



February 2009

District A - Pennsylvania FSA

-- To skip directly to the newsletter for your county, move your mouse to the servicing County Office on the list below and left-click.

Armstrong
Clarion / Venango / Forest / Warren
Crawford
Erie
Indiana
Mercer / Lawrence
Somerset
Washington / Greene
Westmoreland / Fayette



Armstrong County News

Armstrong County USDA Service Center

Armstrong County FSA
124 Armsdale Rd Ste 106
Kittanning, PA 16201
724-545-1022 (phone)
724-545-9012 (fax)
www.fsa.usda.gov

Hours
Monday - Friday
8:00 a.m. - 4:30 p.m.

County Committee
Mark Campbell
Troy Goldstrohm,
Ray Claypoole Jr.

County Committee meets
the 2nd Wednesday of the
the following months:

March
June
July
September
October
December

Staff
Edward O. Huston II, CED
Lori S. Cogley, PT
Merissa J. Kerr, PT

County Committee Election Results

Congratulations to Ray Claypoole Jr.! Ray was elected to represent farmers from Sugar-creek, Washington, Perry, Bradys Bend, East Franklin, North Buffalo, South Buffalo, and West Franklin Townships on the county committee. Ray was elected to his first consecutive term. The election results for Local Administrative Area #1 are:

Ray Claypoole Jr. — Elected to the county committee (COC),
Robert Hindman — 1st alternate to COC

FSA appreciates all of the voters for taking the time to complete the election ballot. The county committee system works only because of your participation.

The committee members held their organizational meeting in January and determined that Mark Campbell would serve as chairman and Troy Goldstrohm would serve as vice-chairman.

DCP Sign Up Underway

Sign-up has started for the 2009 Direct and Counter-cyclical Payment (DCP) Program for farms with base acres. You can sign up online or at local USDA service centers. Signup will continue until June 1, 2009. The June 1, 2009 deadline is mandatory for all participants. FSA will not accept any late-filed applications.

The electronic DCP (or eDCP) service will save you time, reduce paperwork and speed up contract processing at FSA offices. It is available to anyone eligible to participate in the DCP Program and can be accessed at www.fsa.usda.gov/dcp. To access this online service, you must have an active USDA eAuthentication Level 2 account, which requires filling out an online registration form at <http://www.eauth.egov.usda.gov> followed by a visit to the local USDA Service Center for identity verification.

FSA computes DCP Program payments using base acres and payment yields established for each farm. Eligible producers receive direct payments at rates established by statute regardless of market prices. For 2009, you may request to receive advance direct payments based on 22 percent of the direct payment for each commodity associated with the farm. FSA will issue advance direct payments later this month. Counter-cyclical payment rates vary depending on market prices and are issued only when the effective price for a commodity is statutorily set below its target price.

Producers who are eligible for the DCP Program will also be eligible to enroll in the Average Crop Revenue Election (ACRE) Program. The enrollment period for the ACRE Program will begin in the spring. You may first enroll in the DCP Program, receive advance direct payments and then later modify your enrollment to include the ACRE program or you may wait and elect to enroll in DCP and ACRE at the same time in Spring 2009.

MILC Sign Up Underway

Signup for the Milk Income Loss Contract Program (MILC) is underway and will continue through the program's expiration date, Sept. 30, 2012.

The 2008 Farm Bill reauthorizes the MILC Program, which operates similarly to the counter-cyclical payment program for crops, and makes three key changes in program operation. Under the Farm Bill, the MILC payment rate and the per-operation poundage limit are modified, depending on when the milk is produced. In addition, a "feed cost adjuster," is introduced over the life of the 2008 Act, which adjusts the \$16.94 per hundred-weight (cwt.) benchmark price upward depending on the cost of feed rations. When available, MILC payments are based on a payment rate percentage that is multiplied by



the difference between a now-flexible target (\$16.94 per cwt. or higher) and the specific month's Boston Class I price of milk.

The 2008 Farm Bill made changes to the provisions for payment eligibility and adjusted gross income (AGI). If the individual or entity has non-farm AGI greater than \$500,000, the individual or entity is not eligible for MILC benefits.

For more information on the MILC program, contact your local USDA Service Center.

USDA Enacts Changes to Payment Limitations, Income Qualifications, and Implements Direct Attribution

USDA recently published an interim final regulation in the Federal Register announcing changes to both Adjusted Gross Income (AGI) qualifications, program payment limitations, and direct attribution for FSA and Natural Resources Conservation Service (NRCS) programs, which became effective in accordance with the 2008 Farm Bill.

For commodity and disaster programs, the AGI limitation was reduced from \$2.5 million AGI from all sources to a three-year average non-farm AGI of \$500,000 such that a person or entity shall not be eligible for such programs if the non-farm AGI exceeds \$500,000. Also, under the new regulations, an individual or entity must have a 3-year average AGI less than or equal to \$750,000 per year from farm income in order to qualify for direct payments issued under the Direct and Counter-cyclical Program.

The definition of income derived from farming, ranching and forestry operations was expanded to include, among other items, such items as the packing, storing and transporting of agricultural commodities; production of livestock products; farm-based production of renewable bio-energy; and in some instances, the providing of operational inputs to farmers, ranchers and foresters.

