bug at <http://heartbleed.com/>.

## Dates to Remember

May 21 - 22, 2014	Pesticide Risk Reduction Education Short Course- Farm Service Agency Presentation, Maui Community College, Kahului
May 26, 2014	FSA Offices Closed for Memorial Day
May 30, 2014	Final day to file a Request for Soybean Referendum
June 15, 2014	County Committee election nominations open
July 4, 2014	FSA Offices Closed for Independence Day
July 15, 2014	Banana, papaya, CRP/CREP acreage reporting deadline
September 15, 2014	Deadline for Maui and Hawaii County producers to submit emergency loan applications for drought
September 17, 2014	Deadline for Hawaii County producers to submit emergency loan applications for heavy rains and flooding

## Agriculture Counts Are Out

The 2012 Census of Agriculture is available at [www.agcensus.usda.gov](http://www.agcensus.usda.gov) and includes details on the number of farms, demographics, crops, livestock and more at the county, state and national levels. Select data points include American Samoa, Guam and the Commonwealth of the Northern Mariana Islands.

Also out is a new weekly blog series focusing on the highlights of the 2012 Census of Agriculture. Check out the first in the series offering a look at the State of Hawaii <http://blogs.usda.gov/2014/05/15/hawaiian-agriculture-remains-unique/>. In the blog, former Hawaii Agricultural Statistics Service State Statistician Mark Hudson speaks to the unique crops produced in the state; the fact that 18 percent of operators produce their own electrical power; and that more than half of the producers are Asian and Pacific Islanders – a far higher ratio than the producer make-up of any other state.

Mark Hudson bid Hawaii farewell in April and relocated to Florida to continue his work with the National Agricultural Statistics Service. Incoming State Statistician is Kathy King, who will begin work in Hawaii in early June. Aloha Mark and welcome Kathy.

## Save Time – Make an Appointment with FSA



As the Farm Bill programs administered by Farm Service Agency (FSA) are rolled out, there will be signups and in some cases multiple management decisions that need to be made by you, the producer, in consultation with FSA staff. To insure maximum use of your time and to insure that you are afforded full attention to your important business needs by FSA staff, please call ahead to schedule an appointment and to discuss any records or documentation that you may need to have with you when you arrive for your appointment.

For local FSA County Office contact information, please visit: [http://www.fsa.usda.gov/Internet/FSA\\_File/hi\\_cof\\_staff.pdf](http://www.fsa.usda.gov/Internet/FSA_File/hi_cof_staff.pdf).

## ASKFSA

Are you looking for answers to your questions about the Farm Service Agency (FSA) and its programs? Then ask FSA at [askfsa.custhelp.com](http://askfsa.custhelp.com).

AskFSA is an online resource that helps you easily find information and answers to your FSA related questions no matter where you are or what device you use.

Through AskFSA you can:

- Access FSA's knowledge base 24/7
- Submit a question and receive a fast and timely response from an FSA expert
- Get notifications when answers are updated that are important to you and your farming operation
- Customize your account settings and view responses at any time

## Interest Rates for May 2014

Farm Operating Loans — Direct	2.125%
MicroLoans	2.125%
Farm Ownership Loans — Direct	4.00%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency Loans	3.00%
Farm Storage Facility Loans (7 years)	2.125%

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).