



Hawaii & Pacific Basin NEWSLETTER



Your Farm Service Agency Online Monthly Newsletter Covering the Latest Topics

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County Committee Nominations

County committee nominations are open from now through August 1, 2012. The election of agricultural producers to Farm Service Agency (FSA) county committees is important to all farmers and ranchers. Every eligible producer who participates in these elections helps to strengthen the link between the agricultural community and the U.S. Department of Agriculture.

County committee members are a critical component in the delivery of FSA services and programs at the local level. Farmers and ranchers who serve on county committees help with key decisions on programs in their counties and work to ensure FSA agricultural programs serve the needs of local producers.

Operating within official regulations designed to carry out federal laws, FSA county committees apply their local knowledge to make key program administration decisions.

This year, elections will be held in the following Local Administrative Areas (LAA) in each county:

Hawaii - LAA#2 Kona and Mauna Kea; Tax Map Zones 5, 6, 7, and 8.

Maui - LAA#1 North, Northwest and Northeast of Kuihelani Hwy, Hana Hwy, and Haleakala Hwy. Includes Makawao, Paia, Kahului, Wailuku, Kahakuloa and Lahaina.

Honolulu - LAA#3 West and Northshore of Oahu. Includes Waipahu, Ewa, Kunia, Wahiawa, Makakilo, Nanakuli, Waianae, Waialua and Mokuleia.

Kauai - LAA#3 Anahola, Aliomanu, Papaa, Moloaa and all of the Hanalei District.

Guam - LAA#1 Anderson AFB, Yigo and parts of Dededo (Ysengsong).

CNMI - LAA#1 Island of Rota.

For more information contact your local FSA office.

FSA Signature Policy

Husbands and wives may sign documents on behalf of each other for Farm Service Agency (FSA) and Commodity Credit Corporation programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the county office staff by either spouse.

There are exceptions to the rule, where spouses may not sign on behalf of each other for partnerships, joint ventures, corporations or other similar entities.

Individual signatures are also required on certain Farm Loan Program and Farm Storage Facility Loan documents.

For more clarification on spousal signature authority, contact your local FSA office.

Hawaii & Pacific Basin Farm Service Agency Offices:

Hawaii & Pacific Basin FSA State Office

737 Bishop St, Ste 2340
Honolulu, HI 96813
Ph: (808)441-2704
Fax: (808)441-2705

Hawaii County FSA Hilo

154 Waiānuenuē Ave,
Room 219
Hilo, HI 96720
Ph: (808)933-8381 x 1
Fax: (808)933-8345

Kona

The Kona Office is closed until further notice. Please call 933-8381 x 1 for service or information.

Honolulu County FSA

99-193 Aiea Heights Dr,
Suite 114
Aiea, HI 96701
Ph: (808)483-8600 x 2
Fax: (808)483-8615

Kauai County FSA

4334 Rice St, Room 103
Lihue, HI 96766
Ph: (808)245-9014 x 2
Fax: (808)246-4639

Maui County FSA

77 Hookele St, Ste 201
Kahului, HI 96732
Ph: (808)871-5500 x 2
Fax: (808)873-6183

Guam & CNMI FSA Office

400 Route 8, Suite 306
Mongmong, GU 96910
Ph: (671)472-7568
Fax: (671)472-7580
CNMI (670)234-0896

American Samoa FSA

Pago Plaza Bldg,
Suite 213
Pago Pago, AS 96799
Ph: (684)633-1031 x 2
Fax: (684)633-7614

Hours

Monday—Friday
8:00 am—4:00 pm

Website

www.fsa.usda.gov/hi

Agriculture Secretary Intends to Appoint Socially-Disadvantaged Producers as Voting Members of County Committees

Agriculture Secretary Tom Vilsack announced that he intends to appoint voting members from socially-disadvantaged (SDA) communities to serve on Farm Service Agency (FSA) county committees in jurisdictions that lack fair SDA representation. An interim rule was recently published in the Federal Register and is open for public comment for 60 days.