For conservation programs, the average non-farm AGI limitation is \$1 million or less for eligibility with allowances for certain excep-

tions.

Individuals and entities must be "actively engaged in farming" with respect to a farming operation in order to be eligible for specified payments and benefits. To be "actively engaged in farming," the individual or entity must make significant contributions to the farming operation of: (1) capital, equipment, land, or a combination; and (2) personal labor or active personal management, or a combination.

Public comments on this interim final rule must be submitted to the Department by within 30 days of the date of publication.

Foreign Buyers Notification

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

Foreign persons who have purchased or sold agricultural land in the county are required to report the transaction to FSA with 90 days of the closing. Failure to submit the AFIDA form could result in civil penalties of up to 25 percent of the fair market value of the property. County government offices, Realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

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. Prohibited plants include marijuana, opium, poppies and other drug producing plants.

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Program participants have choices — an informal review with the original agency decision-maker, an opportunity for mediation, an appeal to the next level of authority within the agency and appeal to the national appeals division.

Customer Statement

January signals the beginning of a new year, and a time to starting thinking about filing taxes. Producers who have signed up for a USDA eAuthentication Level 2 account will be able to access their farm data via their Customer Statement.

The Customer Statement puts a range of USDA services and programs into a single report that's at your fingertips and available online, 24 hours a day, seven days a week.

It allows USDA customers to view their participation, application and payment status in various commodity and conservation programs; information on farm loans; and conservation plan and land unit information.



Why should USDA's Farm Service Agency be your lender of first opportunity?

The farming industry has undergone many changes in recent years, resulting in new types of small farming and ranching enterprises. These include value-added farming operations, organic farming, immigrant farming, and the growing of crops for local retailers or direct sale to consumers.

New federal programs have been enacted to stimulate beginning and younger farmers to establish new, or retain ownership of existing, small family farms. These exciting new trends in rural America present the USDA's Farm Service Agency (FSA) Farm Loan Programs (FLP) with opportunities for increased lending activity in the farming community.

-----So, why should USDA's Farm Loan Programs be your lender of first opportunity?

We are your advocates.

Farm Loan Programs staff are predisposed to award loans, therefore putting the agent on the customer's side. FSA wants to see you succeed. This is evident in our consultative approach, offering low rates and identifying other resources to our clients in an advisory fashion throughout the life of the loan.

We think outside the box.

Our loan staff keep up with the industry trends and constantly look for emerging and non-traditional farm business models. Our commitment to doing things better in the industry provides you with fresh perspectives, alternatives, and creative ways of growing your business.

We offer solutions.

Our staff can refer customers to other public financial aid sources that can serve as a blend with the Farm Loan Programs loan. This results in acquiring more comprehensive resources and a tailored financial solution that works for unique lending situations.

We specialize in:

- Loans for beginning farmers, disaster recovery, operational financing,
- and farm ownership
- Farm planning and counseling
- Supervised credit and assistance through the life of your loan
- Sustained financial planning services

Youth Loans

Remember FSA makes operating loans to individual rural youths age 10 through 20 to establish and operate income producing projects. These projects must be of modest size and be initiated, developed, carried out by rural youths participating in 4-H Clubs, FFA, or a similar organization or with a vocational teacher or county extension agent. The project must be an organized and supervised program of work. It must be planned and operated with the assistance of the organization advisor, produce sufficient income to repay the loan, and provide the youth with practical business and educational experience. Contact your local FSA office for more details

**For more information re:
 the Farm Loan Programs**
 Contact your local USDA-FSA Office

Selected Interest Rates for March 2009	
Farm Operating - Direct	2.00%
Farm Ownership - Direct	3.50%
Limited Resource - Farm Operating	5.00%
Limited Resource - Farm Ownership	5.00%
Farm Ownership - Direct Down Payment Beginning Farmer or Rancher	1.5%
Emergency	3.75%
Farm Storage Facility	2.25%
Commodity Loan	1.50%

Dates to Remember	
5-25-2009	Office Closed – Memorial Day
6-1-2009	DCP Deadline – No Late-File
6-15-2009	Small Grains Crop Report
7-15-2009	Coarse Grains Crop Report
Continues	Continuous Conservation Reserve program

Visit our Web site at
<http://www.fsa.usda.gov/pa>

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its program 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, genetic information, political beliefs, 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, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.



Clarion/Venango/Forest/Warren County News

Clarion/Venango/ Forest/
Warren **County**
USDA Service Center
265 Holiday Inn Road
www.fsa.usda.gov/

Hours
Monday – Friday

7:00 am – 4:30 pm

County Committee
Bryan Beck – Chair
Ronald McHenry – V-Chair
Winan McCall – Member
C. Dallas Bean – Member
David Sekerak - Member
Deb Lucks – Advisor
Cathy Blauser – Advisor

County Committee meets
March 3, April 21, May 19
June 30, Aug. 18, Sept 29,
Nov. 3 & December 8.
All meetings begin at
10:00 am.

Staff

Thomas Tanner, CED
Anetta Radaker, PT
Brady Terwilliger, PT
Becky Vucic, PT
Gene Mortimer Jr. FA
Carl Gadsby, FA
Darrell Johnson, FA
Rich Lehman, FLM
Donna Cousin, FLO
Frank Urbanick, FLOT
Robert Brown, FLM
Robert Fye, FLO
Cara Marafine, FLOT
Krystal McCracken, FLOT



County Committee Election Results

Congratulations to Bryan Beck and Winan McCall! Bryan and Winan was re-elected to represent farmers from Clarion County on the county committee. Bryan was elected to his third consecutive term and Winan to his second. The election results for Local Administrative Area 1 & 2 are:

LAA 1 -Winan McCall – elected to COC
Arnold Greenawalt – 1st alternate to COC
Amy Over 2nd alternate to COC
Bryan Beck — Elected to COC
Larry Bental — 1st alternate to COC,

FSA appreciates all of the voters for taking the time to complete the election ballot. The county committee system works only because of your participation.

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For more information re: the Farm Loan Programs

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Farm Ownership - Direct Down Payment Beginning Farmer or Rancher	1.5%
Emergency	3.75%
Farm Storage Facility	1.875%
Commodity Loan	1.375%

Dates to Remember

3/3&4/2009	Centre Co. Ag Winter Workshop
3/31/2009	Deadline to Request MAL's
2-16-2009	Office Closed – Presidents' Day
6-1-2009	DCP Deadline – No Late-file
Continues	Continuous Conservation Reserve program

Visit our Web site at
<http://www.fsa.usda.gov/pa>

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its program 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, genetic information, political beliefs, 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, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.



Crawford County News

Crawford County
USDA Service Center
Crawford County FSA
14699 N Main St Ext
Meadville, Pa. 16335
814-336-2127
Fax 814-336-4337
www.fsa.usda.gov/pa

Hours
Monday - Friday
8:00 a.m. - 4:30 p.m.

County Committee
Loretta Dickey, Chair
Craig Hayes, Vice Chair
Mark Creacraft, Member

County Committee meets
Third Wednesday of the
month

Staff
Mike Kerr, Acting CED
Susan Hamilton, PT
Kay McCartney, PT
JessiAnn Robertson, PT
Allison Pruskowski, PT
Bob Brown, FLM
Bob Fye, FLO
Pam Gillespie, PT
Cara Marafine, FLOT
Frank Urbanick, FLOT

County Committee Election Results

Congratulations to Mark Creacraft. Mark was elected to represent farmers from Athens, East Mead, Bloomfield, Oil Creek, Randolph, Richmond, Rockdale, Rome, Sparta, Steuben, Troy, and Wayne townships. on the county committee. Mark was elected to his first consecutive term. The election results for Local Administrative Area 3 are:

Mark Creacraft— Elected to the county committee (COC),
Laurence Hoffman — 1st alternate to COC,
Candace Morrell— 2nd alternate to COC

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For more information re: the Farm Loan Programs

Contact your local USDA-FSA Office

Selected Interest Rates for February 2009	
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Farm Ownership - Direct	3.75%
Limited Resource - Farm Operating	5.00%
Limited Resource - Farm Ownership	5.00%
Farm Ownership - Direct Down Payment Beginning Farmer or Rancher	1.5%
Emergency	3.75%
Farm Storage Facility	1.875%
Commodity Loan	1.375%

Dates to Remember	
2-16-2009	Office Closed – Presidents’ Day
5-25-2009	Office closed-Memorial Day
6-1-2009	DCP Deadline – No Late-file
06-15-2009	Last day for small grains
07-15-2009	Last day for corn & soybeans
Continues	Continuous Conservation Reserve program

Visit our Web site at
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****Temporary Vacancy Announcement****

Employment applications for temporary field/office positions are being accepted on a continuous basis during 2009. Contact your local USDA-Farm Service Agency office to obtain an application for employment.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its program 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, genetic information, political beliefs, 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, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.



Erie County News

Erie County USDA Service Center

Erie County FSA
12723 Route 19
Waterford, PA 16441
814-796-6760
814-796-6962
www.fsa.usda.gov/pa

Hours
Monday - Friday
8:00 a.m. - 4:30 p.m.

County Committee
Jim Neuburger
Paula Meabon
Matt Bartlett

Staff
Nancy Lewis
Dainia Adams
Jenny Rose Malinowski
Brenda Burdick
George Peters
Jack Pavkov

County Committee Election Results

Congratulations to Paula Meabon! Paula was re-elected to represent farmers from Greene, Greenfield, Venango, Amity, Wayne, LeBoeuf, Union and Concord Townships on the county committee. Paula was elected to her 3rd consecutive term. The election results for Local Administrative Area 3 are:

Paula Meabon — Elected to the county committee (COC)

FSA appreciates all of the voters for taking the time to complete the election ballot. The county committee system works only because of your participation.

DCP Sign-up Underway

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The electronic DCP (or eDCP) service will save you time, reduce paperwork and speed up contract processing at FSA offices. It is available to anyone eligible to participate in the DCP Program and can be accessed at www.fsa.usda.gov/dcp. To access this on-line service, you must have an active USDA eAuthentication Level 2 account, which requires filling out an online registration form at <http://www.eauth.egov.usda.gov> followed by a visit to the local USDA Service Center for identity verification.

