

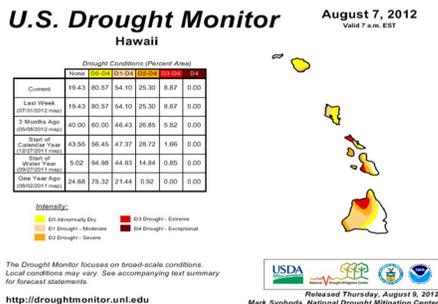


Hawaii & Pacific Basin NEWSLETTER

Your Farm Service Agency Online Monthly Newsletter Covering the Latest Topics

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Drought Disaster Assistance

USDA has streamlined the disaster designation process and lowered emergency loan rates to help farmers and ranchers in drought-stricken areas across the country.

Farm Service Agency's (FSA) low-interest emergency loans will help producers recover from losses due to drought, and other natural disasters. The interest rate has been reduced to 2.25 percent, providing a much-needed resource for producers hoping to recover from production and physical losses associated with natural disasters.

USDA encourages all farmers and ranchers to contact their crop insurance companies and local FSA County Office, as applicable, to report damages to crops or livestock loss. In addition, USDA reminds livestock producers to keep thorough records of losses, including additional expenses for such things as food purchased due to lost supplies. More information about federal crop insurance may be found at www.rma.usda.gov. Additional resources to help farmers and ranchers deal with disaster losses may be found at www.usda.gov/disaster.

Adjusted Gross Income

USDA and the Internal Revenue Service have established an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs. Written consent is required from each producer or payment recipient for the tax review process. No actual tax data will be included in the report that IRS sends to Farm Service Agency.

This form is available electronically.

CCC-931 U.S. DEPARTMENT OF AGRICULTURE
(12-07-11) Commodity Credit Corporation

1. Return completed form to:

AVERAGE ADJUSTED GROSS INCOME (AGI) CERTIFICATION AND CONSENT TO DISCLOSURE OF TAX INFORMATION

(Name and address of FSA county office or USDA Service Center)

NOTE: The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a) as amended. The authority for reporting the information identified on this form is 7 CFR Part 1400, the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et. seq.) and the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246). The information will be used to determine eligibility for program benefits. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and non-governmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (document). Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility for program benefits. This information collection is exempt from the Paperwork Reduction Act, as it is required for the administration of the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246, Title I, Subtitle A - Administration). The provision of appropriate consent and cost-free, privacy, and other notices may be applicable to the information provided. PLEASE RETURN COMPLETED FORM TO FSA AT THE ABOVE ADDRESS.

2. Name and Address of Individual or Legal Entity (Including Zip Code)

3. Taxpayer Identification Number (TIN) (Social Security Number for Individual; or Employer Identification Number for Legal Entity)

(Enter the same name and address as used for the tax return specified in Part B.)

PART A - CERTIFICATION OF AVERAGE ADJUSTED GROSS INCOME

4. Select the program year for payment eligibility (Check only one)

A. 2009 The 3-year period for calculation of the average AGI will be the taxable years of 2007, 2008 and 2009.

B. 2010 The 3-year period for calculation of the average AGI will be the taxable years of 2008, 2009 and 2008.

C. 2011 The 3-year period for calculation of the average AGI will be the taxable years of 2009, 2008 and 2007.

D. 2012 The 3-year period for calculation of the average AGI will be the taxable years of 2010, 2009 and 2008.

5. I certify that the average adjusted gross income (both farm and nonfarm income) of the individual or legal entity in Item 2 (for the year selected in Item 4) was:

A. Less than (or equal to) \$1,000,000

B. More than \$1,000,000

6. Of the average adjusted gross income (both farm and nonfarm income) of the individual or legal entity in Item 2 (for the year selected in Item 4), was at least 66.66 percent from farming, ranching or forestry operations?

A. YES B. NO

NOTE: If at least 66.66 percent of the average adjusted gross income of the individual or legal entity is derived from farming, ranching or forestry operation, then income from the sale of farm equipment or production inputs and services to farmers, ranchers and foresters must be included as farm income.

7. I certify that the average adjusted gross farm income of the individual or legal entity in Item 2 (for the program year selected in Item 4) was:

A. Less than (or equal to) \$750,000 B. More than \$750,000

8. I certify that the average adjusted gross nonfarm income of the individual or legal entity in Item 2 (for the program year selected in Item 4) was:

A. Less than (or equal to) \$500,000 B. More than \$500,000 but less than (or equal to) \$1,000,000 C. More than \$1,000,000

This process ensures that payments are not issued to producers whose AGI exceeds certain limits. The limits set in the 2008 Farm Bill are \$500,000 nonfarm average AGI for commodity and disaster programs; \$750,000 farm average AGI for direct payments and; \$1 million nonfarm average AGI for conservation programs.