The Secretarial appointments of SDA producers will be identified utilizing an annual statistical review, and the appointments will supplement the existing election process and help ensure a robust county committee system for all producers. Under USDA regulations, SDA producers include American Indians or Alaskan Natives, Asians, Blacks or African Americans, Native Hawaiians or other Pacific Islanders, Hispanics and women.

The interim rule entitled, ‘Selection and Functions of Farm Service Agency State and County Committees,’ can be found at <http://www.regulations.gov>. Follow the online instructions for submitting on-line comments or mail comments to: Barbara Boyd, Field Operations Program Manager, FSA, United States Department of Agriculture (USDA), Mail Stop 0542, 1400 Independence Avenue, SW, Washington, D.C. 20250-0542. The deadline to submit comments is August 6, 2012.

Special Accommodations

Reasonable accommodations will be made, upon request, for individuals with disabilities, vision impairment, or hearing impairment to attend or participate in meetings or events sponsored by the Farm Service Agency (FSA). If you require special accommodations to attend or participate in one of our events, please call the FSA county office and we will be happy to make any needed arrangements.



Microloan Program Proposed to Meet Credit Needs

Agriculture Secretary Tom Vilsack aims to support small scale farming operations by streamlining and modernizing Farm Service Agency’s (FSA) credit programs with a new microloan program. Under the microloan proposal, producers who need a loan for less than \$35,000 will find the required loan application process cut by one-half. The improvements aim to offer a more efficient processing time for smaller loans, adding flexibility to some of the eligibility requirements and reducing the application requirements.

The proposed rule was recently published in the Federal Register and is open for public comments. The proposed rule may be viewed at <http://www.fsa.usda.gov/FSA/federalNotices?area=home&subject=lare&topic=frd-pi>.

The deadline for public comments is July 24, 2012 via the Federal eRulemaking Portal at: <http://www.regulations.gov> or via mail at: Director, Loan Making Division (LMD), FSA, USDA, 1400 Independence Avenue, SW, Stop 0522, Washington, DC 20250-0522.

Interest Rates for June 2012	
Farm Operating - Direct	1.50%
Farm Ownership - Direct	3.625%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency	3.75%
Limited Resource	5.000%

Honoring Veterans - David Fuertes Hawaii County

Agriculture has always been a passion for David Fuertes who enjoys the physical work and the direct link between input and harvest. As a child he enjoyed gardening class so much he later became a leader in his Future Farmers of American Chapter placing him on a path to becoming an agriculturist.

Fuertes attended the University of Hawaii and was subsequently drafted into the Military. He served during the Vietnam War and later in Heidelberg, Germany.

Fuertes didn't let the war stop his passion for farming; instead he used his travel abroad as a learning opportunity by volunteering on weekends with German farmers trying to learn their hog raising techniques. Upon returning to Hawaii, Fuertes completed his education using the GI Bill benefits and went on to become an agriculture teacher at Kohala High School on Hawaii Island for 30 years.

"Retirement came and I was prepared to start my own ranch assuming the responsibility to care for the environment. It was extremely impossible to start my ranch with limited capital and all the cost factors of farming with proper conservation practices. The Farm Service Agency (FSA) loan program helped me to 'walk the talk' of responsible ranching practices to care for the land," explained Fuertes.

Currently the Director of a mentorship program called Partners in Development Foundation, Ka Hana Noeau, Fuertes shared, "My goal has always been to live up to



Fuertes proudly displays his saddle making craft



Fuertes at a recent branding

our state motto, 'The life of the land is perpetuated in righteousness.' The proper investment in the right practices ensures that I'm being a steward of the land."

Ka Hana Noeau prides itself on drawing upon the ancient Hawaiian cultural traditions and concepts like the "ahupua'a," a system of land and environmental stewardship, and "ho'ona'auao," traditional mentorship in education; addresses the needs of at-risk groups within the Hawaiian community. Fuertes utilizes his ranch as a learning laboratory. By teaching youth the proper practices of ranching, his hope is that they will someday become agriculturalists.

Farm Loans to Beginning Farmers, Women and Minorities

The Farm Service Agency (FSA) has a number of direct and guaranteed loan programs available to assist applicants to begin or continue in agriculture production. Loans are available to cover operating costs and/or make improvements to the farm or ranch.

