Farm Service Agency

March 2005

Fact Sheet



Overview

USDA Farm Service Agency's (FSA) Livestock Assistance Program (LAP) provides direct payments to eligible livestock producers who suffered grazing losses due to natural disasters that occurred in calendar year 2003 or 2004.

Funding for LAP is authorized by the Military Construction and Emergency Hurricane Supplemental Appropriations Act, 2005. Unlike prior LAP programs, there is no cap on total funding.

USDA will soon offer producers the ease of signing up for the LAP online from their home or place of business or at any USDA Service Center across the nation. To sign up from home or place of business, producers must first establish an eauthentication identity in their local USDA Service Center. Producers can also sign up online for USDA's Farm Service Agency (FSA) eLDPs or the Loan Deficiency Payment Program and the Direct and Counter-Cyclical Payment Program.

Eligible Producers

LAP provides assistance to eligible producers in approved counties. To be approved, a county must have suffered a 40 percent or greater loss of available grazing for at least 3 consecutive months as a result of damage due to drought, hot weather, disease, insect infestation, flood, fire, hurricane, earthquake, severe storms, or other disasters during the 2003- or 2004-crop years. The maximum grazing loss allowable for payment is 80 percent. A county must have been approved as a primary disaster area under a Secretarial disaster designation or as a Presidential disaster declaration for events occurring after January 1, 2003, but no later than December 31, 2004. Eligibility for LAP benefits for an individual producer was based on whether a natural disaster caused the producer in an approved county to suffer a 40 percent or greater loss of grazing for 3 or more consecutive months during either of the calendar years (CY) 2003 or 2004. If a county was approved for 2003 and 2004, and a producer in that county suffered a qualifying grazing loss both of those years, that producer must choose either 2003 or 2004 as the year to receive LAP payment. A producer cannot receive LAP assistance for more than one year.

Livestock Assistance Program

Eligibility Requirements

Eligible livestock include beef and dairy cattle, buffalo or beefalo (when maintained on the same basis as beef cattle), elk, reindeer, bison, sheep, goats, swine, and equine animals used commercially for human food or kept for the production of food or fiber on the owner's farm. To meet eligibility requirements, producers had to own or lease affected livestock for at least 3 months before the payment period.

To be eligible for LAP, a producer must:

- Have possessed beneficial interest in eligible livestock or have financial risk in eligible livestock (beneficial interest refers to title and control of the livestock);
- Report eligible livestock and grazing acreage on form CCC-740;
- Report percent of loss of grazing on form CCC-740;
- Complete "person" determination forms;
- Certify gross revenue income on form CCC-740;
- Certify conservation compliance on form AD-1026; and
- Have been a U.S. citizen or an alien legally residing here.

LAP assistance is based upon the value of feed calculated on a corn equivalency basis required for eligible livestock during at least a 3-consecutive-month period where a minimum 40 percent feed loss occurred. A producer's grazing loss request for payments cannot exceed the maximum grazing loss established for the county. Livestock sold because of natural livestock conditions during the year for which LAP is requested shall be considered eligible for LAP payment for the entire payment period or through the remainder of the payment period for that year, if all other eligibility requirements are met.

Ineligible Livestock

Ineligible livestock include:

- Livestock grazed on a basis or weight gain
- Nursing calves (under 400 lbs) lambs, kids
- Wild or uncontrolled livestock on open range
- Poultry
- Llamas
- Yaks
- Slaughter livestock not for human consumption
- Recreational livestock or equines for other than human food or to produce food or fiber.

Eligible Grazing Types

Eligible grazing types include:

- Native (non-irrigated)
- Improved (non-irrigated)
- Sorghum forage (non-irrigated)

LAP Sign-up

- Applications for LAP benefits must be filed in the local USDA Service Center. When producers apply for LAP, they are required to provide the following information:
 - The number, kind of livestock, and weight range of livestock owned or leased during CY 2003 or 2004, as applicable, and the producer's share in those livestock;
 - $\hfill\square$ Acres, location, and type of

An estimated percentage of producer's loss of grazing for each year, as applicable; and information about significant changes in livestock numbers, including dates when the changes occurred. Also, the livestock numbers that were sold because of a material disaster, including dates when the livestock were sold. These livestock are called "mitigated" livestock.

Further Information

Further information is available at local FSA county offices. These are usually listed in telephone books under "United States Government, U.S. Department of Agriculture." Information is also available on FSA's homepage at: www.fsa.usda.gov.

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