Remember: September 10th is the deadline for the Reimbursement of Transportation Cost Payment Program : For more information on the program visit your local county office or www.fsa.usda.gov/pricesupport

**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
CNMI (670)234-0896

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



FSA Farm Loans

The Farm Service Agency (FSA) is committed to providing family farmers with loans to meet their farm credit needs. If you are having trouble getting the credit you need for your farm, contact your nearest FSA office for details about direct and guaranteed loans.

Ask your current lender about an FSA loan guarantee if you have had a setback and your current lender is reluctant to extend or renew your loan.

Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans have a maximum limit of \$1,214,000.

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.

To find out more about FSA loan programs, contact the county office staff to schedule an appointment.

Preventing Fraud

The Farm Service Agency (FSA) supports the Risk Management Agency (RMA) in the prevention of fraud, waste and abuse of the Federal 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. Farm Service Agency will continue to refer all suspected cases of fraud, waste and abuse directly to RMA.

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



Beginning and Limited Resource Loans

Farm Service Agency (FSA) has targeted funds set-aside to assist beginning ethnic and racial minority, and female farmers. Targeted funds are available for both the direct and guaranteed loan programs. Farm Service Agency defines a beginning farmer as a person who:

- Has operated a farm for 10 years or less;
- 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; and
- Does not own a farm in excess of 30 percent of the county's median size.

Each member of an entity must meet the eligibility requirements and loan approval is not guaranteed.

Additional program information and loan applications are available at local FSA offices or visit www.fsa.usda.gov.

NAP Loss Filing

The Noninsured Crop Disaster Assistance Program (NAP) is a federally funded program administered by the United States Department of Agriculture, Farm Service Agency (FSA). The program is designed to reduce financial losses when damaging weather or adverse natural occurrences cause a catastrophic loss of production (over 50%) to an eligible crop or agricultural commodity.

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 Noninsured Crop Disaster Assistance Program (NAP) and crop insurance, you must file a CCC-576, Notice of Loss, in the Farm Service Agency County Office within 15 days of the occurrence of the disaster or when losses become apparent.



Diane Ley, State Executive Director, Hawaii and Pacific Basin Farm Service Agency, prepares to depart Hickam Air Force Base for the Navy's Great Green Fleet demonstration.

The Great Green Fleet Makes History! *State Executive Director Diane Ley Reflects on Historic Biofuels Launch*

WOW! The word “wow” only moderately conveys the historic events that unfolded this summer during the [Department of Navy's](#) Rim of the Pacific Exercises (RIMPAC) Great Green Fleet (GGF) demonstration. The might and power of the United States Navy coupled with that of scores of other Pacific Rim countries was impressive, but moreover a number of the great ships and aircraft were fueled by a mix of algae and animal fats.

Yes, advanced biofuels produced from American grown algae and waste animal fats powering the all-powerful military platforms! The man with the vision behind this innovation, Secretary of Navy Ray Mabus, would proudly note the Navy's continuing global leadership as an innovator – having led maritime vessels from sails to coal-fired steam, from coal to oil and nuclear; and now the transition to advanced biofuels. Tom Vilsack, Secretary of the US Department of Agriculture (USDA) would later expound upon that message of innovation, “We can, as a nation, change the fuel production and distribution paradigm in the world, if we are consistent in our efforts to increase our production and use of domestic biofuels, which are important to our energy and national security as well as create jobs.”

For nearly four years, Secretaries Mabus and Vilsack have made a coordinated and concerted effort to support the development and stand-up of a domestic biofuels sector. The USDA has lent support to furthering research and business start-ups for biomass production and waste stream diversion, and the Navy has sought to test, demonstrate and accelerate investments in advanced biofuels for use in its many platforms. Both Secretaries have identified the importance of establishing

geographically diverse supply sources of biomass and biofuels, and noted that the State of Hawaii has a strategic role to play; hence, the RIMPAC exercises off-shore from Honolulu, Hawaii, was a perfect match to demonstrate the capacity of advanced biofuels in the GGF.

On the designated day for the GGF demonstration, I represented the USDA and traveled with Navy and congressional staff and representatives of several airlines; assembling before daybreak for briefings and preparations for transport on a propeller-driven aircraft out to the USS Nimitz. We donned military issue life jackets, goggles and cranial helmets with ear muffs; yet, the ear protection only afforded a limited decrease of the excessive noise throughout much of the day.

We headed out onto the tarmac of Hickam Air Force Base and took seats facing the back of the no-frills plane. Squinting to see in the suddenly dark space as the back hatch closed, a mixture of 50 percent biofuels and fossil fuels raced through the aircraft's engines, and the roar became deafening. The engines revved, gorged with the algae and animal fat mix; and the plane roared down the runway and into the sky.

Traveling 45 miles due north of Honolulu, through the aircraft's single viewing pane, naval vessels could be seen dotting the sea and the horizon. Cruisers, destroyers and then the USS Nimitz came into view.



After we landed on the USS Nimitz and scrambled out of the aircraft, we were hit by the full might of steel upon the sea – the carrier's deck 1,100 feet in length and 250 feet wide with a 10-story high bridge for observation and traffic control. Jets everywhere, attended to by squadrons of seamen garbed in Navy Working Uniforms, colored light-weight turtle necks defining each squad's role in the GGF demonstration.

Keeping to an aggressive schedule, we viewed various operations including radar and navigation rooms; a tactical operation room for RIMPAC led this year by the Chilean Navy; and anchors the size of an office.

Secretary Mabus heralded the multi-day GGF demonstration, which was supported with the purchase of 450,000 gallons of non-food waste (used cooking oil) from Louisiana-based Dynamic Fuels LLC, and included algae produced by Solazyme. Meeting the Navy's criteria, the fuel was: 1) "drop-in" and compatible with existing technology; 2) derived from non-food sources; and 3) its combustion would not increase the carbon footprint.

Back at the Flag Deck, the GGF demonstrations ramped up with a dozen jets in high idle, rocking and trembling with a deafening roar of engines each waiting to be catapulted from the deck of the USS Nimitz. Once air-born, the 50/50 biofuel blend kicked in and the jets soared and flashed by the carrier at great speed and in tight formation. Flying the world's most advanced aircraft with precise precision, the pilots accomplished mid-air refueling and touch and go maneuvers. The crew on deck and the spectators were enveloped in fumes from fuel, oils and metallic dust; combined with heat emanating from the engines; and the thunderous rumble; and everyone agreed that this was as Secretary Mabus stated, "A historic day."

For more about the Navy's Great Green Fleet [visit the Green Fleet website](#), or to read or listen to Secretaries Mabus and Vilsack debrief on the Great Green Fleet [visit the USDA website](#).

CREP & Continuous CRP Available

The Conservation Reserve Enhancement Program (CREP) allows farmers and ranchers to voluntarily enroll environmentally sensitive land into a program that reduces sedimentation and nutrient runoff, increases coral reef health, decreases erosion, improves and restores wildlife habitat for endangered species, reduces and controls invasive species and safeguards ground and surface water. Hawaii CREP is a partnership with federal and state government to encourage conservation and environmentally sound practices on degraded lands.



CREP can help protect streams

Environmentally sensitive acreage qualifying for the Conservation Reserve Enhancement Program or Continuous CRP participants will be eligible for both annual rental payments and cost-share payments of up to 50 percent on approved practices. A Signing Incentive Payment of \$100 per acre and a Practice Incentive

Payment of up to an additional 40% of the cost share are available and subject to an annual payment limitation. These programs will remain funded, and continue to provide heightened environmental protection for enrolled acres.

Farm Safety

According to the National Safety Council, farming is one of America's most hazardous jobs.



Take a look around any farm and you will see many different types of equipment. The mechanical aspects of any equipment presents a real danger. Moving parts can grab people or clothing.

These hazards, along with pinch points and missing shields, are dangerous enough for adults; not to mention children. It is always advisable to keep children a safe distance from operating farm equipment. Always use extra caution when backing up, maneuvering or using farm machinery. Ensure everyone is visibly clear and accounted for before machinery is engaged.

Other tips to remember around equipment:

- Never ride in the back of a pickup truck or on the fender of a tractor.
- Never get on a tractor as an extra rider.
- Stay out of the path of moving equipment.
- Always use protective equipment like goggles to protect vision and earplugs to protect hearing.
- Wear appropriate clothes, including sturdy work boots. Don't wear baggy or loose clothing around machinery where it can get caught.
- Long hair should be tied back or kept under a cap or hat.

The pesticides and chemicals that are used on farms can be extremely dangerous. These materials should be kept locked away in marked containers with warning labels. Use caution when using these chemicals. In the event that someone is exposed to dangerous chemicals, call your local poison control center or the toll-free poison control number at 800-222-1222.



FSA wants all farmers to be productive year round, and that begins with putting safety first.



NRCs Soil Technician Pele Iuta, the Honorable Governor of American Samoa Togiola Tulafono and FSA Agricultural Specialist Josephine Malepeai Lealasola at the American Samoa Farm Fair, held July 25 & 26, 2012

American Samoa's Territorial Farm Festival

Making the Most of Outreach Opportunities

The American Samoa Government Department of Agriculture (ASDOA) recently revived the Territorial Farm Festival with a successful two day fun filled event held July 25-26, 2012. The Farm Festival showcased entries from over 100 farmers, with 30+ varieties of locally grown crops. The event was well attended with over 400 participating.

Department of Agriculture Director Lealaō Melila Purcell proudly noted, "On display and for sale at the festival were a phenomenal number of different varieties of taro, providing testimony to the resurgence of taro crops following the taro leaf blight disease that decimated the plant in 1993. Due to the efforts of the Department of Agriculture, Land Grant, assistance from the Independent State of Samoa and Iosefa Tolo with the Secretariat of Pacific Communities; new parasite resistant taro crops have resulted in restoring one of American Samoa's staple crops."

In the spirit of building farmer's knowledge of their local support system, ASDOA Director Purcell invited agricultural partners whose mission is to support commercial farming on the island, including the USDA Farm Service Agency (FSA), to post displays and provide information to the farmers and the general public. Agricultural Specialist Josephine Malepeai Lealasola attended the two day event on behalf of the FSA. She distributed information on programs available to commercial farmers in American Samoa; including the Reimbursement of Transportation Cost Payment Program, the Noninsured Crop Disaster Assistance Program and Operating Loans offered by

the Farm Loan Program. Josephine Lealasola stated, "Highlights for FSA included signing up over 30 producers for the free recordkeeping class offered as part of the strategic outreach plan for American Samoa. Recordkeeping plays a pivotal role in transitioning our operators from a subsistence operation mindset into thinking about their operations as a business. The class is also key in providing the necessary foundation for FSA program eligibility."



Cocoa Fruit Entries



Green Banana and Giant Taro entries



Citrus category entries



Yam entries

When asked what she thought FSA gained from this type of outreach, Lealasola said, "If we can get our producers to keep records we can increase the avenues by which the Farm Service Agency can provide them assistance through our programs. Unfortunately there is a lot of misinformation out there about what FSA can and can't do. I've found the best way to combat this problem is to meet with farmers one on one at events like this."

Visitors to the FSA booth included not only subsistence and commercial farmers, but also local partner agencies and the Governor of the Territory, the Honorable Togiola Tulafono.

Hats off to the American Samoa Government Department of Agriculture for putting on a tremendous event for farmers and the general public alike!

USDA Factoid: Did you know?

In 2008, organic farms had average annual sales of \$217,675, compared with \$134,807 for U.S. farms overall.

Need Information

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

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

Electronic Services Available

With Internet access, Farm Service Agency (FSA) program participants can access many services from home 24 hours a day, seven (7) days a week, and receive both approvals and direct deposit payments within 48 hours.

To participate in these electronic services, you must meet all program eligibility requirements. Online services have stringent security measures to protect your private information.

To utilize electronic services a producer needs an active USDA eAuthentication Level 2 account, which requires an e-mail address and filling out an online registration form at www.eauth.usda.gov/ followed by a visit to the county office for identity verification.

If you have more questions, or would like assistance establishing your account, just contact your local USDA Service Center and talk with our trained FSA personnel.

Loan Interest Rates for August 2012

Farm Operating - Direct	1.25%
Farm Ownership - Direct	3.00%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency	2.25%
Limited Resource	5.000%

Dates to Remember

August 24	FSA Presentation at RC&D Energy Workshop, Hawaii County
September 1	2013 NAP deadline for "Value Loss" crops, includes turf grass, floriculture, aquaculture and Christmas trees
September 10	Deadline to sign up for the Reimbursement of Transportation Cost Payment Program (RTCP)
September 13 - 16	FSA information table at 22nd Annual Hawaii Tropical Fruit Growers International Conference, University of Hawaii at Manoa Campus, Honolulu County
September 18	Deadline to apply for emergency loans due to drought in Hawaii County
September 20 - 21	FSA information table at 2012 Hawaii Agriculture Conference, Honolulu County
September 28 & 29	FSA information booth at BIAN 2012 Horticultural Show and Scholarship Benefit Plant Sale, Hawaii County
October 9	Deadline to apply for emergency loans due to vog in Hawaii County
November 5	County Committee election ballots mailed to eligible voters
December 1	2013 NAP deadline for vegetables, fruits, livestock forage and honey
December 3	Last day to return complete County Committee ballots to FSA County Office
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).