



Hawaii & Pacific Basin NEWSLETTER



Your Farm Service Agency Online Monthly Newsletter Covering the Latest Topics

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2012 County Committee Election Results

Congratulations to the candidates elected to the County Committees across Hawaii and the Pacific Basin this past December. They join the nearly 8,000 Farm Service Agency (FSA) Committee members in more than 2,000 offices nationwide who have volunteered to serve their fellow farmers and ranchers. Elected this year, by county:

Honolulu - Gail Thongkham, Member
Verna L. Equires, 1st Alternate

Hawaii - Aileen K.F. Wung Yeh, Chair
Luana Beck, 1st Alternate
Jeffrey McCall, 2nd Alternate

Maui - Bryan Takeshi Otani, Member

Kauai - Charlene A. Medeiros, Member
Gary R. Ueunten, 1st Alternate
Sheila Louis, 2nd Alternate

Guam - Brian F. Leon Guerrero, Member

CNMI - Ignacio P. Aquiningoc, Member

FSA appreciates all of the producers who took the time to vote in the election process. The county committee system works only because of your involvement.

A complete list of all Committee members and their positions is available on our website at http://www.fsa.usda.gov/Internet/FSA_File/coc_stc_members.pdf

Voice your opinion regarding the FSA E-Newsletter at:
<http://www.surveymonkey.com/s/YY9M2PK>

Honoring Veterans - Cassin Young



In January, Secretary of Agriculture Tom Vilsack visited Hawaii. As part of his itinerary, the Secretary visited the Arizona Memorial in Pearl Harbor. Prior to boarding the U.S. Navy boat to make the trip to the Memorial, Park Ranger Paul DuPrey pointed to the stern of the boat which bore the name “Cassin Young”. As it turns out, Cassin Young was the Secretary’s great uncle on his mother’s side of the family.

Cassin Young was the Commanding Officer of the repair ship Vestal which was moored to the USS Arizona at the time of the Japanese attack on Pearl Harbor on December 7, 1941. The Vestal was damaged, and Commander Young was blown off the ship by an explosion. The commander was able to swim back to the ship, re-board, assume control and move the ship to a point where the Vestal could be beached and kept from sinking. For this as well as other heroic deeds that day, Commander Young was awarded the Medal of Honor.

The Secretary’s connection to one of our nation’s brave veterans whose name is proudly displayed on the stern of one of the Navy boats who carry visitors to the Arizona’s final resting place has inspired the Hawaii and Pacific Basin Farm Service Agency (FSA). This article is the first of a series titled “Honoring Our Veterans” that will highlight Hawaii and Pacific Basin FSA connections to veterans and their families. **Watch for more veteran connections in future newsletters.**

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 Waiuanue Ave,
Rm 102
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, Rm 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 FSA Office

400 Route 8, Ste 306
Mongmong, GU 96910
Ph: (671)472-7568
Fax: (671)472-7580

American Samoa FSA

Pago Plaza Bldg, Ste 213
Pago Pago, AS 96799
Ph: (684)633-1031 x121
Fax: (684)633-7614

Hours

Monday—Friday
8:00 am—4:00 pm

Website

www.fsa.usda.gov/hi

Notice to Foreign Investors

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report new holdings or their changes in holdings to the Secretary of Agriculture. The Farm Service Agency (FSA) administers this program for USDA.

All foreign individuals who are not U.S. citizens and have purchased or sold agricultural land are required to report the transaction to FSA within 90 days of the closing. Failure to submit the AFIDA form (FSA-153) could result in civil penalties of up to 25 percent of the fair market value of the property.

County government offices, real estate agents, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

Contact your local county FSA office for more details.

Take the FSA E-Newsletter Reader Survey at:
<http://www.surveymonkey.com/s/YY9M2PK>



Farming Operation Changes

If you have bought or sold land, or if you have added or dropped rented land from your operation, make sure you report the changes to your local Farm Service Agency County office as soon as possible. You need to provide a copy of your deed or recorded land contract for purchased property. Failure to maintain accurate records with FSA on all land you have an interest in can lead to possible program ineligibility and penalties. Making the record changes now will save you time later, including updating signature authorization when changes in the operation occur. Producers are reminded to contact their county office of a change in operations on a farm so that records can be kept current and accurate.

Beginning Farmers

Farm Service Agency assists beginning farmers to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- ◆ Has operated a farm for not more than 10 years
- ◆ Will materially and substantially participate in the operation of the farm
- ◆ Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
- ◆ Does not own a farm in excess of 30 % of the county's median size.