FSA computes DCP Program payments using base acres and payment yields established for each farm. Eligible producers receive direct payments at rates established by statute re-

gardless of market prices. For 2009, you may request to receive advance direct payments based on 22 percent of the direct payment for each commodity associated with the farm. FSA will issue advance direct payments later this month. Counter-cyclical payment rates vary depending on market prices and are issued only when the effective price for a commodity is statutorily set below its target price.

Producers who are eligible for the DCP Program will also be eligible to enroll in the Average Crop Revenue Election (ACRE) Program. The enrollment period for the ACRE program will begin in the spring. You may first enroll in the DCP Program, receive advance direct payments and then later modify your enrollment to include the ACRE program or you may wait and elect to enroll in DCP and ACRE at the same time in Spring 2009.

MILC Sign-up Underway
Sign-up for the Milk Income Loss Contract Program (MILC) is underway. Applications can be accepted through the program's expiration date, Sept. 30, 2012.

The 2008 Farm Bill reauthorizes the MILC Program, which operates similarly to the counter-cyclical payment program for crops, and makes three key changes in program operation. Under the Farm Bill, the MILC payment rate and the per-operation poundage limit are modified, depending on when the milk is produced. In addition, a “feed cost adjuster” is introduced over the life of the 2008 Act, which adjusts the \$16.94 per hundred-weight (cwt.) benchmark price upward depending on the cost of feed rations. When available, MILC payments are based on a payment rate percentage that is multiplied by the difference between a now-flexible target (\$16.94 per cwt. or higher) and the specific month’s Boston Class I price of milk.





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The definition of income derived from farming, ranching and forestry operations was expanded to include, among other items, such items as the packing, storing and transporting of agricultural commodities; production of livestock products; farm-based production of renewable bio-energy; and in some instances, the providing of operational inputs to farmers, ranchers and foresters.

For conservation programs, the average non-farm AGI limitation is \$1 million or less for eligibility with allowances for certain exceptions. Individuals and entities must be "actively engaged in farming" with respect to a farming operation in order to be eligible for specified payments and benefits. To be "ac-

tively engaged in farming," the individual or entity must make significant contributions to the farming operation of: (1) capital, equipment, land, or a combination; and (2) personal labor or active personal management, or a combination.

Public comments on this interim final rule must be submitted to the Department within 90 days of the date of publication.

Foreign Buyers Notification

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

Foreign persons who have purchased or sold agricultural land in the county are required to report the transaction to FSA with 90 days of the closing. Failure to submit the AFIDA form could result in civil penalties of up to 25 percent of the fair market value of the property. County government offices, realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

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Limited Resource - Farm Ownership	5.00%
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Indiana County News

Indiana County USDA Service Center

Indiana County FSA
1432 RT 286 Hwy E
Indiana, PA 15701-1467
724-463-8547 (phone)
724-463-1939 (fax)
www.fsa.usda.gov/

Hours
Monday – Friday
8:00 a.m. - 4:30 p.m.

County Committee
Larry Coon, Chairman
Ted Kuzemchak,
Vice Chairman
R Edwin Nehrig, Member
Lois McConaughey,
Minority Advisor

County Committee meets
3rd Tuesday of every other
month

Staff
Charles R Glasser, CED
Donna Cousins, FLO
Krystal McCracken, FLO
Maureen Vilcek, PT
Linda Park, PT
Melissa Leasure, PT
Linda Fisher, PT
Mike Gaston, FA



County Committee Election Results

Congratulations to R Edwin Nehrig!

Ed was re-elected to represent farmers from Armstrong, Center, Brush Valley, Buffington, Conemaugh, Blacklick, W Wheatfield, E Wheatfield, Young, and Burrell townships on the county committee. Ed was elected to his second consecutive term. Additional election results for Local Administrative Area 3 are: Anthony Pizarchik was elected 1st alternate and Rodney Bloom, 2nd alternate.

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February 2009



Mercer / Lawrence County News

Mercer / Lawrence County USDA Service Center

559 Greenville Rd, Suite C
Mercer, PA 16137
724-662-2890
724-652-3321
724-662-0278 (Fax)
724-654-3586 (Fax)
www.fsa.usda.gov/pa

Hours

Monday - Friday
8:00 - 4:30 p.m.

County Committee

Robert McKissick
Mildred Brest
Janet Czubek
Gregory "Tom" Kephart
Brett Young

Shirley Mitcheltree -
Advisor

Staff

County Executive Director
A. Luke Vogel

Program Technicians
Bonnie Claypoole
Kimberly Croskey
Patty D'Angio
Angela George
Barbara Tolla

Farm Loan Manager
Merle Helbig

Farm Loan Officer
Charlene Berg

Field Assistant
Michael Hamilton



County Committee Election Results

Congratulations to Brett Young! Brett was elected to represent farmers from Delaware, Greene, Hempfield, Jefferson, Otter Creek, Pymatuning, Salem, South Pymatuning, Sugar Grove, and West Salem townships on the County Committee. Brett was elected to his first term. The election results for Local Administrative Area 1 are:

Brett Young — Elected to the COC
Jess Powell— 1st alternate to COC

FSA appreciates all of the voters for taking the time to complete the election ballot. The county committee system works only because of your participation.

The committee met in January to hold their organizational meeting. Robert McKissick will serve as the County Committee Chairman and Mildred Brest will serve as Vice-Chair.

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The 2008 Farm Bill reauthorizes the MILC Program, which operates similarly to the counter-cyclical payment program for crops, and makes three key changes in program operation. Under the Farm Bill, the MILC payment rate and the per-operation poundage limit are modified, depending on when the milk is produced. In addition, a "feed cost adjuster," is introduced over the life of the 2008 Act, which adjusts the \$16.94 per hundred-weight (cwt.) benchmark price upward depending on the cost of feed rations. When available, MILC payments are based on a payment rate percentage that is multiplied by the difference between a now-flexible target (\$16.94 per cwt. or higher) and the specific month's Boston Class I price of milk.



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For more information on the MILC program, contact your local USDA Service Center.

USDA Enacts Changes to Payment Limitations, Income Qualifications, and Implements Direct Attribution

USDA recently published an interim final regulation in the Federal Register announcing changes to both Adjusted Gross Income (AGI) qualifications, program payment limitations, and direct attribution for FSA and Natural Resources Conservation Service (NRCS) programs, which became effective in accordance with the 2008 Farm Bill.

For commodity and disaster programs, the AGI limitation was reduced from \$2.5 million AGI from all sources to a three-year average non-farm AGI of \$500,000 such that a person or entity shall not be eligible for such programs if the non-farm AGI exceeds \$500,000. Also, under the new regulations, an individual or entity must have a 3-year average AGI less than or equal to \$750,000 per year from farm income in order to qualify for direct payments issued under the Direct and Counter-cyclical Program.

The definition of income derived from farming, ranching and forestry operations was expanded to include, among other items, such items as the packing, storing and transporting of agricultural commodities; production of livestock products; farm-based production of renewable bio-energy; and in some instances, the providing of operational inputs to farmers, ranchers and foresters.

For conservation programs, the average non-farm AGI limitation is \$1 million or less for eligibility with allowances for certain exceptions.

Individuals and entities must be "actively engaged in farming" with respect to a farming operation in order to be eligible for specified payments and benefits. To be "actively engaged in farming," the individual or entity must make significant contributions to the farming operation of: (1) capital, equipment, land, or a combination; and (2) personal labor or active personal management, or a combination.

Public comments on this interim final rule must be submitted to the Department by within 30 days of the date of publication.

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. Prohibited plants include marijuana, opium, poppies and other drug producing plants.

Conservation Reserve Enhancement Program (CREP)

The conservation Reserve Enhancement Program (CREP) is a program designed to improve water quality, wildlife habitat, and farming practices. Participants are paid an annual rental payment, as well as several incentive payments on certain practices, to enroll their property in the program. There are many practices available from which to choose. Riparian Buffers, Grassed Waterways and Grass Seedings are a few examples. Rental payments increase with increased slope and decreased soil quality. Rental payments have also recently undergone new alterations and are very competitive.

For additional information please contact the Farm Service Agency (FSA) at 724-662-2890 ext.2 or Natural Resources Conservation (NRCS) Service ext 3.

Changes in Staffing at the Mercer / Lawrence County Office

In late September, County Executive Director, D. Earl Smith retired after serving the local farming community for almost 19 years. Thanks Earl for all of your dedication! We wish you the best of luck in future endeavors. Congratulations!!! The County Committee has hired A. Luke Vogel as the new County Executive Director. He started this position January 4, 2009. Previously Luke had been working as CED in the Crawford County Office. We invite you to stop by the office to meet Luke and enroll in all applicable programs.

Special Accommodations

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Remember FSA makes operating loans to individual rural youths age 10 through 20 to establish and operate income producing projects. These projects must be of modest size and be initiated, developed, carried out by rural youths participating in 4-H Clubs, FFA, or a similar organization or with a vocational teacher or county extension agent. The project must be an organized and supervised program of work. It must be planned and operated with the assistance of the organization advisor, produce sufficient income to repay the loan, and provide the youth with practical business and educational experience. **Contact your local FSA office for more details.**

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Farm Ownership - Direct Down Payment Beginning Farmer or Rancher	1.5%
Emergency	3.75%
Farm Storage Facility	2.25%
Commodity Loan	1.50%

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Dates to Remember	
5-25-2009	Office Closed – Memorial Day
6-1-2009	DCP Deadline – No Late File
6-15-2009	Small Grain Crop Reporting Deadline
7-3-2009	Office Closed – Independence Day
7-15-2009	Crop Reporting Deadline
Continues	Continuous Conservation Re- serve program

Help Wanted

The Mercer/Lawrence Farm Service Agency is accepting applications for those who would be interested in jobs as either Field Assistant/Loss Adjustor or Temporary Program Technician. Applications may be obtained at the office. An application is valid for one year from when it is submitted. Field Assistants measure grain bins, verify crops, and measure losses of noninsured crops. Temporary Program Technicians assist in the office during signups as the budget would permit.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its program 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, genetic information, political beliefs, 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, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.