While all producers may apply for these loan programs, FSA has targeted a pool of funds for women and minorities. Eligible racial and ethnic minority groups include Native Hawaiians or other Pacific Islanders, Asians, American Indians, Alaska Natives, Blacks or African Americans, Hispanics and women. The Farm Service Agency also has loan funds targeted to beginning farmers; defined as those who:

- ◆ Have operated a farm for 10 years or less;
- ◆ Will substantially participate in the operation of the farm; and
- ◆ Does not own a farm with acreage greater than the county's median size.

Producers should contact their local FSA office for more detailed information. Additional program information, loan applications and other materials are also available online at www.fsa.usda.gov.

USDA Factoid: Did you know?

Producers on 8,569 farms in the USA reported producing renewable energy on their operations in 2009. Farmers whose operations produced on-farm energy saved an average of \$2,406 on their utility bills in 2009.



Youth Learn Valuable Life Skills through 4-H and USDA Loans

Kainoa Kamakana, 16, divides his time between attending Molokai High School, working on his family ranch, and raising animals as a member of 4-H Molokai Livestock Club. While other teenagers may rely on their parents to help them financially, Kainoa has taken on the responsibility of acquiring his own financing to cover his expenses, through the U.S. Department of Agriculture (USDA) Farm Service Agency's (FSA) Youth Loan program.

Kainoa has been a member of 4-H Molokai Livestock Club for the past seven years, and has raised seven 4H animals. He started off by raising a show hog and moved on to raising market steers. He understood the amount of time, responsibility, and dedication that it takes to raise these animals, but he was up for the challenge. As a result of his hard work, Kainoa has received a number of 4-H livestock show awards, including Grand Champion Showmanship in 2011.

The skills and experiences that he has developed through working on his family's ranch and participating in 4-H has also carried over into his personal life. When asked what he has learned through his experiences Kainoa mentioned leadership, problem solving skills, time management, communications, moral values, but most of all that hard work and persistence pays off. Kainoa went on to offer, "I strongly recommend 4-H to other youth due to the experiences and life skills you learn along the way, and want to personally thank Jill and Paul Eguire for their generous time and effort in judging 4-H livestock shows and putting on show clinics."

Youth loans from FSA assisted him with paying for needed expenses to raise his show animal. The experience taught him valuable lessons on money management and fiscal responsibility for which he now has an established financial credit history. "I would

personally like to thank the Maui County FSA loan staff for their time and effort in providing loans to finance my livestock expenses," said Kainoa. I would also recommend the USDA FSA Youth Loan program to 4-H youths for the opportunity to borrow needed funds to raise show animals, learn fiscal responsibility, and establish credit."

After high school, Kainoa plans to continue working with animals as he will be pursuing a bachelor's degree in Veterinary Science. His main goal is to return to Molokai and serve as a livestock veterinarian.

We wish Kainoa all the best in his future endeavors!

Controlled Substances

Individuals convicted under federal or state law of any planting, cultivating, growing, producing, harvesting or storing a controlled substance are ineligible for program payments and benefits.

If convicted of one of these offenses, a current program participant shall be ineligible during that crop year and the four succeeding crop years for Direct and Counter-Cyclical payments, price support loans, loan deficiency payments, market loan gains, storage payments, farm facility loans, Non-Insured Crop Disaster Assistance Program payments or disaster payments.

Program participants convicted of any federal or state offense consisting of the distribution (trafficking) of a controlled substance shall, at the discretion of the court, be ineligible for any or all program payments and benefits:

- ◆ For up to 5 years after the first conviction;
- ◆ For up to 10 years after the second conviction; and
- ◆ Permanently for a third or subsequent conviction.

Program participants with a federal or state conviction for the possession of a controlled substance shall be ineligible, at the discretion of the court, for any or all program benefits as follows:

- ◆ Up to one year upon the first conviction; and
- ◆ Up to five years after a second or subsequent conviction.

Remember to Retain Your Receipts for RTCP 2012 : For more information on the RTCP program visit your local county office or www.fsa.usda.gov/pricesupport.