Additional program information, loan applications, and other materials are available at your local FSA County office.

You may also visit www.fsa.usda.gov

Appeal Process

After a Farm Service Agency official makes a decision on your request for USDA services or application, you will be sent a letter informing you of the decision and options you can pursue, if you disagree.

Generally, program participants have three choices:

- ◆ An informal review with the original agency decision maker
- ◆ An opportunity for mediation
- ◆ An appeal to higher levels of authority within the agency

Interest Rates for February 2012	
Farm Operating - Direct	1.375%
Farm Ownership - Direct	3.375%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.500%
Emergency	3.75%
Limited Resource	5.000%

Civil Rights Complaint Process

Any person, class, or group of persons may file a discrimination complaint within 180 days of an alleged discriminatory action. Complaints may be filed in writing or orally with the agency head, any designated agency official, or the Secretary of Agriculture. Assistance in filing a complaint can be obtained by contacting any Farm Service Agency office.



Loans for Women and Minorities

Farm Service Agency (FSA) has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or to purchase or improve farms or ranches.

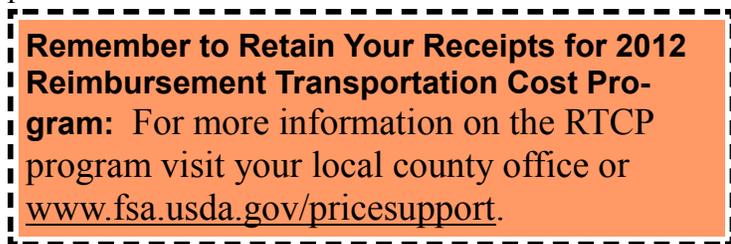
While all qualified producers are eligible to apply for these loan programs, FSA has provided targeted funding for women and minorities. Eligible minority groups include Native Hawaiians or other Pacific Islanders, Asians, American Indians, Alaska Natives, Blacks or African Americans, Hispanics and women.

If producers or their spouses believe they would qualify, they should contact their local FSA office for details. All FSA applicants must meet all loan eligibility and feasibility requirements.

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

Controlled Substance

Any person who is convicted under federal or state law of a controlled substance violation could be ineligible for USDA payments or benefits. Violations include planting, harvesting or growing a prohibited plant such as marijuana, opium, poppies and other drug producing plants.



Banking and Accounting Changes

Current policy mandates that Farm Service Agency (FSA) payments be electronically transferred into your bank account. In order for timely payments to be made, producers need to notify the FSA county office if your account has been changed or if another financial institution purchases your bank. Payments can be delayed if the FSA office is not aware of updates to your account and routing numbers.



Payment Limitation and Payment Eligibility Requirement

Producers must file the applicable Farm Operating Plan (CCC-902) and related forms in order to receive most program benefits. All programs have payment limitation amounts that set the maximum amount a producer can receive. Program benefits will not be provided until all required information is provided and payment limit and eligibility determinations are complete.

There are also statutory provisions that require entities earning program benefits to provide the names, addresses, and identification numbers of the entity members.

All CCC-902's submitted by producers are subject to spot check review at the end of the year. A determination of "not actively engaged in farming" will result in the producer being ineligible for those benefits requiring a determination of "actively engaged in farming."

IRS Form 1099-G

Each year, producers receive 1099-G forms from the Commodity Credit Corporation (CCC). The form lists payments that producers have received from the CCC. This annual report of program payments helps our customers report taxable income. It is not intended to replace the producer's own responsibility to report income to the IRS.

Farm Service Agency staff cannot interpret IRS regulations or advise producers about which payments to report on their income tax returns. However, county office staff can review reported payments for accuracy.

FSA Spousal Signature Policy

Husbands and wives may sign documents on behalf of each other for Farm Service Agency (FSA) and Commodity Credit Corporation (CCC) 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 additional clarification on spousal signature authority, feel free to contact your local FSA office.



Power of Attorney

For those who find it difficult to visit the county office personally because of work schedules, distance, health, etc., Farm Service Agency (FSA) has a power of attorney form available that enables you to designate another person to conduct your business at the office. If you are interested, please contact your local FSA office for more information.

Dates to Remember	
Feb. 20, 2012	Presidents Day Holiday, FSA offices closed
March 2 - 3, 2012	Hawaii FSA County Outreach at the BIAN Plant Sale, Hilo
May 28, 2012	Memorial Day Holiday, FSA offices closed
June 1, 2012	Deadline to file for SURE 2010
Ongoing	Hawaii CREP (Conservation Reserve Enhancement Program) Signup

Highly Erodible Land and Wetland Conservation Compliance

Landowners and operators are reminded that in order to receive payments from USDA, compliance with Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions is required. This includes payments under the Noninsured Crop Disaster Assistance Program (NAP), Conservation Reserve Enhancement Program (CREP), Supplemental Revenue Assistance Payments (SURE) Program, crop insurance and many other USDA programs.

Producers whose farmlands have HEL soils need to be aware of tillage, crop residue, and rotation requirements which are spelled out in their conservation plans. Producers are to notify the USDA Farm Service Agency prior to conducting land clearing or drainage projects to insure compliance. Failure to obtain advance approval for any of these situations can result in the loss of eligibility and all Federal payments. If you have any questions about the specifics of your conservation plan, stop by the Natural Resources Conservation Service office in your county.

Take the time now to make sure your farm is in compliance! Don't wait until the plow hits the ground!

Access to Programs and Facilities by Persons with Disabilities

Special accommodation will be made upon request for individuals with disabilities, vision impairment, or hearing impairment. If accommodation are required, please contact your local Farm Service Agency office.

USDA Celebrates 150 Years

In 2012, USDA will commemorate and celebrate the 150th anniversary of our founding in 1862, when President Abraham Lincoln signed into law an act of Congress establishing the United States Department of Agriculture.

The Agricultural Adjustment Act of 1933 was the first modern farm bill.



Does the FSA E-Newsletter rock?

Let us know at:

<http://www.surveymonkey.com/s/YY9M2PK>

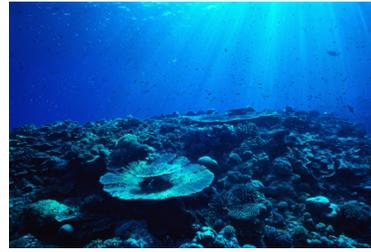
AGI Compliance for 2012 and Prior Years

For 2012, there are now four qualifying levels for Adjusted Gross Income (AGI) provisions as follows:

- 1) **\$500,000 Nonfarm Income** – if a person or legal entity has AGI nonfarm income that exceeds, \$500,000, the person or legal entity is ineligible for all commodity program payments and benefits.
- 2) **\$750,000 Farm Income** – if a person or legal entity has AGI farm income that exceeds \$750,000, the person or legal entity is ineligible for Direct and Counter-Cyclical Programs direct payments only.
- 3) **\$1,000,000 Nonfarm Income** – if a person or legal entity has AGI nonfarm income that exceeds \$1,000,000, the person or legal entity is ineligible for all conservation program benefits unless 66.66% or more of the average AGI was derived from activities related to farming, ranching and forestry operations.
- 4) **\$1,000,000 Total Farm and Nonfarm Income** – if a person or legal entity has AGI farm and nonfarm income that exceeds \$1,000,000, the person or legal entity is ineligible for 2012 direct payments under DCP.

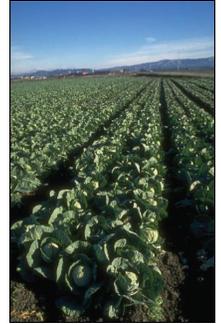


Form CCC 931 must be completed to authorize the AGI certification process in conjunction with the IRS. The average AGI is based on the average adjusted gross income for the three taxable years preceding the most immediately preceding complete taxable year. For the 2012 program year, the three taxable years for AGI would include 2008, 2009 and 2010.



National Strategy Proposed to Respond to Climate Change's Impacts on Fish, Wildlife, and Plants

In partnership with state, tribal, and federal agency partners, the Obama Administration has released a draft of the national strategy to help decision makers and resource managers prepare for and help reduce the impacts of climate change on species, ecosystems, and the people and economies that depend on them.



The Strategy represents a draft framework for unified action to safeguard fish, wildlife and plants, as well as the important benefits and services the natural world provides the nation every day, including jobs, food, clean water, clean air, building materials, storm protection, and recreation.

The draft national Fish, Wildlife and Plants Climate Adaptation Strategy is available for public review and comment through March 5, 2012, at the web site www.wildlifeadaptationstrategy.gov. The site provides information on submitting comments, and the dates/locations of five public information sessions and two webinars designed to provide details and encourage dialogue on the strategy and its development. To register for these meetings and for more information on the public comment process, visit <http://www.wildlifeadaptationstrategy.gov/public-comments.php>.

Agricultural producers and the general public are encouraged to review and provide thoughtful comments that could enhance the strategy and future efforts.

Tell us what you think about the FSA E-Newsletter at: <http://www.surveymonkey.com/s/YY9M2PK>

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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).