Somerset County News

**Somerset County
USDA Service Center**

**Somerset County FSA
6024 Glades Pike
Somerset, Pa. 15501
814-445-6174 ext 2
814-445-2044 (fax)**

Hours
Monday – Friday
8:00 a.m. – 4:30 p.m.

County Committee
Wayne Petenbrink
Mark Miller
Roger Platt
Charlene McWilliams,
Advisor

County Committee meets
2nd Thursday each month

Staff
Farm Programs Staff
Michael Holbay
Cathy Latuch
Elaine Bocsy
Gillian Shippey
Farm Loan Staff
Richard Lehman
Amanda Mosholder
Gloria Lohr



County Committee Election Results

Congratulations to Mark Miller! Mark was re-elected to represent farmers from Conemaugh,, Paint, Ogle, Jenner, Quemahoning, Shade and Stonycreek Townships on the county committee. Mark was elected to his second consecutive term. The election results for Local Administrative Area 2 are:

Mark Miller — elected to the county committee (COC),
Melda Miller — 1st alternate to COC,
Dean Shaver — 2nd alternate to COC

FSA appreciates all of the voters for taking the time to complete the election ballot. The county committee system works only because of your participation.

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The electronic DCP (or eDCP) service will save you time, reduce paperwork and speed up contract processing at FSA offices. It is available to anyone eligible to participate in the DCP Program and can be accessed at www.fsa.usda.gov/dcp. To access this on-line service, you must have an active USDA eAuthentication Level 2 account, which requires filling out an online registration form at <http://www.eauth.egov.usda.gov> followed by a visit to the local USDA Service Center for identity verification.

FSA computes DCP Program payments using base acres and payment yields established for each farm. Eligible producers receive direct

payments at rates established by statute regardless of market prices. For 2009, you may request to receive advance direct payments based on 22 percent of the direct payment for each commodity associated with the farm. FSA will issue advance direct payments later this month. Counter-cyclical payment rates vary depending on market prices and are issued only when the effective price for a commodity is statutorily set below its target price.

Producers who are eligible for the DCP Program will also be eligible to enroll in the Average Crop Revenue Election (ACRE) Program. The enrollment period for the ACRE program will begin in the spring. You may first enroll in the DCP Program, receive advance direct payments and then later modify your enrollment to include the ACRE program or you may wait and elect to enroll in DCP and ACRE at the same time in Spring 2009.

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**For more information re:
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Continues	Continuous Conservation Reserve Program

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Washington/Greene County News

Washington/Greene Co. USDA Service Center

**Washington/Greene
County FSA**
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Suite 1
Washington, PA 15301
724-222-3060 (phone)
724-222-6211 (fax)
www.fsa.usda.gov

Hours
Monday - Friday
8:00 a.m. - 4:30 p.m.

County Committee
Mark Brigich, Chairman
William Cree, Vice-Chair
John Hildreth, Member
Don Gardner, Member
John Hunter, Member
Georganne Griffith, Advi-
sor

Staff
Michal E. Kunsman, CED
Evelyn Mull, PT
Joel Weir, Field Assistant
Judy Hamilton, Field As-
sistant

County Committee Election Results

Congratulations to John F. Hunter and William (Bill) A. Cree! John was re-elected to represent farmers from Independence, Cross Creek, Hopewell, Canton, Blaine, Donegal, Buffalo, West Finley, East Finley and Morris Townships on the county committee. Bill was elected to represent farmers from Washington, Morgan, Jefferson, Cumberland, Franklin, Whiteley, Greene, Monongahela, Perry and Dunkard Townships on the county committee. John was elected to his third consecutive term. The election results for Local Administrative Area 3 are:

John F. Hunter — Elected to the county committee (COC),
William Dillie — 1st alternate to COC

Bill was elected to his first term. The election results for Local Administrative Area 4 are:

William A. Cree—Elected to the county committee (COC).
Dennis McCann—1st alternate to COC

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- and farm ownership
- Farm planning and counseling
- Supervised credit and assistance through the life of your loan
- Sustained financial planning services

Washington/Greene Co.
 FSA Office
 2800 North Main Street,
 Suite 1
 Washington, PA 15301



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Youth Loans

Remember FSA makes operating loans to individual rural youths age 10 through 20 to establish and operate income producing projects. These projects must be of modest size and be initiated, developed, carried out by rural youths participating in 4-H Clubs, FFA, or a similar organization or with a vocational teacher or county extension agent. The project must be an organized and supervised program of work. It must be planned and operated with the assistance of the organization advisor, produce sufficient income to repay the loan, and provide the youth with practical business and educational experience. Contact your local FSA office for more details

**For more information re:
 the Farm Loan Programs**
 Contact your local USDA-FSA Office

Selected Interest Rates for March 2009	
Farm Operating - Direct	2.00%
Farm Ownership - Direct	3.50%
Limited Resource - Farm Operating	5.00%
Limited Resource - Farm Ownership	5.00%
Farm Ownership - Direct Down Payment Beginning Farmer or Rancher	1.5%
Emergency	3.75%
Farm Storage Facility	2.25%
Commodity Loan	1.50%

Dates to Remember	
5-25-2009	Office Closed – Memorial Day
6-1-2009	DCP Deadline – No Late-file
Continues	Continuous Conservation Reserve program

Visit our Web site at
<http://www.fsa.usda.gov/pa>

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its program 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, genetic information, political beliefs, 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, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.



Westmoreland/Fayette County News

Westmoreland/Fayette County USDA Service Center

214 Donohoe Rd. Suite F
Greensburg, PA 15601
724-853-5555 (Westmore)
724-437-2264 (Fayette)
724-832-9721 (Fax)
www.fsa.usda.gov/pa

Hours
Monday - Friday
8:00. - 4:30 p.m.

County Committee

Richard Love
Paul Diamond
Robert Graham
Fred Slezak
Myra Piwowar
David Hay -Advisor

Staff

County Executive Director
John Lohr

Program Technicians
Imogene Fink
Kimberley Haberlen
Wren Holchin

Field Assistants
Richard Comp
James Mariani
Jeff Rider
Robert Fink

Farm Loan Officer
Krystal McCracken

County Committee

Election Results

Congratulations to Paul Diamond who was re-elected to the county committee (COC) to represent farmers from Washington (Fayette), Perry, Jefferson, Brownsville, Franklin, Redstone, Luzerne, Menallen, German, Nicholson, and Springhill townships. The election results for Local Administrative Area 4 are:

Paul Diamond — Elected to the COC
Michael Reskovic— 1st alternate to COC
Robert Dorazio — 2nd alternate to COC

FSA appreciates all of the voters for taking the time to complete the election ballot. The county committee system works only because of your participation.

The elections in Westmoreland LAA#2 were delayed because of a ballot mailing problem and will be completed in early February. The committee members will hold their organizational meeting in March to determine who will serve as the county committee chairman and vice-chairman.

DCP Sign-up Underway

Sign-up has started for the 2009 Direct and Countercyclical Payment (DCP) Program for farms with base acres. You can sign up online or at local USDA service centers. Sign-up will continue until June 1, 2009. **The June 1, 2009 deadline is mandatory for all participants. FSA will not accept any late-filed applications.**

The electronic DCP (or eDCP) service will save you time, reduce paperwork and speed up contract processing at FSA offices. It is available to anyone eligible to participate in the DCP Program and can be accessed at www.fsa.usda.gov/dcp. To access this on-line service, you must have an active USDA eAuthentication Level 2 account, which requires filling out an online registration form at <http://www.eauth.egov.usda.gov> followed by a visit to the local USDA Service Center for identity verification.

FSA computes DCP Program payments using base acres and payment yields established for each farm. Eligible producers receive direct payments at rates established by statute regardless of market prices. For 2009, you may request to receive advance direct payments based on 22 percent of the direct payment for each commodity associated with the farm. FSA will issue advance direct payments later this month. Counter-cyclical payment rates vary depending on market prices and are issued only when the effective price for a commodity is statutorily set below its target price.

Producers who are eligible for the DCP Program will also be eligible to enroll in the Average Crop Revenue Election (ACRE) Program. The enrollment period for the ACRE program will begin in the spring. You may first enroll in the DCP Program, receive advance direct payments and then later modify your enrollment to include the ACRE program or you may wait and elect to enroll in DCP and ACRE at the same time in Spring 2009.

MILC Sign-up Underway

Sign-up for the Milk Income Loss Contract Program (MILC) is underway. Applications can be accepted through the program's expiration date, Sept. 30, 2012.

The 2008 Farm Bill reauthorizes the MILC Program, which operates similarly to the counter-cyclical payment program for crops, and makes three key changes in program operation. Under the Farm Bill, the MILC payment rate and the per-operation poundage limit are modified, depending on when the milk is produced. In addition, a "feed cost adjuster" is introduced over the life of the 2008 Act, which adjusts the \$16.94 per hundred-weight (cwt.) benchmark price upward depending on the cost of feed rations. When available, MILC payments are based on a payment rate percentage that is multiplied by



the difference between a now-flexible target (\$16.94 per cwt. or higher) and the specific month's Boston Class I price of milk.

The 2008 Farm Bill made changes to the provisions for payment eligibility and adjusted gross income (AGI). If the individual or entity has non-farm AGI greater than \$500,000, the individual or entity is not eligible for MILC benefits.

For more information on the MILC program, contact your local USDA Service Center.

USDA Enacts Changes to Payment Limitations, Income Qualifications, and Implements Direct Attribution

USDA recently published an interim final regulation in the Federal Register announcing changes to both Adjusted Gross Income (AGI) qualifications, program payment limitations, and direct attribution for FSA and Natural Resources Conservation Service (NRCS) programs, which became effective in accordance with the 2008 Farm Bill.

For commodity and disaster programs, the AGI limitation was reduced from \$2.5 million AGI from all sources to a three-year average non-farm AGI of \$500,000 such that a person or entity shall not be eligible for such programs if the non-farm AGI exceeds \$500,000. Also, under the new regulations, an individual or entity must have a 3-year average AGI less than or equal to \$750,000 per year from farm income in order to qualify for direct payments issued under the Direct and Counter-cyclical Program.

The definition of income derived from farming, ranching and forestry operations was expanded to include, among other items, such items as the packing, storing and transporting of agricultural commodities; production of livestock products; farm-based production of renewable bio-energy; and in some instances, the providing of operational inputs to farmers, ranchers and foresters.

For conservation programs, the average non-farm AGI limitation is \$1 million or less for eligibility with allowances for certain excep-

tions. Individuals and entities must be "actively engaged in farming" with respect to a farming operation in order to be eligible for specified payments and benefits. To be "actively engaged in farming," the individual or entity must make significant contributions to the farming operation of: (1) capital, equipment, land, or a combination; and (2) personal labor or active personal management, or a combination.

Public comments on this interim final rule must be submitted to the Department within 90 days of the date of publication.

Foreign Buyers Notification

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

Foreign persons who have purchased or sold agricultural land in the county are required to report the transaction to FSA with 90 days of the closing. Failure to submit the AFIDA form could result in civil penalties of up to 25 percent of the fair market value of the property. County government offices, realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

Conservation Reserve Enhancement Program

The conservation Reserve Enhancement Program (CREP) is a program designed to improve water quality, wildlife habitat, and farming practices. Participants are paid an annual rental payment, as well as several incentive payments on certain practices, to enroll their property in the program. There are many practices. The two most popular are Riparian Forested Buffers and Grassland Plantings.

Riparian Forested Buffers are defined as trees planted in an area 50-180 feet from the stream bank outward. Native hardwood trees are planted and act as a natural filtration system for the stream. Water quality is improved by the reduction of sediment and nutrient loads in the waterways. Wildlife benefit from the diverse species of trees and shrubs planted.

Grasslands can be planted with several different

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. Prohibited plants include marijuana, opium, poppies and other drug producing plants.

Special Accommodations

Special accommodations will be made upon request for individuals with disabilities, vision impairment or hearing impairment. If accommodations are required, individuals should contact the county FSA office staff directly or by phone.



Power of Attorney

For those who find it difficult to visit the county office personally because of work schedules, distance, health, etc., 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 our office or any Farm Service Agency office near you for more information.

Appeal Process

After an FSA 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.

Program participants have choices — an informal review with the original agency decision-maker, an opportunity for mediation, an appeal to the next level of authority within the agency and appeal to the national appeals division.

seed mixes including warm and cool season grasses. Both benefit birds exhibiting population decline, however warm season grass provides the best habitat. This practice targets marginal farm land and highly erodible soil. Rental payments increase with increased slope and decreased soil quality.

For additional information please contact the Farm Service Agency (FSA) at 724-853-5555 ext.2 or Natural Resources Conservation (NRCS) Service ext 3.

You can also visit the FSA or NRCS office at 214 Donohoe Rd. Greensburg PA 15601

Bank Account Changes

Current policy mandates that 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.

Customer Statement

January signaled the beginning of a new year, and a time to starting thinking about filing taxes. Producers who have signed up for a USDA eAuthentication Level 2 account will be able to access their farm data via their Customer Statement.

The Customer Statement puts a range of USDA services and programs into a single report that's at your fingertips and available online, 24 hours a day, seven days a week. It allows USDA customers to view their participation, application and payment status in various commodity and conservation programs; information on farm loans; and conservation plan and land unit information.

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and provide the youth with practical business and educational experience. Contact your local FSA office for more details.

Why should USDA's Farm Service Agency be your lender of first opportunity?

The farming industry has undergone many changes in recent years, resulting in new types of small farming and ranching enterprises. These include value-added farming operations, organic farming, immigrant farming, and the growing of crops for local retailers or direct sale to consumers.

New federal programs have been enacted to stimulate beginning and younger farmers to establish new, or retain ownership of existing, small family farms. These exciting new trends in rural America present the USDA's Farm Service Agency (FSA) Farm Loan Programs (FLP) with opportunities for increased lending activity in the farming community.

----So, why should USDA's Farm Loan Programs be your lender of first opportunity?

We are your advocates.

Farm Loan Programs staff are predisposed to award loans, therefore putting the agent on the customer's side. FSA wants to see you succeed. This is evident in our consultative approach, offering low rates and identifying other resources to our clients in an advisory fashion throughout the life of the loan.

We think outside the box.

Our loan staff keep up with the industry trends and constantly look for emerging and non-traditional farm business models. Our commitment to doing things better in the industry provides you with fresh perspectives, alternatives, and creative ways of growing your business.

We offer solutions.

Our staff can refer customers to other public financial aid sources that can serve as a blend with the Farm Loan Programs loan. This results in acquiring more comprehensive resources and a tailored financial solution that works for unique lending situations.

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- Farm planning and counseling
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- Sustained financial planning services

For more information re: the Farm

Loan Programs

Contact your local USDA-FSA Office

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Limited Resource - Farm Ownership	5.00%
Farm Ownership - Direct Down Payment Beginning Farmer or Rancher	1.5%
Emergency	3.75%
Farm Storage Facility	1.875%
Commodity Loan	1.375%

Dates to Remember

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6-1-2009	DCP Deadline – No Late-file
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