United States Department of Agriculture Service Center Initial Application and Primary Eligibility Process



USDA Service Center

- Farm Service Agency (FSA)
- Natural Resource Conservation Service (NRCS)

Application

Customer fills out USDA program application form

Name & Address

Customer/Entity info is input into USDA Service Center Info Mgmt System (SCIMS)

Application Completed

Customer has completed the USDA program application process

Eligibility

- Customer completes primary eligibility forms
- Information is input into USDA Eligibility System

Farm Records

- Farm(s) are added in USDA Farm Records System
- Farm(s) are mapped in USDA Mapping System



Applying for U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) and Natural Resource Conservation Service (NRCS) programs can be a confusing process. Administration of FSA and NRCS programs requires obtaining personal/business and farm land information, along with income and conservation compliance information needed to determine eligibility. The gathering and maintenance of this data may require customers to work with both agencies (FSA and NRCS) regardless of the program being applied for. When thinking about the basic roles of FSA and NRCS in general, FSA can be thought of as the “Administrative” agency and NRCS as the “Technical” agency.

The flow chart above was created to provide step by step information for customers to follow through the initial application and eligibility process. Are you ready to start the application process?

1. Contact your local USDA Service Center to request FSA and/or NRCS program assistance.
2. Complete an FSA and/or NRCS program application.
3. Provide personal and business entity (if applicable) information for input into USDA’s Service Center Information Management System (SCIMS) database. Oftentimes, this is done with FSA staff.
4. Provide farm land information (location, acres, owner, etc) to FSA for input and mapping of your farm in USDA’s Farm Records System (FRS) and Common Land Unit (CLU) system.
5. Complete primary income (CCC-931) and conservation compliance (AD-1026) eligibility forms for initial program eligibility determinations which will be inputted in USDA’s eligibility database.

Congratulations! You’ve completed the initial application and primary eligibility process.



Sodbusting

Farmers and ranchers should be aware that if they use highly erodible land for crop production without proper conservation measures, they risk losing eligibility to participate in Farm Service Agency programs.

Before producers clear, plow or otherwise prepare areas not presently under crop production for planting, they are required to file an AD-1026, indicating the area to be brought into production.

If Natural Resources Conservation Service (NRCS) indicates that the area is highly erodible land, the producer will be required to develop and implement a conservation plan on the affected acreage before bringing land into production.

For more information on sodbusting compliance please contact your local NRCS office.

Farm Storage Facility Loan Program

The Farm Storage Facility Loan Program (FSFLP) allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities.

The new maximum principal amount of a loan through FSFLP is \$500,000. Participants are now required to provide a down payment of 15 percent, with Commodity Credit Corporation (CCC) providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment. New loan terms of 7, 10 or 12

years are available depending on the amount of the loan. Interest rates for each term rate may be different and are based on the rate which CCC borrows from the Treasury Department.

Payments are provided in the early partial disbursement and the remaining final disbursement. The partial disbursement will be available after a portion of the construction has been completed. The final fund disbursement will be made when all construction is completed. The maximum amount of the partial disbursement will be 50 percent of the projected and approved total loan amount.

Applications for FSFL must be submitted to the Farm Service Agency (FSA) county office that maintains the farm's records. A FSFL must be approved before any site preparation or construction can begin.

For more information about FSFL please visit your FSA county office or www.fsa.usda.gov.

Dates to Remember	
June 15	FSA Program Educational Event, 11:00 am - 12:30 pm, Rota NMC-CREES, Room A1
June 15	County Committee nomination period begins
June 19	Drought Workshop, Maui County Civil Defense Emergency Operations Center, Maui County
June 20	Hawaii Association of Conservation Districts Conference, Maui County
June 21	County Committee Meeting, Maui County Office
July 7-8	FSA Information Booth at the 2012 Hawaii State Farm Fair, 9:00 am - 7:00 pm, Kualoa Ranch
July 16	FSA Program Educational Event, 9:00 am - 10:30 am, Tinian NMC-CREES, Room D
July 23	2012 RTCP Sign-up begins
July 26	Hawaii MIDPAC Horticultural Expo, Hawaii County
Ongoing	Hawaii CREP (Conservation Reserve Enhancement Program) Signup

The U.S. Department of Agriculture (USDA) prohibits discrimination in all of its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay).